

## ***Village of Waynesville***

### ***Finance Committee Minutes to Meeting October 17, 2018***

Roll Call: Present – Joette Dedden, Brian Blankenship, Chris Colvin

Staff: Kitty Crockett, Finance Director. Guests: Kimberley Kaan, Dale Kaan, David Stubbs

Minutes to September 20, 2018: Motion to accept as presented: 1<sup>st</sup> Brian Blankenship, 2<sup>nd</sup> Chris Colvin. Vote: 3 yeas

1. Discussion began on Public Water Supplier System Capacity Charges and Usage Fees. Kimberley Kaan was asked to start the discussion.

a. Our Residents are paying the equivalent of \$5.73 per thousand gallons. This is calculated over the course of the year by adding the operating and capital revenue that was collected from our retail customers, then divided by the number of customers, then divided the number of gallons pumped and sold. It was stated that the County should be paying at least what our Residents are paying.

b. Based on this year's usage, her calculations came to \$2.37 for the reserved capacity fee per thousand gallons. Dave Stubb's calculations came to \$2.10 per thousand. There was much discussion on how these figures were calculated.

c. It was stated by Ms. Kaan, that with the current agreement with the County, they are supposed to be paying a "premium" that is more than the Residents. They are now paying \$2.32 which is \$1.07 less than our Residents, and, they are contributing nothing (\$0.00) to Capital. Moreover, with new legislation this year, the County's new rate is \$4.06 per thousand gallons. The Residents rate is \$3.39. The difference is \$0.67 that should be going to Capital (from the County). It was further noted that between 2016-2017 the Village paid \$580,000 to Capital Expenses, which the County contributed \$0.00. Also, please note, that the County's consumption of water pumped to them is roughly 28% of water pumped.

d. The Village's **maximum daily** storage of water is 750,000 gallons. Approximately 250,000 gallons should be reserved for emergencies (fire), and 28% for the County. If the storage level gets close to a low of 85% it would trigger an alarm to the EPA. Something we do not want to happen.

At this time (6:07 pm) we introduced other items on the agenda that we wanted our Finance Director to address.

1. The collection of back taxes on properties will be addressed at the November meeting.
2. Ms. Crockett explained why some fund balances were at 100% appropriated. She said that if you looked at the second set of numbers in a fund account, these monies can be moved within that account. So, if one is low, she can move funds from another account within that group. She looks at these accounts at the end of the year and adjusts within that group.
3. Ms. Crockett is working on balancing the bank reconciliation records. She is determined to find the difference in the amounts.

At this time (6:15pm) the discussion continued with Capacity Charges and Usage Fees.

- e. Using the calculations of the County's highest usage day (219,000 gallons on July 10, 2018) and the annual usage of 189,000 gallons, divided by 12 months, the cost is \$15,570 per month.
- f. It was noted that the County meter is not a Radio Read meter. Therefore, this meter will have to be read daily by our staff. We need to check with In-Control to see if there is an easier way to do this.
- g. It was discussed to add 3% to the reserved capacity fee for the upcoming year. There should be growth within the County (more homes, etc) to account for this needed increase.

A motion was made by Ms. Dedden, 2<sup>nd</sup> by Chris Colvin to amend the legislation 50.033. The changes are (B) Remove the wording "or the size of the Public Water Supplier's meter, whichever the customer chooses." Then state: The system capacity charge shall be calculated as follows: (1) Reserved capacity X \$2.45.

Removal of (2)

(C) (1) Change wording to: determining the monthly billing cycle

Vote on motion: 3 yeas

Motion to adjourn at 7:11pm – 1<sup>st</sup> – Brian, 2<sup>nd</sup> – Chris. Vote – 3 yeas

Submitted by: Joette Dedden, Chairperson

Next meeting – Tuesday, November 20, 1028 – 5pm