



MINUTES OF BUDGET & FINANCE COMMITTEE MEETING

Responsible for the review of District finances including: rates, fees, charges and other sources of revenue; budget and reserves; audit; investments; insurance; and other financial matters.

Tuesday, June 2, 2020 9:00am, via video/teleconference.

MINUTES

1. Convene Meeting 9:05 a.m.
Roll Call: L. Henry, B. Fultz and S. Architzel
Staff: S. Hill-Director of Finance and Business Services, R. Rogers-District Manager, H. Hossack-Board Secretary
2. Oral Communications: None
3. Old Business:
 - A. LOW INCOME RATE ASSISTANCE

S. Hill introduced and described this item.

R. Rogers explained the process for asking a question by the public and requested that the public not use the "chat" feature.

L. Henry opened the meeting to questions and comments from the public.

M. Lee said that \$25,000 is woefully inadequate.

J. Mosher said that he appreciates the staff work on this and he agrees with the process and understands that it is a small start that he hopes will then expand. He would like the Committee to express its intent to expand the program in the future.

B. Thomas said that she feels that we need to have a LIRA program. She is concerned the money would be coming out of the operating funds for the District.

C. Dzendzel said she would like to hear what Stephanie has observed in the last couple of months and how she comes to the number of 200 people for the pilot program. She would like to know what the need is.

S. Hill explained that we have to have an amount for the program. At the last Board meeting she heard the number \$25,000 for a pilot program.

T. To said that the United Nations said that water is a human right. If low income residents can't pay for water the District is violating human rights.

M. Dolson questioned is this intended as a pilot program or not? If its not a pilot program, it isn't meeting the intent of a LIRA program.

Discussion by the Committee and staff regarding the program and the budget, State funding, the pilot program and taking this to the Board for a decision.

E. Fresco questioned Dir. Fultz's statement that our reserves are fine and we don't need the rate increase but now he is saying that he is concerned about it.

B. Thomas doesn't know anybody that would take money for a program like this out of reserves. How do you communicate that this is a pilot program?

Discussion by the Committee and staff regarding the funding, reserves and moving ahead with a test program.

J. Mosher wanted to clarify the intent of the program with water as a basic human right.

C. Dzendzel said it is important to move forward.

Discussion by the Committee and staff regarding moving forward by taking the staff recommended proposal to the Board of Directors and writing to the State regarding AB401 funding.

S. Architzel made a motion to recommend to the Board that the District move ahead with the 1-year pilot LIRA program for \$25,000, letters to be sent to the State regarding AB401 and staff will provide funding source options. The motion was seconded.

All present voted in favor of the motion. Motion passed.

B. REVENUE UPDATE

S. Hill introduced and described this item. She said that the COVID situation has not had much effect on the District. Consumption is slightly below average. It's hard to tell at this point if it will have an effect going forward.

B. Fultz questioned if there has been an increase in the number of people having difficulty paying their water bill?

S. Hill said it is hard to tell. Past due has increased but there has not been a dip in auto-pay.

Discussion by Committee and staff regarding lien v. property tax for overdue billing.

B. Fultz requested that a report on this be brought to the June 18th BoD meeting.

R. Rogers said that we will continue monitoring and perhaps look at sending out a courtesy notice when bills get high.

M. Lee disagrees with overdue bills going on the property taxes.

S. Hill explained that this would have been the first year that District add overdue bills to the property tax, that was pre-pandemic, the Board voted to suspend that and revisit next year.

4. New Business: None

5. Informational Material: None.

6. Adjournment 10:33 a.m.