
Lower Cape Fear Water & Sewer Authority

Finance Committee Meeting Minutes

March 14, 2022

Chairman Rivenbark called to order the Finance Committee Meeting on March 14, 2022, at 8:35 a.m. The meeting was held at the Authority's office located at 1107 New Pointe Boulevard, Suite 17, Leland, North Carolina.

Present: Al Leonard, Norwood Blanchard, Charlie Rivenbark, and Patrick DeVane

Absent: Phil Norris

Present by Virtual Attendance: Chris Smith

Staff: Tim Holloman, Executive Director; Patrick Flanagan, COG; and Danielle Hertzog, Financial Administrative Assistant

Guests Present: Rob Zapple

Guests Virtual Attendance: John Nichols, Brunswick County Public Utilities Director and Jordan Clark, Computer Warriors

A) PowerPoint for Annual Budget Fiscal Year 2022-2023

Executive Director Holloman reviewed essential cost items for the FY 2022-2023 draft budget. Our customers have projected to use 9,382,106 gallons of water for an estimated revenue of 3.1 million. Health insurance and state retirement will both increase in cost. Health insurance increases by 5% for 1,800 dollars annually, and state retirement will increase from 11.35% to 12.1. LCFWASA will be financing a forklift for Kings Bluff Plant for thirty thousand. We have a VFD replacement budgeted as a capital expense. VTR Pump rehabilitation and anti-vortex equipment are also needed at Kings Bluff Plant. The independence rate study or cost of service study is in the budget; however, in the Board meeting, LCFWASA would like to apply for a grant for the rate study. Chairman Rivenbark was concerned with the cost of the rate study. Executive Director Holloman advised the company providing the rate study would also provide the methodology for splitting the cost. We would have an RFP for vendors to submit. The draft annual budget is the maximum cost for the independent rate study. Engineering cost for this year is for the annual inspection report and will have no increase. Based on customer projections and the Planning Document, a 0.02 rate increase is recommended.

The FY 22-23 budget is a 3% increase from the FY21-22 budget due primarily to operating capital expenses and building the R & R Fund.

ADJOURNMENT

There being no further business, Chairman Rivenbark adjourned the meeting at 8:50 a.m.

Respectfully Submitted,



Tim Holloman, Executive Director

The next Finance Committee Meeting of the Lower Cape Fear Water & Sewer Authority is scheduled for Monday, May 9th, 2022, at 8:30 a.m. in the Authority's office located at 1107 New Pointe Boulevard, Suite 17, Leland, North Carolina.