

**OSKALOOSA WATER BOARD**  
**SPECIAL MEETING**  
1/15/18

**Members Present:**

Jason Carter  
Brad Hodges  
Dan Nance  
Kevin Tacke

**Others Present:**

Chad Coon  
Crystal Breuklander  
Susanne Gerlach

**Ex-Officio Members Present:**

Mike Schrock  
Tom Jimenez (arrived 4:17)

The meeting was called to order at 4:03 PM.

1. The first item on the agenda was approval of the agenda. Motion by Jason Carter and a second by Brad Hodges to approve the agenda as presented. Ayes, Carter, Hodges, Nance, Tacke. Absent, Vore. Motion passed.
2. The second agenda item was a public hearing for the proposed Fiscal Year 2018-2019 budget. Motion to open the public hearing by Dan Nance and second by Kevin Tacke. Ayes, Carter, Hodges, Nance, Tacke. Absent, Vore. Public Hearing opened at 4:03 PM. Chad stated that there had been no comments received on the proposed fiscal year 2018-2019. Motion by Brad Hodges and second by Jason Carter to close the public hearing. Ayes, Carter, Hodges, Nance, Tacke. Absent, Vore. Public Hearing closed at 4:04 PM.
3. Next on the agenda was the approval of the fiscal year 2018-2019 budget. Susanne Gerlach with Public Financial Management (PFM) was in attendance to provide discussion of the different cash flow analysis models that had been prepared for the budget approval process. Susanne worked her way through the discussion of the two different exhibits. One showed a 5% rate increase and its effects and the other showed a 6% rate increase and its projected effects. Susanne was asked what her recommendation was between the two exhibits and she stated that she felt the 5% rate increase model was a better model to work with as there were quite a few one-time expenses in FY16-17 that would not be repeated. Also, she wanted to see how FY 17-18 finished out with sales and how much cash was carried forward. There was discussion about the cash balance as it pertains to the O&M portion of the budget and where that value should be located. Should the current policy of \$750,000 be maintained moving forward or should it be increased to be consistent with increasing costs. This discussion moved towards the need to review and compare operating expenses with cash on hand as a matter of the budgeting process on a yearly basis and making changes as needed to try and keep at least 25% of the annual O&M budget equivalent in cash on hand. Members were queried about their level of satisfaction moving forward with each version of the presented budgets. Dan

Nance stated that he was most comfortable with the 6% rate increase budget because the future projections were also at 6% and stable. The other members were comfortable with the 5% model and then seeing how the rest of the year played out with billed consumption, revenue and expenses. Kevin Tacke asked for a motion. Dan Nance moved to approve the budget with the 5% rate increase as shown for fiscal year 2018-2019. Brad Hodges second the motion. Ayes, Carter, Hodges, Nance, Tacke. Absent, Vore. Motion passed.

4. The last agenda item was updates from members of the Board of Trustees. There were no updates provided.

There being no further items to discuss, it was moved by Brad Hodges and second by Jason Carter to adjourn.

ATTEST

Meeting Adjourned 4:45 PM

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Kevin Tacke – Chairman

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Brad Hodges– Secretary

The Oskaloosa Water Department Board of Trustees met in special session Monday January 15, 2018 with board members Carter, Hodges, Nance and Tacke present. The meeting was called to order at 4:03 PM. The agenda was approved as presented. Ayes Carter, Hodges, Nance and Tacke; Absent Vore. Motion carried. The first agenda item was a public hearing for the proposed fiscal year 2018-2019 budget. Motion to open the public hearing by Nance and second by Tacke. Ayes Carter, Hodges, Nance and Tacke; Absent Vore. Public hearing opened at 4:03 PM. Coon announced that there were no comments received about the proposed FY18-19 budget. There were no other comments received at the meeting. Motion to close the public hearing by Hodges and second by Carter. Ayes Carter, Hodges, Nance and Tacke; Absent Vore. Public hearing closed at 4:04 PM. The next agenda item was to approve fiscal year 2018-2019 budget. Motion to approve the budget for fiscal year 2018-2019 as presented showing a 5% rate increase, made by Nance and second by Hodges. Ayes Carter, Hodges, Nance and Tacke; Absent Vore. Motion carried. The last agenda item was updates from members of the Board of Trustees. There were no updates provided and no action taken.

Motion was made for adjournment by Hodges, and second by Carter. Ayes Carter, Hodges, Nance and Tacke; Absent Vore; meeting adjourned. 4:45 PM.

Brad Hodges, Secretary