

THE EFFINGHAM COUNTY BOARD OF COMMISSIONERS WORKSHOP

The Board of Commissioners of Effingham County, Georgia, Mr. Wendall Kessler Chairman, Mr. Steve Mason, Vice Chairman, Mr. Forrest Floyd, Mrs. Vera Jones, and Mr. Phil Kieffer met in a Water and Sewer Financial workshop at 3:30 p.m. on Tuesday, July 23, 2013 in the Commissioners' Meeting Room at the Effingham County Administrative Complex.

PERSONS ATTENDING THE MEETING

Mr. Toss Allen, Interim County Administrator, Stephanie Johnson, Interim County Clerk, Mrs. Joanna Wright, Finance Director, Mr. Steve Liotta, County Engineer, Dr. Franklin Goldwire, Ms. Stacey Berahzer and Mr. Pat Donahue

CALL TO ORDER

Chairman Kessler called the meeting to order.

Water & Sewer Financial Discussion (01): County Engineer Liotta introduced the speaker of the hour and gave a brief professional background. Ms. Stacey Berahzer of UNC Environmental Finance Center gave an overview presentation related to accounting, financial reporting, budgeting, funding methods, full cost accounting & asset management/benchmarking.

Public water and wastewater characteristics are enterprises that raise the bulk of their revenues generally from bills and other fees. They have a high percentage of fixed costs, protect public health and environment, service industries and are balanced by democracy.

Fund accounting is an accounting system that is unique to state and local government. A government's resources are segregated into categories to identify both the source of funds and the use of funds. State and local governments use three broad categories of funds: governmental, proprietary and fiduciary.

Capital typically comes from reserve funds, current year's revenues, government grants and loans and commercial debt market. The money comes from loans, grants, bonds, user fees, assessments, impact fees and taxes.

In Effingham County, Section 75-1 requires connection to water, sewer and water reuse lines. New structures and new development shall be required to connect to county water, sewer and reuse water lines where such services are reasonably available. Section 75-2 optional connection to water, sewer and water reuse lines. The county shall not require the connection to water lines where existing structures are served by wells; nor shall the county require connection to sewer and reuse lines where existing structures are served by septic systems.

Basic rate structure principles are to aim at full cost pricing, set equitable rates, share rate structure with customers, be easy to understand, examined annually, consider fixed costs vs. variable costs, allow for reserve account(s), and promote water conservation and economic development.

After a discussion of the presentation, the Board instructed County Engineer Liotta to provide alternatives for rates and fees within 60 to 90 days.

ADJOURNMENT

At 4:59 p.m., the workshop adjourned.



Wendall Kessler, Chairman



Stephanie Johnson, Interim County Clerk