

**CORBETT WATER DISTRICT
BUDGET MEETING
Written Summary
March 20, 2012**

Board members present: Jeff Hargens, Robert Gaughan, Sonny Boyd, Robert Churnside, Kevin Wilhelm.

Budget committee members present: Dave Mysinger, Robert Colclessner, Dale Anderson, Tom Doty.

Absent budget committee members: Malcolm Freund.

Staff present: James Jans, Shanti Kraai.

Audience members present: David Jacob.

Chairman **Jeff Hargens** called the meeting to order at 6:05 p.m.

APPROVAL OF THE AGENDA

Jeff Hargens would like the election of the budget committee chairman added to the agenda. **Robert Gaughan** made a motion to approve the agenda as modified, **Sonny Boyd** seconded, passed unanimously.

ELECT BUDGET COMMITTEE CHAIRMAN

Robert Gaughan made a motion to nominate Dave Mysinger as budget committee chairman, **Sonny Boyd** seconded, passed unanimously. No other nominations were made. Dave Mysinger accepted the nomination.

REVIEW OF THE PROPOSED BUDGET

Dave Mysinger states that James Jans will lead the following presentation of the 2012-2013 proposed budget. Everyone present at the meeting introduced themselves since there have been new additions to the budget committee this year. **James Jans** explained each line item in the proposed budget, as well the amounts they were budgeted for. **Dave Mysinger** feels that the District can no longer move forward with an operational budget without increasing water rates during the upcoming fiscal year. **Sonny Boyd** feels that anybody presented with the facts would understand the need for a rate increase. **Jeff Hargens** feels that we have a comfortable level with our personnel services, however our capital outlay funds are limited. He feels that increasing the base rate may be a good solution. He suggested using the extra funds to pay off the loan faster than scheduled so when the District needs to do any major projects, such as rebuilding the treatment plant filter pond, they will feel comfortable receiving a bond if needed. He states that the District is finding it difficult to save any money for this project since our budget is going down. The District has not had a rate increase since 2003. **Dale Anderson** states that as a customer, he would like to see small rate increases occur over a period of time, as to avoid having a large increase all at once. **Robert Gaughan** feels that some customers may get upset if the base rate increases since some use very little water. He states that a customer may feel it is

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REVIEW OF THE PROPOSED BUDGET – (Cont.)

unfair if they only use 1 unit of water but have a large increase on their water bill due to a base rate increase. **Jeff Hargens** states that the District may have to have a small increase on both the base rate and the cost per unit. **Robert Colclessor** said that the water rates used to be \$3.91 per unit, with a base rate of \$16.10. In 2003 the board decreased the cost per unit to \$3.65 and increased the base rate to \$12 per month, and the rates have been the same ever since. He states that it would be wise to plan for the future. **Jeff Hargens** says that the District needs to have a specific purpose for the rate increase in order to clearly explain the need to the community.

Robert Colclessor made a motion to adjourn the budget committee meeting, **Dale Anderson** seconded, passed unanimously. Meeting adjourned at 7:00 p.m.