



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.

May 7, 2019 at 9:00 a.m. at the Operations Building, 13057 Highway 9, Boulder Creek, California.

MINUTES

1. Convene Meeting 9:00
Roll Call: Henry, Fultz, Sanders were all present
Staff: R. Rogers-Dist. Manager, S. Hill-Dir. of Finance, H. Hossack-Dist. Sec.
2. Oral Communications: None
3. Old Business:
 - A. FY2019/20 BUDGET REVIEW
 - R. Rogers said that before he turns this over to S. Hill he wants to point out that she has put in an enormous amount of time on this process.
 - S. Hill described her process.
 - B. Fultz said he hasn't had an opportunity to review the information.
 - L. Sanders this budget is very good as far as it goes. He doesn't find much aspirational content. He would like an add'l column *BoD target*.
 - S. Hill introduced the FY 2019/20 budget review.
 - Committee and staff discussed the Reserves v. Reserve Fund Policy.
 - B. Fultz questioned the operating steps. Does it include deferred maintenance?
 - S. Hill explained that the District always has deferred maintenance. Staff did not cut deferred maintenance items but they have called it out for the Board to decide how to handle it.
 - Committee and staff discussed the deferred maintenance/capital projects v. regular maintenance.
 - B. Fultz described his ideas of what the budget needs and how to present it to the public.
 - S. Hill described the focus of today's discussion. Capital projects were described.
 - B. Fultz said we should sell naming rights for the tanks.
 - S. Hill said that the Swim tank was one of the projects we went out to bid on last year but the only bid we received was 3 x the engineer's estimate. The bid was rejected. It has now been rolled into the USDA loan package.
 - R. Rogers described the Fall Creek Fish Ladder project.
 - L. Sanders questioned what would be the consequences and from whom would they come if we took this off of the budget this year.

R. Rogers said we would probably get enforcement action from Cal Fish and Wildlife and National Marine Fisheries. We have been working on this project for 4 or 5 years. We are finally about to get it across the finish line.

Committee and staff discussed specific projects.

D. Loewen thinks Lee had a good idea and unfunded liability is a big part of the budget.

Committee and staff continued discussion on specific projects.

Committee and staff Water Master Plan discussion and specific projects.

S. Hill introduced high level forecasting. Discussion by committee and staff.

L. Sanders questioned why are we talking about rate increases.

Committee and staff explained and discussed the five-year stated rate increase.

D. Loewen said she was confused she heard something else at the last B & F meeting.

Committee and staff discussion regarding 5% reduction of budget.

S. Hill summarized her budget changes.

Committee and staff discussion of budget changes.

V. Champlin there is a lack of outreach from the District to the public.

Discussion by Committee and staff.

S. Hill introduced summary of items to review

Discussion by committee, staff and public.

S, Hill continued with deferred maintenance and equipment purchases.

Discussion by Committee, staff and public regarding deferred maintenance and equipment purchases.

S. Hill continued with facilities study.

Discussion by Committee, staff and public regarding a facilities study.

V. Champlin agreed with Dir. Fultz. Individuals should deal with their bank. He would like the existing on-line mechanism to sign up for electronic bills, it is fraud.

Discussion by Committee, staff & public regarding on-line payments.

S. Hill continued with cuts to the budget.

Discussion by Committee & staff regarding budget cuts.

C. Baughman noted that the Pasatiempo wells are depleted by SLVWD as well as Scotts Valley.

B. Fultz responded.

L. Summers compared the monitoring to going to the doctor annually.

B. Fultz responded.

S. Hill continued with the key items remaining in the Environmental budget. She asked for Board direction on the conservation programs.

Discussion by Committee and staff.

4. New Business: None

5. Informational Material: None.

6. Adjournment 11:19