

MINUTES

A Budget Committee meeting of the Board of Trustees of the Contra Costa Mosquito and Vector Control District was held on Monday, June 22, 2015, in the District Office at 155 Mason Circle, Concord, California.

TRUSTEES PRESENT Randall Diamond, Chairperson
Richard Ainsley
Chris Cowen
Peggie Howell
Lola Odunlami

TRUSTEES ABSENT Morris Jones
Michael Krieg
Richard Means
Rolando Villareal

OTHERS PRESENT Craig Downs, General Manager
Ray Waletzko, Assistant Manager

1. The Committee meeting was called to order at 7:10 p.m.
2. Roll call indicated that five Trustees were present and four were absent.
3. PUBLIC INPUT ON NON AGENDA ITEMS

None.

4. APPROVAL OF MINUTES FROM COMMITTEE MEETING HELD ON APRIL 27, 2015

** Motion was made by Trustee Cowen and seconded by Trustee Howell to approve minutes from Committee meeting held on April 27, 2015. Motion passed.

5. REVIEW DISTRICT LONG RANGE FINANCIAL FORECAST - Assistant Manager Waletzko gave the trustees an updated forecast and explained that he had received the latest property tax numbers for the year and wanted the committee to have the most recent information. There was much discussion about the larger than projected increase in property tax receipts and redevelopment pass through proceeds this year and the affect on the long range forecast. There was discussion about using LAIF reserves as a percent of revenue as the benchmark most commonly used by management to monitor the long term impact of changes. After much discussion determined that we should continue to fund the OPEB trust per GASB guidelines and request reimbursement for current retiree medical expenses. Assistant Manager Waletzko also recommended, after further research, that the forecast for fiscal year 14/15 should have a

projected 5% increase in property taxes due to the recent increases in property tax assessments in Contra Costa County.

6. REVIEW DISTRICT BENEFIT ASSESSMENT FOR FY 2015/2016 - Assistant Manager Waletzko explained that the Board of Trustees are required to adopt the Benefit Assessment Engineers Report at the July Board of Trustee meeting every year. It was noted that the benefit assessment generates approximately one third of the District revenues every year and that unlike property taxes the revenues from the benefit assessment are more stable. It was noted that the District can still implement past COLA's up to a max of 5% per year; which would generate approximately \$100,000 annually. The committee decided that since property tax revenues were up and we have the ability to capture past COLA's in future years we would not recommend an increase to the benefit assessment in FY 15/16. It was recommended that the full Board of Trustees adopt the benefit assessment report enclosed in the agenda.
7. REVIEW FIXED ASSET AND PROGRAM DEVELOPMENT REQUEST RECOMMENDATIONS FOR FY 2015/2016 - Assistant Manager Waletzko and General Manager Downs discussed some of the items requested this year. General Manager Downs explained the need for two new outboard motors for the District landing craft and Assistant Manager Waletzko elaborated on the need for new carpet in the administration building, fixed asset tracking system and the need for two new trucks and an ATV trailer.
8. REVIEW PROPOSED BUDGET FOR FY 2015/2016 - Assistant Manager Waletzko discussed some items in the Proposed Budget. These included *Payroll, Other Post Employment Benefits (OPEB), Contractual Repairs, Miscellaneous Services, Property Taxes and Medical Reimbursement*. Assistant Manager Waletzko noted that last year the Board adopted a negative budget but he projected that we would close FY 14/15 with expenditures almost equaling revenues due to the increase in property taxes and redevelopment revenues. It was decided by the committee that staff would prepare a proposed budget for FY 15/16, for full Board of Trustee approval, that continues the District annual contribution to the OPEB trust, recognizes revenue from the trust to pay for current year retiree medical costs, a 5% projected increase in property taxes and no COLA on the District benefit assessment.
9. REVIEW DISTRICT INVESTMENT POLICY - Assistant Manager Waletzko explained that we currently only use the Local Agency Investment Fund (LAIF) for our reserves and that there were no changes recommended to the policy this year. The policy, as currently written, will be recommended for approval by the full board at the July 13th, 2015, board meeting.
10. BOARD AND STAFF ANNOUNCEMENTS
11. ADJOURNMENT

There being no further business, the meeting was adjourned at 8:10 p.m.

I certify the above minutes were approved as read or corrected at a meeting of the Budget Committee held on June 27, 2016.

Chris Cowen, Chairperson
Budget Committee

AYES:

NOES:

ABSENT:

ABSTAIN: