

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

JANUARY 24, 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 published agenda.

2. ADDITIONS/DELETIONS TO AGENDA

There were no additions or deletions to the agenda.

3. APPROVAL OF MEETING MINUTES FROM NOVEMBER 15, 2017

It was moved by Director Raley and seconded by Chairperson McDonald to approve the minutes of the November 15, 2017, Finance & Administration Committee meeting. The motion carried with all members present voting in the affirmative.

Director Raley: Yes

Chairperson McDonald: Yes

4. 2nd QUARTER ANNUAL UNAUDITED FINANCIAL REVIEW FOR 2017-2018

Mr. Cozad presented this item for discussion noting it is included in the package on page 5. He said that interest income had increased slightly due to an increase in rates. Aggregate maintenance was decreased due to a decrease in rock sales. The property tax is higher and is estimated to end the year at \$100,000. Mr. Cozad stated that LAFCO fees have increased for the year and that the estimated \$100,000 in election fees will not be incurred this fiscal year. He noted that the District purchased new field vehicle with warranty coverage as suggested by the Board. Director Raley asked about restroom facilities for the Mentone Shop. Mr. Cozad indicated that the Operations Committee is still working on identifying a cost-

efficient solution. The parking lot costs have been included in the projected annual budget, but have not yet been expended. 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. BUDGET AND GROUNDWATER RATE PLANNING DISCUSSION

Mr. Cozad reviewed the handout of the groundwater budget and rate planning. He discussed the agricultural producers and how they would be affected by the change to one unitary rate due to the recent court opinion. The District will go from having an agricultural and non-agricultural rate to having one unitary rate for all; it will be utilizing the higher of the two. Mr. Cozad reviewed phase-in rates if groundwater increase was phased in from 2-4 years until the unitary rate is reached for non-municipal agricultural producers. Discussion ensued about the potential phase-in period. Staff suggested utilizing groundwater stabilization fund while phasing in groundwater rates for Ag. It was the consensus of the Committee to move this item forward to the Board for approval recommending that the District phase in groundwater rates for non-municipal agricultural producers over three years.

6. 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 2:35 p.m.