



## MINUTES OF BUDGET & FINANCE COMMITTEE MEETING August 8, 2023

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, August 8, 2023, at 4:00 p.m.**, at the SLVWD Conference Room, 12788 Highway 9, Boulder Creek, CA and via videoconference and teleconference.

### MINUTES

1. **Convene Meeting:** 4:00 p.m.  
**Roll Call**

Committee Members - Present

Jeff Hill, Acting Chair  
Jim Bahn  
Monica Martinez  
Jim Mosher

Gail Mahood was excused.

Staff - Present

Rick Rogers, District Manager  
Kendra Reed, Director of Finance and Business Services  
Garrett Roffe, District Engineer  
Scott Mattoch, Network Specialist  
Holly Hossack, District Secretary

2. **Oral Communications:**

R. Rogers introduced Garrett Roffe, District Engineer, to the Committee.

3. **Unfinished Business:**

- a. RATE STUDY UPDATE

K. Reed introduced this item. The plan is still on schedule.

R. Rogers shared the Miller Maxfield presentation that was presented to the Admin Committee.

Discussion by the Committee regarding:

- The District will send out personal invitations to 25 highest users, chambers of commerce, business organizations, real estate offices, etc.
- Options for feedback
- FAQs; Why are we more expensive? Why have operating costs gone up?
- What happens with the input from the public? Raftelis will offer options and then the Board will have to decide what to do.
- Extra meetings

B. Holloway, Boulder Creek, said that he is happy with the Santa Cruz Water rate schedule. They have a 10/90 split between volumetric and set charges.

Raftelis will provide options once they have completed the Cost of Service Study.

4. **New Business:**

a. **CAPITALIZING LABOR COSTS**

K. Reed introduced and explained this item. It was informational only.

Discussion by the Committee regarding:

- FEMA allows administrative costs to be capitalized in category Z
- Consultants are capitalized
- This affects the balance sheet but not the cash flow
- We should track the expenses we spend on tracking
- The budget has doubled its amount of work due to capital projects
- Administrative FEMA funds go into non-operating revenue

B. Holloway, Boulder Creek, questioned if the District Manager's time is capitalized in category Z. (yes)

Discussion by the Committee regarding:

- Tracking the cost of running the agency

5. **Adjournment:** 4:40 p.m.