



MINUTES OF SPECIAL BUDGET & FINANCE COMMITTEE MEETING MAY 16, 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, May 16, 2023, at 3:30 p.m., at the SLVWD Conference Room, 12788 Highway 9, Boulder Creek, CA and via videoconference and teleconference.

MINUTES

1. **Convene Meeting:** 3:32 p.m.
Roll Call

Committee Members - Present

Gail Mahood, Committee Chair

Jeff Hill

Monica Martinez

Jim Mosher - participated virtually

Jim Bahn - absent excused

Staff - Present

Kendra Reed, Director of Finance and Business Services

Scott Mattoch, Network Specialist

Holly Hossack, District Secretary

2. **Oral Communications:**

J. Mosher apologized for his absence but said that he had been exposed to COVID and didn't want to infect anyone.

3. **Unfinished Business:**

- a. BIENNIAL DRAFT BUDGET FISCAL YEAR 2023-2025

R. Rogers introduced this item.

K. Reed presented the 2nd round of the operating revenue expenses, the non-operating revenue expenses, and the capital budget for FY 2023-2025.

Changes to revenue:

- Consumption assumptions for Bracken Brae and Forest Springs were too optimistic
- Basic Waiver for CZU - expiring in August possibly extending
- LIHWAP Grant Program - additional funds

Changes to expenses:

- Salaries & Benefits-MOU negotiations
- Contracts/Professional Services
- Maintenance
- General & Admin

Discussion by the Board and staff:

- Admin Building remodel deferred
- Staffing

J. Mosher questioned outreach for participation efforts and funding of LIHWAP.

Changes to non-operating revenue

- RAP - Rate Assistance Program
- FEMA reimbursements

Changes to non-operating expenses

- SMGWA - to be updated with current information (2022-23 has not been paid)

Discussion by the Board and staff:

- Obligated FEMA funds being reimbursed

Capital Budget

Discussion by the Board and staff:

- Concern that reserves are being depleted
- Urgency & impact benefit
- Staff bandwidth unrealistic?
- Spread out projects (5 years)
- Color coding of graph for status of each project; in design, started, in construction, etc.
- Rate study
- Possibility of construction loan
- Value of taking this to the Board is to show what is coming up
- Identify projects that will have the most impact, matrix

J. Mosher questioned the capacity to do the work. Concern about reserve spending. How will this interact with the rate study?

Discussion by the Board and staff:

- List projects by theme; conjunctive use, FEMA, loan project, etc.
- Re-evaluate the Capital Budget before taking to the Board

The Committee agreed to pull this item from the 5.18.23 BoD Meeting.

4. **New Business:** None
5. **Adjournment:** 4:31 p.m.