

**CORBETT WATER DISTRICT
BUDGET COMMITTEE MEETING
April 3, 2018**

PRESENT

Budget Committee Members: Kelly Piper, Glenda Hagan, Chris Witka, Fred Sanchez, Dave Mysinger, Sara Grigsby, Jack Garrison and Jeff Hargens

Staff Members: District Manager and Budget Officer Jeff Busto, Assistant Clerk Lynda Ronell and District Clerk Gail Griffith

Audience Members: David Jacob

ABSENT

Budget Committee Members: Bob Gaughan and Kevin Wilhelm

Budget Chairman Dave Mysinger called the meeting to order at 6:30 p.m.

APPROVAL OF THE AGENDA

Kelly Piper made a motion to approve the Agenda as presented. Jack Garrison seconded the motion to approve the Agenda. All were in favor, motion carried. (8 yes votes: F.Sanchez, D.Mysinger, K.Piper, G.Hagan, C.Witka, J.Hargens, S.Grigsby & J.Garrison 0 no votes)

APPROVAL OF THE MARCH 20, 2018 BUDGET MEETING MINUTES

Jeff Hargens noted on Page 2, the second paragraph second to last sentence should read "Jeff Busto said not at this *time*." The word "time" is not included in the draft minutes. Sara Grigsby made a motion to approve the March 20, 2018 Budget Meeting minutes with the correction on the second page as discussed. Jack Garrison seconded the motion to approve the minutes with correction. All were in favor, motion carried. (8 yes votes: F.Sanchez, D.Mysinger, K.Piper, G.Hagan, C.Witka, J.Hargens, S.Grigsby & J.Garrison 0 no votes)

REVIEW AND DISCUSSION OF PROPOSED 2018-2019 BUDGET CONTINUED

Chairman Mysinger asked if there were any more questions regarding the budget.

PERS Unfunded Liability: Jeff Hargens said regarding the addition of the line " PERS unfunded liability" he wondered if it is better to put that money somewhere else rather than tie it to the Personnel Services section of the budget and not be able to get to it. The District Clerk said if the \$100,000 is placed in contingency it still would not be readily available because of the restriction on increases in budget lines after the budget is adopted. Jeff Hargens said he is fine with the line item, but, it can't be used for any other area.

Jack Garrison said last month he stated that there could just be a "footnote" in the budget and then Sara Grigsby suggested the line item and the Committee came to a consensus that placing part of the amount owed for the PERS unfunded liability in the Budget as a line item was a good idea.

It was noted the District did have to pay a portion of the unfunded PERS liability in the past and that could come up again. Glenda Hagan asked why the District didn't pay PERS every year so this doesn't continue to creep up. Jack Garrison explained the District does pay PERS each month based on the employees' gross wages and a rate set by PERS. The current rate is 14.02% for non Tier-1 and 2 and is 21.85% for Tier 1 and 2 employees. This rate changes every two years. Kelly Piper stated the problem is PERS is not taking in enough to cover retired employees. Short discussion. Jeff Hargens commented that if PERS requested payment of a portion of the unfunded liability the Board can put a surcharge on the water bills to pay for it as was done in the past.

Resources - Interest: Sara Grigsby asked about the increase of the interest line item to \$7,000. The Water District has more money in the bank than in the past and without capital improvement projects planned and the interest rates increasing slightly we will earn more interest and have earned more this year than expected.

Capital Outlay - Fire Hydrants: Fred Sanchez asked if the Fire District was contacted and if we know how much they are planning for Fire Hydrant costs. The Committee received a copy of an email from Fire Chief Dave Flood outlining the Corbett Fire District plans for reimbursement of fire hydrant installation expenses. District Manager Jeff Busto explained that they have planned \$6,000 which is a little less than we calculated in our Budget. Jack Garrison asked if there were any discussions regarding the Fire District helping with the cost of recurring maintenance on the hydrants. District Manager Busto responded he would be sitting down with the Fire Chief to discuss the possibility of cost sharing on the maintenance.

Capital Outlay - Southfork: Jeff Hargens expressed concern that Southfork has been budgeted at zero dollars. The security at both intakes is very important. Jeff Busto responded the security measures at both intakes will be completed in the current budget year.

There were no further questions.

PUBLIC COMMENTS

Chairman Mysinger asked if there were any public comments. There were none.

APPROVAL OF THE 2018-2019 BUDGET AND LEVY

Kelly Piper made a motion the Corbett Water District 2018-2019 fiscal year Budget be approved by the Budget committee in the amount of \$1,765,368, with changes as discussed on March 20, 2018 and April 3, 2018, certifying that the permanent tax rate of 0.5871 per \$1,000 of assessed value be used to calculate taxes necessary to balance the budget. Chris Witka seconded, all were in favor, motion carried. (8 yes votes: F.Sanchez, D.Mysinger, K.Piper, G.Hagan, C.Witka, J.Hargens, S.Grigsby & J.Garrison 0 no votes)

ADJOURNMENT OF MEETING

Chairman Mysinger adjourned the meeting at 6:50 p.m.