

At a work session on the FY 2024 Budget (Review of Proposed FY 24 Budget, Capital Improvement Plan and Rate Schedule) of the Public Service Authority Board of Directors held on Tuesday, May 2, 2023, at 3 p.m. in the Executive Training Room of the County Administration Building, 143 Third Street, N.W., in the Town of Pulaski, Virginia, the following Board members were present: Mr. Dennis Setliff; Mr. Eddie Hale; Mrs. Nancy Burchett, Chair, Mrs. Ashley Coake, Vice Chair and Mr. Douglas Swanson.

Staff members present included: Jared Linkous, Director; Josh Tolbert, Deputy Director; Diane Newby, Finance Director; Tracy Belcher, Assistant Finance Director; Maci Hamilton, PSA Payroll Coordinator and Ashley Edmonds, Clerk to the Board.

## 1. Welcome and Call to Order

Mrs. Burchett called the work session to order at 3:01 p.m.

## 2. FY 24 Proposed Budget and Capital Improvement Plan

### A. Proposed FY 24 Budget and Capital Improvement Plan

Mr. Linkous reminded the Board of the original Capital Improvement Plan requested amount of \$1,391,000.00 and updated recommended funded amount of \$470,000.00 with the use of existing funds and capital reserve.

Staff and the Board discussed revenue from use of money and property (interest on investments) and commercial water and sewer; expenditures with no increase in costs from the New River Resource Authority but an expected increase in the cost to treat sewer from Peppers Ferry Regional Wastewater Treatment Authority and debt service (total anticipated payments for FY 24 (recommended not making additional payments and paying minimums: \$862,000.00). Staff suggested a review of the maintenance contract with the Fairlawn Sewer Authority as labor costs have increased over time; however, the amount paid by the Authority has remained at the same level for several years. Staff presented information regarding Cost of Living Adjustments (COLA) for past five (5) years and the proposed impact of a 7% COLA (\$580,000.00).

Mr. Setliff requested staff examine the following recommendations:

- Opening the Fairlawn Convenience Center for an additional two (2) hours
- Hire one additional meter reader to assist with the elimination of water reading errors
- Utilizing the Volunteer Fire Departments for hydrant painting

Staff and the Board discussed the pros and cons of each and no action was taken at this time.

Mrs. Belcher reminded the Board the bank no longer pays the fees associated with customers' use of credit cards for payment of services and from July 1, 2022 through March 31, 2023, \$13,144.00 has been paid by the PSA for the fees. The Board requested staff put together and present a plan to the Board related to payment of these charges by customers using credit cards for payment.

### 3. Action Items (New Business)

#### A. Proposed Rate Schedule

On a motion by Mr. Swanson, second by Mr. Hale and carried, the Board authorized staff to advertise for a public hearing to be held on Tuesday, June 6, 2023, at 5:30 p.m. to hear comments on the proposed FY-24 budget; proposed rate schedule, which includes a 5% adjustment to water, sewer and refuse rates and up to 5% adjustment to all fees, excluding connection fees; and proposed capital improvement plan.

Voting Yes: Mr. Setliff, Mr. Hale, Mrs. Burchett, Mrs. Coake, Mr. Swanson.

Voting No: None.

### 4. Adjournment

#### A. Adjournment

Prior to adjournment, Mr. Setliff advised of his participation as a PSA Director in a community meeting, at the request of a Board of Supervisor member. He expressed regret for partaking in the discussion and apologized for any consternation it may cause the other Board members.

On a motion by Mr. Swanson, second by Mrs. Coake and carried, the Board adjourned their May 2, 2023, budget work session. The Board voted by consensus in the affirmative to conclude the budget work session. (Voting Yes: Mr. Setliff, Mr. Hale, Mrs. Burchett, Mrs. Coake, Mr. Swanson. Voting No: None.)

The monthly meeting of the Public Service Authority Board of Directors will be held on Tuesday, May 9, 2023, at 9 a.m. in the Board Room of the County Administration Building, 143 Third Street, N.W., in the Town of Pulaski, Virginia.



Nancy M. Burchett, Chair



Dennis L. Setliff, Secretary