



MINUTES OF SPECIAL BUDGET & FINANCE COMMITTEE MEETING February 8, 2023

Wednesday, February 8, 2023, at 1:00 p.m., via video/teleconference.

AGENDA

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

Committee Members - Present

Gail Mahood, Committee Chair

Jeff Hill

Monica Martinez

Jim Mosher

Jim Bahn (arrived 1:11)

Staff - Present

Rick Rogers, District Manager

Kendra Reed, Director of Finance and Business Services

Holly Hossack, District Secretary

2. **Oral Communications:** none

3. **New Business:**

- a. ELECTION OF THE COMMITTEE CHAIR FOR 2023

A nomination was made and seconded for Gail Mahood to continue as chair.

All present voted in favor of the nomination.

- b. SET DAY AND TIME FOR COMMITTEE 2023 REGULARLY SCHEDULED MEETINGS

The committee discussed the in-person aspect of upcoming meetings.

The committee decided to meet on the 2nd Tuesday of every month at 4:00 p.m.

- c. MULTI-MONTH CALENDAR FOR BUDGET & FINANCE COMMITTEE

Discussion by the Committee and staff on items for future B & F meetings

- Rate Study
- Prop 218
- Budget (adoption by June) - timeline and staff contract negotiations

- Investments
- Possible short-term financing
- Cash flow

4. **Unfinished Business:**

a. RATE STUDY - REQUEST FOR PROPOSALS

G. Mahood said that the Board had already approved the RFP with the addition of some revisions made by B. Fultz.

Discussion by the Committee and staff regarding:

- Capital costs over operating expenses from CZU fire and winter storms
- 1.1.24 start for 5-yr. rate schedule
- Modeling
- 10 years would be highly speculative
- Non-discretionary vs. discretionary sounds political, use fixed vs. variable instead
- It will take 5-10 years to absorb the \$5-6 million not budgeted
- The further out the time goes the less confidence in the numbers

b. CERTIFICATES OF PARTICIPATION UPDATE

K. Reed explained the District's position with the investment accounts

- Review of projects still in the loan
- \$50 million to be invested for higher yield
- Access to the money in 30 days
- The accounts will be set up in the next 5 - 7 business days

5.. **Adjournment:** 2:04 p.m