

Please Note: Normally Budget Committee minutes are approved at a subsequent meeting of the committee. It is not expected to meet again until spring of 2020. These draft minutes are posted in the interim.

ARCH CAPE WATER & SANITARY DISTRICTS BUDGET COMMITTEE - FISCAL 2019 – 2020

17 May 2019

The following members were present on behalf of their respective districts. A quorum was present.

Water District: Debra Birkby, Director – Vice President & Treasurer
Virginia Birkby, Director – Vice-President
Linda Murray, Director
Dan Seifer, Director
Heather Newman, Arch Cape Community
Chris Anderson, Arch Cape Community
Cathy D’Onofrio, Arch Cape Community
Richard D’Onofrio, Arch Cape Community
Carl Matson, Arch Cape Community

Excused Absent: Ron Schiffman, Director – President

Sanitary District: Virginia Birkby, Director – Vice-President
Debra Birkby, Director - Treasurer
Casey Short, Director
Darr Tindall, Director
Heather Newman, Arch Cape Community
Chris Anderson, Arch Cape Community
Cathy D’Onofrio, Arch Cape Community
Richard D’Onofrio, Arch Cape Community
Carl Matson, Arch Cape Community

Excused Absent: Ron Schiffman, Director – President

Staff: Phil Chick, District Manager
Steve Hill, Secretary

The Budget Committee Chairman Mr. Casey Short reconvened the meeting at 5:04pm.

May 3rd Budget Committee Minutes: On page 3 change, ... “Mr. Schiffman moved approval

of the ‘rates only’ version of the LRFPP which was seconded by Mr. Seifer” to show the second to the motion with whomever appears on the digital recording in place of Mr. Seifer. Ms. Tindall moved approval of the minutes as amended which was seconded by Ms. Murray. All in favor. Motion carried.

Consideration of Proposed 2019-20 Water District Budget:

General Discussion: The results of the prior meeting considering employee compensation was reported to have arrived at the following salary adjustments:

	District Manager	Operator
COLA inc	2.4%	2.4%
Performance inc	2.2%	2.7%
Total inc	4.6%	5.1%

Mr. Hill reported an expected increase in PERS expense for the coming fiscal year as a result of increased assessments for the Retirement Health Insurance Account (RHIA), the Tier 1 / Tier 2 Individual Account Program (IAP) and Pension Program to \$23,776.

Mr. Seifer moved to set watershed expense to \$50K and increase the rate from \$163 per quarter to \$166 per quarter which was seconded by Ms. Virginia Birkby. Ms. Virginia Birkby, Ms. Murray, Mr. Seifer, Ms. Heather Newman, Mr. Chris Anderson, Mr. Richard D’Onofrio and Mr. Carl Matson voted yes. Ms. Debra Birkby and Ms. Cathy D’Onofrio abstained. Motion carried.

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

- PERS expenditure set to \$23,776
- District Manager compensation moved from \$76,179 to \$77,588
- Operator compensation moved from \$55,184 to \$54,301
- Set watershed expense to \$50K from \$40K
- User fee revenue was adjusted to \$169,979 from \$166,510
- IGA Service Charge revenue was increased to \$146,126 from \$140,368
- Operating Reserve was adjusted to \$59,100 from \$55,083
- Undesignated balance was reduced to \$79,844 from \$83,861
- To reduce undesignated funds within the unappropriated balance to \$8,625 from \$23,668

For the LRFPP the following changes were recommended.

- To reflect the adjustments made to Final Ver 3 column of the budget
- Elimination of the second comparison option shown at the bottom of the rate projection sheet.

2019-20 Water District Budget Public Hearing: Mr. Short opened the public hearing at 5:47pm to take comments or questions from the public and hearing none closed the hearing at 5:48pm.

Ms. Murray moved approval of the Final Ver3 column water district 2019-20 budget as amended which was seconded by Mr. Seifer. All in favor. Motion carried.

Consideration of Proposed 2019-20 Sanitary District Budget:

General discussion: There was a recognition of the change in the IGA charge resulting from adjustments made to the water district plan for an increase to \$146,126 from \$140,368. Other minor adjustments were recognized with the operating reserve reduced slightly to \$21,172 from \$21,825 and the undesignated unappropriated balance coming in at \$105.

The LRFP was similarly adjusted for these minor changes.

2019-20 Sanitary District Budget Public Hearing: Mr. Short opened the public hearing at 5:55pm to take comments or questions from the public and hearing none closed the hearing at 5:57pm.

Ms. Tindall moved approval of the Final Ver3 column of the sanitary district 2019-20 budget as amended which was seconded by Mr. Carl Matson. All in favor. Motion carried.

The meeting was adjourned by Mr. Casey Short at 5:58pm.

Respectfully submitted,

Steve Hill

Attest _____
Mr. Casey Short, Committee Chairman

**ARCH CAPE WATER DISTRICT
FY 2019-20 BUDGET
GENERAL FUND**

2016-17 ACTUAL	2017-18 ACTUAL	2018-19 ADOPTED	2018-19 EOY PROJ	WATER RESOURCES	2019-20 PROP (ver1)	2019-20 RECOM (ver2)	2019-20 FINAL (ver3)
BEGINNING BALANCE							
57,205	92,771	76,597	112,809	Undesignated Balance	83,861	83,861	79,844
		31,488		Capital Reserve			
				Operating Reserve	55,083	55,083	59,100
				2018-19 Transfer to Capital Reserve			
57,205	92,771	108,085	112,809	TOTAL BEGINNING BALANCE	138,944	138,944	138,944
REVENUE							
133,288	138,268	161,924	162,275	User Fees	166,510	166,510	169,979
25,219	38,341	26,000	30,446	Excess Usage Charges	24,000	24,000	29,000
20,862	21,698	21,820	22,716	Debt Service Surcharges	21,970	21,970	21,820
122,641	125,515	124,722	131,407	Sanitary District IGA ¹ Service Charge	140,368	140,368	146,126
469	860	800	1,500	Interest	900	900	900
4,540	5,442		9,862	Miscellaneous			
2,100	0	1,400	1,400	Meter Hookup Fee	1,400	1,400	1,400
				Sale of Truck			
			375	Cannon Beach IGA			
648	667	700	1,797	Cannon View Park	700	700	700
309,766	330,791	337,366	361,777	TOTAL REVENUE	355,848	355,849	369,925
366,971	423,562	445,451	474,586	TOTAL RESOURCES	494,792	494,792	508,869

Received	Water District Accounts	Base Rate	
99%	292	\$147.00	169,979
		Debt Svc Rate	
	292	\$19.00	21,970

1/ Intergovernmental Agreement

Total Rate **\$166.00**

**ARCH CAPE WATER DISTRICT
FY 2019-20 BUDGET
GENERAL FUND**

2016-17 ACTUAL	2017-18 ACTUAL	2018-19 ADOPTED	2018-19 EOY PROJ	WATER REQUIREMENTS	2019-20 PROP (ver1)	2019-20 RECOM (ver2)	2019-20 FINAL (ver3)
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PERSONNEL SERVICES

68,581	71,324	74,176	74,176	Manager	76,179	76,179	77,588
47,794	49,525	52,998	51,666	Operator	55,184	55,184	54,301
8,903	9,983	9,783	9,627	FICA	10,049	10,049	10,049
10,637	11,783	11,688	11,671	PERS	14,200	14,200	23,776
26,193	35,799	38,500	35,780	Medical Insurance	37,428	37,428	37,428
3,094	3,150	2,800	3,133	Worker's Compensation	3,500	3,500	3,500
165,201	181,565	189,945	186,053	TOTAL Personnel Services	196,540	196,540	206,642

MATERIALS & SERVICES

26,784	27,588	27,588	27,588	Administrative Services	28,416	28,416	28,416
1,173	2,940	6,000	5,853	Temporary Help	12,000	12,000	12,000
577	648	650	681	Clothing Allowance	700	700	700
2,200	1,963	2,000	549	Education	2,000	2,000	2,000
1,927	645	2,000	995	Travel	2,000	2,000	2,000
1,042	1,124	1,200	1,949	Office Supplies	1,500	1,500	1,500
1,238	1,326	1,420	2,100	Postage	1,600	1,600	1,600
4,014	3,479	4,000	2,565	Vehicle	3,000	3,000	3,000
3,300	2,925	3,600	3,225	Sanitary District Facilities Use Charges	3,600	3,600	3,600
500	525	525	525	Payroll Service	551	551	551
5,583	4,708	5,660	5,666	Liability & Property Insurance	6,063	6,063	6,063
3,672	190	1,000	1,055	Licenses	2,000	2,000	2,000
13,554	17,960	21,000	23,616	Maintenance	21,000	21,000	21,000
4,244	3,343	5,000	4,708	Chemicals	5,000	5,000	5,000
0	1,938	55,000	25,572	Watershed	35,000	35,000	50,000
952	1,209	875	890	Dues / Taxes	900	900	900
6,808	1,354	4,000	6,787	Professional Services	5,700	5,700	5,700
2,180	2,440	5,000	3,500	Auditing	4,000	4,000	4,000
473	940	2,700	1,600	Legal Services	2,000	2,000	2,000
480	25	700	674	Notices	700	700	700
7,516	8,889	10,000	8,722	Utilities	10,000	10,000	10,000
88,217	86,159	159,918	128,818	TOTAL MATERIALS & SERVICES	147,730	147,730	162,730

CAPITAL OUTLAY

	17,925			Replacement Pickup Truck			
	4,332			Water Purification Unit			
0	22,257	0	0	TOTAL CAPITAL OUTLAYS	0	0	0

253,418	289,981	349,863	314,871	TOTAL OPERATING EXPENSES	344,270	344,270	369,372
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**ARCH CAPE WATER DISTRICT
FY 2019-20 BUDGET
GENERAL FUND**

DEBT SERVICE

				Flex-lease Loan : Reservoir			
				Water Tank Loan Pre-Payment			
20,772	20,772	20,772	20,772	IFA Water Plant Upgrade	20,772	20,772	20,772
20,772	20,772	20,772	20,772	TOTAL DEBT SERVICE	20,772	20,772	20,772
274,190	310,753	370,635	335,643	TOTAL GENENERAL FUND EXPENDITURES	365,041	365,041	390,144

TRANSFER TO CAPITAL FUND

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CONTINGENCY & ENDING BALANCE

CONTINGENCY							
		38,000		CONTINGENCY	51,000	51,000	51,000
				Replacement Truck			
				Other reserve			
		31,488		Operating Reserve	55,083	55,083	59,100
				Other reserve			
92,782	112,809	5,328	138,944	Undesignated	23,667	23,668	8,625
92,782	112,809	36,816	138,944	TOTAL UNAPPROPRIATED BALANCE	78,751	78,751	67,725
92,782	112,809	74,816	138,944	TOT CONTINGENCY & UNAPP BAL. (Ending Bal)	129,751	129,751	118,725
366,971	423,562	445,451	474,586	TOTAL REQUIREMENTS	494,792	494,792	508,869
0	0	0	0	RESOURCES UNDER/(OVER) REQUIREMENTS	0	0	0

**ARCH CAPE WATER DISTRICT
FY 2019-20 BUDGET
CAPITAL FUND**

2016-17 ACTUAL	2017-18 ACTUAL	2018-19 ADOPTED	2018-19 EOY PROJ	WATER RESOURCES	2019-20 PROP (ver1)	2019-20 RECOM (ver2)	2019-20 FINAL (ver3)
33,649	48,892	66,979	54,387	Undesignated Balance	65,321	65,321	65,321
				Project Reserve			
				Debt Service Reserve			
33,649	48,892	66,979	54,387	TOTAL BEGINNING BALANCE	65,321	65,321	65,321

REVENUE

15,243	18,087	10,934	10,934	Loan Proceeds	10,934	10,934	10,934
				SDC Revenue			
				Other			
				Interest on Investments			
				Miscellaneous			
15,243	18,087	10,934	10,934	TOTAL REVENUE	10,934	10,934	10,934

TRANSFER FROM GENERAL FUND

0	0	0	0		0	0	0
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48,892	66,979	77,913	65,321	TOTAL RESOURCES	76,255	76,255	76,255
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**ARCH CAPE WATER DISTRICT
FY 2019-20 BUDGET
CAPITAL FUND**

2016-17 ACTUAL	2017-18 ACTUAL	2018-19 ADOPTED	2018-19 EOY PROJ	WATER REQUIREMENTS	2019-20 PROP (ver1)	2019-20 RECOM (ver2)	2019-20 FINAL (ver3)
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CAPITAL OUTLAY

	12,592			Dodge Truck Water Source Assessment New Service Other			
0	12,592	0	0	TOTAL CAPITAL	0	0	0

CONTINGENCY & ENDING BALANCE

CONTINGENCY

		77,913	65,321	CONTINGENCY	76,255	76,255	76,255
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UNAPPROPRIATED BALANCE

				Project Reserve			
				Project Reserve			
48,892	54,387			Undesignated		0	
48,892	54,387	0	0	TOTAL UNAPPROPRIATED BALANCE	0	0	0
48,892	54,387	77,913	65,321	TOT CONTINGENCY & UNAPP BAL. (Ending Bal)	76,255	76,255	76,255

48,892	66,979	77,913	65,321	TOTAL REQUIREMENTS	76,255	76,255	76,255
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0	0	0	0	RESOURCES UNDER/(OVER) REQUIREMENTS	0	0	0
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**ARCH CAPE SANITARY DISTRICT
FY 2019-20 BUDGET
GENERAL FUND**

2016-17 ACTUAL	2017-18 ACTUAL	2018-19 ADOPTED	2018-19 EOY PROJ	SANITARY RESOURCES	2019-20 PROP (ver1)	2019-20 RECOM (ver2)	2019-20 FINAL (ver3)
BEGINNING BALANCE							
261,902	274,771	277,350	255,069	Undesignated Balance	295,526	295,529	296,183
			5,000	Capital Reserve			
15,256	15,256	15,256	15,256	ODEQ Irrig Site Loan#11432 res	15,256	15,256	15,256
		40,960	42,864	Operating Reserve	21,825	21,825	21,172
		9,000	9,003	Bonded Debt Reserve	9,003	9,000	9,000
277,158	290,027	342,566	327,192	TOTAL BEGINNING BALANCE	341,611	341,611	341,611
REVENUE							
221,486	231,797	234,963	235,154	User Fees	261,384	261,384	261,384
18,925	33,039	18,000	23,357	Excess Usage Charges	15,000	15,000	21,000
52,365	54,571	55,365	55,352	Debt Service Surcharges	55,527	55,527	55,527
3,300	2,925	3,300	3,225	WD Facilities Use Charges	3,300	3,300	3,300
	1,136			Clatsop Cty Land Sales			
132,165	150,489	141,436	144,325	Property Tax Receipts (Bond)	140,000	140,000	140,000
2,980	5,593	2,800	8,500	Interest	2,764	2,764	2,764
768	4,567		811	Miscellaneous			
431,988	484,117	455,863	470,724	TOTAL REVENUE	477,974	477,974	483,974
709,146	774,144	798,430	797,916	TOTAL RESOURCES	819,585	819,585	825,585

Received	Sanitary District Accounts	Base Rate	
99%	342	\$193.00	261,384
		Debt Svc Rate	
	342	\$41.00	55,527
	Total Rate	\$234.00	

**ARCH CAPE SANITARY DISTRICT
FY 2019-20 BUDGET
GENERAL FUND**

2016-17 ACTUAL	2017-18 ACTUAL	2018-19 ADOPTED	2018-19 EOY PROJ	SANITARY REQUIREMENTS	2019-20 PROP (ver1)	2019-20 RECOM (ver2)	2019-20 FINAL (ver3)
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EXPENDITURES

PERSONNEL SERVICES

0	0	0	0	TOTAL Personnel Services	0	0	0

MATERIALS & SERVICES

122,641	125,515	124,722	131,407	Water District IGA ¹ Charges	140,368	140,368	146,126
10,657	10,655	11,440	10,605	Liability & Property Insurance	11,347	11,347	11,347
2,758	2,736	2,800	2,657	Licenses	2,800	2,800	2,800
28,615	37,587	35,000	40,651	Maintenance	40,000	40,000	40,000
4,709	5,627	5,500	5,777	Chemicals	5,500	5,500	5,500
0	4,611	5,000	1,500	Inflow & Infiltration	4,000	4,000	4,000
1,091	872	1,100	1,202	Dues / Taxes	1,100	1,100	1,100
4,796	4,360	6,000	6,150	Professional Services	6,000	6,000	6,000
0	625	0	0	Emergency Sanitation	0	0	0
2,180	2,440	5,000	3,500	Auditing	10,000	10,000	10,000
1,000	3,753	2,500	8,936	Legal Services	5,000	5,000	5,000
250	20	700	553	Notices	700	700	700
46,875	43,117	46,000	44,246	Utilities	46,000	46,000	46,000
225,572	241,917	245,762	257,184	TOTAL MATERIALS & SERVICES	272,815	272,815	278,573

CAPITAL OUTLAY

	16,715			TR50 Mixer Dodge Ram Truck			
0	16,715	0	0	TOTAL CAPITAL OUTLAYS	0	0	0

225,572	258,632	245,762	257,184	TOTAL OPERATING EXPENSES	272,815	272,815	278,573
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**ARCH CAPE SANITARY DISTRICT
FY 2019-20 BUDGET
GENERAL FUND**

DEBT SERVICE

15,948	15,885	15,819	15,819	ODEQ - Irrigation Site Loan	15,819	15,751	15,751
19,319	19,319	19,319	19,319	OECD - Facility Engineering Loan	19,319	19,319	19,319
144,600	144,600	144,600	144,600	USDA Plant Upgrade	144,600	144,600	144,600
19,383	19,383	19,383	19,383	IFA Loan/Grant - Facility Improvement	19,383	19,383	19,383
199,250	199,187	199,121	199,121	TOTAL DEBT SERVICE	199,121	199,053	199,053

424,823	457,819	444,883	456,305	TOTAL GENERAL FUND EXPENDITURES	471,937	471,869	477,626
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TRANSFER TO CAPITAL FUND

					270,000	270,000	270,000
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CONTINGENCY & ENDING BALANCE

CONTINGENCY

		39,000	39,000	CONTINGENCY	13,000	13,000	40,000
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UNAPPROPRIATED BALANCE

				Reserve for Truck Replacement			
				Mixer reserve			
		5,000	5,000	Actuator reserve			
15,256	15,256	15,256	15,256	ODEQ Irrigation Site Loan#R11432 reserve	15,256	15,256	15,256
		40,960	42,864	Operating Reserve	21,825	21,825	21,172
9,284	11,884	9,000	9,003	Bonded Debt Reserve	1,426	1,426	1,426
				Other reserve			
259,783	289,185	244,331	230,488	Undesignated	26,141	26,209	105
284,323	316,325	314,547	302,611	TOTAL UNAPPROPRIATED BALANCE	64,648	64,716	37,959

284,323	316,325	353,547	341,611	TOT CONTINGENCY & UNAPP BAL. (Ending Bal)	77,648	77,716	77,959
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709,146	774,144	798,430	797,916	TOTAL REQUIREMENTS	819,585	819,585	825,585
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0	0	0	0	RESOURCES UNDER/(OVER) REQUIREMENTS	0	0	0
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**ARCH CAPE SANITARY DISTRICT
FY 2019-20 BUDGET
CAPITAL FUND**

2016-17 ACTUAL	2017-18 ACTUAL	2018-19 ADOPTED	2018-19 EOY PROJ	SD CAPITAL RESOURCES	2019-20 PROP (ver1)	2019-20 RECOM (ver2)	2019-20 FINAL (ver3)
BEGINNING BALANCE							
76,280	76,280	92,588	107,780	Undesignated Balance	124,130	124,130	124,130
				Project Reserve			
				Debt Service Reserve			
76,280	76,280	92,588	107,780	TOTAL BEGINNING BALANCE	124,130	124,130	124,130
REVENUE							
				Loan Proceeds			
	23,904	16,350	16,350	Bond Proceeds			
	7,596			SDC Revenue	16,350	16,350	16,350
				Other			
				Interest on Investments			
				Miscellaneous			
0	31,500	16,350	16,350	TOTAL REVENUE	16,350	16,350	16,350
TRANSFER FROM GENERAL FUND							
0	0	0	0		270,000	270,000	270,000
76,280	107,780	108,938	124,130	TOTAL RESOURCES	410,480	410,480	410,480

**ARCH CAPE SANITARY DISTRICT
FY 2019-20 BUDGET
CAPITAL FUND**

2015-16 ACTUAL	2016-17 ACTUAL	2018-19 ADOPTED	2018-19 EOY PROJ	SANITARY CAPITAL REQUIREMENTS	2019-20 PROP (ver1)	2019-20 RECOM (ver2)	2019-20 FINAL (ver3)
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EXPENDITURES

CAPITAL OUTLAY

		25,000		Inflow & Infiltration			
				Membranes & Screens	375,000	375,000	375,000
				SCADA Sys Upgrade	21,000	21,000	21,000
				Other			
0	0	25,000	0	TOTAL CAPITAL	396,000	396,000	396,000

CONTINGENCY & ENDING BALANCE

CONTINGENCY

0	0	83,938	39,000	CONTINGENCY	14,480	14,480	14,480
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UNAPPROPRIATED BALANCE

				Project Reserve			
				Project Reserve			
76,280	107,780		85,130	Undesignated			
76,280	107,780	0	85,130	TOTAL UNAPPROPRIATED BALANCE	0	0	0

76,280	107,780	83,938	124,130	TOT CONTINGENCY & UNAPP BAL. (Ending Bal)	14,480	14,480	14,480
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76,280	107,780	108,938	124,130	TOTAL REQUIREMENTS	410,480	410,480	410,480
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0	0	0	0	RESOURCES UNDER/(OVER) REQUIREMENTS	0	0	0
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