

Minutes
Webb Creek Utility District
Friday, October 4, 2013

Commissioners Present

Steven McCarter, President
Robert Vick, Vice President
Delmar Ball, Secretary

Attendees

Wayne Ball, District Manager (Staff)
Karen Huffaker, Interim Office Manager (Staff)
Donald Wallace, Utility Customer

Meeting Minutes

Item 1 - Determination of a Quorum and Call to Order

With a quorum present, at 10:00 a.m. Steven McCarter called to order the October 4, 2013, WCUD Board of Commissioners meeting at the district office located at 3625 Lindsey Mill Rd, Gatlinburg, TN 37738.

Item 2 - Approval of the Agenda

Delmar Ball made a motion to approve the agenda. The motion was seconded by Steven McCarter, with all commissioners voting in favor of the motion.

Item 3 – Approval of the September 6, 2013 Meeting Minutes

Delmar Ball made a motion to approve the minutes from last month's meeting. The motion was seconded by Robert Vick with all commissioners voting in favor of the motion.

Item 4 – District Manager's Report

Wayne Ball reported an 11% water loss for the month. This percentage is up from 7% last month due to a leak. Mr. W. Ball reported the leak was detected and quickly fixed.

Mr. Ball also reported on his plan to get the district policies updated on the WCUD website and to post the September meeting minutes as soon as possible.

Mr. W. Ball provided to each commissioner a copy of Pugh and Co.'s most recent invoice along with itemized charges. Mr. McCarter stressed his concern for continuous high billing with large

travel charges. Mr. D. Ball suggested changing auditing companies. There was a discussion about the possibility of evaluating other options. Notwithstanding the concern about the high travel expenses, Mr. Vick pointed out that current bill was not for audit or investigation expenses but were for bookkeeping and accounting services verifying district expenses and income from January 1 through July 31, 2013. Mr. Vick expressed optimism that Ms. Huffaker should be capable to perform some of these duties as she obtains further training. Mr. Vick inquired about our contract with Pugh and Co. which should include charges for personnel and travel. Ms. Huffaker will check for a copy of the contract to verify charges.

Mr. Vick reported on a message received from Gary McGill concerning independent auditors that are experienced in auditing public utility districts. The firm Mitchell and Hill, which are the auditors for the Sevier Water Board, were suggested for further evaluation. Mr. D. Ball and Mr. McCarter concurred that Mr. Vick would contact the auditing firm and make inquiries. Mr. W. Ball and Ms. Huffaker will check their website and will present information at next Board meeting. Mr. D. Ball suggested getting three different companies for comparison. Mr. Vick made the Board aware that professional services do not need three bids like other services and suggested seeing if Jim Gass had any suggestions. Mr. Vick stressed the importance of carefully going over any new contracts for details such as travel charges. Mr. Vick suggested we use Barron Kennedy and Donna from Pugh and Co, if possible, to minimize future expenses.

Item 5 – Interim Office Manager’s Report

Ms. Huffaker reported on resolving issues discussed at last month’s meeting concerning the company’s credit card merchant company. Ms. Huffaker worked out a way to take credit cards over the phone and for a walk-in customer.

Ms. Huffaker also reported on progress with MAS90 training. There was discussion about leaving MAS90 in place until at least the first of the year. At that point, Ms. Huffaker will compare the benefits of QuickBooks along with possible savings.

Ms. Huffaker provided information for the November TAUD commissioner’s training meeting. Ms. Huffaker will contact Joyce Welborn, at the state comptroller’s office, to inquire about the training status for the commissioners and report back to the commissioners on any needed continuing education hours.

Item 6 – John Steven McCarter, President Report

Mr. McCarter stated his concerns were already covered regarding commissioner training and had no other concerns or items to discuss.

Item 7 – Robert Vick, Vice-President Report

Mr. Vick discussed the need for administrative training in utility operations for Ms. Huffacker and suggested that her attendance at an upcoming TAUD administrative training seminar, being held in Nashville in December 4-6 2013, would be beneficial to the district. After a brief discussion between commissioners, Mr. Vick made a motion to authorize Wayne Ball (District Manager) to authorize Ms. Huffacker to attend this meeting. The motion was seconded by Mr. D. Ball with all commissioners voting in favor of the motion.

Mr. Vick stated that the health insurance agent is working on quotes for next year's policy and needs guidance on staff members to be covered. Mr. Vick discussed the status of new hires Karen Huffaker and Edward Burke. Based on their positive work performance to-date, Mr. Vick recommended that Wayne Ball consider reducing the traditional 90-day new hire probationary period for the purpose of eligibility for health insurance benefits. The agent reported that the policy would exceed the minimum requirements under Federal law.

Mr. Vick discussed the need for a 2014 budget. The budget must be sent to the Comptroller's office after approval of the budget at the December meeting. Mr. Vick suggested we have a budget workshop on the next Board meeting date. Mr. Vick suggested that Barron Kennedy's (Pugh and Company) attendance at the budget workshop may be helpful. After some discussion, all commissioners agreed to request Mr. Kennedy's attendance at the workshop. It was agreed that the workshop would begin at 11:30 am after the regular meeting.

Mr. Vick discussed information provided to him by Mr. McGill regarding the Bent Creek rate matter. The information provided by Mr. McGill would be useful in discussions with Bent Creek to avoid possible future litigation.

Item 8 – Delmar Ball, Secretary

Mr. Ball stated that the district should consider hiring a new independent auditor.

Item 9 – Jim Gass

Mr. Gass was not present.

Item 10 – Unfinished Business

There was no unfinished business.

Item 11 – New Business

There was no new business.

Item 12 – Adjourn

Mr. D. Ball made a motion to adjourn the meeting. Mr. Vick seconded the motion with all commissioners voting in favor of the motion.