

**MINUTES OF THE
BUDGET COMMITTEE MEETING AND
REGULAR BOARD OF COMMISSIONERS MEETING
ROBERTS CREEK WATER DISTRICT
May 9, 2019**

President Tracey Parker called the budget committee meeting to order at 5:32 pm. Present were Commissioners Phil Bigler, Carolyn White, Tom Fullbright, and Steve Lusch. Also present were Budget Committee members Shirley McSperitt, Ron Curry, Michele Carlson, Gary Schroeder, Office Manager David Campos, Superintendent Alan Paulson. Budget Committee member Kat Stone was absent.

President Parker called upon the budget committee to nominate a chairperson and secretary for the budget meeting. Budget Committee member Shirley McSperitt nominated Commissioner Phil Bigler as chairperson. Commissioner Lusch seconded the motion. Approval was unanimous.

Office Manager and Budget Officer David Campos informed the Budget Committee that for delivery of the Budget Message, he can read the message, go over highlights, answer any questions on the message, or the Committee can just proceed on. The Committee opted to proceed on with the budget review. Chairperson Bigler then commenced the review of the budget detail. Committee member Shirley McSperitt stated that the narratives for the budget were terrific.

Ms. McSperitt questioned why the Backflow tests receipts are not higher than the costs budgeted for backflow tests, as the District charges customers an additional fee above costs for non-compliant backflow tests. David replied there are also costs for the District's own backflow testing that are not billed out. Committee member Gary Schroeder asked if, for budget purposes, both the revenues and expenditures were budgeted conservatively. David stated that he does budget both items conservatively, estimating revenues low and estimating expenditures high. The committee was satisfied with the response.

Ms. McSperitt stated that she understands that the District office may have a staff person retire soon, and asked whether there was an anticipated retirement date. David stated that employee Sharon Cason has not given a retirement date yet, but David plans to hire a staff person sometime in the 2019-2020 fiscal year so that they can be fully trained by the time Sharon retires.

Ms. McSperitt also noted that there were budgeted amounts for elections expenditures in the 2019-2020 fiscal year, but the District will not have any elections in the upcoming year. David stated that there very well may not be any elections, but there are costs budgeted in

case the District goes forward in merging with Green Sanitary District. President Parker added that the two Districts have been discussing merging to form one Joint Water and Sewer Authority, and voters would need to approve of the merger in an election. Ms. McSperitt stated that that is a pretty big step and asked what the likelihood is that the merger does or does not happen. Commissioner Steve Lusch stated that we are still in the research phase are still learning of what is involved.

Committee member Michele Carlson asked about the significant increase budgeted in liability and auto insurance. David stated that the budget for property insurance decreased and that it was mainly a reclassification of costs between the two line items.

Ms. McSperitt asked what factor is used to determine budgeted salary increases, as the Office Manager's salary has a budgeted increase of 6%, but the Superintendent has a budgeted increase of 3%. President Parker stated that merit increases are 3%. David added that for budget purposes, he estimates a 3% COLA increase that is applied to all salary steps. That percentage is not necessarily what is approved by the Board, but it is a conservative estimate used for budgeting. Superintendent Alan Paulson added that several employees, including himself, have reached the top level of their salary scale and do not receive any more merit increases.

Ms. McSperitt questioned why \$6,000 was budgeted for summer stored water when the reservation fee is \$2,175 and we do not anticipate having a shortage of water. David stated that we always budget for possible use of summer stored water even if we may not use it, we try to err on the side of caution.

Ms. McSperitt also noted that we have budgeted costs for inventory adjustment, when they have not been budgeted for in the past. David stated that almost every year, there are costs in the inventory adjustment account that affect the budget at year-end, so it is time to start budgeting costs for that line item.

Chairperson Phil Bigler asked if there are anticipated equipment purchases to account for the \$10,000 budgeted increase. Alan stated that the increase is for the replacement of several computer workstations and server at the treatment plant.

Ms. McSperitt questioned the budgeted grant/loan proceeds of \$750,000 in the Capital Projects fund. The construction of a new reservoir tank on Old Hwy 99 is planned for 2019-2020. Discussion followed. Ms. McSperitt stated that she noted the expenditures budgeted for the project, but wanted to know where the resources would be coming from. Additional discussion regarding the new tank followed. David stated that the District plans to contribute approximately 50% of the costs of the estimated \$1,500,000 project.

Ms. McSperitt asked about the \$20,000 budgeted intertie expenditures. Alan stated that the District plans to complete an intertie with Umpqua Basin Water Association.

Following general committee discussion and comments, Committee member Ron Curry made a motion to approve the 2019-2020 Budget, as proposed. Committee member Gary Schroeder seconded the motion. Approval was unanimous.

The Board thanked the members of the Budget Committee for their input, and the budget committee meeting was adjourned at 6:13pm. The committee members exited the meeting, with the exception of Shirley McSperitt.

President Parker called the regular Board meeting to order at 6:37 pm. Visitor employee Dan Radford was also present for the regular Board meeting.

Commissioner Fullbright made a motion to approve the combined April/May minutes, financials, accounts payable, and the following consent agenda:

Ronda Hamilton 52 Santa Rosa Ct 005342-001

	<u>Gallons</u>	<u>Billing</u>	<u>ADJUSTMENT</u>
Feb 19 - Apr 19	36,900	\$ 151.45	$\$151.45 - 85.90 = \$65.55 / 2 =$
Feb 18 - Apr 18	13,900	\$ 85.90	\$32.78 calculated credit

Commissioner Bigler seconded the motion, and approval was unanimous.

Office Manager David Campos gave his monthly report. David informed the Board that he has received a new server from Dell. The server is required to accommodate our new billing software. Once the server is installed, David can move forward with the CUSI project manager.

Beth Dewsnup will be attending a front-desk safety and security class on May 15th. David will be attending his annual government accounting and auditing class on May 20-21.

David reminded the Board that the joint meeting with Green Sanitary District and attorney Eileen Eakins will be held June 13th at 5:30pm.

Superintendent Alan Paulson gave his report. He stated that Douglas County Fire District two has been flushing hydrants, but they are on their own schedule, so we have been doing our best to follow behind and exercise valves.

We have had a few leaks in the District. Will and Jeremy will be pinning membranes at the treatment plan tomorrow.

The crew will be draining and cleaning out the sediment basin at the beginning of June.

There was a small landslide near the speedway tank. The owner of the property supplied the material and we did the repair.

Alan informed the Board that we recently posted a job opening for Utility 1. The position was posted through several outlets.

SHN Engineers is currently drilling test holes on our new tank site.

Alan informed the Board that the cyanotoxins testing will begin May 13 and will continue every other week until October 28.

Alan stated that a preconstruction meeting regarding the new mag meters on June 5th. The meeting for the new MIOX will also be held on June 6th.

The Board went into executive session in accordance with ORS 192.660(2)(i) at 6:54 pm, and Dan Radford and Shirley McSperritt were excused from the meeting. President Parker called the regular Board meeting back into session at 7:00 pm.

Commissioner White made a motion to give Shawn Hastings a \$100 gift card with a letter of gratitude. Commissioner Lusch seconded the motion, and approval was unanimous.

There being no further business, Commissioner Bigler made a motion to adjourn. Commissioner Lusch seconded the motion. Approval was unanimous, and the meeting adjourned at 7:02 pm.



Commissioner
Roberts Creek Water District



Commissioner
Roberts Creek Water District

**MINUTES OF THE
2nd BUDGET COMMITTEE MEETING
May 16, 2019**

Vice President Steve Lusch called the 2nd budget committee meeting to order at 6:01 pm. Present were Commissioners Phil Bigler, Carolyn White, and Tom Fullbright. Also present were Budget Committee members Shirley McSperitt, Ron Curry, and Michele Carlson. Office Manager David Campos and Superintendent Alan Paulson were present. Budget Committee members Kat Stone and Gary Schroeder, and President Tracey Parker were absent.

Office Manager and Budget Officer David Campos began the meeting stating that he realized there was an error in the approved budget that needed to be corrected. In the budgeted Capital Projects expenditures for the construction of the new reservoir tank, the expenditures needed to be changed from \$750,000 to \$1,500,000. The total estimated project cost of \$1,500,000 reflects the gross costs not offset by resources. David asked the committee to review and consider approval of the 2019-2020 budget with the noted change.

Commissioner Fullbright made a motion to accept the change and approve the 2019-2020 proposed budget. Commissioner White seconded the motion. Approval was unanimous.

There was no comment from the public.

Commissioner Fullbright made a motion to adjourn the meeting. Commissioner White seconded the motion. Approval was unanimous, and the meeting was adjourned at 6:03pm.



Commissioner
Roberts Creek Water District



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