

Meeting Minutes
Finance Committee
September 6, 2011

Members in Attendance: Loyd Smith, Bill Cobb, Norty Markham, Earl Foster and Allan Hitchcock

The Committee reviewed the various reports and our comments are summarized below:

- Questioned the \$370.78 "Penalty" credit in the July Monthly Financial Report. The credit was an adjustment for leaks.
- We asked about the amount of overtime in July. The bulk of the overtime was for after hour calls which occurred primarily because of leaks on weekends.
- The Motor Vehicle Fuel charge for July was high because the fuel storage tank was filled.
- The Raw Water Pumping charge was higher than planned because of freeze damage which was not covered by insurance. The freeze we had earlier this year was abnormal in its duration which was the primary reason for the damage.
- Reviewed the "Reallocation of Capital Expenditures" document and agreed with Earl's recommendations.
- We reviewed the Water Rate Design and the committee recommends allocating \$35,000 from the Water Stabilization Fund to lower the Water Base Rate to \$22.28. The Wastewater Base Rate will be \$18.15 which is down from \$19.57. The Volume rates for both will remain the same as will the Tax Rate.
- We recommend the Board accept the Audit Proposal from PMB Helin.
- We recommend the Board maintain the 11% contribution rate to the TCDRS Pension Plan.
- Discussed the Monthly Billing Report prepared by staff. It would cost more to do the billings in house than outsource. We discussed going paperless for those electing to pay automatically by draft or credit card which could substantially reduce the billing expenses, and encouraged Earl to continue to pursue paperless alternatives aggressively.
- We discussed generating a monthly expense report that could be on Earl's desk a few days after the end of each month. The report would include current month actual, current month budget, last month actual, same month last year actual, YTD actual, YTD budget, and include percent increase/decrease for each column. Such a report would give management timely information to correct any issues promptly without having to wait several weeks for financials to look at expense trends. Earl agreed to pursue developing such a report through Excel.

Submitted by Norty Markham, Secretary