

**Rivergrove Water District
Budget Committee Meeting Minutes
Monday, April 25, 2022**

The Budget Committee meeting was held this day via remote teleconference. Attendees included Commissioners Roth, Johnson, Magura, Patterson, and Howell as well as Budget Committee members Jon McDowell, Doug Koth, John Bartho, Lisa Merlo Flores, and John MacPherson. General Manager/Budget Officer Janine Casey was also in attendance.

- 1. Call to Order:** The meeting was called to order at 5:30 p.m.
- 2. Public Attendance:** Several members of the public were in attendance: Bonnie Robb, Lisa Volpel, Robert England, and Patricia Griffith.
- 3. Introductions:** Budget Committee volunteers introduced themselves. Jon McDowell, Doug Koth, John Bartho, Lisa Merlo Flores, and John MacPherson were appointed to the Budget Committee by a motion from *Commissioner Johnson, seconded by Commissioner Magura, and passed by a unanimous vote.*
- 4. 2022-2023 Budget Committee Chair Election:** Jon McDowell was appointed as the Budget Committee Chair by a motion from *Commissioner Magura, seconded by Commissioner Johnson, and passed by a unanimous vote.*
- 5. Budget Officer Overview of Budget Process and Budget Message:** Budget Officer Janine Casey provided an overview of budget procedures. To ensure sound financial practices, Rivergrove Water District operates on three guiding principles: expense management, procurement discipline, and transparency. The District's goal is to provide safe, environmentally sustainable drinking water to all customers at a cost-effective rate to generate adequate revenue consistent with the District's 20-year Master Plan.
- 6. Budget Details, Discussion, and Questions:** The District operates under a fiscal year beginning July 1 and ending June 30. The budget document includes the financial history of revenues and expenses for the past two years as well as this year's estimates. The estimates for each fund contained in the proposed budget is based on assessing expected benefits and related costs.
 - a. Upcoming Projects for new Fiscal Year:**
 - Replace 315 LF of 4" asbestos-cement pipe with 8" ductile iron pipe on Deemar Way for fire flow improvement.
 - Replace 350 LF of 4" asbestos-cement pipe with 8" ductile iron pipe on Tamara Avenue for fire flow improvement.
 - Install two new fire hydrants to increase fire protection for customers.
 - Update District's mapping system to reflect accurate information.
 - Obtain grant funding to replace critical transmission and distribution mains which need replacement due to age, materials, and risk of failure in a seismic event.
 - b. Highlights from ending Fiscal Year:**
 - Published 2022 Water Quality & Consumer Confidence Annual Report.
 - Completed Risk & Resiliency Assessment.

- Completed Environmental Protection Agency Review of AIS Requirements for Reservoir 3 Project.
- Completed Water Management and Conservation Plan.
- Completed Oregon Health Authority Water System Survey.
- Revised Emergency Response Plan in accordance with new federal mandates.
- Purchased new stationary generator for Well 1.
- Replaced 200 new meters on customer service lines.
- Replaced two aging fire hydrants on Deemar Way/Mardee Ave and Indian Springs Circle.
- Performed annual maintenance for valve exercising and fire hydrant flushing.
- Completed Fiscal Year 2021-2022 Financial Audit and Special Single Audit for Government Funds.
- Upgraded District accounting computer.
- Created and published District newsletters.
- Updated and revised District website.

c. Discussions and Questions:

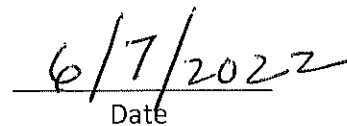
- Revenue – A rate increase of 10% was initiated in FY 2021/2022. A rate increase of 3% was proposed for FY 2022/2023. Given the current inflationary climate, **Commissioner Johnson moved for a 3.75% rate increase, seconded by Commissioner Magura, and passed by a unanimous vote.**
- Personnel Services – Operator wages were increased to allow for a cost-of-living increase.
- Materials Services – Funding for property/liability insurance increased as a result of the District’s cybersecurity insurance policy being raised by 250%. Rent costs increased due to pending lease negotiations. Funding increases for engineering services are the result of projected projects for the new fiscal year.
- Professional Services – A general discussion ensued on whether attorney fees should be increased from \$5,000 to \$7,500. Committee Chair McDowell asked for a consensus among the Board and Budget Committee. The following votes were received: **Ayes: Commissioners Roth, Magura, and Patterson; and Budget Committee Member John MacPherson. Nays: Commissioners Johnson and Howell; Budget Committee Chair Jon McDowell; and Budget Committee Members Doug Koth, John Bartho, and Lisa Merlo Flores.**
- Capital Outlay – Funding for the AMR Meter Program was increased to replace the District’s depleted stock due to 210 meters replaced during Fiscal Year 2021/2022. Capital improvement funds were increased to support two water main replacement projects on Tamara Ave and Deemar Way.

7. Approval of the Budget: The FY 2022/2023 budget was approved by a motion from **Budget Committee Member Lisa Merlo Flores, seconded by Chair Roth, and passed by a unanimous vote.**

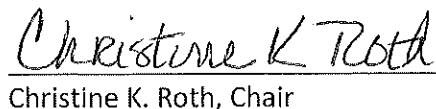
8. Adjournment: Budget Committee Chair Jon McDowell adjourned the meeting at 7:00 p.m.



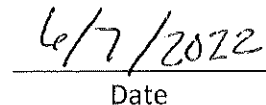
 James W. Johnson, Secretary



 Date



 Christine K. Roth, Chair



 Date