

**HARTSTENE POINTE WATER-SEWER DISTRICT
SPECIAL MEETING**

District Office

772 E Chesapeake Dr., Shelton, WA 98584

November 20, 2017 1:00 P.M.

AGENDA

1. Call to Order
2. Roll Call

BUSINESS:

3. Bills To Be Authorized: Voucher 2017-32
4. October Financial Report (pgs. 2-3)
5. Approve Fund Transfers: (pg. 4)
 - \$9,000 from Operating Account - 010 to Committed Funds - 020: Asset Replacement Fund
 - \$37,500 from Operating Account - 010 to Committed Funds - 020: Reservoir Repair Fund
 - \$18,000 from Operating Account - 010 to Committed Funds - 020: I&I Repair Fund
6. Budget Hearing Questions/Comments Review
7. Resolution 2017-04 Adopting 2018 Budget (pg. 5)
 - Mason County Auditor Budget Form (pgs. 6-7)
8. Resolution 2017-05 Adopting a District Fee Schedule for 2018 (pgs. 8-9)

Hartstene Pointe Water Sewer District Monthly Financial Report

October 2017

	Beginning Balances	Payments & Transfers Out	Deposits & Transfers In	Ending Balances	Fund Balance Change
Reserve Funds					
030 · Ecology Reserve	38,553.60	-	34.04	38,587.64	34.04
050 · DWSRF Loan Reserve	61.06	-	6,848.16	6,909.22	6,848.16
060 · Hartstene Pointe Bond Fund	0.00	-	-	0.00	-
070 · USDA Revenue Bond Reserve	19,737.25	-	344.28	20,081.53	344.28
Total Reserve Funds	58,351.91	-	7,226.48	65,578.39	7,226.48
Unreserved Funds					
EFT Account - Columbia Bank	3,727.59	(29,238.81)	26,606.02	1,094.80	(2,632.79)
Petty Cash Account	1,267.01	(153.69)	732.99	1,846.31	579.30
Xpress Deposit Account	906.93	(22,684.24)	27,038.32	5,261.01	4,354.08
010 · Operating Fund	80,000.00	-	-	80,000.00	-
<i>Operating Investment Fund</i>					
010 · Operating Fund - Other	114,757.14	(52,970.44)	51,658.73	113,445.43	(1,311.71)
Total 010 · Operating Fund	194,757.14	(52,970.44)	51,658.73	193,445.43	(1,311.71)
020 · Water/Sewer Committed Fund					
Asset Replacement Fund	12,540.00	-	-	12,540.00	-
Capital Improvement Fund					
<i>I&I Repair</i>	31,540.00	-	-	31,540.00	-
<i>Reservoir Repair</i>	100,500.00	-	-	100,500.00	-
Total Capital Improvement Fund	132,040.00	-	-	132,040.00	-
Risk Management Fund	75,778.28	-	253.03	76,031.31	253.03
Total 020 · Water/Sewer Committed Fund	220,358.28	-	253.03	220,611.31	253.03
065 · Capital Project Account	140,863.80	(140,784.63)	-	79.17	(140,784.63)
Total Unreserved Funds	561,880.75	(245,831.81)	106,289.09	422,338.03	(139,542.72)
Total Funds	620,232.66	(245,831.81)	113,515.57	487,916.42	(132,316.24)

I hereby certify that the above statement is true.

Acct. & Admin. Services Mgr.	Audit Commissioner	Date
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Hartstene Pointe Water Sewer District Profit & Loss Budget vs. Actual January through October 2017

	Jan - Oct 17 (83% of Year)	Total 2017 Budget	\$ Over (Under) Budget	% of Total Budget
Ordinary Income/Expense				
Income				
Non-Operating Revenue	765,515.54	763,516.00	1,999.54	100.26%
Operating Revenue	507,135.63	606,754.00	-99,618.37	83.58%
Total Income	<u>1,272,651.17</u>	<u>1,370,270.00</u>	<u>-97,618.83</u>	<u>92.88%</u>
Expense				
534 · Water Expenditures	1,067,207.27	1,021,041.00	46,166.27	104.52%
535 · WW Treatment Expenditures	197,276.38	240,851.40	-43,575.02	81.91%
538 · Combined W/S Expenditures	108,765.79	145,618.00	-36,852.21	74.69%
Total Expense	<u>1,373,249.44</u>	<u>1,407,510.40</u>	<u>-34,260.96</u>	<u>97.57%</u>
Net Ordinary Income	<u>-100,598.27</u>	<u>-37,240.40</u>	<u>-63,357.87</u>	
Net Income	<u><u>-100,598.27</u></u>	<u><u>-37,240.40</u></u>	<u><u>-63,357.87</u></u>	

MEMORANDUM

TO: BOARD OF COMMISSIONERS
FROM: MICEAL CARNAHAN, ACCOUNTING AND ADMINISTRATIVE SERVICES MANAGER
SUBJECT: WATER TREATMENT PLANT IMPROVEMENTS PROJECT, DWSRF LOAN STATUS
DATE: NOVEMBER 14, 2017
CC: MONT JEFFREYS, GENERAL MANAGER

The adopted 2017 Budget and the 2017 projections in the 2018 Proposed Budget include the following one-time transfers from the Operating Account to the District's committed funds.

- \$9,000 to Fund 020 – Committed Funds: Asset Replacement
 - This transfer is to satisfy the USDA bond contract requirement that the District set aside \$9,000 for asset replacement
- \$18,000 to Fund 020 – Committed Funds: Capital Improvement – Inflow and Infiltration
 - This transfer is for setting aside funds for eventual repair/replacement of sewer collection system to address I&I issues
- \$37,500 to Fund 020 – Committed Funds: Capital Improvement – Reservoir Repair
 - This transfer will fully fund the reservoir repair/recoating project at \$150,000

These transfers must be approved by the Board of Commissioners so they may be made before the end of the fiscal year.

HARTSTENE POINTE WATER-SEWER DISTRICT
MASON COUNTY, WASHINGTON

RESOLUTION 2017-04

A RESOLUTION OF THE
HARTSTENE POINTE WATER-SEWER DISTRICT COMMISSIONERS
ADOPTING THE 2018 BUDGET

WHEREAS, Hartstene Pointe Water-Sewer District is a special purpose district, governed by Title 57 of the Revised Code of Washington; and

WHEREAS, the District Commissioners held a public hearing on the proposed 2018 Budget on November 11, 2017 and heard testimony at said hearing; and

WHEREAS, the Hartstene Pointe Water-Sewer District provided public notice of its intent to adopt a 2018 Budget; and

WHEREAS, the District Commissioners determined the proposed 2018 Budget included expenditure limitations to allow prudent operation of the water, waste water collection, and waste water treatment systems, payment on the District's annual debt service, and funding for scheduled capital outlay projects; and

WHEREAS, the estimated revenues of the District in 2018 plus the estimated 2018 starting fund balance of are adequate to fund 2018 expenditures;

THEREFORE, The Board of Commissioners of the Hartstene Pointe Water-Sewer District hereby resolves:

To adopt the enclosed Budget for the period of January 1, 2018 through December 31, 2018 for the Hartstene Pointe Water-Sewer District.

ADOPTED by the District Board of Commissioners at its scheduled meeting on November 20, 2017.

Hartstene Pointe Water-Sewer District
Mason County, Washington

Mary Alice Cary, President

David McNabb, Commissioner

Andrew Hospador, Commissioner

MEMORANDUM

TO: BOARD OF COMMISSIONERS
FROM: MICEAL CARNAHAN, ACCOUNTING AND ADMINISTRATIVE SERVICES MANAGER
SUBJECT: MASON COUNTY AUDITOR BUDGET FORM
DATE: NOVEMBER 13, 2017
CC: MONT JEFFREYS, GENERAL MANAGER

Included in the packet for the November 20th special meeting is Mason County Auditor's 2018 budget form. The County requires the District submit its budget on the enclosed simplified form. Each of the District's funds must have budgeted revenues and expenditures which "balance," meaning they are equal. How the County has instructed me to complete the form is to essentially choose the larger of the two amounts (revenues or expenditures, including transfers), and report that number. Here is the breakdown for the reported amounts for each fund in relation to our actual budget:

- Fund # 690.005010 (010 - Operating): \$952,147
 - Expenditures (Operating, Non-financed Capital, Debt Service): \$826,984
 - Transfers From Operating: \$125,163
 - To Fund 020 – Asset Replacement: \$9,000
 - To Fund 020 – Capital Improvement – Inflow & Infiltration: \$20,000
 - To Fund 020 – Risk Management: \$10,000
 - To Fund 050 – DWSRF Loan Reserve: \$82,230
 - To Fund 070 – USDA Revenue Bond Reserve: \$3,933
- Fund # 690.005020 (020 - Committed Funds): \$195,000
 - Transfers From Committed Funds:
 - From Asset Replacement to Operating: \$20,000
 - From Capital Improvement – Reservoir Repair to Operating: \$150,000
 - From Risk Management to Operating: \$25,000
- Fund # 690.005030 (030 – Ecology Loan Reserve): \$387
 - Interest earned: \$387
 - No transfers in or out
- Fund # 690.005050 (050 – DWSRF Loan Reserve): \$82,477
 - Interest earned: \$246
 - Transfers from Operating: \$82,230
- Fund # 690.005060 (060 – Bond Fund): \$39,330
 - Transfers in from Operating = Expenditures (electronic USDA bond payments): \$39,330
- Fund # 690.005065 (065 – Capital Project Account): \$175,199
 - Transfers from Capital Project Account:
 - To Operating Account: \$28,199
 - To Fund 020 - Committed Funds – Risk Management: \$59,000
 - To Fund 020 - Committed Funds – Reservoir Repair: \$88,000
- Fund # 690.005070 (070 – USDA Revenue Bond Reserve): \$4,141
 - Interest Earned: \$208
 - Transfers from Operating: \$3,933

Date: 11/20/2017

From: Board of Commissioners
Hartstene Pointe Sewer/Water District
772 Chesapeake Dr
Shelton, WA 98584

To: Mason County Auditor
Attention: Financial Services
P O Box 400
Shelton, WA 98584

Please accept the following budget(s) presented for budget year 2018. Per RCW, the district approved their budget(s) at an advertised public meeting. The budget was approved by a quorum of our elected/appointed commissioners.

date of public meeting and budget approval: 11/20/2017
district resolution number: 2017-04

The following budget(s) for Harstene Pointe Sewer/Water District funds were approved at the above stated public meeting and will be in effect for budget year 2018:

FUND NUMBER:	2018 REVENUE:	2018 EXPENDITURES:
690.005010.000.000	\$ 952,147	\$ 952,147
690.005020.000.000	\$ 195,000	\$ 195,000
690.005030.000.000	\$ 387	\$ 387
690.005050.000.000	\$ 82,477	\$ 82,477
690.005060.000.000	\$ 39,330	\$ 39,330
690.005065.000.000	\$ 175,199	\$ 175,199
690.005070.000.000	\$ 4,141	\$ 4,141

Approved and signed below by Hartstene Pointe Sewer/Water District Commissioners:

Please print names and district position **next** to signatures. Return to Mason County Financial Services at the above address when approved and signed.
Please return form no later than November 30, 2017.

**HARTSTENE POINTE WATER-SEWER DISTRICT
MASON COUNTY, WASHINGTON**

RESOLUTION 2017-05

**A RESOLUTION OF THE
HARTSTENE POINTE WATER-SEWER DISTRICT COMMISSIONERS
ADOPTING A DISTRICT FEE SCHEDULE FOR 2018**

WHEREAS, Hartstene Pointe Water-Sewer District is a special purpose district, governed by Title 57 of the Revised Code of Washington; and

WHEREAS, RCW 57.08 authorizes the commissioners of any district to provide for revenues by fixing rates and charges for furnishing sewer and drainage service and facilities to those to whom service is available or for providing water, such rates and charges to be fixed as deemed necessary by the commissioners; now

THEREFORE, The Board of Commissioners of the Hartstene Pointe Water-Sewer District hereby resolves:

1. As of January 1, 2018, to repeal Resolution 2016-05.
2. As of January 1, 2018, fees will be charged according to the following schedule, which shall supersede any previously adopted fee schedule.

Water Fees

Residential water connection monthly fee	\$62.12
Non-Residential water connection monthly fee	\$62.12
Prepaid Connection Lot/Connected Lot water monthly fee	\$26.31
Water Capital Facilities Charge	\$1,800.00
Meter Installation Connection Fee	\$550.00
Pre-Installed Meter Connection Fee	\$250.00

Sewer Fees

Residential sewer connection monthly fee	\$57.43
Non-Residential sewer connection monthly fee	\$57.43
Prepaid Connection Lot/Connected Lot sewer monthly fee	\$23.44
Sewer Capital Facilities Charge	\$2,700.00
Sewer Connection Fee	\$250.00

Miscellaneous Fees

Water/Sewer System Tampering	\$500.00
Billing Late Fee	10%
Returned Checks and eChecks	\$40.00
Certified Mail Fee	\$10.00
Water Shut-off Notice	\$20.00
Water Turn-on for delinquent accounts	\$40.00
Water Turn-on for delinquent accounts after hours	\$180.00

Meter Testing (if meter is not faulty)	\$22.50
Hydrant Meter Damage Deposit	\$1,000
Hydrant Meter Rental (per week)	\$25.00
Unauthorized Use/Tampering, Minimal Impact to Public Health (Examples include cutting District locks, damaging meters, unauthorized taking of water, etc.)	\$500.00 plus cost of repair
Unauthorized Use/Tampering, Potential Impact to Public Health (Examples include creating a backflow that violates the cross connection program, injecting any unauthorized substance into the water system, vandalism of any pump, well, or tank, etc.)	\$1,000.00 plus cost of repair
Lien Fee	\$128.00
New Account Fee	\$20.00
Escrow Fee	\$25.00
Copies (black and white)	\$0.15 each
Records on disk	\$0.40 each
Damage to Water/Sewer System or District Equipment*	Time and Materials (\$100 min.)

*In the event of damage to the water or sewer system due to construction without a locate request, tampering, misuse, or negligence will be repaired by a District contractor and billed to the responsible property owner.

ADOPTED by the District Board of Commissioners at its scheduled meeting on this 20th day of November, 2017.

Hartstene Pointe Water-Sewer District
Mason County, Washington

Mary Alice Cary, Commissioner

David McNabb, Commissioner

Andrew Hospador, Commissioner