

FOREST LAKES DOMESTIC WATER IMPROVEMENT DISTRICT WORK SESSION

April 21, 2016

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: Paul Studer, Sally Rottier, Mary Hume, and Ray Grimmatt. Staff Members present were Grant Cooper and Amy Belch.

1. Discussion of Early Audit VS. CPA Accounting

Mr. Studer suggest FLDWID conduct an internal audit with Ms. Irwin, CPA closing of the books at end of the Fiscal Year. Mr. St. Germain spoke with the Lawyer and Mr. Brown stated there is no legal obligation for FLDWID to conduct an audit every year. Mr. St. Germain stated the CPA has already caught more than the Auditor's found in past years. Mr. St. Germain spoke with several water districts at RWAA and most do not conduct yearly audits. Ms. Belch spoke with Ms. Irwin and her cost would be around \$500.00 over her contract plus mileage. Ms. Rottier questioned the cost of the yearly audit. Ms. Hume stated the cost to be over \$8000.00 a year plus mileage and lodging. Mr. St. Germain reports the cost of cancelling the audit for the last 2 remaining years is 20% of \$8000.00 for each year.

2. Discussion of Credit Card Fee

Mr. Studer states raising customer rate is not in the best interest of FLDWID. Mr. St. Germain states all fees are hidden somewhere. Mr. Studer recommends charging \$1 per \$100 charged and cap of \$300 to charge. Ms. Hume suggest FLDWID revisit the charges in 6 months and put new charges in the newsletter.

3. Discussion of Group Policy Rates for Health Insurance

Mr. Studer suggest table the Group Health Insurance until FLDWID gathers more data. Ms. Belch spoke directly to Blue Cross Blue Shield of Arizona and she should have a group quote by next week. Mr. Studer states the numbers are not close enough to a final figure to make a decision. Mr. Studer recommends FLDWID get quotes closer to the Affordable Health Care Act. RWAA contacted Mr. Studer and Mr. Studer will meet with them next week. Mr. Studer will also contact the County to set up a meeting. Mr. St. Germain recommends calling the lawyer after Mr. Studer has his meetings with the County and RWAA.

4. Discussion of Mogollon High School Robotics Club World Championship

Ms. Belch states the Mogollon High School Robotic team is going to the World Championship. The community of Heber/Overgaard has raised \$5000.00 for the Mogollon kids and the goal is \$10,000.00. Mr. Studer recommends \$100.00 for community support. Ms. Hume suggest calling the CPA and find out if it is legal for FLDWID to donate. Ms. Belch contacted Ms. Irwin, CPA for FLDWID. Ms. Irwin stated that it was legal.

5. Discussion of Quarterly Review of 5 Year Plan

Mr. Cooper refers to page 5 in the Master Plan changing the residential customer's to 862 from 861.

Mr. Studer refers to Objective 2: Elk Project design is complete and installation starts in 2016. Mr. Studer refers to page 13 not to make any changes but recommends looking at the history of the upgrades in 2013-2014. Mr. Cooper refers to the email sent out April 6 to all board members. Mr. Cooper states Vacation Drive is 2100 feet, Woodchuck Lane is the cul-de-sac is 330 feet, and Wildcat is 3500 feet a total of 5930 feet. Mr. Cooper suggest it would have to be broken down in sections. Mr. Studer states the Engineering could be done in one session. Mr. Studer suggest gathering all the data financially. Mr. St. Germain recommends building the reserve account before starting Vacation Project.

6. Discussion of Preliminary Budget for fiscal Year 2016/2017

Mr. Studer states FLDWID is using current rates for the income. The water sales is not being increased in fact as FLDWID gets closer to June budget decreasing the sales number. Mr. Studer reports Property Sales Tax for next fiscal year is \$270,299 estimated by Coconino County. Mr. St. Germain addressed the Property Sales Tax for this Fiscal Year. Ms. Belch reported rough estimate of \$10,000 coming from Property Sales Tax next months. Mr. Studer reports Sales Tax collected is \$2.50 per customer with \$250.00 on top of the overall Sales Tax. Mr. Studer reports Wages plus 3% increase and \$10K for any summer support if needed. Mr. Studer reports projected actuals compared to preliminary budget are close except the property sales tax. Mr. St. Germain suggest to look over figures again and add a side note.

7. Discussion of ASRS

Mr. Studer reports FLDWID was accepted into the Arizona State Retirement Program. Mr. Studer is waiting for them to respond with numbers for the buyback program. ASRS is going to over-night the numbers. Mr. Studer states the ASRS will start in June 2016. Mr. Studer recommends ASRS on the May Agenda or have a special board meeting to look over figures for the buyback program.

Mr. Lou St. Germain Closed meeting at 11:30 am.

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

Lou St. Germain, Chairman

Sally Rottier, Secretary

Date

