

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT
MINUTES OF THE FINANCE & ADMINISTRATION COMMITTEE MEETING

APRIL 27, 2018
1:30 P.M.

Chairperson McDonald called the Finance & Administration Committee Meeting to order at 1:30 p.m.

FINANCE & ADMINISTRATION COMMITTEE MEMBERS PRESENT:

Melody McDonald, Chairperson
David E. Raley, Director

FINANCE & ADMINISTRATION COMMITTEE MEMBERS ABSENT:

None

STAFF PRESENT:

Daniel Cozad, General Manager
Athena Monge, Administrative Services Specialist
Angie Quiroga, Administrative Services Specialist

1. PUBLIC PARTICIPATION

Chairperson McDonald announced this as the time for any persons present, who so desire, to make an oral presentation to the Committee. Without public participation, the meeting continued with the published agenda.

2. ADDITIONS/DELETIONS TO AGENDA

There were no additions or deletions to the agenda.

3. APPROVAL OF MEETING MINUTES FROM JANUARY 24, 2018

It was moved by Director Raley and seconded by Chairperson McDonald to approve the minutes of the January 24, 2018, Finance & Administration Committee meeting. The motion carried with all members present voting in the affirmative.

Director Raley: Yes

Chairperson McDonald: Yes

4. 3rd QUARTER ANNUAL UNAUDITED FINANCIAL REVIEW FOR 2017-2018

Mr. Cozad presented this item for discussion noting it is included in the package on page 3. He said that agricultural revenue is lower than budgeted. However, there is an increase in non-agricultural income. Groundwater production has increased this quarter. Mr. Cozad stated that LAFCO increased their budget under GL 5000, so the expense is slightly higher this year and that professional services expenses are under budget. Field operations expenses will remain low until the annual cleaning is completed. The quarterly investment report is included in the package; investments were reviewed in brief. It was the consensus of the Committee to move this item forward to the Board for review.

5. CAPITAL IMPROVEMENT PROJECT BUDGET 2017-2018

Mr. Cozad provided a handout of the Capital Improvement Project (CIP) Budget. He noted that there are two options to upgrade the Mentone Shop Facilities; Item 3A-Independent concrete restroom and septic tank or 3B-full size garage with built-in restroom with shower and equipment storage and remove old carports and sheds at Mentone Shop. Ms. Scholte is working with cities to identify permitting requirements. This item will be brought back to the Operations Committee for further review. He said that Item 11 – Mill Creek North Canal Flume is estimated to be completed before the end of the calendar year. Director Raley suggested that for Item 13-Habitat Equipment Herbicide Sprayer and ATV and equipment that field staff receives training before operating ATV.

6. INITIAL DISTRICT AND ENTERPRISE BUDGET REVIEW FY 2018-2019

Mr. Cozad provided a handout of the memo and redline of the Draft Reserve Policy. He said that new oversight policies were released by The Little Hoover Commission and California Special Districts Association; the Draft Reserve Policy incorporates some of these new policies. Mr. Cozad outlined current policies and revisions. He reviewed the groundwater rate increase phase in groundwater rates for non-municipal agricultural producers over three years. A draft Wash Plan Implementation budget was provided as a handout. There is a Preserve Management Committee that will determine how much money will actually be spent. It is uncertain at this time how many Certificates of Inclusion (COI) will be active. It would be our expense, and then the Conservation Trust will reimburse. GL 4999 - Trust Reimbursement Wash Plan is the account that will be used to reimburse the District from the Conservation Trust for the Wash Plan.

Mr. Cozad provided a handout of the Draft 2018-2019 Budget and reviewed GL 4021- Groundwater Charge Ag, 4023-Groundwater Charge Non-Ag, and 4023-Groundwater Council Revenue. The District will use less of the rate stabilization fund to offset last year; this will be done in year-end closeout. Mr. Cozad reviewed expenses noting that expense for Redlands Plaza Maintenance, Miscellaneous Professional Services, and Legal are estimated to be less in 2018-2019. GL 6060-Outreach increased slightly related to the Board's Outreach Plan. Director Raley asked how the District is going to evaluate outreach efforts. He would like to see an evaluation report done at the end of the year. Mr. Cozad said that salaries are estimated as listed with a 3.1% CPI-U all west. He noted that the District included funds in the budget to hire a part-time Field Operations Specialist to work on the Wash Plan and Enhanced Recharge projects. This condition is in line with the Staffing Plan, but hiring depends on the Wash Plan HCP and construction schedule. A 3.1% per diem increase is estimated for Directors fees. It was the consensus of the Committee to move this item forward to the Budget Workshop for review and approval.

7. ADJOURN

It was moved by Director Raley and seconded by Chairperson McDonald to adjourn. The motion carried with all members present voting in the affirmative.

Director Raley: Yes

Chairperson McDonald: Yes

There being no further business, the meeting adjourned at 3:28 p.m.