

MINUTES OF THE SOUTH THIRD COUNTY SERVICE DISTRICT BUDGET COMMITTEE MEETING

Monday, May 6, 2024, 1:30 p.m.

Held via Zoom: <https://us06web.zoom.us/j/83581948669?pwd=yz7HrFzzMQzUaut2AwbbLK5t4CuBEG.1>

Present:

- **Budget Committee Members:**
 - Commissioners: **Patrick Malone, Xanthippe Augerot**
 - Citizen Members: **Shelly Signs**
- **Benton County Staff:**
 - **Jenn Ambuehl**, Sr. Budget Strategist; **Gary Stockhoff**, Director of Public Works; **Marilee Hoppner**, Business Analyst; **Lindsey Goodman**, Executive Assistant

1. Call to Order

Past Chair Commissioner Xan Augerot (X. Augerot) called the meeting to order at 1:46 p.m.

2. Introductions

Group introductions of Budget Committee Members and Benton County Staff.

3. Elections of Officers

X. Augerot opened the nominations for South Third Budget Committee Chair.

Commissioner Pat Malone (P. Malone) moved to nominate Commissioner Xan Augerot as South Third Budget Committee Chair.

Citizen Member Shelly Signs (S. Signs) seconded.

X. Augerot: All in favor?

Budget Committee Members: (unanimous) Aye

X. Augerot: All opposed?

None opposed.

Commissioner Xan Augerot has been approved to the Chair position.

X. Augerot opened nominations for the Vice Chair.

P. Malone nominated Shelly Signs as Vice Chair.

X. Augerot seconded.

X. Augerot: All in favor?

Budget Committee Members: (unanimous) Aye

X. Augerot: All opposed?

None opposed.

Citizen Member Shelly Signs has been approved to the Vice Chair position.

4. Review and Approve 2023-24 Minutes

X. Augerot: Does anyone have questions or concerns regarding the minutes from last year's meeting?

X. Augerot: Hearing none, I will entertain a motion.

P. Malone: I'll move to approve the minutes from last year's meeting.

S. Signs: Second.

X. Augerot: All in favor?

Budget Committee Members: (unanimous) Aye

X. Augerot: All opposed?

None opposed.

The 2023-24 meeting minutes were approved.

5. Presentation of the Proposed Budget FY 2024-25

X. Augerot: Will the staff please present the proposed budget?

Marilee Hoppner (M. Hoppner) presented the budget: The South Third Sewer District serves 38 customers. 70% of the operating costs are paid to the City of Corvallis for maintenance of the system. We're expecting city utility rates to increase again, so this budget is assuming a 5% per month increase in rates per customer which would net an additional \$2,280 in revenue. The rate increases will offset operating costs including increases related to the financial system billing software which had a 75% increase in rate from \$1,600/year to \$2,800/year and a 3% increase from the City of Corvallis that went into effect February 1st; we are expecting a 5% increase effective February 1, 2025. The obligation to the general fund has been closed out this year, and so there is no budget for next year. We did have to recognize bad debt of \$3,776 against the 2024 budget. Does anyone have any questions?

6. Committee Questions

S. Signs: If there's no budget, does that mean the end to the maintenance service charges? Or does that change at all?

M. Hoppner: The debt service is done; those were the loans that were created several years ago when the system was set up, and the final payment was made by the final person who was making payments. We had one person that defaulted on the loan and they have both passed, so their loan will be tied to the house, and if the house is sold then we would get a lien against it and be able to get those funds back. We don't have any more payments due to the general fund for that debt service.

7. Public Hearing on Proposed 2024-25 Budget

X. Augerot: I will open a public hearing and seeing no members of the public present, I would like to close the public hearing.

8. Committee Deliberations and Approval of Budget

X. Augerot: At this time, I would entertain a motion to approve the budget for fiscal year 2024-25.

P. Malone: I'll move to approve the budget in the amount of \$29,412.

S. Signs: Second.

X. Augerot: With a motion and a second, I will call for a vote. All in favor?

Budget Committee Members: (unanimous) Aye

X. Augerot: All opposed?

None opposed.

The 2024-25 proposed Budget was approved.

9. Adjournment

Commissioner and Chair Xan Augerot adjourned the meeting at 1:53 p.m.

Recorder: Lindsey Goodman (concluded at 1:53 p.m.)

Rick Crager, Assistant County Administrator

Jennifer Ficek, Administrative Supervisor

, Chair of the South Third Budget Committee