

Arrowbear Park County Water District

ANNUAL FINANCE/BUDGET MEETING OF THE BOARD OF DIRECTORS

AGENDA

DATE: May 12, 2022

TIME: 1:00 p.m. Open Session

APCWD BOARD OF DIRECTORS
P.O. Box 4045
Arrowbear Park, CA 92382-4045

POSTING: This agenda was
posted prior to 5:00 p.m. on
May 6, 2022 per Policy #5020.40

MEETING LOCATION

Arrowbear Park County Water District Office
2365 Fir Drive
Arrowbear Lake, CA 92382

OPEN SESSION

- A. CALL TO ORDER – Terisa Bonito, Finance Committee Chair
- B. PLEDGE OF ALLEGIANCE TO THE FLAG
- C. AGENDA POSTING CERTIFICATION
- D. ROLL CALL
- E. PUBLIC COMMENT

This portion of the agenda is reserved for the public to discuss matters of interest, within the District's jurisdiction, which are *not on the agenda*. For public comment on items not on the agenda, no action may be taken by the Board, except to refer the matter to staff and/or place it on a future agenda. It is in the best interest of the person speaking to the Board to be concise and to the point. *A time limit of five minutes per individual will be allowed.* Visitors are reminded to please refrain from making comments or talking amongst themselves while the meeting is in progress. Public comments may be made when a Discussion/Action Item is being discussed, provided the visitor raises his/her hand *and* is recognized by the Chairperson.

F. DISCUSSION / ACTION ITEMS

1. Brief review of current FY 2021-2022 Budget YTD and projected year end numbers.
2. Review and discuss FY 2022-2023 Preliminary Income & Operating Expense Budgets for all departments by line item, compare major income and expense variances from FY 2021-2022. (Will be adopted with FY 2022–2023 budget approval action at Regular Board Meeting, June 2022.) Discussion of possible and/or significant FY 2022-2023 events and budgetary impact.
 - 2.1 Impact of needed rate increases to proposed FY 2022-2023 Preliminary Income & Operating Expense Budgets.

- 2.2 Inflationary pressures. (material costs up 12-40%, fuel costs up 37%, electricity costs up 28%, other utility costs up 10-15%, postage up 13%, COLA increase and related employee costs, healthcare costs, etc. up 10%, Wastewater treatment costs up 11%).
 - 2.3 Drastic increases in insurance costs (Workers Comp up 150% and Property/Auto/Liability up 76%).
 - 2.4 Water training budget increased to cover certification training for two Utility Workers to advance to Serviceperson I.
 - 2.5 FY 2022-2023 personnel promotions and associated wage issues that impact the FY 2022-2023 Budget.
 - 2.6 Increased network service fees for Water/Sewer SCADA systems more than offset by savings due to eliminated weekend reads overtime costs (elimination of 104 hours of OT per year).
 - 2.7 CLAWA Annual Charge is up (21-22 \$2171.00 to 22-23 \$2323.00) but their increased water rates mean that we increase the rate to RSWD for surplus water sales as well.
 - 2.8 Fire Department proposed 47% increase in coverage budget to provide 2/0 staffing 7 days/week (21-22 \$49,400 to 22-23 \$72,800). Increased coverage also incrementally increases utility usage/costs such as: gas, electricity, etc. Proposed elimination of \$5 per drill/call stipend (21-22 \$4,000) to help offset increase.
 - 2.9 CalPERS annual Safety Pension Fund assessment due to actuarial adjustment is up 30% and is a significant amount on the Fire Department budget, (21-22 \$22,810 to 22-23 \$29,712).
 - 2.10 LAFCO Annual Fee is down significantly (21-22 \$1171.07 to 22-23 \$22.45).
 - 2.11 Audit costs are down 10.5% (21-22 \$38,000 to 22-23 \$34,000) with new audit firm.
 - 2.12 Tax revenues have continued to rise due to increases in property values - assessed tax values.
 - 2.13 Interest revenues may rise due to federal government interest rate actions.
3. Discussion with motion as needed to allocate interest revenue proportional to the fund's (Water/Sewer/Fire) amount deposited in the interest bearing account.
 4. Discussion with motion as needed to review and/or amend Policy 2150.25 Annual Increases
 5. Discussion with motion to approve COLA increases for FY 2022-2023. Policy 2150.25.1 dictates previous 12 month CPI percentage as of March 2022 = 10.0%.
 6. Discussion with motion to approve proposed District Salary Ranges for FY 2022-2023 as adjusted for COLA increase.
 7. Discussion with motion as needed to approve Merit increases for next fiscal year. Policy 2150.25.2 dictates maximum combined percentage (COLA + Merit) of 5%. None available without policy adjustment.
 8. Annual discussion with motion to approve FY 2022-2023 frequency and amount of Director's Fees per Policy 4030 (with 10.0% COLA Directors compensation would increase from \$204.84 to \$223.12 per meeting).

9. Discussion of Projected Allocation of FY 2021-2022 Master Plan Surplus/Deficit and Revenue Surplus Funds to Unrestricted Net Asset Accounts. (Will be adopted with FY 2022–2023 budget approval action at Regular Board Meeting, June 2022.)
10. Discussion of funds allocation to Master Plan Projects in FY 2022-2023 Master Plan/Replacement Budget.

G. ANNOUNCEMENTS

- A) Chair
- B) Board Members
- C) Staff

NOTE: The next Regular Board Meeting will be May 19, 2022 at 6:30 p.m.

ADJOURNMENT

Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities, as required by Section 202 of the Americans with Disabilities Act of 1990. Any person with a disability who requires a modification or accommodation in order to participate in a meeting should direct such request to Caroline Rimmer, Board Secretary at (909) 867-2704 at least 48 hours before the meeting, if possible.

Materials related to an item on this agenda submitted to the Board of Directors after distribution of the agenda packet are available for public inspection in the District's office located at 2365 Fir Dr., Arrowbear Lake, during normal business hours.