

FINANCE COMMITTEE NOTES

February 1, 2023

Attendees:

Committee members:	Randall Reed (Chair) and Jimmie Moffatt
Staff members:	John Bosler, Eduardo Espinoza, Chad Brantley, Roberta Perez, Rob Hills, Agnes Boros, Frank Chu, Eric Grubb, Robert Kalarsarinis, Angelo Orioli, Tuan Truong, Andrea Dutton, and Brandon Koh
Members of the Public:	None

Call to Order: 9:00 a.m.

Public Comment: None

Additions/Deletions to Agenda: None

1. Assignment of Committee Officers

- a. Randall Reed was appointed to Chair of the Finance Committee.

2. Administrative Policy No. 1.4, Investment Policy

- a. Staff presented an overview of the Investment Policy and recommended minor changes.
- b. The Policy meets the requirements of California Government Code. It also supports robust internal controls and industry best practices that protect the investment assets.
- c. Staff retains PFM Asset Management as investment advisors in order to provide expert credit analysis and impartial investment advice.
- d. The Policy prioritizes the investment objectives of Safety, Liquidity and Yield. It also provides guidance on investment types, limits, and diversification.
- e. The Finance Committee supported the Policy changes and moved the item forward to the full Board of Directors for approval on February 14, 2023.

3. Administrative Policy No. 1.9, Customer Assistance Program (CAP)

- a. Staff has performed a review of the Customer Assistance Program Policy.
- b. Staff made recommendations to require customers to recertify their eligibility for the program on a biennial basis and to limit the CAP Reserve account to a maximum of \$200,000.

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- c. The Government and Public Affairs Committee also reviewed this policy amendment on February 1, 2023.
- d. The Finance Committee supported the Policy changes and moved the item forward to the full Board of Directors for approval on February 14, 2023.

4. Rate Study Information (Verbal)

- a. Staff presented an overview of the requirements and processes associated with rate studies.
- b. The Sewer and Recycled Water Funds are being impacted by costs imposed by an outside agency. Due to these rising costs, staff will conduct a Cost of Service Analysis and Rate Design which will be completed fully in-house.
- c. A general timeline of the rate study process was explained. The process is anticipated to be complete by June 2023.

Meeting Adjourned at 9:43 a.m.