

COLTON WATER DISTRICT
BUDGET COMMITTEE MEETING
MAY 17, 2022

*The meeting was called to order at 6:00 p.m.

*Budget Committee Members Present: Ken Carroll, Carl Stephens, Alan Gross, Colin Wait, Teresa Bricker, Diane Morgan, Jim Barton, Cezanne Decristoforo

*Others Present: Budget Officer Jan Kaforski, Kady Long

*Ken Carroll thanked all budget members for attending and said if anyone has a question to speak up at the time so an answer can be provided.

*Carl Stephens nominated Colin Wait to serve as the Budget Committee President. The nomination passed. Teresa Bricker nominated Cezanne Decristoforo to serve as the Budget Committee Secretary. The nomination passed.

*Colin Wait turned the Budget Committee Meeting over to Budget Officer Jan Kaforski.

*Budget Officer Jan Kaforski reviewed the Budget Message on a fund-by-fund basis. All LB forms were reviewed noting any significant budget changes from the current budget including Resources and Requirements.

Ken Carroll asked why on the total transfers to the Capital Improvement Fund are there two different transfer figures. Jan said she will explain this when the Capital Improvement Fund is reviewed.

*On LB-20 Detailed Resources in the General Fund, Jan Kaforski noted a three percent increase in the Water Revenue Service line item which is the monthly billing of customers. All other items remained the same or close to last fiscal year. Jan noted that the district does not levy any tax funds and relies strictly on water revenue from customer payments, new water meter hookups and miscellaneous revenue.

Ken Carroll asked how many new meter installations are being projected? Jan said she estimated three new meter services during the 2022-2023 fiscal year.

On LB-31 Detailed Requirements for the General Fund, Personnel costs have been increased to include the addition of new front office personnel and new outside, distribution and treatment plant personnel. Jan said she has been informed that the health insurance is going up four percent, but she is not sure if that is correct since it is such a low figure. Carl Stephens asked if there is enough cushion in the Payroll Taxes/Health line going into the new fiscal year since there will be a change in the front office personnel. Kady Long is currently on a 90-day probationary period and benefits have not been discussed. Alan Gross suggested increasing Payroll Taxes/Health from \$25,000 to \$30,000. All budget members agreed with this change.

The Material and Services, Commercial Office and General Expense – Other line items were reviewed. Under Training the line item has been increased to pay for training issues for new personnel. Discussion followed on Kady Long doing on-line training at no cost when possible by accessing a program called Kahn Academy.

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Under Dues, Jan Kaforski said she has increased the budget by \$1,200 from \$2,200 to \$3,400 hoping to use the services of a Payroll Service to take that work load off the plate of personnel.

Discussion followed on new line item for vehicle fuel/maintenance. Jan said the district has been talking about purchasing a vehicle for use by outside personnel. Jan said there is a potential that the fire district may give a vehicle to the water district – this will be discussed at the fire board's June meeting.

The contingency fund has been increased from \$6,000 to \$10,000.

Transfers from the General Fund will be \$7,833 to Bond Redemption, \$16,000 to Capital Improvement Per Account Fee and to Capital Improvement 186,626.

The total unappropriated ending fund balance will be reduced by \$5,000 to \$36,493 with total requirements being \$480,111.

LB-35 – Bonded Debt – Jan discussed that the district is ready to pay-off the bond loan that was consolidated from three loans into one some years ago. Jan could not get an actual dollar amount still owing on the loan, but has budgeted based on figures she has.

The beginning cash carry over will be \$72,196, transfers from other funds will be \$52,836, this is the dollar amount anticipated remaining in the Reserve Fund after paying off the loan with Wad Fd; a system development fee of \$7,833 is projected with total resources of \$132,875.

LB-35 Requirements shows one bond payment due in July in the amount of \$68,314, with a future bond payment of \$52,836 and an unappropriated ending fund balance of \$11,725 with total requirements being \$132,875.

LB-10 – Capital Improvement Cash on Hand is \$51,171 Jan said she would like to decrease this amount by \$10,000 to \$41,171 due to unanticipated expenditures during the past week of a line break and funds owed to the engineer. Total Resources with the change will be \$243,857.

Jan explained that the \$20,000 for the purchase of a generator during 2020-2021 was a donation from ColtonTel and Jan said she has asked them for another donation to help offset the \$18,300 unanticipated bill coming from the electrician to hook up the generator. Ken Carroll and Jan Kaforski will attend a meeting with ColtonTel's board to discuss the generator project and the installation progress at their June 6th board meeting.

LB-10 – Capital Improvement Requirements are \$202,857 for construction maintenance, \$6,000 for the purchase of a vehicle, and \$35,000 for the replacement of two by-pass valves. Total Resources are \$243,857.

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LB-11 – Reserve Fund Total Resources will be \$129,376 and was required by WadFd once the loan was taken out. Anticipated bond payoff in July 2022 is \$76,540 and the remaining balance of \$52,836 will be transferred to the Capital Improvement Fund. The Reserve account with WadFd will then be closed.

Alan Gross asked where will the \$52,836 remaining loan proceeds be held? Jan said that amount will be put into the Capital Improvement fund. Jan said the loan needs to be closed and the remaining funds should be put in an account with the district's current banking institution. Closer to the end of the 2022/2023 fiscal year the dollar amount will be higher and putting that into a better interest bearing account can be looked at.

No public comment was received.

Chairman Colin Wait asked for a motion to approve the budget.

Cezanne Decristoforo made a motion to approve the proposed budget for 2022/2023 as amended. Teresa Bricker seconded the motion and the motion carried by unanimous vote of those budget committee members present.

*The meeting adjourned at 7:05 p.m.

Respectfully submitted,

Cezanne Decristoforo, Secretary