

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT  
BUDGET WORKSHOP

MINUTES OF April 23, 2014  
2:45 P.M.

President Corneille called the Board Self-Evaluation Workshop to order at 2:45 p.m.

BOARD MEMBERS PRESENT:

Richard Corneille, President  
Melody McDonald, Vice President  
David E. Raley, Director  
Manuel Aranda, Director

BOARD MEMBERS ABSENT:

John Longville, Director

GENERAL COUNSEL PRESENT:

David Cosgrove, Rutan & Tucker, LLP

STAFF PRESENT:

Daniel Cozad, General Manager  
Athena Monge, Administrative Services Specialist  
Jeff Beehler, Land Resource Manager

GUESTS PRESENT:

Charles Roberts, Highland Community News

1. PUBLIC COMMENT

There was no public comment.

2. DISCUSSION ITEMS

A. DISTRICT AND ENTERPRISE BUDGET FOR FISCAL YEAR 2014-2015

Mr. Cozad presented an overview on this item. He indicated that the budget is similar to previous years; noting that the Reserve and Operations policies have been incorporated into this proposed budget. Mr. Cozad also said that the Overhead Policy is fully implemented.

Mr. Cozad continued his review noting the following changes in the Budget:

- ❖ Salaries: CPI of 1.8% has been used to estimate salaries and a 5% raise pool has been included.

- ❖ Wash Plan: The expenses for this carried over into 2014-2015 and were not expended in fiscal year 2013-2014.
- ❖ Professional Services: Increased to incorporate funds for the trails concept project and enhanced recharge.
- ❖ Plunge Creek: The income and expenses for Plunge Creek have been moved from 2013-2014 fiscal year budget to 2014-2015 fiscal year budget. Project is not anticipated to be awarded until end of this fiscal year.
- ❖ Legal Fees: Increased due to likely arbitration with CEMEX.
- ❖ Groundwater Budget: Includes funds for invasive plant removal (tamarisk) and increase to salaries for interns for trail concept plan as part of the Wash Plan.
- ❖ Capital: Increases to general ledger (GL) accounts 7110, 7130 and 7140 to allow for repairs to Canyon Shop and potential demolition of Canyon House.
- ❖ Miscellaneous Professional Services: Includes funds for Mill Creek design wherein a method for improvements of District facilities are to be identified.

Upon completion of Mr. Cozad's overview, Director Raley asked for the estimated cash position to be identified for both fiscal year 2013-2014 and 2014-2015. Mr. Cozad indicated that there is a \$200,000 increase in overall reserve levels for fiscal year 2014-2015. His estimate is based on an estimated the cash position of \$1.8 million at the end of this year and approximately \$2.1 million for next year. Discussion ensued. Mr. Cozad indicated that \$1 million of the budget is related to both Wash Plan and Plunge Creek. He also indicated that reserves are located in CalTrust or LAIF otherwise all other funds are cash. Discussion ensued.

The Board continued with questions and comments:

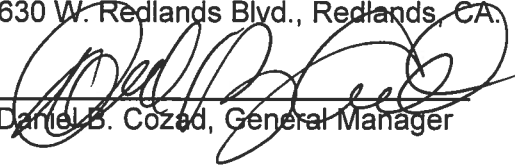
- ❖ 5120 Miscellaneous Professional Services: Includes funds for everything not covered by 5125 and 7438.
- ❖ 5125 Engineering Services: Includes funds for engineering support directly related to the Groundwater Enterprise.
- ❖ 7438 Professional Services: Includes funds for rate study and capital. President Corneille suggested that any expenses related to the Mill Creek redesign and construction projects should be allocated here.
- ❖ Director Expenses: President Corneille requested an informal survey be done on how the District compares to other water conservation districts and water agencies in the area.

It was the consensus of the Board to bring the District and Enterprise Budget for fiscal year 2014-2015 with revisions suggested to the May 14<sup>th</sup> Board of Directors Meeting for consideration of approval.

### 3. ADJOURN MEETING

By consensus of the Board the workshop adjourned.

At 3:52 p.m. the meeting adjourned to the next regular Board Meeting scheduled for May 14, 2014 at 1:30 p.m. at District Headquarters, 1630 W. Redlands Blvd., Redlands, CA.



Daniel B. Cozad, General Manager