

Meeting Minutes

Finance Committee of the Big Park Domestic Wastewater Improvement District October 4, 2017 - 9:00 a.m. Ranger Station Admin Office, 8375 AZ-179, Sedona, AZ 86351

Finance Committee Meeting Guidelines: The meeting will be held in accordance with A.R.S. Title 38 Open Meeting Laws. Board and attendees participation shall be civil and courteous. Any disruptive behavior could result in removal from the meeting. Comments and questions from the public shall be called upon by the Committee Chairperson, and shall begin with stating and spelling of the speaker's name and address. All comments and questions shall be directed to the Committee Chairperson. Persons with a disability may request a reasonable accommodation such as a sign language interpreter, by contacting Jennifer Bartos, Clerk of the Board of Directors, for the Big Park Domestic Wastewater Improvement District, Improvement District Services, Inc. at (928) 443-9484. Requests should be made as early as possible to allow time to arrange the accommodation. Requests for copies of Committee Meeting minutes or other District documents, inquiries, or complaints should be submitted in writing to: Improvement District Services, Inc., 1965 Commerce Center Circle, Suite A, Prescott, AZ 86301. Pursuant to A.R.S. §38-431.03, the Finance Committee may vote to recess the meeting and move into Executive Session on any item, which will be held immediately after the vote and will not be open to the public. Upon completion of Executive Session, the Finance Committee may resume the meeting, open to the public, to address the remaining items on the agenda.

Call to Order at 9:00 a.m. – David LaFrance, David Sheets and Gary Livermont present.

Also present and participating in the meeting: Moneesh Chaterjee (board member).

The Committee reviewed the 2016-17 Year End Budget Comparison Final Statement. It was noted that two significant expenditure items budgeted for 2016-17 (the ProPipe flush-and-video-lines project for \$60,000 and the headworks replacement project for \$125,000) were not completed in 2016-17, so should be added to the budget for 2017-18.

The Committee reviewed the 5-Year Line Item Projection prepared by director LaFrance. The O & M Reserve Balance is projected to erode approximately \$200,000 per year over the next 5 years, jeopardizing funds available for normal O & M. There was discussion regarding implementing an ad valorem tax to offset the annual cost to service the WIFA Loan; it was decided that the tax valuation numbers needed to be re-checked before pursuing further discussion.

A question arose regarding servicing the WIFA Loan utilizing capital revenue rather than O & M revenue, since the WIFA Loan came about due to a large capital expenditure. A telephone conversation with Diana King/Jennifer Bartos revealed that it would probably be appropriate to utilize capital revenue. It was decided that this should be pursued if the Westin Hotel capacity fee actually materializes. In the meantime the committee will continue to evaluate the particulars of an ad valorem tax in case that option is deemed necessary in the future.

There was a brief discussion regarding the Reuse Water Agreement with VOCA. Dave LaFrance and Dave Sheets plan to contact some other providers of reuse water to compare their rates with ours.

A mission statement for the Finance Committee was officially adopted.

The meeting was adjourned at 11:15.