

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

MINUTES OF THE FINANCE & ADMINISTRATION COMMITTEE MEETING

March 19, 2014
1:30 P.M.

Chairperson McDonald called the Administrative Committee Meeting to order at 1:35 p.m.

FINANCE & ADMINISTRATION COMMITTEE MEMBERS PRESENT:

Melody McDonald, Chairperson
David Raley, Director

FINANCE & ADMINISTRATION COMMITTEE MEMBERS ABSENT:

None

STAFF PRESENT:

Daniel Cozad, General Manager
Athena Monge, 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 preceded 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 JANUARY 15, 2014, MEETING

It was moved by Director Raley and seconded by Chairperson McDonald to approve the minutes of the January 15, 2014 Finance & Administration Committee Meeting. The motion carried.

Director Raley: Yes

Chairperson McDonald: Yes

4. BOARD POLICY MANUAL REVIEW

Mr. Cozad opened this item for discussion. He noted that Staff does not have any changes to suggest to the Board Policy Manual (Manual) and that at the last Board of Directors meeting there were changes and clarification requested to the Board Member Meeting Report (Written Report). Mr. Cozad noted that Staff has made the addition of "Prepared by" section to the Written Report as requested by the Board. Chairperson McDonald stated that the directors need additional clarification as to whose responsibility it is to prepare the Meeting Report when more than one director attends. She indicated that currently it is each director's responsibility to submit a Meeting Report to be paid. Director Raley suggested that if the full Board attends a meeting it should be a Board action to waive the requirement for a Written Report to be submitted. Mr. Cozad indicated that as long as one Written Report is received even with multiple directors attend a meeting or event that should be sufficient. Discussion ensued. Director Raley is in support of retaining the written report and suggested that directors coordinate amongst themselves who will be the one submitting the Written Report. Discussion ensued. Chairperson McDonald suggested adding, "In the event all directors are in attendance at a function no written report is required."

Chairperson McDonald noted that in the Roster of Organization sand Committees with Assigned Representation (Appendix "C") training required by the District is not listed as being covered. She would like to see the addition of "Any District Required/Mandated training" added to District Requested list. Chairperson McDonald also stated that any meeting requested by General Manager should be moved to District Requested rather than Director Selected. Discussion ensued. Director Raley believes that any meeting that is requested by the General Manager should be reported on at the following Board of Directors meeting. He would like for the Board to approve any General Manager requested meetings prior to their occurrence. Chairperson McDonald indicated that the General Manager makes his report on such meetings in his General Manager's Report. Mr. Cozad indicated that any meetings with elected officials which are requested by General Manager are discussed with President Corneille prior to being scheduled. Director Raley stated that transparency amongst the Board is important as well as transparency of the District. He would like confirmation from President Corneille as to whether or not he believes the General Manager requested meetings should be Board approved. This can be discussed at the Board meeting when agendized.

It was moved by Chairperson McDonald and seconded by Director Raley to recommend for approval the noted revisions to the Board Policy Manual for approval by the Board at the May 14, 2014 Board of Directors Meeting. The motion carried.

Director Raley: Yes

Chairperson McDonald: Yes

5. PER DIEM RESOLUTION REVIEW

Mr. Cozad indicated that the Committee requested a review of the resolutions related to per diem of the Board. Resolution No. 457 sets the number of meetings directors are allowed to attend at

nine meetings per month. Chairperson McDonald would like to see the numbers of meetings a director is permitted to attend and receive compensation for increased to ten meetings per month. Director Raley is opposed to increasing the number of meetings a director can attend. However, he supports this item being discussed by the full Board.

It was moved by Chairperson McDonald and seconded by Director Raley to prepare a resolution to increase number of meetings that a director may attend and receive compensation for from nine to ten per month for consideration at the May 14th Board of Directors Meeting The motion carried.

Director Raley: Yes

Chairperson McDonald: Yes

6. PERSONAL USE OF DISTRICT VEHICLE POLICY

Mr. Cozad stated that currently the District does not have a policy regarding personal use of District vehicles. Field Staff are currently the only Staff that use of District vehicles, outside of occasional trips. The Field Supervisor is typically the only employee who takes the District vehicle home. However, other Field Staff have asked if they can use District vehicle to commute from work to home. Mr. Cozad reviewed the current and previous practice regarding vehicle usage. Chairperson McDonald indicated that the Field Supervisor took the field vehicle home in the past because the previous Field Supervisor also lived onsite in the Canyon House and then the Mentone House. The Committed concurred that they have no opposition to Staff taking District vehicles home, but a policy does need to be developed and implemented. Discussion ensued. Director Raley indicated that if the District were to allow Staff to take the vehicles home there would be tax repercussions; as Staff will need pay tax on the mileage as income on their taxes. Staff reviewed the policy points discussed and will develop a policy that includes: District vehicles are for employee use only, employees will be permitted to take vehicle home, district vehicles will be used for district activities only, and employees will be required to submit records at least by the end of the year for mileage to and from home so it can be added as income.

7. PRELIMINARY BUDGET DISCUSSION

Mr. Cozad reviewed the 2014-2015 Preliminary Budget in detail. He noted that the Board has seen the Groundwater Enterprise portion of the Budget already in order to set the rate. The Wash Plan funds have been extended to next year's budget since they have not been expended this fiscal year. Mr. Cozad noted that Environmental Services have decreased since they plan to expend less for 2014-2015. Other costs and revenue, for example Plunge Creek Project, will move from the current fiscal year to next fiscal year due to grant award dates. Property Maintenance has been increased to reflect the District's intent to install drought tolerant landscaping at Redlands Plaza and the ongoing tamarisk removal that will take place out in the field. He indicated that Redlands Plaza utilities will look as though they fluctuate as staff is keeping better track and breaking them out more clearly amongst the enterprises. The Outreach budget has been increased to allow the District to participate in Drought Task Force outreach. The benefits have increased based on estimated increase in cost to the District. Benefits increase

and decrease on a calendar year basis; therefore, Staff does not have the actual numbers until after the budget is presented. CalPERS cost increases for next year are incorporated. Director Raley inquired about the increase in medical benefits for next fiscal year. Mr. Cozad indicated that the increase is due to hiring the Land Resources Manager on and this will reflect a full year. Director Raley asked for Staff to review the general ledger account for medical and for payroll taxes. Brief discussion ensued.

Director's fees were adjusted for the reduction to five directors. Staff indicated they will readjust to include the increase to ten meetings per month. Chairperson McDonald stated that the base budget for Directors fees seems lower than previous years. Staff indicated that this is an average. Discussion ensued. Mr. Cozad indicated that director's expenses such as air fare, lodging and conference registrations have increased because those costs have increased. Administrative Expenses went up slightly; mainly in lodging. Executive Staff is going to more meetings and some require overnight stays. Director Raley asked about the contribution towards capital. Staff stated that it is included as a separate line item and included in the overall budget number. Director Raley requested an analysis of the gross increase and decrease of the budget. He indicated the budget has increased significantly since his election to the Board. Mr. Cozad indicated he will work on that breakout. Mr. Cozad indicated that the capital budget is broken out in more detail this year. Included in the capital cost is the maintenance to the basins, work that will be done in accordance with the River HCP and cost to purchase a new district vehicle. Director Raley asked if Jeff Beehler's time is charged to the Wash Plan. Mr. Cozad confirmed all Staff time is charged out to each enterprise as it is worked and reported on the timesheet. Discussion ensued. Mr. Cozad said that Staff is actively looking into Mill Creek improvements that can be grant funded. This may require engineering work. Staff is seeking support from partner agencies to assist in reviewing the issues caused by the most recent storms.

8. ADJOURN

It was moved by Chairperson McDonald and seconded by Director Raley to adjourn. The motion carried.

There being no further business, the meeting adjourned at 3:39 p.m.