ORANGE WATER AND SEWER AUTHORITY

A public, non-profit agency providing water, sewer and reclaimed water services to the Carrboro-Chapel Hill community.

MEETING SUMMARY
Finance Committee Meeting
March 28, 2013, 5:30 - 6:45 PM, in the
First Floor Conference Room adjacent to the Council Chambers at the Chapel Hill Town Hall

Committee Members:	John Young (Chair), Terri Buckner, Gordon Merklein, Will Raymond, Amy Witsil
Other Board Members:	Michael Hughes
Staff:	Stuart Carson, John Greene, Ed Kerwin, Heidi Lamay, Kevin Ray, Kelly Satterfield, Stephen Winters
Public:	Mac Clarke

The Finance Committee met on Thursday, March 28, 2013, to discuss the status of the Fiscal Year (FY) 2014 budget and rate adjustment analysis, and the process used for developing the draft budget.

Staff presented a preliminary draft of the FY 2014 budget that included:

- Operating Expenses of $19.5 million
- Capital Improvement Program (CIP) expenditures of $15.9 million
- Capital Equipment expenditures of $500,000
- Debt Service payments of $7.9 million

The preliminary draft of the FY 2014 Operating Expense budget is slightly less than budget adopted for FY 2013. Expenditures planned for the CIP, Capital Equipment and Debt Service are in-line with projections included in OWASA's long-range financial plan.

Based on the preliminary draft of the budget and results of initial projections of customer demand and revenue, staff reported that it appears that no rate increase will be necessary for FY 2014.

Next Steps

The Finance Committee will meet as necessary in April and May to refine the FY 2014 budget and continue its analysis of rates. Public hearings are scheduled to be held on May 23, 2013. After consideration of input from the public, the Board of Directors anticipates adopting the final budget and schedule of rates and fees at its meeting on June 13, 2013.

Next Meeting

The next meeting of the Finance Committee will occur on Wednesday, April 24, 2013 at 8:00AM and will be held in the OWASA Boardroom.

Stephen Winters, CPA
Director of Finance & Customer Service