

# ARCH CAPE WATER & SANITARY DISTRICTS BUDGET COMMITTEE - FISCAL 2018 – 2019

18 May 2018

The following members were present on behalf of their respective districts and the community and reflected a quorum of the ten budget committee members provided for by statute.

Water District: Ron Schiffman, Director – Vice-President  
Linda Murray, Director  
Dan Seifer, Director  
Cathy D’Onofrio, Arch Cape Community  
Richard D’Onofrio, Arch Cape Community  
Heather Newman, Arch Cape Community  
Chris Anderson, Arch Cape Community

Excused Absent: Virginia Birkby, Director – President  
Debra Birkby, Director – Treasurer

Sanitary District: Ron Schiffman, Director - President  
Casey Short, Director  
Darr Tindall, Director  
Cathy D’Onofrio, Arch Cape Community  
Richard D’Onofrio, Arch Cape Community  
Heather Newman, Arch Cape Community  
Chris Anderson, Arch Cape Community

Excused Absent: Virginia Birkby, Director - Vice-President  
Debra Birkby, Director - Treasurer

Public: John Piatt

Staff: Phil Chick, District Manager  
Steve Hill, Secretary

Mr. Casey Short reconvened the meeting at 4:06pm.

A general discussion ensued with expressions of a need to communicate to the community the need for a watershed acquisition to preserve it for the future and the need for a rate increase to support that effort. Initial assumptions in Ver 3 taken from Ver 2 of in the May 4<sup>th</sup> meeting.

**Public Hearing:** Mr. Short opened a public hearing at 4:11pm. Mr. Piatt spoke of the major benefit of the watershed purchase for the communities continued use and enjoyment as well as preservation of our water source. Many would enjoy going to view the falls on Arch Cape Creek. Hearing no additional comments or questions, Mr. Short closed the public hearing at 4:15pm.

**Continued consideration of Proposed 2018-19 Fiscal Budgets & Long Range Financial Plans:** The original Ver 3 revenue projections presented to the committee reflected a rate of \$172.00 per quarter by staff accompanied by a reduction in contingency provision and liquidity reserve. Mr. Seifer said that he had expected staff to present a rate which would support the previously existing planning assumptions for operating reserves which the board could either support or modify. An interactive calculation of that rate was made for display by the available SVGA projector resulting in a ¼” rate of \$196.00 per quarter which would retain a full contingency provision and liquidity reserve. A discussion ensued of the relative merits of different quarterly rates for the district.

- 1) Mr. Seifer moved to approve a quarterly rate of \$196.00 preserving a 16% operating reserve and establishment of a 15% contingency expense provision which was seconded by Mr. Schiffman. Mr. Seifer voted yes. Mr. Schiffman, Ms. Murray, Mr. Short, Ms. Tindall, Ms. Cathy D’Onofrio, Mr. Richard D’Onofrio, Ms. Newman and Mr. Anderson voted no. Motion failed.
- 2) Mr. Richard D’Onofrio moved to approve a quarterly rate of \$172.00 which was seconded by Ms. Tindall. Mr. Richard D’Onofrio, Ms. Heather Newman and Mr. Chris Anderson, Ms. Murray and Mr. Seifer voted yes. Mr. Short, Mr. Schiffman, Ms. Tindall and Ms. Cathy D’Onofrio voted no. Motion failed.
- 3) Ms. Tindall moved to approve a quarterly rate of \$152.00 which was seconded by Ms. Murray. Ms. Tindall, Ms. Murray, Ms. Cathy D’Onofrio, and Mr. Short voted yes. Mr. Schiffman, Mr. Seifer, Ms. Heather Newman and Mr. Chris Anderson voted no. Mr. Richard D’Onofrio abstained. Motion failed.
- 4) Mr. Schiffman moved to approve a quarterly rate of \$160.00 which was seconded by Ms. Tindall. All in favor. Motion carried.

A view was expressed which met with support that consideration should be given in future to annual rate adjustments over keeping rates flat for two to three years and then modifying them.

**Water District:** Version 3 of the proposed budget from staff was reviewed with the following actions taken.

- Undesignated Balance from \$94,061 to \$76,597
- Revenue shown in Ver 3 for \$160 / qtr to \$161,924
- Operating Reserve adjusted to \$31,488 from \$14,024
- Revenue from Sanitary District IGA to \$124,722 from \$125,114
- Manager & Operator compensation retained from Ver 2
- FICA corrected from \$10,120 to \$9,783
- PERS corrected from \$12,091 to \$11,688
- Materials & Services expenses retained from Ver 2
- Transfer of \$5K to Capital Fund dropped
- Contingency to \$38K from \$39K
- Operating Reserve at \$31,488 from \$14,024
- Undesignated to \$5,328 from \$7,257
- Capital Fund SDC Revenue corrected to \$10,934 from \$12,334 with \$700 per hookup fees reflected in General Fund revenue
- Capital Fund contingency to \$77,913 from \$84,313

**Sanitary District:** Version 3 of the proposed budget from staff was reviewed with the following actions taken.

- General Fund revenues retained from Ver 2
- Modify Water District IGA Charges from \$125,114 to \$124,722
- Adjust Operating Reserve to \$40,960 from \$41,026
- Undesignated from \$243,873 to \$244,331
- Capital Fund resources & requirements retained from Ver 2

All changes to be reflected in new long range financial plans for further consideration.

**2018-19 Budget Public Hearing:** Mr. Short opened the public hearing at 5:26pm to take comments or questions from the public and hearing none closed the hearing at 5:27pm.

The meeting was adjourned by Mr. Casey Short at 5:28pm.

Respectfully submitted,



Steve Hill

Attest \_\_\_\_\_  
Mr. Casey Short, Committee Chairman