

**CLACKAMAS RIVER WATER
WORK SESSION
SUMMARY OF MEETING
November 20, 2017
6:00pm**

COMMISSIONERS PRESENT:

Naomi Angier, Bill Blanas, Dave McNeel, Larry Sowa, Hugh Kalani (absent)

STAFF PRESENT:

General Manager, Todd Heidgerken; Chief Financial Officer; Carol Bryck; Executive Assistant to the Board, Karin Holzgang; Emergency Manager, Donn Bunyard

VISITORS PRESENT: Erin Blue, Paul Arro

Call to Order

The meeting was called to order at **6:00**

1. Budget Update

Revenue

- Water sales are expected to exceed the dollars budgeted
- Interest earnings may come in higher than budgeted
- SDC revenues are tracking higher than budgeted
- CRWSC revenues are expected to decrease due to services provided to SWA by CRW staff

Expenses

- When preparing the budget there are some items within the personnel services budget that are known (PERS rates, FICA & Medicare & HRA VEBA per employee)
- Unknowns are rate increases with the labor contract negotiations and how the CPI turns out as well as insurance premium rate increases
- Another unknown is the actual number of retirements who are eligible for PERS at retirement – estimate this
- Replacement of retiring employees is just an estimate – may decide not to replace at the same job or modified
- Some impacts on expenses- added LTD for represented employees due to labor contract; increase in call-out pay; increase the amount given to the HRA VEBA for each employee; percentages of insurance that each employee pays
- Net effect from the labor contract is an increase of \$66,820
- For a 3% COLA for FY 19 is \$40,00
- Change in GM benefits +\$6,200
- Proposed changes for non-rep +\$11,000
- Increased General fund budget due to reduction of SWA assistance - + \$94,000
- Savings- FACS retiree reduced hours and delay in replacement, plus vacancy Exec. Assist (\$106,000)

- Net additional budget requirements + \$112,020 or 1.22% increase to the adopted budget

Materials & Services

- Larger increase in rates from SFWB for wholesale water than budgeted
- Changes to the wheeling rate from Oregon City

Both of these are expected to be absorbed within the existing budget

Ways to remedy the shortages

1. Transfer funds from the contingency fund to personnel services and materials & services
 2. Wait until the second year of the BN and make those decisions since there will be more knowns to determine the actual dollars rather than estimates
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2. **Board Practices assessment-** A review was provided of the assessment conducted by Rob Mills from SDAO from the Board Practices Exercise in September. There were a couple of suggested takeaways for the Board to review to determine what might be implemented.
 3. **General Manager goals-** The Board was presented with the “brainstorming” list of goals for the GM as well as a spreadsheet that combined the ideas from the brainstorming into 4 main categories with sub tasks under those with measurements. Each area was reviewed and the Board were asked to be sure they understood each item as those would be used in the GM review.
 4. **Commissioner Communications-** None at this time
 5. **General Manager update-** The District will receive the full 10% best practices credit on our insurance, December Board meeting will be on the 7th and the work session and CRWSC will be on December 11th.

Adjourned at 7:30 pm