

Budget Workshop of February 10, 2015

Present were: Mayor Spieth, Councilmembers Naillon, Neal, Hart and Roley.

Absent: Councilmember Koepke.

Workshop began at 6:30 pm; purpose of the workshop was to discuss potential utility rate increases.

Presentation given by Superintendent Noel.

Review of water revenues and expenditures; review of water system plan.

Staff would like clarification from council's decision on dedicating \$500.00 from the system development fee and \$1.00 increase to Veranda Beach to be transferred to a mitigation fund for water conservation; council stated that their intent was to increase the system development fee by \$500.00 and to add the additional \$1.00 to any potential rate increase at Veranda Beach.

Discussed that the water plan will need to be updated next year.

Review of sewer revenues and expenditures.

Discussed that increases are justifiably needed; however, need to decide what those increases will be. There has not been a rate increase since 2012. Discussed phasing in increases. Possible increases would be \$2.00 to sewer and \$1.00 to water, with the same increases the following year. Discussed that water is helping to support sewer. Naillon felt that increases could realistically be closer to an overall increase of \$4.00 to water and \$6.00 to \$8.00 for sewer. Also discussed increasing the excess rates; possibly the first step at .65 inside city and .75 outside city, leaving the second step as is.

Discussed concern of projections for expenses in 2015; some of the line items should have actually been budgeted for more. Discussed increases to liability insurance, electricity, etc.

Council to review information and determine increases at a later date.

Workshop ended at 8:30 pm.

Workshop Minutes approved _____

Mayor

Clerk