

**Minutes of the Finance Committee
of the
Florin Resource Conservation District Board of Directors**

Wednesday, June 8, 2016

The finance committee meeting of the Florin Resource Conservation District Board of Directors was called to order at 8:00 p.m. by Chuck Dawson, Chair, at 9257 Elk Grove Blvd, Elk Grove CA.

Committee Members Present:	Chuck Dawson, Elliot Mulberg, Tom Nelson, Jeanne Sabin
Committee Members Absent:	Bob Gray
Staff Present:	Mark J. Madison, General Manager; Bruce Kamilos, Assistant General Manager; Stefani Phillips, Board Secretary; Jim Malberg, Finance Manager; Donella Murillo, Finance Supervisor
Associate Directors Present:	Lisa Medina, Mike Schmitz
Public:	None

This was a posted meeting and no members of the public were present.

1. Draft Fiscal Year 2017-21 Capital Improvement Program

Bruce Kamilos, Assistant General Manager, presented the Draft Fiscal Year 2017-21 Capital Improvement Program to the Board. Mr. Kamilos stated the committee has raised healthy comments, which were consolidated into the draft.

Mark Madison, General Manager, commented that Mr. Kamilos has done a spectacular job with the Capital Improvement Program (CIP) and the document itself.

The Board praised the committee for the planning that is involved with the CIP and thanked staff for doing a good job.

2. Draft Fiscal Year 2016-17 Elk Grove Water District Operating Budget

Jim Malberg, Finance Manager, presented the Draft Fiscal Year 2016-17 Elk Grove Water District Operating Budget to the Board.

Mr. Malberg covered items that changed from the last Finance Committee meeting on May 11, 2016.

- Operating Revenue: Increased \$206,098 (5% increase in consumption)
 - Residential: \$133,232
 - Commercial: \$36,929
 - Fire Service: \$35,937

- Salaries & Benefits: Increased \$12,931
 - Full contracted amount of GM salary shown in EGWD, offset by transfer from FRCD for 10% of salary & benefits
 - FY 2016-17 COLA is 1.30%
 - OPEB payment reduced by \$59,400

- Office & Operational: Increased \$27,146
 - Association Dues increased \$21,492 (this is for Legislation Tracking & Lobbying for RWA)
 - Telephone decreased by \$24,346
 - Water Conservation Materials increased \$30,000
- Purchased Water: Increased \$127,076 (5% increase in consumption)
- Outside Services: Increased \$114,000
 - IT Security Audit carry-over (\$75,000)
 - Safety consultant (\$39,000)
- Equipment Rent. Taxes & Utilities: Increased \$12,313
 - Electricity (5% increase in consumption)
- Non-operating Revenue/Expenses: Decreased \$26,566
 - Reflect transfer of 10% of GM Salary & Benefits
- Revenues in excess of expenditures
 - Now at \$19,415; was \$40,907

Elliot Mulberg, Director inquired if there was any money set aside for the study that will benchmark like agencies. Mr. Malberg responded stating \$10,000 was set aside.

3. Draft Fiscal Year 2016-17 Elk Grove Water District Rates & Fees Schedule

Jim Malberg, Finance Manager, presented the Draft Fiscal Year 2016-17 Elk Grove Water Rates & Fees Schedule to the Board.

Tom Nelson, Vice-Chairman, inquired if the capacity fee was applicable to service area 1. Bruce Kamilos, Assistant General Manager, responded stating the capacity fee is not applicable to service area 2 because it is part of Sacramento County's infrastructure, and is only applicable to service area 1.

Elliot Mulberg, Director, inquired when the next rate study is scheduled for. Mr. Malberg responded stating that he would like to get a request for proposal out in the middle of calendar year 2017.

Mr. Mulberg suggested that the District look at incorporating a method to help hardship cases (at the baseline rate) during the next study. Mark Madison, General Manager, responded stating that the District can look into this during the next rate study.

Mr. Malberg announced the closing of the Bond.

4. Draft Fiscal Year 2016-17 Florin Resource Conservation District Operating Budget

Jim Malberg, Finance Manager, presented the Draft Fiscal Year 2016-17 Florin Resource Conservation District Operating Budget to the Board.

Mr. Malberg covered the following:

- Projected revenues: \$75
- Total Expenditures: \$41,821

- Salaries & Benefits: \$26,566
- Insurance: \$2,875
- Bank Charges: \$30
- Accounting Services: \$350
- Election Costs: \$12,000
- The fund balance is expected to decrease from \$87,021 to \$45,274

The next Finance Committee Meeting is to be determined.

Respectfully submitted,

Stefani Phillips

Stefani Phillips, Secretary

SP/CR