





Washington County Service Authority Board of Commissioners
May 24, 2021 Special Called Meeting Minutes

Agenda Item: 1  COMMUNICATION	Call the Meeting to Order
Presenter(s):	Chairman
Beginning Time:	4:36 pm
End Time:	4:36 pm


Agenda Item: 2  COMMUNICATION	Roll Call
Presenter(s):	Chairman
Beginning Time:	4:36 pm
Present:	Mr. Thayer, Mr. Taylor, Mr. D. Miller, Mr. Campbell, Mr. Orfield, Mrs. C. Miller, and Mr. Hutchinson
Absent:	None
End Time:	4:37 pm

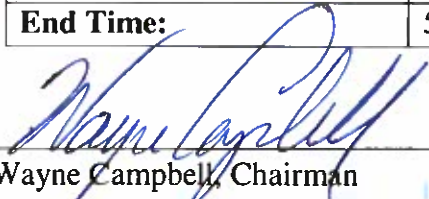
Agenda Item: 3  COMMUNICATION	Approval of the Agenda
Presenter(s):	Chairman
Beginning Time:	
Potential Conflict(s) of Interest and Abstention(s):	None
Discussion:	None
On the Record:	None
Actual Motion:	Motion to approve the Agenda as presented.
Motion By:	Mr. D. Miller
Second By:	Mr. Thayer
Voting:	Ayes: 7
	Nays: 0
	Abstain: 0
End Time:	4:37 pm


Agenda Item: 4  FINANCIAL VIABILITY	Budget Workshop
Presenter(s):	Chairman
Beginning Time:	4:37 pm

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Potential Conflict(s) of Interest and Abstention(s):	None
Discussion:	Mr. Little and Mr. Cornett discussed the attached 2022 Fiscal Year Budget presentation.
On the Record:	Mr. Cornett suggested the holding another budget workshop before the June Regular Board Meeting.
Actual Motion:	None
Motion By:	
Second By:	
Voting:	Ayes:
	Nays:
	Abstain:
End Time:	5:47 pm

Agenda Item: 5  COMMUNICATION	Adjourn
Presenter(s):	Commissioner
Beginning Time:	5:47 pm
Discussion:	None
On the Record:	None
Actual Motion:	Motion to Adjourn.
Motion By:	Mr. Taylor
Second By:	Mr. Hutchinson
Voting:	Ayes: 7
	Nays: 0
	Abstain: 0
End Time:	5:47 pm


 Wayne Campbell, Chairman


 Carol Ann Shaffer, Assistant Secretary

2022 Fiscal Year Budget

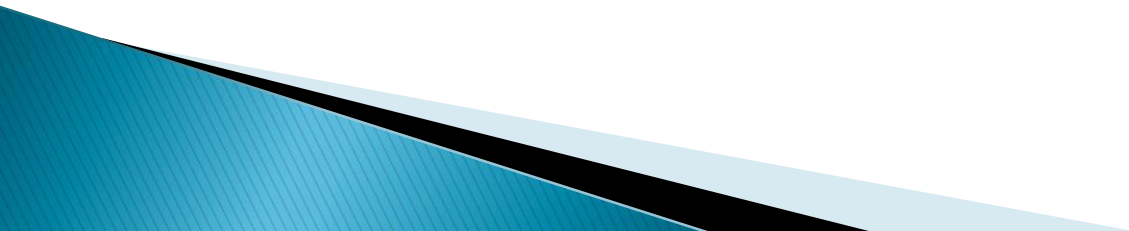


Introduction

- ▶ Budget Process (Robbie)
 - ▶ Departmental Capital (Rusty)
 - ▶ Five-Year Capital Improvement Plan (Robbie)
 - ▶ Compensation and Benefits (Robbie)
 - ▶ Expenses (Rusty)
 - ▶ Rates Fees & Charges (Rusty)
 - ▶ Reserves & Coverage Ratios (Rusty)
 - ▶ Conclusion and Recommendation (Rusty)
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Budget Process

(Robbie)



Budgeting Process

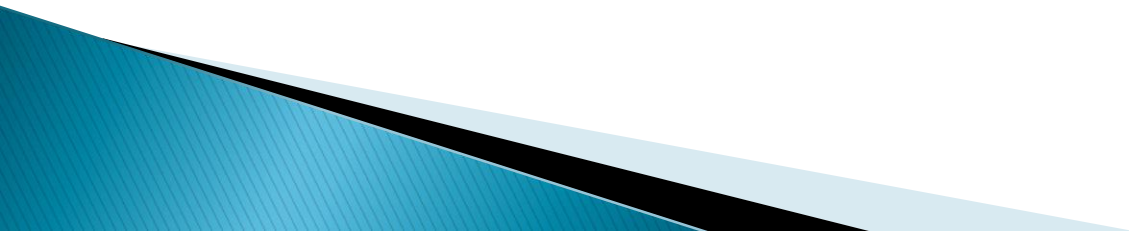
- ▶ Expenses (Power, Chemicals, etc.)
 - Reviewed One-by-One to see if Current Year Projections are Accurate or Need Adjustment +/-
- ▶ Department Capital (Vehicles, Computers, etc.)
 - Considered by Department Managers and Presented to Management
- ▶ WCSA's Capital Improvement (Extensions and Improvements)
 - Board Action
 - Aging, Critical, and Regulatory Infrastructure Needs
 - Updated Cost Estimates
 - Project Schedules
- ▶ Compensation
 - COLA = Inflation
 - Merit = 1% of Department Budget

Departmental Capital

(Rusty)

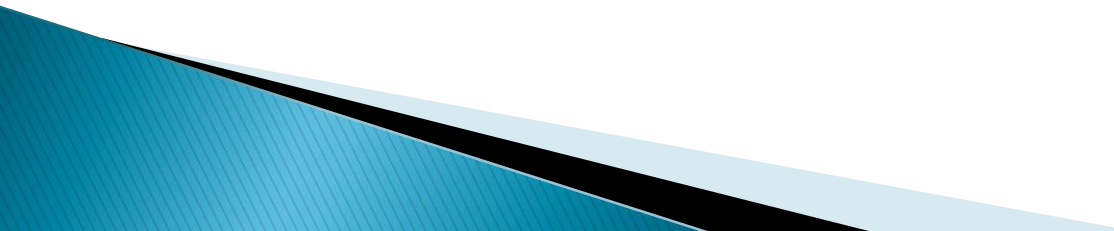
Five-Year Capital Improvement Plan

(Robbie)



Compensation and Benefits

(Robbie)



Compensation

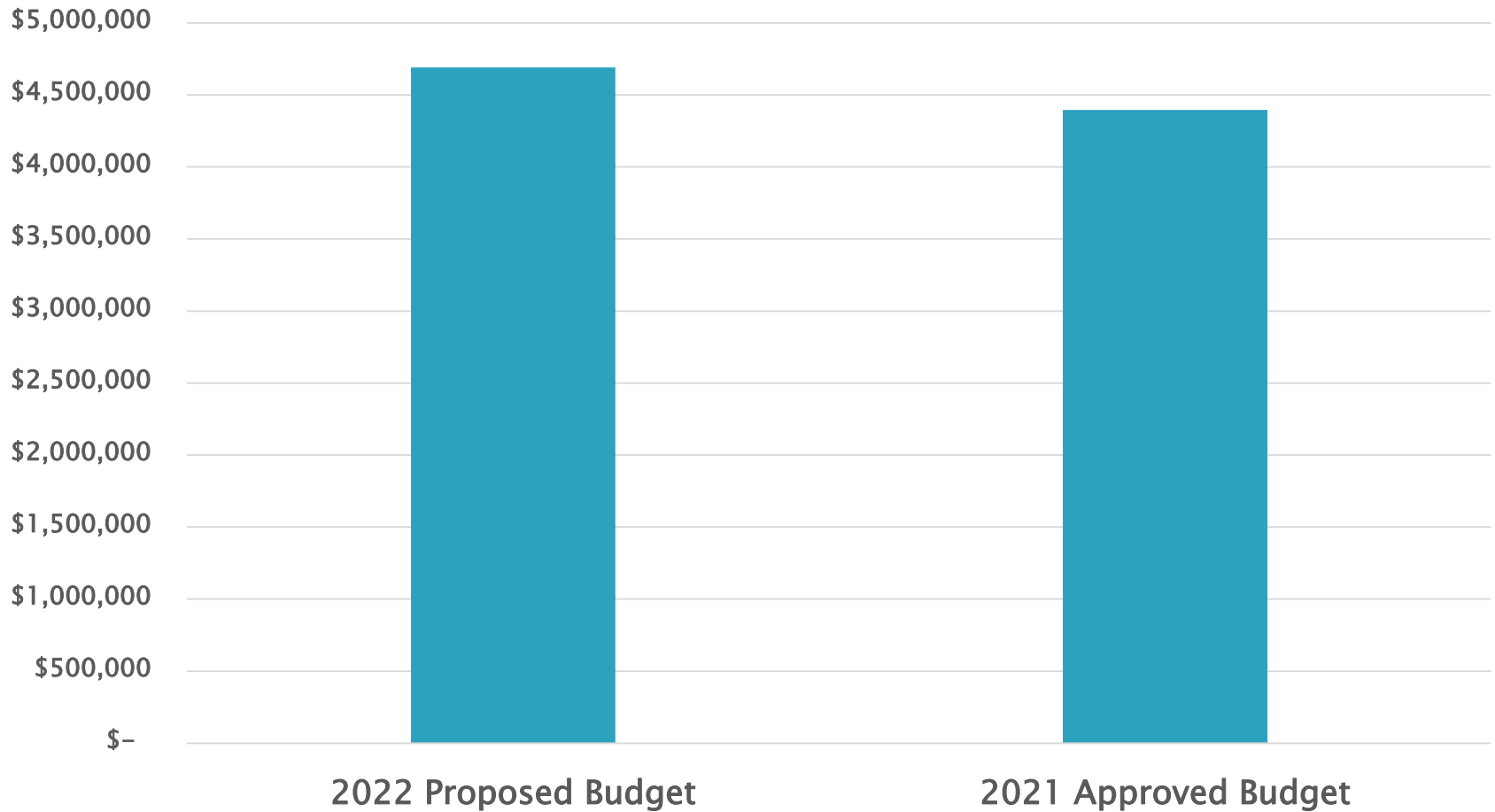
- ▶ Goal: “To recruit, develop, and retain a best-in-class team”
 - Cost of Living Adjustment (COLA)
 - Benchmark: Historical Annual Inflation
 - 2.5% Average Since January 2021
 - Estimated to Exceed 3% This Year
 - Effective July 2021
 - Performance/Merit
 - Amount Equal to 1% of Total Compensation Budgeted by Department at 0.5%
 - Applied Based on Annual Appraisals Performed by Supervisor Starting January 2022
 - Progression Plans
 - Employees not yet Meeting Position Description
 - 23 Employees

[illegible]

Historical Annual Inflation Rate 2009 to Present

[illegible]

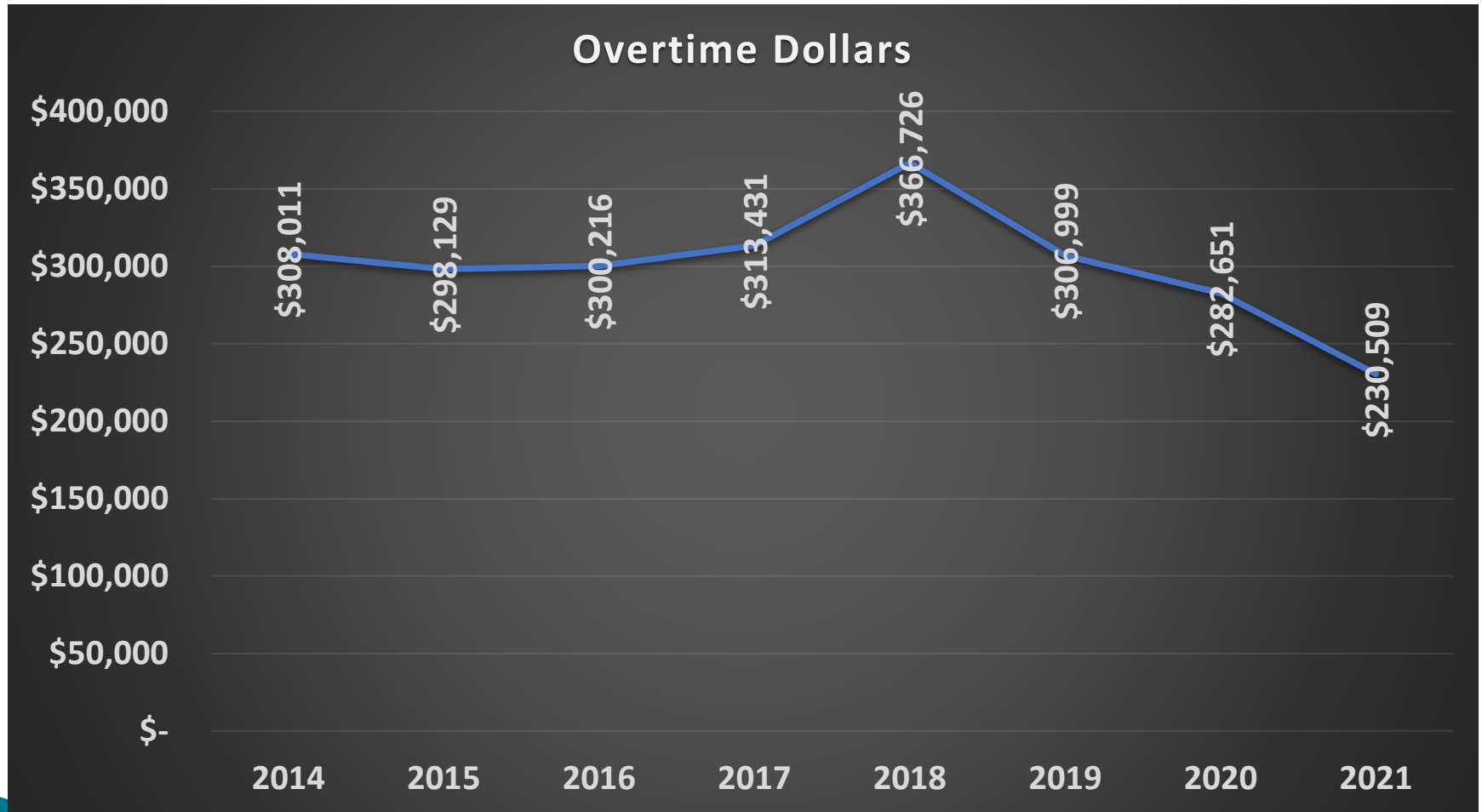
FY 2021 Approved and FY 2022 Proposed



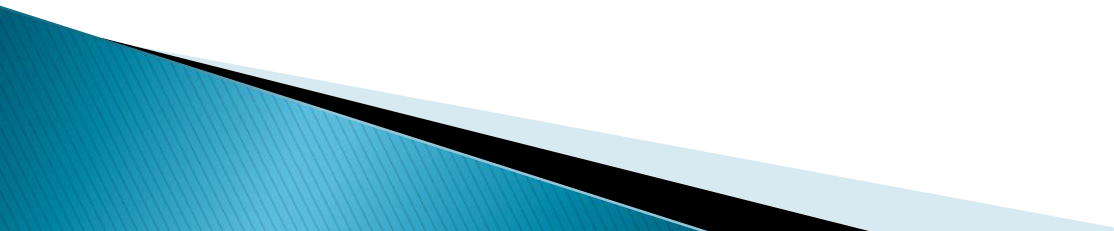
FY 2021 Approved and FY 2022 Proposed

Division	Department	2022 Proposed Budget	2021 Approved Budget	Increase/ (Decrease)	Increase/ (Decrease)
Water	Administration	\$ 996,934.63	\$ 900,177.00	\$ 96,757.63	9.71%
	Customer Service	\$ 441,854.62	\$ 422,276.00	\$ 19,578.62	4.43%
	Maintennace	\$ 1,527,443.97	\$ 1,581,283.00	\$ (53,839.03)	-3.52%
	Distribution	\$ 78,357.02	\$ 139,654.00	\$ (61,296.98)	-78.23%
	Production MFDWP	\$ 829,327.42	\$ 783,447.00	\$ 45,880.42	5.53%
	Production MC	\$ 89,301.63	\$ 133,710.00	\$ (44,408.37)	-49.73%
	Meter	\$ 279,377.37	\$ 238,914.00	\$ 40,463.37	14.48%
	Commissioners	\$ 22,673.00	\$ 22,673.00	\$ -	0.00%
	Sub Total:	\$ 4,242,596.67	\$ 3,960,547.00	\$ 282,049.67	6.65%
Wastewater	Production HC	\$ 289,058.27	\$ 280,794.00	\$ 8,264.27	2.86%
	Production D	\$ 55,178.68	\$ 52,656.00	\$ 2,522.68	4.57%
	Maintenance	\$ 103,633.29	\$ 101,221.00	\$ 2,412.29	2.33%
	Sub Total:	\$ 447,870.24	\$ 434,671.00	\$ 13,199.24	2.95%
Total:		\$ 4,690,467	\$ 4,395,218	\$ 295,249	6.29%

Overtime



Insurance

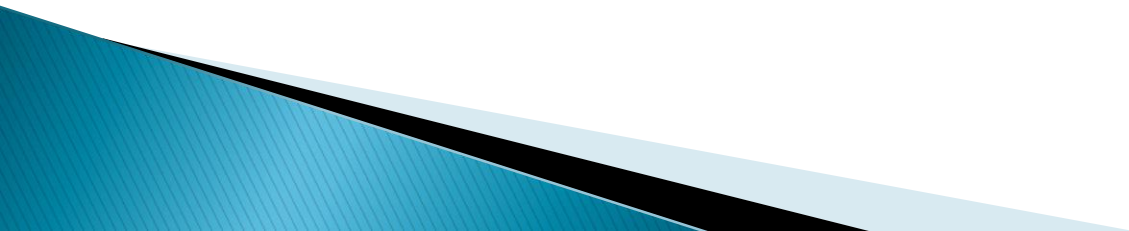
- ▶ Plan Year October 1–September 30
 - ▶ Renewal Expected August 2021
 - ▶ Budgeting 6% Increase (Less Aggregate)
 - ▶ Current Aggregate \$95,287.92 to the Good
 - ▶ Rx Reduced by 50% (Sustained for 5–years)
 - ▶ Employees Portion Scheduled to Remain Unchanged @10% for Dependent Coverage
 - ▶ Thank You for Maintaining our Benefits!
- 

Recommendation

- ▶ Compensation:
 - 3% COLA
 - 1% Merit (Budgeted at 0.5%)
 - 6.29% or \$295,248.91
- ▶ Health Insurance
 - Maintain Current Health Contribution & Plan
- ▶ Continuous Improvement
 - As is reported throughout the year, Staff continues to look for and implement measures which save money.

Departmental Expenses

(Rusty)



Rates, Fees & Charges

(Rusty)



Water Rate Increases 2020–2024

Monthly Service Fees Water = a monthly minimum charge based on meter size plus usage

Monthly Base Charge					
Meter Size	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
3/4"	\$23.96	\$24.74	\$25.55	\$26.31	\$27.10
1"	\$33.54	\$34.63	\$35.75	\$36.82	\$37.93
2"	\$69.48	\$71.73	\$74.07	\$76.29	\$78.58
4"	\$335.39	\$346.29	\$357.54	\$368.27	\$379.32
6"	\$503.08	\$519.43	\$536.31	\$552.40	\$568.97
8"	\$694.73	\$717.31	\$740.62	\$762.84	\$785.72

^[1] The water base charges will increase by 3.25% annually for FY 2020-FY 2022 and by 3% annually for FY 2023-FY 2024.

Water Rate Increases 2020–2024

Monthly Variable Charge (per 1,000 gallons)					
Usage Blocks	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Residential					
Level 1: 1,000, 2,000 & 3,000 gallons	\$5.32	\$5.59	\$5.87	\$6.16	\$6.47
Level 2: 4,000, 5,000 & 6,000 gallons	\$7.77	\$8.16	\$8.57	\$8.99	\$9.44
Level 3: Over 6,000 gallons	\$10.87	\$11.41	\$11.98	\$12.58	\$13.21
Non-Residential					
Outside Service Area Rate	\$7.54	\$7.92	\$8.31	\$8.73	\$9.16

 The water volumetric charges will increase by 5% annually from FY 2020 through FY 2024.

Water Rate Increases 2020–2024

Monthly Variable Charge (per 1,000 gallons for Leaks)					
Usage Blocks	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Residential					
Level 1: 1,000, 2,000 & 3,000 gallons	\$5.32	\$5.59	\$5.87	\$6.16	\$6.47
Level 2: Over 4,000 gallons	\$7.77	\$8.16	\$8.57	\$8.99	\$9.44

Sewer Rate Increases 2020–2024

Monthly Service Fees Wastewater = a monthly minimum charge plus usage

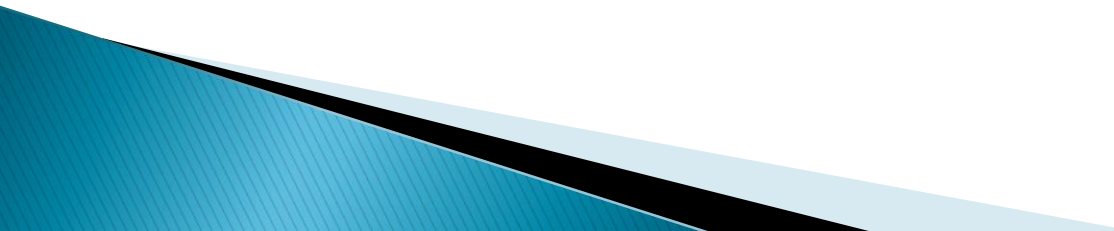
Monthly Charge	Base	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
All Customer Classes		\$29.91	\$30.50	\$31.11	\$31.74	\$32.37
Monthly Variable Charge (per 1,000 gallons)		FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Residential Customers		\$8.19	\$8.58	\$8.99	\$9.42	\$9.86
Commercial Customers		\$9.61	\$10.06	\$10.54	\$11.04	\$11.56
Industrial Customers		\$9.61	\$10.06	\$10.54	\$11.04	\$11.56
Monthly Availability Fee		\$26.01	\$26.53	\$27.06	\$27.60	\$28.15

^[1] The wastewater base charges [and availability fees](#) will increase by 2% annually from FY 2020 through FY 2024.

^[2] The wastewater volumetric charges will increase by 4.75% annually from FY 2020 through FY 2024.

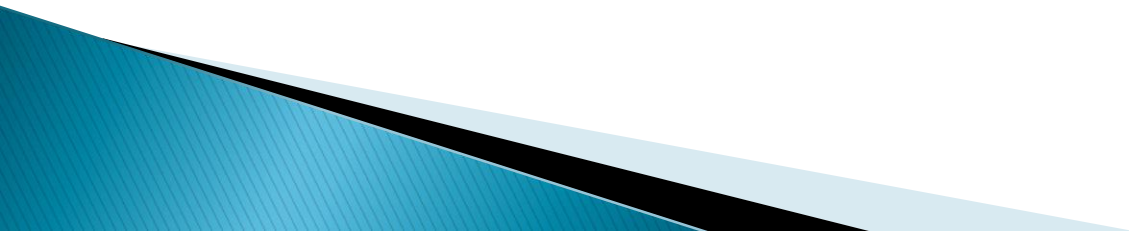
Reserves & Coverage Ratios

(Robbie)



Conclusion and Recommendation

(Rusty)



Conclusion

- ▶ WCSA Performing Better Than Projected
 - ...

Do Not Rescind Water Rate Increase

- ▶ Pros:

- ...

- ▶ Cons:

- ...

Rescind Wastewater Rate Increase

- ▶ Pros:

- ...

- ▶ Cons:

- ...

Recommendation / Request

