

**SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT
BOARD OF DIRECTORS**

MINUTES OF THE ADMINISTRATIVE COMMITTEE MEETING

May 5, 2011
8:30 A.M.

PREAMBLE TO MEETING

It was confirmed that Director Raley is now a voting member of the Administrative Committee.

Chairperson McDonald called the Administrative Committee Meeting to order at 8:35 a.m.
All present stood for the pledge of allegiance, led by Chairperson McDonald.

ADMINISTRATIVE COMMITTEE MEMBERS PRESENT:

Melody McDonald, Chairperson
Clare Henry Day, Director
David Raley, Director 8:47 a.m.

STAFF PRESENT:

Daniel Cozad, General Manager
Eunice Griffith, Administrative Manager

GUEST PRESENT:

None

1. PUBLIC PARTICIPATION

Chairperson McDonald announced this as the time for any persons present, who so desire, to make an oral petition to the Administrative Committee. Hearing none, the meeting proceeded with the published agenda items.

2. ADDITIONS/DELETIONS TO AGENDA

No additions/deletions to the agenda.

3. APPROVAL OF MINUTES FROM THE FEBRUARY 4, 2011, MEETING

Upon a motion by Director Day and second by Director McDonald, the minutes of the March 31, 2011 meeting were approved.

4. CALPERS AND ACWA/HBA OPTIONS FOR COST CONTROL

This item was taken out of order.

On May 5, 2011, the Administrative Committee requested an evaluation of the impact that health and retirement cost controls would have on employees. Mr. Cozad and Staff presented several options. After consideration of the impact of two scenarios for health care and two proposals for retirement, ranging in savings from 15%-25%, the Administrative Committee recommended the following:

Health Benefits - Scenario 2- Option A - The District will pay 100% of the employee's health plan and 75% of dependent contributions. The employee will be responsible for paying 25% of their dependent contributions.

For CalPERS retirement, the Administrative Committee recommended Proposal 2 – The District will pay 85% of the employee's contribution of retirement. The employee will be responsible for paying 15%. The District will continue to pay 100% of the Employer contribution.

Total annual savings to the District for health will be approximately \$11,580 and \$6,490 for PERS retirement.

Director Day moved approval and recommendation to the Board of Scenario 2 Option A for health benefits - the District will pay 100% of the employee's health plan and 75% of dependent(s). The employee will be responsible for paying 25% of dependent(s) cost;

Per Director Raley, Director Day amended his motion to include Staff setting up a Health Spending Account (HSA). The motion was approved.

Director Day moved approval and recommendation to the Board of Proposal 2 for retirement – the District will pay 85% of the employee's share for CalPERS retirement. The employee will be responsible for paying 15%.

The motion was seconded by Director Raley and unanimously approved.

It was also recommended that staff evaluate a Cafeteria plan.

5. ENTERPRISE BUDGET REVIEW – CHANGES

This item was taken out of order.

A copy of the revised Draft Enterprise Budget was included in the Administrative packet. Mr. Cozad informed the Committee that all requested changes by the Admin Committee had been made and noted changes requested by the Board. The Board letter was updated to include the

Risk section (based on the decision to use the All Mail Ballot for the election). He added the Budget document which includes a description of all contents for each item in the budget. He included a section on reserves and identified loans (excess proceeds) between enterprises in accordance with our reserve policy and a section on reporting.

He reviewed the budget, attachment A, and provided a thorough line item description of revenue, land resources and associated cost, Redlands Plaza & Leased Property-Mentone House (cost and potential revenue), Groundwater Enterprise, and the General Fund.

Due to final changes, the projected deficit was decreased to approximately \$8,000. He also noted that reserves is the one area he would like to spend a little more work on, but the overall budget will provide an “at-a-glance” summary of District financials.

The Committee expressed strong support of the enterprise solution, the clear designation for groundwater charges and how the budget can be used as a prospective public relations vehicle to show the public detailed aspects of district operations.

Director Day moved approval of the submitted budget and for Staff to present the budget at the May 18, 2011 Board Meeting. The motion was seconded by Director Raley and unanimously approved.

6. ADJOURN

It was moved by Director Day and seconded by Director Raley to adjourn the meeting. The motion carried unanimously.

There being no further business, the meeting adjourned at 10:25 a.m.