

CLOVERDALE SANITARY DISTRICT
Budget Committee Meeting Minutes
May 13, 2020

1. Chairman Bailey called the meeting to order at 7:00 pm

Due to COVID-19 and our community members being predominantly high risk the Board sat as the Budget Committee.

2. Directors present were Kenneth Bailey, Dan Pengelly, Jon Warren and Lawrence Sanders.
Staff members present were Plant Operator Richard Nystrom, and Office Manager Heidi Reid.

3. Budget Committee Meeting

Ken Bailey volunteered to be the Chairman of the Budget Committee
Jon Warren volunteered to be the Secretary of the Budget Committee
Lawrence Sanders volunteered to be the Budget Officer

Mr. Bailey asked Mrs. Reid to explain the layout and pages of the budget to the committee.

Mrs. Reid explained Form-LB11 - This is the Capital Improvement fund. The Capital Improvement Fund is subsidized predominately by system development charges and fund transfers from the General Fund. This is the account we have for reserve and is predominately used for upgrades to the existing infrastructure and equipment. Mrs. Reid stated that the goal is to transfer \$6,000 this year to the fund, however the minimum to be transferred will be \$3,000. She stated that the fund this year will be approximately \$117,067. The Committee did not have any questions.

Mrs. Reid explained Form-LB20 – This shows where the income for the General Fund budget comes from. She explained that these figures are estimates; however, this year with the COVID-19 pandemic going on the available cash on hand could be lower than stated due to customers not making payments at this time. Committee Secretary Warren asked about the school income and if the school had been shut down for three months is the District going to relieve a portion of that bill. Mr. Nystrom stated that teachers and students are still utilizing the building throughout the day so water and sewer is still being used. Mr. Warren stated, that answer was sufficient to remain charging for usage.

Mrs. Reid explained Form-LB-31 – This is a detailed list of itemized expenditures for the General Fund. The actuals are shown on the left and the

proposed are shown on the right. The total of these general ledger accounts amounts to the total on LB-20, of \$112,169. She stated that line items one through five are the personnel budget and the remainder of the line items are the monthly expenses to do business. She stated that the Utility and Sludge Hauling were increased this year due to a raise in the electric cost and that the District will have to utilize Zwald to haul sludge more often this year. She also stated that Mr. Nystrom will be dropping insurance through SDAO and picking up insurance through Medicare. This will save the district approximately \$8,000 a year. Those funds were disbursed to the sludge hauling and system maintenance line items. There were no questions regarding Form-LB31.

There were no further questions regarding the proposed budget.

Motion

Budget committee member Mr. Warren moved to approve the FY 2020-2021 budget as written.

Budget committee member Mr. Pengelly seconded the motion carried with three ayes.

Budget Committee Meeting adjourned at 7:05