NOTICE 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.

NOTICE IS HEREBY GIVEN that the San Lorenzo Valley Water District has called a special meeting of the Budget & Finance Committee to be held on **Tuesday, June 2, 2020 9:00am**, via video/tele conference

https://global.gotomeeting.com/join/210743037

You can also dial in using your phone.
(For supported devices, tap a one-touch number below to join instantly.)

United States (Toll Free): 1 866 899 4679
- One-touch: tel:+18668994679,,210743037#

United States: +1 (312) 757-3117
- One-touch: tel:+13127573117,,210743037#

Access Code: 210-743-037

AGENDA

1. Convene Meeting/Roll Call

2. Oral Communications
   This portion of the agenda is reserved for Oral Communications by the public for items which are not on the Agenda. Please understand that California law (The Brown Act) limits what the Board can do regarding issues raised during Oral Communication. No action or discussion may occur on issues outside of those already listed on today's agenda. Any person may address the Committee at this time, on any subject that lies within the jurisdiction of the District. Normally, presentations must not exceed five (5) minutes in length, and individuals may only speak once during Oral Communications. Any Director may request that the matter be placed on a future agenda or staff may be directed to provide a brief response.

3. Old Business:
Members of the public will be given the opportunity to address each scheduled item prior to Committee action. The Chairperson of the Committee may establish a time limit for members of the public to address the Committee on agendized items.

A. LOW INCOME RATE ASSISTANCE
Discussion and possible action by the Committee regarding a District LIRA program.

B. REVENUE UPDATE
Discussion and possible action by the Committee regarding an update on revenue during COVID-19.

4. New Business: None
Members of the public will be given the opportunity to address each scheduled item prior to Committee action. The Chairperson of the Committee may establish a time limit for members of the public to address the Committee on agendized items.

5. Informational Material: None.

6. Adjournment

In compliance with the requirements of Title II of the American Disabilities Act of 1990, the San Lorenzo Valley Water District requires that any person in need of any type of special equipment, assistance or accommodation(s) in order to communicate at the District's Public Meeting can contact the District Office at (831) 338-2153 a minimum of 72 hours prior to the scheduled meeting.

Agenda documents, including materials related to an item on this agenda submitted to the Committee after distribution of the agenda packet, are available for public inspection and may be reviewed at the office of the District Secretary, 13060 Highway 9, Boulder Creek, CA 95006 during normal business hours. Such documents may also be available on the District website at www.slvwd.com subject to staff's ability to post the documents before the meeting.

Certification of Posting

I hereby certify that on May 29, 2020 I posted a copy of the foregoing agenda in the outside display case at the District Office, 13060 Highway 9, Boulder Creek, California, said time being at least 72 hours in advance of the regular meeting of the Budget & Finance Committee of the San Lorenzo Valley Water District in compliance with California Government Code Section 54956.

Executed at Boulder Creek, California, on May 29, 2020

_____
Holly B. Hossack, District Secretary
San Lorenzo Valley Water District

M E M O

TO: Budget & Finance Committee

FROM: Director of Finance

SUBJECT: Low Income Rate Assistance (LIRA) Program

DATE: June 2, 2020

RECOMMENDATION:

It is recommended that the Budget & Finance Committee review the proposed LIRA program and make a recommendation to the Board.

BACKGROUND:

The District has been discussing different ways to implement a LIRA program for our District. Staff and Friends of SLV Water have spent a significant amount of time researching different options.

Staff have come to the following conclusions:

1. There is not a realistic third party 501c3 partner to help administer an ongoing program for the District.
    a. This means it would need to be an internally ran program.

2. Maintaining a viable program will require consistent funding.
    a. The District has a long term mobile cell tower lease that generates approximately $25,000 per year and has a contract thru FY2030.
    b. If $10/month is selected, that means approximately 208 people could be enrolled in the program.

3. Eligibility for the program should be leveraged on enrollment in PG&E's CARE Program (attached).
    a. PG&E has a stringent application process.
    b. District staff should not be responsible for deciphering the most in need or take in personal income information etc.

4. The program should be based on a first come first serve basis.
    a. Then a waitlist for next in line as people move out of the program.

5. The program should require re-submittal of proof on an annual basis.
    a. A reminder letter will go out once a year to all enrolled to re-submit proof
    b. One follow-up reminder will be sent out, after that date they will be dropped from the program and have to start all over to reapply.

6. Strict details in the policy so that it is very clear to staff and the applicants
    a. Example is they have to remain current on their bills, if someone is turned off for non-payment they are dropped from the program.

The District believes there are approximately 1,200 residents enrolled in the PG&E CARE program. This could be increasing due to the current COVID-19 pandemic. There will likely be a high volume of interest the first 6 months, along with inquiries on an ongoing basis. An annual renewal process will also take a portion of time each year. Based on review of other agency programs, staff feels a $25,000 and ~200 applicant program is reasonable for a district of our size. We are open to other suggestions or ideas, and also acknowledge that no program is also an option.

Based on the recommendation of this committee and eventually the full Board, staff can develop the actual policy.

Reduce your energy bill through the CARE Program

To qualify for CARE:

- The PG&E bill must be in your name. (For sub-metered tenants, the energy bill from your landlord must be in your name.)
- You must live at the address to which the discount applies.
- Another person (besides your spouse) can't claim you as a dependent on an income tax return.
- You must not share an energy meter with another home.
- You must account for all sources of qualifying household income and meet the program income guidelines.
- You must notify PG&E if your household no longer qualifies for the CARE discount.
- After you enroll, you may need to provide proof of qualifying household income, including IRS tax returns. You may also be required to participate in the Energy Savings Assistance Program.

- Your monthly electric usage must not exceed six times the Tier 1 allowance. This is the lowest-priced rate tier within PG&E's standard Tiered Base Plan.
- You must renew your eligibility every two years (or every four years if you're on a fixed income).
- Qualification is based on the total income of everyone living in the home or participation in qualifying public assistance programs.

Qualifying for CARE based on public assistance program participation

You may qualify for the CARE Program if you or someone in your household takes part in any of the following public assistance programs.

- Low Income Home Energy Assistance Program (LIHEAP)
- Women, Infants, and Children (WIC)
- CalFresh/SNAP (Food Stamps)
- CalWORKs (TANF) or Tribal TANF
- Head Start Income Eligible (Tribal Only)
- Supplemental Security Income (SSI)
- Medi-Cal for Families (Healthy Families A & B)
- National School Lunch Program (NSLP)
- Bureau of Indian Affairs General Assistance
- Medicaid/Medi-Cal (under age 65)
- Medicaid/Medi-Cal (age 65 and over)

Qualifying for CARE based on household income

Add all household members' incomes from all eligible sources for your total gross annual household income. The total combined gross annual household income must be at or below the amounts shown in the following table.

COVID-19 NOTE: Household income is calculated as your income as of the date you apply. Your income eligibility is based on current earnings of all persons living in your household going forward. It is not based on your past income, so if you have had a change in circumstances such as job loss or decreased wages, you may now qualify.

Number of Persons in Household

1-2

Total Gross Annual Household Income*

$33,820 or less

Number of Persons in Household

3

Total Gross Annual Household Income*

$42,660 or less

Number of Persons in Household

4

Total Gross Annual Household Income*

$51,500 or less

Number of Persons in Household

5

Total Gross Annual Household Income*

$60,340 or less

Number of Persons in Household

6

Total Gross Annual Household Income*

$69,180 or less

Number of Persons in Household

7

Total Gross Annual Household Income*

$78,020 or less

Number of Persons in Household

8

Total Gross Annual Household Income*

$86,860 or less

Number of Persons in Household

9

9

Total Gross Annual Household Income*

$95,700 or less

Number of Persons in Household

10

Total Gross Annual Household Income*

$104,540 or less

Number of Persons in Household

Each additional person, add

Total Gross Annual Household Income*

$8,840

10

*Before taxes based on current income sources. Valid through May 31, 2020.

Household income includes all taxable and nontaxable revenues from all people living in the home. It includes, but is not limited to the following sources:

- Wages
- Salaries
- Interest and dividends
- Spousal and child support payments
- Public assistance payments
- Social Security and pensions
- Housing and military subsidies
- Rental income
- Self-employment income
- All employment-related, non-cash income

PLEASE NOTE: Your household income must meet the program income guidelines.

VERIFY YOUR INCOME
RENEW YOUR CARE ENROLLMENT
CANCEL YOUR CARE ENROLLMENT

M E M O

TO: Budget & Finance Committee

FROM: Director of Finance

SUBJECT: Revenue Update

DATE: June 2, 2020

RECOMMENDATION:

It is recommended that the Budget & Finance Committee discuss the presentation regarding revenue and past due balances.

BACKGROUND:

In response to the COVID-19 pandemic, the District has suspended the past due procedures. The COVID-19 pandemic has had multiple ways it has impacted the District. A lot of this is a fluid situation and different actions have had multiple reactions. We will discuss some of the facts we know and some of the unknowns that we think. Some of the topics we will cover are as follows:

- Consumption – A dry February and COVID-19 have had impact on water use
- Past Due Policy Suspension – past due reminders, late fees, tags and turn-offs have been suspended. This has increased the past due balances and likeliness of higher bad debt expense.
- Property tax revenue – during crisis in the past, the County has suspended special districts from receiving property tax revenue. While we have not received any notices yet, counties and cities have typically been more financially impacted by the COVID-19 pandemic.