

**Rivergrove Water District
Minutes-Regular Board Meeting
July 25th, 2016**

Chair DeVries called the Rivergrove Water District regular board meeting to order at 7:36 AM at 17661 Pilkington Rd, Lake Oswego. Commissioners DeVries, Roth, McDowell, and Patterson were present. Commissioner Johnson excused. District Manager DJ Ezell and Finance Manager Dan Zimmerman were also present.

Public Hearing: No public present.

CONSENT AGENDA

TAB 1: Minutes-June 27th, 2016 Regular Board Mtg.

Commissioner Roth moved that we approve the June 27th, 2016 minutes as presented. Commissioner Patterson seconded. Motion passed. Commissioners Patterson, Roth, McDowell and DeVries voted aye. Nays-None.

UNFINISHED BUSINESS

TAB 2: Emergency Generator Punch List

DJ noted that the Engineer sent over a punch list and the Contractor has been working on it. She explained the conduit issue, the problems entailed in burying it, and if it would be buried. She didn't see that happening as it would not be an easy fix. Our Engineer will be inspecting the Generator today and making sure the punch list items have been done. She noted that we do need to go into a service contract because the generator needs to have a load test annually. DJ noted that if the power goes down it will come on automatically. Right now it is programmed to exercise and run 15 minutes every Monday morning.

FINANCIAL REPORT

TAB 3: Debt Collection Agency Engagement

Board discussion on bad debt. Chair DeVries asked about the District policy on delinquent or bad debts. DJ noted that we have delinquent policy and shut off if they go 10 days past due date. Most of the ones on the list that she provided and haven't paid are ones that have moved on.

Staff will research how the time the Collection Agency will go back and what the minimum amount will be worth going after. Discussion on the report and why debt was charged off only up to 2012 when running the report? Upshot is that we are engaging an FCS to help in collection of past bad debt. RGW District lawyer confirmed that by statute we are allowed to add a fee on to the customer's debt to pay the FCS fees. Section of contract that notes for each account we pay \$5 to the agency. Dan will contact the agency and inquire about the \$5 charge. Board asked for staff progress report at next board meeting.

TAB 4: Audit

Dan noted the auditor sent a list and we have been sending him all the information. Dennis does a lot of pre-audit work and then we will get him on the calendar for his field work. Staff really enjoys working with him and hope to continue through the contract.

TAB 5: Financial Report-Deposit Reconciliations and Board Report Checklist Beginning Fiscal 7/1/2015

Dan stated this is normal monthly report going from July 1 to July 15th. The report is now not showing the \$196 check to the State Division of Lands it will show on a separate line item. Discussion continued on what unclaimed properties are and the way those amounts are generated and handled.

TAB 6: June 2016 Bank Statements and Reconciliations

Dan stated that we have done transfers from the Capital Improvement Project mostly to reimburse the checking for expenses paid on the emergency generator project. Chair DeVries asked about the reimbursement funds on the source water grant and where they go. Do we get reimbursed into the checking? Dan stated that the reimbursements for the grant funds go into the non-restricted account at the LGIP and if we don't need the money in checking we just keep it there to get interest. Non restricted is basically the same as checking. Dan stated when we write the check it is expensed on a line item in the expense category. When we are reimbursed it goes in the income line item. Where the money is held as long as it is either checking or non-restricted does not matter.

TAB 7: Fiscal 2015-2016 Budget vs. Actual –June 30th Final Figures

TAB 8: Fiscal year 2016-2017-Budget vs. Actual Pay Bills

Dan explained the additional report for the year end review. Are we spending money or are we making money? He felt the report is showing that we are making a little money. Chair DeVries stated translation we are budgeting to lose \$300,000? Dan stated the way he looks at it worse case scenario if every expense that we budgeted for (i.e. we have all kinds of main breaks) is used we would definitely be spending more than we are taking in. But we can cover it because we have the reserve funds. Capital Outlay expenses are a good example. We budget for contingencies in that section but if we don't use it this carries over as beginning cash for the next fiscal year. We looked at the beginning cash from year before to this year and we were only about \$5,000 more. So we are not saving huge amounts of money but we are ahead. After the Audit we will see how we come out.

Chair DeVries queried how we know when we have reached a 90 day contingency? We are doing the rate increases but are we getting anywhere? DJ felt that at some point we need to get back with our rate study consultant to get an answer on where we are. She also explained that the Board looks at percentages and that all our funds income and expenses are under one report with Quickbooks. So to realize how the General Operating Fund is doing you have to remove the expenses and income numbers for the Capital Improvement Fund, Unemployment Fund, and the Truck Fund to see just where we sit with the General Operating Fund.

Chair DeVries asked what is expensed in the "Publication and Elections" line item. Staff explained it goes to putting legal notices in the paper for public hearings, for budget committee meetings and hearings, also any costs from the County for the Board member elections.

Approve Financials/Pay Bills

Commissioner McDowell moved that we approve the financial report. Commissioner Roth seconded. Motion passed. Commissioner Patterson, Roth, DeVries, and McDowell voted aye. Nays-none

Commissioner McDowell moved that we pay the bills and approve the bank statements.

Commissioner Patterson seconded. Motion passed. Commissioner Roth, DeVries, Patterson, and McDowell voted aye. Nays-none

All Board members present reviewed and signed the "Approval of Payment Form and Approval of reconciliations between CUSI and QuickBooks for Water Sales, Penalties and Water Deposits (including attached supporting documents)". And all Board members present reviewed and signed the form entitled Rivergrove Water District-Bank & LGIP Statements." Commissioner Roth completed the "Financial report check list" for this meeting.

NEW BUSINESS

TAB 9-Completion of District Report and Pump Reads June 2016: DJ noted that we have already discussed the Generator items. On the pump reads we need to see that our pumping time is much shorter than last year (meaning lower revenue from water sales). We are doing shut offs this Thursday-31 notices were sent out. On the budget document DJ wanted to let she made some formatting changes.

Dan noticed there were 2 page 5's and some lines off. She corrected them as the errors made no difference in the numbers that were adopted. We have done the nitrate testing and will be starting on the lead/copper testing. We have some additional customers interested in doing the testing.

Commissioner/Staff Comments: Commissioner Roth felt that political quotes in the report makes her very uncomfortable with and feels that we should not go there. DJ apologized and stated that she will cease to put quotes of past and current politics in the report. Board accepted and felt it wasn't a big deal but should be avoided in the future.

Non-agenda items-DJ noted that we did have a public request from an organization in Florida called openthebooks.com. She discussed what the DWAC meeting agenda was mainly discussing lead/copper issues.

Commissioner to sign checks for the month: Chair DeVries stated he could do it but would be gone the first week of August. Vice Chair Roth volunteered for the time when he was gone. Discussion continued on issues that will be arising for Chair DeVries and Commissioner McDowell during the upcoming school year.

Agenda Consensus for August 29th, 2016 Meeting

Collection update

Chair DeVries adjourned the meeting at 8:39 AM.

Respectfully submitted,

DJ Ezell,
Manager
Rivergrove Water District

These minutes are not verbatim and the meeting was tape recorded. The Tape Recorder was found to be inactive for the first portion of the meeting. Upon discovery it was fixed and the balance of the audio version is available on You Tube under Rivergrove Water. First section of the minutes of meeting was documented from notes.

ORS 192.650 Recording or written minutes required; content; fees. (1) The governing body of a public body shall provide for the sound, video or digital recording or the taking of written minutes of all its meetings. Neither a full transcript nor a full recording of the meeting is required, except as otherwise provided by law, but the written minutes or recording must give a true reflection of the matters discussed at the meeting and the views of the participants. All minutes or recordings shall be available to the public within a reasonable time after the meeting, and shall include at least the following information:

- (a) All members of the governing body present;
- (b) All motions, proposals, resolutions, orders, ordinances and measures proposed and their disposition;
- (c) The results of all votes and, except for public bodies consisting of more than 25 members unless requested by a member of that body, the vote of each member by name;
- (d) The substance of any discussion on any matter; and
- (e) Subject to ORS 192.410 to 192.505 relating to public records, a reference to any document discussed at the meeting.