

VALLEY COUNTY WATER DISTRICT

FINANCE STANDING COMMITTEE Special Meeting

May 10, 2012

MINUTES

Committee Members Present: Director Jonathan Contreras, Chairperson
Vice President Pacheco, Co-Chair

Others Present: Mr. Bryan Urias, USGVMWD Board of Directors

Staff Present: Lynda Noriega, General Manager
Colleen Malaiba, Executive Assistant/Board Liaison

Meeting called to order at 3:30 pm.

- Director Contreras commended the General Manager for her hard work clarifying all information listed on the budget review
1. **2011-2012 Capital Improvement Budget: 6-Month Review (Sept 2011-Feb 2012)**
 - General Manager reviewed the following items:
 - The upgrade of the meter reading computer software is currently in-progress
 - The replacement of the Clinton O. Nixon Facility electrical panel was scheduled for this year but may be deferred in order to complete other projects with a higher priority
 - The update of the Water Master Plan is in-progress with the optional tasks and enhancements being brought to the Board of Directors for consideration at the next regular meeting
 - The items related to the property on Arrow Highway and Live Oak will most likely not be completed this fiscal year
 - The Phase I water main replacement project is almost completed
 - The scheduled vehicle purchases were completed this year
 2. **2011-2012 General Operating Budget: 6-Month Review (Sept 2011-Feb 2012)**
 - General Manager stated that she has only presented budget adjustments for the line items whose projected year end amount create a deficit for the District's current year-end totals
 - General Manager provided the following explanations for the proposed adjustments:
 - The ready-to-serve charge revenue is short because there are more inactive services and account turn-over than anticipated
 - The construction meter use charge revenue is short because there has been less development, but anticipates more construction in the warmer months
 - The expenses for the stand-by distribution increased due to more after hour calls related to account turnover
 - The District appeared to be on target with regards to benefits and energy expenses
 - The expenses for paving and concrete maintenance increased due to higher prices of raw material
 - The amount for the Watermaster assessment needed to be adjusted because the Watermaster approved totals were higher than the District's budgeted amounts

- The expenses for the leased water rights needed to be adjusted because the District was able to lease all over production projected for 2011-2012
- The election expense increased since the Los Angeles County discontinued SB90 Vote by mail reimbursements
- The utility and fleet vehicle maintenance needed to be adjusted for the purchase of two-way radios for the new vehicles and the purchase of new tires for older vehicles
- Director Contreras requested that the Committee review the District's retirement contributions on behalf of new employees in order to ensure future sustainability of the District
- General Manager stated that Governor Brown is reviewing pending legislation regarding changes for pension reform related to employee contributions which will be placed on the November ballot
- The Committee recommended that the General Manager present the adjusted budget to the Board of Directors for approval

Meeting adjourned at 4:01 pm.


Secretary
(SEAL)


President