

**CORBETT WATER DISTRICT
BUDGET COMMITTEE MEETING
Written Summary
March 31, 2015**

Budget committee members present: Jeff Hargens, Robert Gaughan, Sonny Boyd, Robert Churnside, Kevin Wilhelm, Jack Garrison, Marianne Pietras, Robert Telford, Malcolm Freund, Sara Grigsby.

Staff present: James Jans, Shanti Burns.

Audience members present: Dave Mysinger.

Budget committee chairman **Jack Garrison** called the meeting to order at 6:34 p.m.

APPROVAL OF THE AGENDA

Sara Grigsby made a motion to approve the agenda, **Robert Telford** seconded, passed unanimously.

APPROVAL OF THE MINUTES

Sara Grigsby made a motion to approve the minutes as written, **Robert Gaughan** seconded, passed unanimously.

OVERVIEW OF THE BUDGET STRATEGY

Capital Outlay:

Filter/Treatment Plant - **Jack Garrison** explained that this category increased due to the increases and decreases in the auditor, easements, and hydrant reimbursement categories.

Treatment Plant Computer System - **Marianne Pietras** said she found a computer that can withstand harsh chlorine environments and has a 10 year warranty. The computer costs approximately \$4,500. It was agreed upon increasing the category to \$2,500 in order to purchase this computer within 2 years.

Operating Contingency - This category was increased in order to keep it at 10% of the total budget.

Material & Services:

Auditor - The proposed audit figures included an increase for a federal audit in the case the District receives the WaterSMART grant. The federal government however will conduct their own audit, therefore the extra funds are not needed. This category was reduced to \$8,000.

Easements - At the Board meeting held on March 17, 2015, the Board of Commissioners approved Pace Engineers proposal of \$7,750 for easements during the 2015-2016 budget year. Therefore, this category has increased from \$5,000 to \$7,750. The budget committee agreed to have prescriptive easements reviewed to see if they would apply to the District.

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Insurance & Bonds - The budget committee recommends comparing the cost of the Special District's Association of Oregon's insurance coverage rates with other providers.

Personnel Services:

Unemployment - It was decided by the budget committee to reduce this category to \$1,600.

Temporary Help - After discussion, this category increased to \$11,000.

Debt Service:

Marianne Pietras said while reviewing other water systems audit reports, she noticed there have been loan forgiveness from the State of Oregon. She feels it would be beneficial to look into this further. **Jeff Hargens** does not feel comfortable with proceeding. He feels that the District has a responsibility to pay our debts. **Sonny Boyd** would like a volunteer to look into the definition of what loan forgiveness means. He said if it just involves receiving a reduced interest rate it would be beneficial to the District. However, if it means we have to declare a hardship, or if it affects receiving future loans, he would not like to proceed. The budget committee, although not unanimously, agreed to have a volunteer look into forgiveness from the State of Oregon for our revolving loan.

Resources:

Hydrant Reimbursement - This category was added to the budget in the amount of \$6,500 for the reimbursement from the Corbett Fire Station for half the cost of six hydrant installations.

Taxes necessary to balance budget - **Marianne Pietras** said the District should get the tax boundary map reviewed. She states the District provides water to some addresses that are not paying taxes to Corbett Water. The budget committee made a recommendation for the tax boundary map to be reviewed.

Robert Gaughan suggested using a separate bank account to store new customer deposits. **Jeff Hargens** asked for this to be brought up at the next regular Board meeting.

DISTRICT MANAGER'S COMMENT

District Manager **James Jans** thanked all the volunteers on the budget committee. He said the budget and audit process is a constant cycle, and he appreciates the input from the community.

PUBLIC COMMENT

No comments made.

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UNFINISHED ITEMS FOR THE COMMITTEE'S CONSIDERATION

Sara Grigsby thanked Jack Garrison and said the meeting was nicely facilitated.

Malcolm Freund made a motion to adjourn the meeting, **Sara Grigsby** seconded, passed unanimously. Meeting adjourned at 8:29 p.m.

Attachment #1: Budget sheets

Attachment #2: Budget committee recommendations