

The meeting was called to order at 7:30 p.m. by Chairman H. C. Ziegler. Board members present were Bill Finney, Pete Place and Henry Schwartz. Budget Committee members present were William Hopp, Jesse White, and Sherwood Davis. Also present were Kathy Hubbard, Supt. Vance Hubbard, Ass't Supt. Randy Stark, and District Clerk Carol Quinn.

The minutes of the last meeting were read and approved as printed.

There was discussion on the long-outstanding Augee bill. It has been two years since the water was shut off. However, Augee hooked into his neighbor's line and has been getting water during that time. He has now moved and still owes \$450.00. It was decided that the District should check into filing a small claims case. Carol will get the proper forms.

The Board discussed the leak adjustment for Henry Schwartz. Mr. Place moved that his bill be adjusted to an average. Mr. Finney seconded. Passed.

The Budget Committee Meeting was called to order by Committee Secretary Sherwood Davis. The purpose of the meeting was to consider the objections and recommendations of the Tax Supervising and Conservation Commission for certification of the 1986-87 Budget. The TSCC required that the financial summary on the Notice of Budget Hearing be corrected to include both the general fund total and the Water Treatment Improvement Fund total which changed our total anticipated requirements and revenues from \$359,096 to \$499,096. The current liabilities needed to be corrected from 14,485 to \$14,845. It was also the recommendation of the TSCC that the beginning fund balance net working capital (accrual basis) be broken down to show how those figures were computed along with historical data of previous years. Up to this year we had always used the cash basis for figuring this amount. A breakdown sheet was submitted for review and included with the budget papers. Mr. White moved that the objections and recommendations of the TSCC be accepted. Mr. Place seconded. Passed. The Budget Committee meeting was adjourned at 8:15 p.m.

There was discussion regarding the Preliminary Engineering Report sent by Lee Engineering. The Board agreed with the recommendation for building the Trident Water System by Microfloc. Mr. Finney suggested finding out from various contractors what it would cost for them to build specific items. It will take time to build but didn't seem wise to wait for four years before beginning. It would seem best to begin now with certain stages. It was suggested that Trident's sales rep be contacted and asked to attend a meeting to answer some questions.

Mr. Stark prepared cost/financing/rate increase schedules. It was agreed that rates would have to be raised to build and maintain such a water treatment plant. Board member Don Vaughan arrived at this time, 8:20 p.m. After discussing several alternatives, it was decided to use Phase 3 of the Engineering Report as the basis for the rate increase. Mr. Place so moved. Mr. Finney seconded. As soon as a public hearing can be held within the legal notification time frame, it should be scheduled so the rate increase can be implemented as soon as possible to take advantage of the increased water use during the summer months which would generate our most revenue. A letter will be drafted to inform our customers of the necessity of the rate increase, the purpose, and when the public hearing will be held.

Mr. Vaughan suggested a financial advisor be asked to attend a meeting to inform the Board the best investments possible for the best return on the money which we are saving for the Treatment Plant.

Mr. Petersen will attend next month's meeting to explain changes in our insurance coverage and a discrepancy in the premium amounts.

The meeting adjourned at 9:30 p.m.