



AGENDA

SILOAM SPRINGS UTILITY COMMISSION
June 29, 2023
CITY HALL BOARD ROOM / 5:30 PM

- I. Opening of Regularly Scheduled Meeting**
 - A. Call to Order
 - B. Roll Call
 - C. Pledge of Allegiance
 - D. Approval of Minutes of the May 25, 2023 Regular Meeting

- II. Billing – Tesha Burrows, Billing Supervisor**
 - A. Overview of historical rates
 - B. Overview of the billing and payment process

- III. Adjournment**

**MINUTES OF THE REGULAR
MEETING OF THE UTILITY
COMMISSION OF THE CITY
OF SILOAM SPRINGS, ARKANSAS
HELD ON May 25, 2023**

The meeting was called to order by Commissioner Galicia.

Commissioner Galicia held the Roll Call and those present were: Alyssa Weyl, Jody Wiggins, Herbie Galicia. David Neff arrived later.

City representatives present included: Christina Petriches, Acting City Administrator, Don Clark, Community Development Director, Steve Gorszcyk Public Works Director, Phil Stokes Electric Director.

The Commissioner Galicia lead the Pledge of Allegiance.

The Commission approved the minutes of the April 27, 2023 meeting.

I. Annexation

- a. Don Clark provided an overview of area in proposed annexation.
- b. Discussion of reason for the proposed annexation and preparing for annexation by election. Because we are an electric provider, we have to buy customer accounts from the existing service provider when we annex area in their territory. The prescribed rate is 355% of average annual electric bills, to be paid 3 years after the annexation. There are currently 136 Carroll Electric customers in this area that we would have to buy out. Estimated buyout \$1,069,686 not including Carroll Electric equipment and needed upgrades. Phil Stokes estimates upgrades to be in the \$3M range. Negotiations still to be had over the 95 Carroll Electric customers in Siloam Springs electric territory.

II. Financials of the Utilities

- a. Christina Petriches explained financial management policies. A minimum of 25% of the annual operations budget is maintained in cash. Utilities have been unable to cover their own cash requirement since the Board voted to pay winter storm cost from reserves. However, our overall cash reserves are sufficient to maintain the 25% minimum. Wastewater and water have loan payments being funded by dedicated sales tax. Transfers and interfund loans are allowed though we have none currently.
- b. Discussion was had over upcoming major projects and how they may be funded. Steve Gorszcyk explained phosphorus removal and the need to negotiate with the EPA, along with ADEQ and several other municipalities in the area. The board approved engaging an environmental attorney.
- c. Recent income statements and audits, both internal and external, are included in packet for Commission members review. Contact Christina with any questions.

- d. Board data can be provided to Commission members monthly if they would like to see it.
- III. The Commission voted unanimously to adjourn.

APPROVED:

David Neff, Chair

Date