

Corbett Water District
Regular Monthly Water Board Meeting

The meeting was called to order at 7:30 p.m. by Chairman Jeff Grover. All Board members, Ed Kalberg, Sandra Redfern and Henry Schwartz, were present. Also present were Superintendent Randy Stark and Carol Quinn, clerk. Budget Committee members present were Rick Weaver, Troy Falconer, Ken Blanc, and Dave Mysinger along with two visitors. Budget Committee member, Jim Leckron, arrived at 8:00 p.m.

Mr. Kalberg moved the minutes be approved as read. Ms. Redfern seconded. Passed unanimously.

Mr. Stark asked the Board to consider a policy regarding hiring relatives in the workplace. It is not legal to disqualify an applicant merely because he/she might have a relative already working for the District. The Board can adopt a policy that stipulates an employee will not be placed in a supervisory position over another employee who is a relative. There was some discussion of how this policy could relate in the future to district employees. However, no action was taken.

Mr. Stark requested the Board consider transferring \$10,000 from the Contingency to the Capital Outlay fund to cover the purchase of a small truck for meter reading. Once the new service truck is received and the current service truck is sold, the District will need another truck for reading meters. The new service truck will not be suitable for this. He also asked for a \$10,000 transfer from the Contingency to cover Personal Services expenses primarily resulting from the retirement of the District Clerk and bringing in some temporary help for the months of May and June. To transfer \$20,000 now would leave no contingency funds to cover the remaining fiscal year to June 30. The Board discussed these requests. Mr. Kalberg suggested at this time the District wait until next month at least for the Personal Services transfer. The fund is not over spent at this time. Next month the Board can reconsider this transfer. Since the funds are committed for the new service truck and a delivery date is uncertain, money should be transferred to cover the purchase of the small truck. The Board discussed this option. Mr. Kalberg moved to transfer \$10,000 from Contingency to Capital Outlay for the purchase of a small truck. Mr. Schwartz seconded. Passed unanimously.

The regular Water Board Meeting was adjourned at 8:10 for the purpose of holding a Budget Committee Meeting.

The Budget Committee Meeting was called to order at 8:10 p. m. by Chairman Rick Weaver. All Budget Committee members were present.

Ms. Redfern and Mr. Leckron declared a "potential conflict of interest" because they are related to employees of the District.

Mr. Weaver explained he thought the revenue proposed from water sales which would double the current amount was too much for a one-year rate increase. He suggested the rate increase be phased in over the next few years. After considerable discussion the consensus of the Committee was this would be more acceptable to the community. The District has proposed projects to be

completed over a period of time. Rates could be increased over a period of time as well. Also the District could pursue additional revenue options – special levies, loans, or bonds to supplement the current sources of revenue. It was suggested that raising rates 25% would be a place to start. Mr. Blanc moved the Budget Committee adopt a 25% rate increase for water sales revenue. Mr. Grover seconded. Mr. Kalberg suggested reviewing the expenditures for areas that could be lowered before deciding on the revenue figure. The motion was tabled. The Committee reviewed the line item expenditure amounts to consider which items could be decreased depending on priorities.

Under Capital Outlay it was suggested the purchase of the excavator could be delayed until a later time. Of the line replacement projects, the Chamberlain Road is a priority since customers are running out of water. Also, the South Fork dam repair is necessary since delay could result in additional damage and raise the cost of repair. The MacInnes Road and Hurlburt Road projects are lower priority and could be postponed if necessary. These adjustments would result in cutting \$125,600 from the proposed \$257,600 leaving \$132,000 for Capital Outlay.

Since the proposed \$50,000 transfer to the Capital Improvement Fund for building the reservoir will not be enough to allow for completion of construction of the reservoir, it was suggested the funds not be transferred at this time. Should the District pursue approval of a levy or bond option, the money could be specified for the reservoir construction.

Under Materials and Services, the Committee suggested the Engineering and Survey moneys be decreased by \$49,000. Since many of the proposed Capital Outlay projects will not be accomplished in the next year, the study would not be necessary at this time. Also, the Committee suggested painting of the reservoir be delayed since it does not appear to present an eminent health risk. This would lower the reservoir maintenance by \$60,000.

Under Personal Services, the Committee suggested since the District requested another full-time employee, the temporary help funds should be lowered by \$5,000. There was also discussion concerning the amount proposed for Superintendent, Water Treatment Plant Operator and Utility Worker II, which included a full 5% merit raise increase. Since the usual merit increase is about 3%, it was decided these amounts could be lowered to the amount more likely to be spent. This would lower the Personal Services fund by \$7,300. to \$279,825. If in fact, the merit increase was higher, the funds could be transferred from contingency.

After adjusting these funds, the required amount necessary for water sales revenue was lowered to \$447,100. This amount is approximately 25% more than last years' projected water sales revenue. It was emphasized that if the revenue does not come in, it cannot be spent. Revenue varies according to how hot, how wet and how cold our weather gets. Therefore, it is not possible to project a completely accurate figure. It can vary by several thousand dollars.

Mr. Weaver asked for audience comments. Ms. Giddeon commented she thought the Budget Committee and staff had done a good job of presenting and reviewing the budget. Mr. Curry agreed with her.

Mr. Grover moved the Budget Committee approve the 2000-2001 Budget with the changes as agreed, certifying that the permanent tax rate is to be used to calculate taxes necessary to balance budget in the General Fund Resources category. Ms. Redfern seconded. Passed unanimously.

The Budget Committee Meeting was adjourned at 11:40 p.m.

Mr. Grover reconvened the regular Board Meeting. There was no further business. The Board Meeting was adjourned at 11:40 p.m.

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