

COLTON WATER DISTRICT  
BUDGET COMMITTEE MEETING  
MAY 21, 2024

Budget Committee Members Present: Cody Seelye, Nina Baurer, Dan Fraijo, Mike Litherland, and Cezanne Decristoforo

Directors Present: Ken Carroll, Carl Stephens, Alan Gross, Colin Wait, Teresa Bricker.

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 said she would like to thank all of the Budget Committee members for their time serving on the budget committee and also, Dani Tice from Combined Business Services for her assistance with the budget.

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

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

Replacing two pressure-reducing stations and calibrating them.

The Audit for FYE ending 2024 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.

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

Priorities for the upcoming year:

Transferring \$150,000 in savings to the Capital Improvement account.

LB-20 Detailed Resources in the General Fund - Betty noted an increase in the Water Revenue Service line item which is the monthly billing of customers, and a new line item was added for late fees that were suspended during COVID-19. All other items remained the same or close to the last fiscal year. 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. Net working capital will be 60,296, this added to the other resources for the fiscal year would be \$493,296. Colin asked if we would accrue 4,000 in late fees and Betty and Jan Kaforski assured us it was estimated high. Colin asked what will the percentage rate be for late fees and Betty answered 2% after 60 days.

LB-31 Detailed Requirements for the General Fund Expenditures - Personnel costs have been increased to reflect labor costs to support additional inside labor and outside labor when needed for treatment and distribution maintenance and for vacation/sick leave coverage. Payroll taxes/health line items have been decreased since employees will receive a health stipend as a wage to purchase their health insurance. New line items have been added for payroll expenses, vehicle fuel, and maintenance for the 1996 Dodge Ram that was donated by Colton Fire District for personnel use. Ken asked why there is a new line item for payroll preparation fees and Betty explained that we are outsourcing our payroll now. Carl Stephens asked if \$2500 would be enough for vehicle maintenance and Pete Dostert said we will see how it goes the first year.

General Fund Transfers – Transfers to Other funds are projected to be savings in the amount of 186,626 and 35,640 for a Per Account Fee. Ken Carrol explained that the per account fee is a \$6.00 fee that comes out of each customer payment and goes into the Capital Improvement fund for maintenance and construction. Total requirements 493,296 for the 2023/2024 fiscal year.

LB10 Capital Improvement Fund – This fund accounts for major repairs or any other costs that cannot be paid out of the General Fund. It is anticipated that transfers into the Capital Improvement Fund from the General Fund in the amount of 186,626 will be made to continue saving what had been paid toward bond payments in the past, to go toward future construction projects, in addition to the Per Account Fee

savings of \$35,640, and other resources. Total Resources 509,100. Total requirements expected \$509,100, this includes 2 bypass valve replacements for \$42,000.

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.

LB-11 – Reserve Fund – This was paid off and closed in July 2022. The remaining amount was transferred to the Capital Improvement Fund.

Colin asked for any public comment and none was received.

Chairman Colin Wait asked for a motion to approve the 2023/2024 fiscal year budget.

Carl Stephens made a motion to approve the proposed budget for 2022/2023 as is. Alan Gross seconded the motion and the motion carried by unanimous vote of those budget committee members present.

\*The meeting adjourned at 6:25 p.m.

Respectfully submitted,

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Nina Baurer, Secretary