

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

MINUTES OF THE ADMINISTRATIVE COMMITTEE MEETING

May 23, 2012
1:30 P.M.

Chairperson McDonald called the Administrative Committee Meeting to order at 1:30 p.m. All present stood for the pledge of allegiance, led by Chairperson McDonald.

ADMINISTRATIVE COMMITTEE MEMBERS PRESENT:

Melody McDonald, Chairperson
David Raley, Director
John Longville, Director

ADMINISTRATIVE COMMITTEE MEMBERS ABSENT:

None

STAFF PRESENT:

Daniel Cozad, General Manager
Athena Medina, Administrative Services Specialist

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

There were no additions or deletions to the agenda.

3. APPROVAL OF MINUTES FROM THE MAY 14, 2012, MEETING

It was moved by Director Raley and seconded by Director Longville to approve the minutes of the May 14, 2012. The motion carried unanimously.

4. DRAFT DISTRICT POLICY APPROACH TO CALPERS CONTRIBUTIONS FOR EMPLOYEES

Daniel Cozad, General Manager presented this item for discussion. The Committee reviewed the materials presented by Staff. Mr. Cozad developed policy principals included in the board memo for today's meeting based on May 14th's Committee meeting. Based on the policy principals created the Committee discussed the possibility of increasing the CalPERS employee shared contribution by .5% per year until 3.5% contribution is achieved. Mr. Cozad handed out a comparison sheet with other public agencies rates and formulas. The comparison sheet also calculated what each position increase would be based on the employee shared contribution increase. Mr. Cozad stated that based on the comparison sheet he believes the District will fall in line with what other agencies have implemented in their organizations. The comparison sheet held that the cost savings to the District in 2012 would estimate to be \$1,884.68 and in 2013 around \$4,789.05. He noted this is not budget driven; this is mainly a policy change.

Director McDonald noted her appreciation for Director Raley bringing this item to the Boards attention. She noted that the cost savings is not significant to the District, but it would be prudent to adopt this policy. Director McDonald also noted the importance of implementing this policy without causing undue hardship to District employees. Review of PERS contribution rates continued. Director McDonald noted that the District has paid off its unfunded liability in the amount of \$179k. She also stated that the savings could be: \$7,675.08 (2014), \$10,837.74 (2015) and \$14,297.48 (2016). The Committee reviewed the formulas for other agencies and compared to the District. The Districts formula is 2.5 @ 55. Director McDonald asked what the District is expecting to grow to. She asked if the savings are estimated based on current salaries. Mr. Cozad took the current salaries and increased them by an assumed COLA. Discussion ensued.

Staff recommends adopting these policy principles and moving forward with the employee shared contribution being increased incrementally to the employee up to 3.5% beginning this year. He explained the process for incurring unfunded liability. Discussion ensued.

It was moved by Director Raley and seconded by Director Longville to adopt the proposed policy and implement the employed shared contribution increase. The motion carried unanimously.

5. ADJOURN

**It was moved by Director Day and seconded by Director McDonald to adjourn.
The motion carried unanimously.**

There being no further business, the meeting adjourned at 2:07 p.m.