

FAQ Items

A. When does the Water and Sewer Board normally meet?

Normally, we meet on the second Wednesday of the month at 5 PM at the Highway 211 Fire Station. Any changes will be publicized through Sacheen Next Door, Sacheen Facebook and the Lake's End email group.

B. Can anyone from the Sacheen Community attend meetings and ask questions or bring up concerns?

Yes! There is a public commentary time on the agenda for every meeting.

C. Are there other ways to contact the Water and Sewer District besides attending meetings?

Yes! You can call our District Manager, Joni Stillian, at (509) 447-4641 or email her at jssacheen@gmail.com. In addition, Joni typically maintains office hours at the Highway 211 Fire Station on Mondays and Thursdays from about 10-2.

Also, the board members can be reached as follows:

Shaun Bleecker shaunbleeks99@gmail.com
Randy Carasco randysacheen@outlook.com
Rod Griggs beelineautomotive@comcast.net

D. Is there a website for the Sacheen Water and Sewer Board?

Yes; the link to the W&S website can be accessed through the Sacheen Lake Association's site at <https://sacheenlake.com/water-sewer/>

E. Have there been recent changes in the Sacheen Water and Sewer District?

Yes! After five years of service, Mike Quick stepped down as a commissioner in March and was replaced by Shaun Bleecker. We greatly appreciate Mike's service and Shaun has been a phenomenal addition to the team!

In addition, Nathan Johnson, who was hired at the beginning of the system operation as the waste water treatment operator, gave his notice at our July Meeting and is now pursuing private business opportunities. We thank Nathan for his service and wish him the best in his future endeavors!

Paul Sexton has replaced Nathan and is already proving to be an invaluable addition to the W&S District!

F. What are the Water and Sewer District employees being paid and how is that funded?

The three board members are unpaid volunteers and suffice it to say no one sees this position as a stepping stone to the Senate or the White House. We also have a part-time District Manager and had a full-time service and maintenance person who collectively earned \$64,586.41 in salary and benefits in 2020 so no one is getting rich to say the least.

With recent personnel changes in the wastewater treatment position, that has now become a part-time endeavor.

G. Given the relatively modest outlay of monies and such by the Water and Sewer District, how exactly is the bulk of my \$178 monthly sewer bill being spent and what does the W&S District's basic budget and fiscal picture look like?

The short story is that - of your \$178.41 monthly bill - \$151.41 goes to service about \$9 million in loans that were taken to fuel construction and will not be paid off until 2036. Put another way, about 85% of your monthly bill goes to loans while only about 15% or \$27 goes towards the actual operating expenses of the Sacheen Water and Sewer District.

In addition, in 2020 the W&S District took in \$104,614 in O&M Revenue based on the \$27 portion of your bills and an additional \$56,113 from the levy for a total revenue base of \$160,727.

Given that expenditures were \$156,544, this left us with a yearly surplus of \$4,183 and total balance forward of \$15,040.

Accordingly, even when subtracting last year's invasive species treatment payment of \$21,825 from both the levy revenue and operating expenses pools to control for both sides of the credit-debit equation as well as the levy amount, one finds that the levy figure controlled for invasive species expenses constituted \$34,288 or 25 % of the controlled \$134,719 expenditures amount.

In theory, the levy part of the revenue base is intended to support Milfoil/invasive species treatment, maintenance and caretaking for the Myers- Harter Sanctuary, W&S District insurance, salaries and beaver mitigation/lake level efforts.

However, the reality is that - as is oftentimes the case with peas, mash potatoes and gravy being mixed on a kid's plate - the perception of rigid fiscal separation in terms of where one item stops and another begins in terms of M&O or levy funding sources is really more of a matter of semantics than discrete reality.

That being said, the salient point is that about 25% of the W&S District's effective operating budget is dependent upon the levy.

Therefore, another levy failure such as the one that occurred in 2018 would necessitate some very tough choices in addition to foregoing invasive species treatment!

This seems fiscally precarious and - at the very least - we hope to build up our surplus to the point of being able to largely mitigate the impact of another levy failure.

For more detailed budget information, please see the data and discussion at the end of this document.

H. Controlling Milfoil and other invasive species proliferation is clearly and rightfully a significant concern for the Sacheen Community. Could you please explain this process, why this is part of the Water and Sewer Board Levy and why there have been some issues in recent years?

After the initial great Sacheen Mil-foil kill off of 1994, this was decided upon as the Water and Sewer Board as a junior governmental agency has the authority to run a levy. The intent, of course, has been to keep Mil-foil and other invasive species at bay.

We are in frequent contact with AquaTechnex - which has treated the lake for years - and are working closely with them in an effort to get the most bang for our levy buck. We rely on AquaTechnex's expertise in determining the treatment process and areas.

This spring and summer, we engaged in an extensive email and phone dialogue with AquaTech in order to clarify and streamline communication and procedures and were very pleased by their responses. In fact, the Aqua Tech people came to our August meeting which was also quite constructive.

In addition, one of the board members, Shaun Bleecker, went out with AquaTech when they did the survey for this year's treatment.

The good news is that last year's treatment with the ProcellaCOR chemical was very effective in knocking back the Milfoil. Water and water shield lilies and Curley Leaf Pondweed are also concerns that we are doing our best to address.

I. What can and what does the Water and Sewer Board and District do and what are some of our goals and priorities?

Our primary role is to ensure that things flow smoothly by overseeing the budget and spending, making sure the system is serviced and maintained as needed so that things don't get backed up and dealing with and facilitating repair issues and new hookups as needed. In addition, we have a few miscellaneous responsibilities that evolved for various reasons such as overseeing the Myers/Harter Sanctuary, beaver mitigation and, of course, aquatic invasive species treatment.

To be sure, as a junior governmental entity, our domain of responsibilities is rather limited and narrowly defined and we simply do not have the power to take a more expansive approach. In fact, attempting to do so could raise conflict of interest issues and put us as well as the rate payers in a vulnerable position.

We are also in the process of trying to better communicate with and update the community as is evinced by this FAQ and our willingness to present at the SLA General Meeting.

J. Along the lines of I, What can the Water and Sewer Board and District do to advocate for and promote community concerns regarding issues such as proposed local development and zoning changes at the county and state levels?

The answer, unfortunately, is very little.

While private citizens and community groups and associations can organize, coalesce and take an activist approach towards governmental entities based upon concerns such as zoning or development, as a junior governmental entity we must stay strictly neutral.

If we were to proactively interface with Pend Oreille County or the state regarding these sorts of issues, that would likely constitute a conflict of interest and could put us and therefore the rate payers in a position of potential vulnerability.

What we can do, however, is reactively interact and negotiate with other governmental entities if and when they come to us and ask to access our resources and services. In that event, we will certainly do our best to protect the interests of the Sacheen Community.

K. What happens if the Water and Sewer Board and District becomes unable to function due to not being able to maintain three board members, levy failure or some other reason/s?

As stated above under G, we are concerned that around \$30,000 to \$35,000 or about 25% of our operating budget OTHER THAN INVASIVE SPECIES MITIGATION is dependent upon the levy.

As our cash balance at this point is only about \$15,000, it is evident that some very tough choices such as a rate increase or dissolving the W&S District would have to be made in the event of another levy failure. In addition to not having money for lake treatment, it would seem that paying salaries would also become problematic.

We, the board, have some concerns about the fiscal stability of the current situation.

SUPPLEMENTARY FISCAL and BUDGET INFORMATION

- A. Loan Information:** As mentioned earlier, \$151 of your \$178 bill goes to service two loans which totalled \$9,747,200; payments began in 2017.

At this point in time, a balance of \$7,695,800 remains on the two loans combined.

One loan was for \$2,273,000 and is addressed with \$155,000 payments once a year while the other loan was for \$7,024,200 and is the subject of \$185,000 payments twice a year.

The loans are set to be paid off in June and December 2036, respectively, at which point there will be a significant drop in rates.

The W&S District also received a \$5 million grant.

In the event you would like more detailed information about loan particulars, please contact Joni Stillian at jssacheen@gmail.com or (509) 447-4641.

- B. Budget Itemization and Detail**
Sacheen Budget Trends 2020

***Please note that as this data is based on only one budget year it cannot be deemed as overly reliable nor valid due to the relative lack of longitudinal data. Needless to say, revenue and especially itemized expenditures might vary significantly. We will revisit this in the future.**

NOTE: Revenue for 2020 was \$160,727.50 as O&M Revenue \$104,614.35 + Levy Collection \$56,113.15 = \$160,727.50.

	\$160,727.50	(Revenue)
\$	156,544.91	(Expenditures)
	= + \$4,182.59	Surplus
	\$10,857.29	Forward from 2019
	\$15,039.88	2020 Year End Balance

Data and Percentages – ROUNDED to whole dollar amounts and %age tenths:

BALANCE FORWARD

TOTAL REVENUE in 2020 (O&M + Levy) = \$160,728 \$160,728

EXPENDITURES as a total dollar amount AND percentage of Revenue

•	Salaries AND Benefits (53,195) + (11,392) 64,587/40.2%	\$96,141
	<i>Part-time district manager and full-time technician</i>	
•	Professional Services 21,825/13.6%	\$74,316
	<i>2020 Lake Treatment</i>	
•	Repairs 17,855/11.1%	\$56,461
•	Utilities 11,789/7.3%	\$44,672
•	Insurance 10,144/6.3%	\$34,528
	We just learned at the August meeting that this will increase by about 35% for next year.	
•	Rent/Lease 4,929/3.1%	\$29,599
•	Communication 3,750/2.3%	\$25,849
•	Capital Expenditures 3,729/2.3%	\$22,120
•	Supplies 3,254/2.0%	\$18,866
•	Mileage/Education 2,616/1.6%	\$16,250
•	Fuel 1,349/0.8%	\$14,901
•	Advertising 86/0.05%	\$14,815
•	Misc 10,631/6.6% (2020 SURPLUS)	\$4,184

LEVY Information

TOTAL LEVY REVENUE Balance \$56,113

•	Lake Treatment Expenditure \$21,825/38.9%	\$34,288
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In theory, levy money goes to invasive species treatment, maintaining Myers/Harter, insurance, salaries and beaver mitigation/lake level efforts.

Levy monies subsumed as expenditures within the day-to-day operating budget:

34,288/61.1%

0

NOTE: In addition to O&M Revenue, about 60% of the levy revenue or around \$30,000 to 35,000 yearly is required just to keep the Sacheen Water and Sewer District functional day-to-day. The other 40% or so goes to lake treatment.