

COLTON WATER DISTRICT  
BUDGET COMMITTEE MEETING  
MAY 21, 2024

Budget Committee Members Present: Ken Carroll, Carl Stephens, Alan Gross, Colin Wait, Teresa Bricker, Cody Seelye, Nina Baurer, Dan Fraijo, Mike Litherland, and Cezanne Decristoforo

Others Present: Budget Officer Betty Hodges and Pete Dostert

The Budget Committee Meeting was called to order at 6:00 p.m.

Budget Committee Chairperson Election:

Ken Carroll nominated Colin Wait to serve as the Budget Committee President. Carl Stephens seconded the motion. The nomination passed unanimously.

Colin Wait took over running the meeting at this time.

Carl Stephens nominated Nina Baurer to serve as the Budget Committee Secretary. Teresa Bricker seconded the motion and the nomination passed unanimously.

Approval of the May 16, 2023 Budget Committee Minutes

Carl Stephens made a motion to approve the minutes from the May 16, 2023 Budget Committee Meeting. Nina Baurer seconded and the motion carried by unanimous vote.

Collin Wait turned the meeting over to the Budget Officer, Betty Hodges.

Betty Hodges thanked all of the Budget Committee members for their time serving on the budget committee, and Dani Tice from Combined Business Services for her assistance with the budget.

Betty presented the budget message pointing out some of the year's accomplishments.

Transferring \$186,626 in savings to the Capital Improvement fund.

Replacing two pressure-reducing stations and five out of six have been calibrated.

The Audit for FYE ending 2023 was reviewed with satisfactory results.

The Natural Hazard Mitigation plan has been submitted for approval.

Since July 1<sup>st</sup>, 2023, we have produced 46,699,800 gallons of water and sold 35,814,578 of that to our customers.

The highest usage month was July 3,947,906 gallons.

The Board passed a 4% water rate increase plus a \$2.00 increase to the monthly meter fee for future improvements.

Betty also explained that this budget is meant not only to maintain its two part-time employees but also to accommodate hiring another employee to start training with Pete Dostert, Superintendent, for his upcoming retirement.

COLTON WATER DISTRICT  
MEETING OF THE BUDGET COMMITTEE  
MAY 21, 2024  
Page 2 OF 3

Priorities for the upcoming year:

1. Transfer the construction fund to the Local Government Investment Pool
2. Apply for grants to upgrade our infrastructure
3. Locate and repair leaks in the system
4. Upgrade our billing software to improve billing and payment operations, provide an upgraded interactive website, and ensure cybersecurity protection.
5. Hire a new employee to start training with the Superintendent
6. Continue with system maintenance

LB-20 Detailed Resources in the General Fund – Estimating an increase in the Water Revenue Service line item, which is the monthly billing of customers of \$420,000. Contract Services (for Colton Fire District) dropped a little lower because it is no longer covering Jan Kaforski's wages as well, and all other resources stayed the same. Betty 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. The projected Total Resources for the fiscal year are \$495,500.

LB-31 - Detailed Requirements for the General Fund Expenditures

Personnel costs have been increased to reflect labor costs to support training a new Superintendent. Payroll taxes/health line items have been decreased since Janet Kaforski left, and current employees will receive a health stipend as a wage to purchase their health insurance. Total \$198,000.

Materials and Supplies had some increases and decreases. PGE had a large rate increase, and I did try to offset that from other lines with a decrease of \$2,000.

Commercial Office dropped \$100.

General Expense Liability Insurance had a significant increase, and used to be split between fiscal years. Dues will increase as well because of software changes for a new billing system. Elections went up \$2,000 because two positions will be open for election. General Fund Expenditures increased \$8,840. Total requirements for these categories are \$278,675.

General Fund Transfers – Transfers to Other funds were slightly lowered to \$150,000 to help cover the increased payroll and dues. \$46,848 is projected for the Per Account Fee. Ken Carrol explained that the per-account fee is an \$8.00 fee and comes out of each customer's payment and goes into the Capital Improvement fund for future maintenance and construction. Total expenditures are \$475,523, and that leaves an unappropriated ending fund balance of \$19,977 with Total Requirements at \$495,500, which makes a balanced budget.

LB10 Capital Improvement Fund – This fund accounts for major repairs or other costs that cannot be paid out of the General Fund. Cash on hand is \$470,000. Interest should be much higher once we transfer funds into the Local Government Investment Pool, but I left it at \$60 just in case.

COLTON WATER DISTRICT  
MEETING OF THE BUDGET COMMITTEE  
MAY 21, 2024  
Page 3 OF 3

It is anticipated that transfers into the Capital Improvement Fund from the General Fund will be \$150,000, which is a little less than last year due to increased wages and dues. This savings goes towards future construction projects, in addition to the Per Account Fee savings of \$46,848 and other resources. Grant Funds are expected to be \$100,000 for the WaterSmart Small-Scale Water Efficiency Project/Electronic Meters. Income from Systems Development Fees is expected to be \$5,600. Total Resources \$772,508.

LB10 Capital Improvement Fund – This fund accounts for major repairs or other costs that cannot be paid out of the General Fund. Cash on hand is \$470,000. Interest should be much higher once we transfer funds into the Local Government Investment Pool, but I left it at \$60 just in case. It is anticipated that transfers into the Capital Improvement Fund from the General Fund will be \$150,000, which is a little less than last year due to increased wages and dues. This savings goes towards future construction projects, in addition to the Per Account Fee savings of \$46,848 and other resources. Grant Funds are expected to be \$100,000 for the WaterSmart Small-Scale Water Efficiency Project/Electronic Meters. Income from Systems Development Fees is expected to be \$5,600. Total Resources \$772,508.

Requirements include \$80,000 for expected and unexpected repairs, and \$200,000 for the Electronic Meter Project. This leaves \$492,508 in the Unappropriated Ending Fund Balance. Total requirements are \$772,508.

LB-35 – Bonded Debt – This was paid off and closed in July 2022 after paying the final annual loan payment in the amount of 68,314. The remaining amount was transferred to the Capital Improvement Fund. This is required for historical data and must be included for three years.

LB-11 – Reserve Fund – This was paid off and closed in July 2022. The remaining amount was transferred to the Capital Improvement Fund. This is also required for historical data and must be included for three years.

Ken Carroll explained that these were Bonds that have been paid off, and we are debt-free.

Colin Wait asked for any public comment, and none was received.

Colin Wait asked for a motion to approve the 2024/2025 fiscal year budget.

Carl Stephens made a motion to approve the proposed budget for 2024/2025 as is. Teresa Bricker seconded the motion, and the motion carried by unanimous vote.

\*The meeting adjourned at 6:30 p.m.

Respectfully submitted,

123 \_\_\_\_\_

124 Secretary