

**CORBETT WATER DISTRICT
SECOND BUDGET COMMITTEE MEETING FOR
2003-2004**

Budget Chairperson Doug Geller called the Budget Committee Meeting to order at 8:08 p.m. Budget committee members Rick Weaver, Dave Mysinger, Renee' Jimenez, Barb Adams and Doug Geller were present. Board members present were Jeff Grover, Ed Kalberg, Henry Schwartz, Steve Wilson & Ken Blanc. Superintendent Randy Stark & District Clerk Kathie Cicerich were also present.

Community members present were Gordon Fulks, Bob Colclessor, Marc Caldwell and Torey Redfern.

No person stated he or she had a conflict of interest. Doug Geller reminded the committee that himself and Rick Weaver would not be available to attend the May 13, 2003 budget hearing and Board meeting.

Ken Blanc moved to accept page 3 (Material & Services) as proposed by the Budget Officer. Jeff Grover seconded the motion. Discussion centered on line item 21-safety equipment, which is a new expenditure for the District. The proposed \$8,000 will be used to purchase shoring panels and aluminum hydraulic shoring which the District does not have. Shoring is put in trenches in order for the earth not to cave in on the employees who are working inside of the trenches. Doug Geller asked if shoring was available to rent. Mr. Stark said water main breaks could happen in the middle of the night and weekends, which makes it impossible to get the needed shoring from a rental company. Jeff Grover said it is an OSHA requirement that shoring be used. Members voting for the motion were Ken Blanc, Steve Wilson, Ed Kalberg, Jeff Grover, Henry Schwartz, Doug Geller, Barb Adams, Rick Weaver, Renee' Jimenez and David Mysinger. Motion passed unanimously.

Conversation continued regarding page 4, Capital Outlay. Mr. Stark explained how he arrived at the line item amounts on this page. A new metal-cutting bandsaw would come under line 2, new equipment. Work to be completed under line 3, system improvements would include repair and paint reservoir #4, replacement or installation of a control valve station, pipeline replacement and replacing the fire line and domestic meter service for Job Corps. Under New Equipment – Vehicles, the Budget Officer for the purchase of a backhoe tractor and a service truck has proposed \$20,000. The \$20,000 proposed is not enough to purchase these two items in the coming fiscal year, so the intent is obtain a loan from the Flexlease program with Special Districts Association of Oregon.

There is a new line item called Property & Facilities Reserve Fund. The Budget Officer proposed \$30,000 for the fund. This fund would establish a starting point for the purpose of purchasing property to construct a new shop and office. A few committee members suggested not starting this reserve fund, but to put the \$30,000 into the new equipment-vehicles category to fund a new backhoe. This would eliminate the need to pursue a loan for this purchase. After much discussion, Jeff Grover made motion to take the \$30,000 out of the Property & Facilities Reserve fund and to move it to the new equipment-vehicle fund, which funds it at \$50,000. Rick Weaver seconded the motion. Committee members voting for the motion were Ken Blanc, Steve Wilson, Ed Kalberg, Jeff Grover, Henry Schwartz, Doug Geller, Barb Adams, Rick Weaver, Renee' Jimenez and David Mysinger. Motion passed unanimously. With this motion passing, it brings page 1C (Property & Facilities Reserve Fund) to a zero amount.

Next came conversation about page 1A (Headworks Projects- Reserve Fund). This reserve fund covers expenditures for a reservoir and water treatment plant projects. Jeff Grover made motion to accept page 1A (Headworks Projects – Reserve Fund) as proposed by the budget officer. Rick Weaver seconded the motion. Committee members voting for the motion were Ken Blanc, Steve Wilson, Ed Kalberg, Jeff Grover, Henry Schwartz, Doug Geller, Barb Adams, Rick Weaver, Renee’ Jimenez and David Mysinger. Motion passed unanimously.

Page 1B is the (Loan Repayment Fund). This Fund will be used to repay the SRLF loan to construct the new 1 million gallon reservoir. At this time, no debt has been incurred from this loan. Barb Adams made motion to accept page 1B (Loan Repayment Fund) as proposed by the budget officer. Jeff Grover seconded the motion. Committee Board members voting for the motion were Ken Blanc, Steve Wilson, Ed Kalberg, Jeff Grover, Henry Schwartz, Doug Geller, Barb Adams, Rick Weaver, Renee’ Jimenez and David Mysinger. Motion passed unanimously.

Personal Services was discussed next. Barb Adams said this category is getting huge in proportion to the water sales and growth needs to be slowed down. Other agencies and companies are reducing their personal services and the District needs to face the facts. Barb Adams handed out a sheet that shows what some other water districts pay for employee’s health insurance. Doug Geller said the increases proposed are high and the health insurance paid by the District for employee’s is too much. Ken Blanc made motion to change page 2 (Personal Services). The changes would be that line’s 1 through 9 show the same numbers as the budget year 2002-2003. Line 10 (Pension & Unemployment) is reduced from \$48,519 to \$42,775. Line 11 (Health Insurance) be reduced from \$60,590 to \$60,000 and Line 12 (Overtime & Temporary Help) remain the same as proposed by the Budget Office. This will reduce the \$391,458 as proposed by the budget office to \$374,800. To balance the budget, Ken Blanc also included in his motion to increase (Operating Contingency), page 4 from \$50,000 to \$59,115. David Mysinger seconded the motion. Committee members voting for the motion were Dave Mysinger, Ken Blanc, Steve Wilson, Ed Kalberg Jeff Grover and Renee’ Jimenez. Committee members voting against the motion were Henry Schwartz, Rick Weaver, Doug Geller and Barb Adams. Motion passed.

Under audience comments, Marc Caldwell thanked the committee for the time they spent on the budget. Next month’s Board meeting, health insurance is to be discussed amongst the Board members, and Marc would appreciate it if the Board asked the employee’s what their thoughts are on this matter. Torey Redfern agreed with Marc Caldwell. Bob Colclessor commented on health insurance and the increasing PERS rate. Mr. Redfern stated that Corbett Water District doesn’t pay the employee’s portion PERS, whereas many other public agencies pay for the employee’s portion of PERS.

Rick Weaver moved that the 2003-2004 budget be approved as changed by the Budget Committee, certifying that the permanent tax rate of 0.5781 per \$1,000 of assessed value shall be used to calculate Taxes Necessary to Balance Budget in the General Fund Resources category. Ken Blanc seconded the motion. Committee members voting for the motion were Ken Blanc, Steve Wilson, Ed Kalberg, Jeff Grover, Henry Schwartz, Doug Geller, Barb Adams, Rick Weaver, Renee’ Jimenez and David Mysinger.

Doug Geller adjourned the budget meeting at 9:30 p.m.