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
April 18, 2018, 5:45 – 7:51 PM, in the
OWASA Community Room

Committee Members:	Heather Payne (Serving as Chair), Ray DuBose, Ruchir Vora, Robert Morgan (ex-officio)
Other Board Members:	Yinka Ayankoya, John Morris, John Young
Staff:	Mary Darr, Vishnu Gangadharan, Ed Kerwin, Kelly Satterfield, Todd Taylor, Stephen Winters
Public:	None

The Finance Committee met on Wednesday, April 18, 2018 to review and discuss draft FY 2019 budget and rate adjustment information.

The Board members present agreed to include the following in the agenda package for the Board's April 26th meeting:

- The staff proposed FY 2019 operating, capital equipment and 5-year CIP budgets (without reduction).
- Four rate options: 0%, 2%, 2.5% and 2.75% rate increases for FY 2019 (no CIP reduction).
- A detailed schedule of rates, fees and charges for FY 2019 including the new system development fees, a 2% increase in monthly water and sewer rates, and adjustments to other miscellaneous service fees based on the cost to provide those services.
- The agenda memo will include an introduction based on the draft one-page summary on why a rate increase is needed.

Other points made during the meeting included:

- Explore a long-term strategy for cost management for operating expenses and capital improvement investments.
- Analyze the cost/benefit of our arrangement with our employee insurance consultants.
- Provide additional explanations for the changes/additions to the CIP budget.
- Continue focus on compensating staff so that well-performing employees reach their salary midpoint in seven to nine years.
- Begin tracking savings realized from the Agua Vista project on the monthly status report.

Stephen Winters, CPA
Director of Finance & Customer Service