

**FOREST LAKES DOMESTIC WATER IMPROVEMENT DISTRICT
WORK SESSION**

April 16, 2015

The Forest Lakes DWID Work Session was called to order by Chairman Lou St. Germain at 10:00 Am at The Water District Office. Present were Board Members: Mary Hume, Paul Studer, Sally Rottier, and Barb Purtymun. Staff Members present were Grant Cooper, Cheryl Kight and Amy Belch.

1. Discussion Of Project Engineering Bid

Mr. Cooper reports this is for Elk Dr. and he did the preliminary on that but has not drawn up any plans. We have 2600 ft. of 8 inch line and 1750 ft. of 4 inch line that's going in to Elk Dr. with 5 new hydrants with 30 pits. Ms. Hume asked Mr. Cooper why the 5 new hydrants. Mr. Cooper replies that it will be 4350 feet of pipe. Mr. Studer states that its 600 feet between hydrants. Mr. St. Germain asked if Mr. Cooper is going to upgrade the 3 hydrants that are already there on Elk Dr. Mr. Cooper States he is not going to upgrade the 3 hydrants because of the money it cost to upgrade them. Mr. Cooper states we have never upgraded the hydrants but we could look in to it and compare the cost on upgrading the hydrants compared to replacing them. Mr. St. Germain believes the cost of upgrading the hydrants is roughly \$400.00 compared to a new hydrant cost of \$1200.00. Mr. St. Germain said he spoke with Mr. Helms on the cost of upgrading the hydrants. Mr. Cooper reports the fire department can only purchase 2 hydrants a year. Mr. Studer states for the Water District to keep up on the projects we would have to be the one's purchasing the hydrants. Mr. Cooper states we have 2 of the older Pacific State hydrants. Ms. Hume suggest that we look into upgrading the hydrants we have on Elk Dr. and the fire department can purchase 2 new ones. Mr. Cooper states we have started purchasing the Muller hydrants years ago and with the Pacific State hydrants we do not have the backup parts like we do with the Muller hydrants. Mr. Cooper is going to look into the Pacific State hydrant parts and the Muller hydrant parts to see if there is any difference.

2. Discussion and review of Preliminary Budget

Mr. Studer reports we have 871 customers and with the Property Tax Revenue coming in, it totals \$ 254,710.00. Salary and Wages is budgeted at \$146,508. Mr. Studer recommends that change to \$153,500 for summer help for Mr. Cooper or more training with administration. Health Insurance is at \$30,000.00 and recommends that change to \$32,500.00. ASRS is at \$15,661.00 and recommends that change to \$17,000.00. Mr. Studer recommends the change in ASRS because the State rate can change at any time. Mr. St. Germain Asked Mr. Studer what percentage was the ASRS. Mr. Studer replied it's at 11.38% but the preliminary budget on wages of \$153,500.00 includes the part time help which is not included in the ASRS budget. Accounting and Auditing stays the same at \$8000.00. Ms. Kight will send out letters to potential new accountants for bids. Mr. Studer recommends that Computer Supplies change from \$1000.00 to \$1500.00. Sales Tax is at \$24,000.00 and recommendation is \$26,000.00. Mr. Studer recommends Construction in Progress be changed from \$369,790.90 to \$264,000.00. Recommendation for Equipment Replacement is \$27,000.00 change to \$40,000.00. Recommendation for Operation Reserve is \$90,000.00 change to \$115,000.00 and Capital Reserve change from \$38,000.00 to \$67,000.00. Ms. Hume recommends that we change the Operation Reserve by splitting it in half and putting the other half in the Capital Reserve. Mr. St. Germain agreed with Ms. Hume. Ms. Kight states this is all preliminary and the Auditors will be giving the Water District the final Numbers. Mr. Studer reports #1 we are in good shape, #2 Mr. Cooper helping with some of the leg work on projects will save the district money, and #3 taxes are slowly going up.

3. Discussion and review Contract Accounting Support Requirements

Committee met in March. Committee included Mr. Studer, Ms. Rottier, Mr. Cooper, and Ms. Kight. Requesting a proposal from CPA services. Suggestion by committee is whomever is selected for our accounting support should be able to work with the Administrator every month to get familiar with our computer system. Mr. Studer read the requirements to the board. Ms. Kight will send the bid

request to 4 CPA's and they have until May 11, 2015 to submit their requirements. Mr. Studer reports the average salary is around \$2000.00 a year. Mr. St. Germain questioned the amount we are currently paying for the accountant. Mr. Studer replies we are paying \$9839.04 Ms. Hume agrees with Mr. St. Germain about the amount we are currently paying is high. Mr. Studer reports our current accountant will receive a proposal to enter a bid as well. The account that is selected for the Water District will have to be or will have to get familiar with county rules and regulations. Mr. Cooper thanked Ms. Rottier and Mr. Studer for putting their time into this project.

4. Discussion and review Administrative Assistant Job Description

Mr. Studer reports on the Administration Assistant functions and the amount of customers we have. Our Water Company has 871 customers and we have an Administrator Assistant here 30 hours a week and a clerk here 12 hours a week so we are in-line with our demand of customers. Mr. Studer reports our salary range for administrative assistant is \$15.00 to \$22.00 an hour.

5. Discussion and review Rules and Regulations on Credit Card Fees

Ms. Kight explains to the board members that in the Rules and Regulations on page 16 paragraph H it has been changed to "or any businesses that the District does business with." That covers the District when making a charge to a customer for credit card payments.

6. Discussion of Water Accountability

Mr. Cooper is working with Mr. Dewalt. Mr. Cooper reports he has not received anything prior to the board meeting. Mr. Cooper is waiting for a bid from Mr. Dewalt on our energy audit and water audit.

7. Update on Arizona State Retirement System

Mr. Cooper reports on the ASRS he said that one of the boxes was not checked. Ms. Kight and Mr. Cooper could buy back some more time if they wanted to but after discussing it both opted not to. Mr. St. Germain signed the paper work. Ms. Kight mailed it out. Mr. Studer called the ASRS and they have received it.

Mr. Lou St. Germain Closed meeting at 11:00

Forest Lakes DWID
Minutes by: Amy Belch
Minutes approved: FLDWID

Lou St. Germain, Chairman

Sally Rottier, Secretary

Date