

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

July 24, 2019
1:30 P.M.

Chairperson Raley called the Finance & Administration Committee Meeting to order at 2:00 p.m.

FINANCE & ADMINISTRATION COMMITTEE MEMBERS PRESENT:

David E. Raley, Chairperson
John Longville, Director

FINANCE & ADMINISTRATION COMMITTEE MEMBERS ABSENT:

None

STAFF PRESENT:

Daniel Cozad, General Manager
Athena Monge, Administrative Specialist

GUESTS PRESENT:

Cortya Alcaraz, Student
Gil Navarro, San Bernardino Valley Municipal Water District

1. PUBLIC PARTICIPATION

Chairperson Raley 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 MARCH 27, 2019

It was moved by Director Longville and seconded by Director Raley to approve the minutes of March 27, 2019, Finance & Administration Committee meeting. The motion carried with all members present voting in the affirmative.

Chairperson Raley: Yes

Director Longville: Yes

4. 4TH QUARTER ANNUAL UNAUDITED FINANCIALS REVIEW 2018-2019

Mr. Cozad presented this item for discussion noting that this is the last quarter before we move to an accrual basis. He said that expenses are lower than projected this fiscal year. The revenue is higher than expected because of how the Groundwater Council and Groundwater Assessment payments were made

this year. Mr. Cozad stated that the costs in professional services were lower, and CalPERS employee paid contributions were higher due to more employees enrolling in the CalPERS 457 supplemental program this year. He noted that the District would have a new enterprise next fiscal year for the Active Recharge Transfer Projects (ARTP). ARTP funds have been invested in California Asset Management Program (CAMP). The Plunge Creek project revenue is the grant money received to construct the project. Director Raley asked who has not joined the Groundwater Council. Mr. Cozad said that the City of Redlands has not joined. Fontana Water Company may join at a later date and that West Valley Water District will not be joining directly rather they will be participating through an MOU with Valley Municipal. He said that the District has closed on Seven W. Enterprise land purchase, and capital projects were reviewed in brief. The Quarterly Investment Report was included on package page 10.

It was moved by Director Longville and seconded by Director Raley to approve the preliminary 4th Quarter Annual Unaudited Financials as presented and move the financials with any updates to the Board of Directors to receive and file. The motion carried with all members present voting in the affirmative.

**Chairperson Raley: Yes
Director Longville: Yes**

5. OTHER POST EMPLOYMENT BENEFITS (OPEB) AND POST EMPLOYMENT MEDICAL CARE

Mr. Cozad introduced this item for discussion, noting its inclusion beginning package page 12. Other Post Employment Benefits (OPEB) costs are fairly small due to the District only covering employees from age 60 to 65. 65 is the normal age when Medicare takes over health coverage of the employee. Mr. Cozad noted that no one had utilized this benefit yet. The District used to use software to prepare this report, but an actuary will be evaluating OPEB this year due to the new requirements of GASB 75. The actuary asked what happens when a retiree dies or reaches Medicare age before the spouse what happens to the spouses' benefit; current District policy is silent on these issues. Staff is recommending that the District continues to pay the spouses benefit upon the retiree/s death and paying for the spouse until they reach Medicare age. The actuary will provide its cost estimate to continue coverage. Director Longville concurs with staff's recommendation noting that the impact on the District is likely minuscule compared to the impact on the surviving spouse. Director Raley would like to see the estimates from the actuary before making a decision.

It was moved by Director Longville and seconded by Director Raley to approve the clarifying language, and that staff will send revised policy and cost estimates to the Committee and forward to the Board for final approval. The motion carried with all members present voting in the affirmative.

**Chairperson Raley: Yes
Director Longville: Yes**

6. ADJOURN

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

Chairperson Raley: Yes

Director Longville: Yes

There being no further business, the meeting adjourned at 2:27 p.m.