

FINANCE COMMITTEE MEETING
SUMMARY MINUTES
January 21, 2020
3:30 P.M.

ATTENDANCE

Directors: John Weed (Chair), Aziz Akbari 
Staff: Jonathan Wunderlich, Jennifer Solito, Mariana Grajeda, Sydney Oam, Ethan Burch,
and Robert Ferro

DISCUSSION TOPICS

1. District-Wide Classification and Compensation Study: Jennifer Solito, Human Resources/Risk Manager, reviewed the classification and compensation study that will be completed over two phases. Phase one involves a classification study and review of the District's current 157 unique job titles and approximately 80 job descriptions. Phase two involves a full compensation study. A key element of the study is defining the labor market and determining comparable agencies to be used in the study. Some of the challenges include the work impact on staff to participate in the study process, staff expectations around classification and salary impacts, potential implementation costs, and coordination with the labor negotiation process. The study is anticipated to be completed by December 2020. Ms. Solito responded to questions from the Committee.
2. Help on Tap Program: Ethan Burch, Administrative Analyst II, reviewed the District's Help on Tap program income guidelines, compared the guidelines to other local programs, and program costs for different income guidelines. The current income limit for eligibility is 200% of the federal poverty level which aligns with other major assistance programs and is a common methodology. Another typical methodology is benchmarking program income limits against the Area Median Income (AMI) which provides a more dynamic, localized set of guidelines and is used by some programs such as housing assistance and some water districts. Staff presented two approaches: 1) moving from the current income guideline of 200% of the federal poverty level to 250% of the federal poverty level, and 2) moving the guideline to 50% of AMI. Aligning the program income guidelines with AMI would result in potential cost increases but it would better tailor the program to the District's service area and reach a larger percentage of low-income households. Mr. Burch responded to questions from the Committee.
3. Procurement Policy Update: Robert Ferro, Purchasing Officer I, reviewed the proposed update to the procurement policy of adding inventory items to the list of items that are excluded from the procurement policy. The update is to make the policy consistent with the procurement standards and current practices. While purchase of inventory items would not be subject to Board approval, it would still be subject to a competitive process. Purchase of significant quantities of inventory items that exceed Board approval limit would require Board approval. Staff will provide a definition of inventory items in the staff report that goes to the Board. Mr. Ferro responded to questions from the Committee.

4. Income & Budget Statements: Mariana Grajeda, Accounting & Treasury Manager, reviewed the income statement through December 2019. Water sales were up by \$1,543,000 compared to prior year-to-date actuals through December 2018 primarily due to the rate increase effective March 2019. Water purchases were higher by \$3,461,000 primarily due to an increase in State Water Project water costs. Overall the net position of the District has increased by \$18,675,000 through the first half of this fiscal year. Sydney Oam, Supervising Financial Analyst, reviewed the budget statement and reserve funds through December 2019. The budget report reflected that the District collected 58.8% of budgeted revenue and spent 48.4% of budgeted expenses. Water revenues were at \$62,407,000 or 55.9% of budget. The Facilities Connection Charges revenues were at \$7,767,000 or 156.1% of budget due to ongoing higher than normal development activity in the service area. The District continues to maintain reserve levels compliant with Board policy targets. Ms. Grajeda and Mr. Oam responded to questions from the Committee.
5. Public Comments: There were no public comments.

RECOMMENDATIONS

Topics discussed by the Committee were informational only, and no recommendations are being made.