

FINANCE COMMITTEE NOTES

March 7, 2019

Attendees:

Committee members: Randall Reed (Chair) and Luis Cetina

Staff members: John Bosler, Carrie Corder, Chad Brantley, Agnes Boros, Jennifer Fillinger, Frank Chu, Robert Kalarsarinis, Mike Maestas, Eric Grubb, and Gidti Ludesirishoti.

Members of the Public: Paul Fischer, City of Rancho Cucamonga

Call to Order: 5:00 p.m.

Public Comment: None

Additions/Deletions to Agenda: None

I. Mid-Year Budget Report

- a. Staff presented the Mid-Year Budget report, which compares actual results to the prorated budget as of December 31, 2018.
 - i. Although the wet-weather has impacted water sales (3% under-budget), operating expenses are tracking 6% under budget.
 - ii. Operating revenues in the sewer fund are tracking 2% above budget, while operating expenses are just 1% over-budget.
 - iii. The recycled water fund is just on track with net income tracking 3% above budget.
- b. The Committee forwarded the Mid-Year Budget report to the full Board of Directors on March 12, 2019.

2. Sewer Reimbursement Agreement – Tract 18936

- a. Staff presented a draft Sewer Reimbursement Agreement with Storm Properties, Inc. This 10-year agreement will allow for the reimbursement of sewer connection fees in the event that new customers connect to the newly constructed sewer line.
- b. The Committee forwarded this to the full Board of Directors on March 12, 2019 for review and approval.

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3. Water Rate Study Update (Verbal)

- a. Staff presented an update of the progress of the water rate study that is currently underway. Staff informed the Committee that the District's independent rate consultant is currently working on the rate model that will be the underlying backbone of the cost of service study.
- b. The model and full rate study should be completed by the end of 2019 for the Committee's further review and study.

Meeting Adjourned at 5:35 p.m.