

PUBLIC NOTICE OF REGULAR MEETING

**TAKE NOTICE THAT A REGULAR MEETING OF THE
Board of Directors of Travis County Water Control and Improvement District Point Venture
was held at the WCID Office located at:
18606 Venture Drive, Point Venture, TX 78645
In Travis County, Texas, commencing on August 02, 2018 @ 6:30 p.m.
To consider and act upon any or all of the following:**

MINUTES

- 1. Call to Order.** Board President Fred Marshall called the meeting to order at 6:31 p.m.
- 2. Roll call of Directors.** Jean Cecala called roll. Present were Board President Fred Marshall, Vice-President Carolyn Cook, Secretary-Treasurer Brian Probst, Assistant Secretary-Treasurer Barry Pasarew, Assistant Secretary-Treasurer Cindy Clemons, Technical Manager Richard Welcher, and Chief Operations Manager Cristin Cecala.

3. 2018/2019 Budget.

Secretary-Treasurer Brian Probst led the discussion on the fiscal year 2018-19 budget and the direction of the WCID. He provided a working document to help explain the numbers and guide the Board.

He first addressed the current 2016 Bond Construction Project and gave a high level overview of where we started and where we are now. The 2016 Bond Project included adding a new wet weather storage tank, upgrading some of our water distribution lines and adding an additional water treatment plant to work in conjunction with our existing plant. The District's Engineers originally estimated the cost to complete the three projects, including non-construction costs, would be \$7.375 million. Unfortunately, the bids received on the Water Treatment Plant addition portion of the project came in just over \$1 million dollars more than the original estimated cost previously provided by engineers. In order to accept the bid and move forward with the Bond Projects, with the engineers' assistance and recommendation, the Board decided that approximately 4000 feet of waterline distribution upgrade had to be removed from the original plan to help defray costs for the new Water Treatment Plant. The Effluent Storage Tank addition portion of the Bond Project was completed in April 2017 and came in on time and under budget. As of the end of June, the Waterline Improvement Project was getting ready to wrap up and there were only a few more outstanding items to be completed and invoiced for. The Water Treatment Plant project is not yet complete and the Board could still be faced with unknown decisions to finish the project. Through June \$6,098,719 of the Bond has been spent and another \$1,285,555 is projected for the remainder of the project. However, the Water Treatment Plant addition doesn't look like it will be wrapping up by the end of this FY (9/30/2018) as we had originally hoped. Therefore, we will need to move approximately \$450,000 from this FY Debt Service Budget into next year's Debt Service Budget to account for these known expenses and timeline slippage. Secretary-Treasurer Probst continued the discussion with the WCID Cash Position as of June 30, 2018 concluding that after considering the needed Temporary Wastewater Treatment Plant Solution (Frac Tank), bond payment, and operational costs, the District had approximately \$580,000 available for future projects.

The next section Secretary-Treasurer Probst addressed is the proposed 2018-2019 budget. He went over estimated property values and possible increases in tax revenue from both inflation and new homes. He compared the current tax rates to the proposed tax rates and related those to the rollback rate that is calculated by Travis County Appraisal District of \$0.6259 per \$100 valuation. For the preliminary budget discussion the calculated rate provided by Travis County was used. This rate can be lowered, but it cannot be raised without the voters petitioning for a

rollback election. The current Debt Service tax rate is \$0.3638; the calculated FY 2018-19 Debt Service tax rate would be \$0.3604; which is a slight reduction by \$0.0034 per \$100 valuation. The current Maintenance and Operation tax rate is set at \$0.2615; the calculated FY 2018/19 Maintenance and Operation tax rate would be \$0.2655; which is a slight increase by \$0.004 per \$100 valuation. Current Debt Service and Maintenance and Operation tax rates combined total \$0.6253; the calculated FY 2018/19 combined tax rate would be \$0.6259; which is an overall tax rate increase of only \$0.0006 per \$100 valuation. This increase in the tax rate will bring in approximately \$153,000 more than last year in tax revenue.

Secretary-Treasurer Probst went over the preliminary FY 2018/19 Maintenance and Operations budget by each line item for both income and expenses with the Board. Total anticipated M&O income is approximately \$1,382,000. M&O expenses are estimated to be approximately \$1,429,000. Capital Outlay expenses are estimated to be \$284,000 (\$150,000 - temporary wastewater system controls (frac tank) and \$134,000 for necessary machinery and gear). Total estimated expenses, M&O plus Capital Outlay, is approximately \$1,713,000. Secretary-Treasurer Probst pointed out that currently the preliminary budget was not a zero balanced budget, but due mostly to the Capital Outlay it actually reflected a deficit. However, it is how things should be shown according to government accounting.

The Board then discussed the need for the Capital Outlay projects and determined that they were necessary and couldn't be removed from the budget. The next question discussed was how to cover the budget deficit. Secretary-Treasurer Brian Probst reminded the Board that Water and Sewer rates have not been increased in well over a decade, but at this time he stated that we had the monies he referred to at the beginning of the meeting available to put towards projects. Therefore, he was recommending that we fund the Capital Outlay with reserve Maintenance and Operations monies. He notified the Board that he was still looking into a way in which the Debt Service might be able to pay back the M&O reserves for Capital expenditures. He hopes to have more information to provide the Board at the next meeting.

Secretary-Treasurer Probst also did an overview of long term projections. The Board decided to set another budget workshop the following Thursday, August 9, 2018 and move the regular meeting date to Saturday, August 25, 2018.


4. Adjourn the meeting.

Secretary-Treasurer Probst made the motion to adjourn the meeting. Assistant Secretary-Treasurer Barry Pasarew seconded the motion. All approved. Meeting adjourned at 8:48 p.m.

This facility is wheelchair accessible and accessible parking spaces are available. The Board of Directors reserves the right to adjourn into closed executive session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by Texas Government Code Sections 551.071 (Consultation with Attorney), 551.074 (Personnel Matters), 551.072 (Deliberations about Real Property). *Travis County WCID Meetings will follow Open Meeting Rules. Be advised that a quorum of the Village of Point Venture Council may be present at these meetings.


Fred Marshall, President, Board of Directors

ATTEST:


Brian Probst, Secretary-Treasurer, Board of Directors