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WICKIUP WATER DISTRICT

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BUDGET COMMITTEE MEETING
May 13, 2026

<u>Commissioners Present:</u> Rodney Bloom, Ole Gifford, Laura Germond, and Gary Heilmann

<u>Budget Committee Members:</u> Sue Stunkard, Nathan Mahoney, Casey Wray, and Carole Trotter

<u>Employees Present:</u> Michelle Bolton

These minutes have been transcribed by AI. The original voice recording is available upon request.

The Budget Committee met to review the proposed fiscal year 2026–2027 budget for the water district and discuss key assumptions, projected revenues, personnel costs, capital needs, and follow-up information needed before approval.

Summary of Discussion

- The budget officer explained the district budget structure, including the general fund, system development fund, and debt service fund, and noted that district revenue comes primarily from water sales, customer fees, and related charges rather than taxes.
- The committee reviewed projected water-sale revenue for FY 2026–2027, including the effect of the recent rate increase and assumptions about customer count, average household usage, and available system capacity.
- Members questioned whether projected revenue was realistic given prior concerns about water capacity and meter availability, and the budget officer responded that plant operations and engineering review indicate improved production capacity.
- The committee discussed the presentation of personnel costs, including wages, benefits, PTO, stability pay, overtime, and the possibility of budgeting for an additional employee.
- Members raised questions about the categorization and transparency of line items, including contracted services, repairs and maintenance, capital outlay, insurance, certifications, credit-card processing charges, and audit costs.
- The budget officer stated that some line-item classifications were revised this year to improve transparency and better distinguish repairs, maintenance, new work, and capital expenditures.
- The committee discussed capital priorities, including system upgrades and automation work, and noted that grants or other outside funding may require updated engineering reports.

- Members also asked about fund balances, savings, interest income, the treatment of debt-service receipts, and whether other district-related income should appear in the budget.
- Several members requested more detailed supporting information, including a more detailed profit-and-loss breakdown, clearer page references, and additional time to review the budget before recommending approval.

Key Points Raised

- Revenue projections should be supported by clearer assumptions and compared against recent actual collections after the rate increase.
- Personnel and benefit line items would benefit from clearer explanation, especially where historical presentation differs from the current format.
- Capital and contracted-service items should be more clearly distinguished between repairs, maintenance, new construction, and projects expected to seek grant funding.
- Committee members requested more detailed financial backup to better understand how summary figures were derived.

Decisions and Outcomes

- No final recommendation or approval was made during this meeting.
- The committee agreed that additional review time and supporting detail were needed before taking action.

Next Steps

- The budget officer will review publication timing requirements and propose a date for a follow-up budget committee meeting.
- Committee members will review the budget materials in more detail before the next meeting.
- Additional supporting financial detail may be circulated before the next meeting, including more detailed budget and profit-and-loss information.