

MINUTES

A Budget Committee meeting of the Board of Trustees of the Contra Costa Mosquito and Vector Control District was held on Monday, April 24, 2017, in the District Office at 155 Mason Circle, Concord, California.

TRUSTEES PRESENT Warren Clayton
 Chris Cowen
 Robert Lucacher
 Richard Means
 James Murray
 Darryl Young

TRUSTEES ABSENT Peggie Howell

OTHERS PRESENT Ray Waletzko, Assistant Manager

1. The Committee meeting was called to order at 7:01 p.m.
2. Roll call indicated that six trustees were present and one was absent.
3. PUBLIC INPUT ON NON AGENDA ITEMS

None.

4. APPROVAL OF MINUTES FROM COMMITTEE MEETING HELD ON JUNE 27, 2016

Motion was made by Trustee Murray and seconded by Trustee Cowen to approve minutes from committee meeting held June 27, 2016. Motion passed.

5. REVIEW DISTRICT RESERVES AND REVENUE SOURCES - Assistant Manager Waletzko addressed the District's revenue sources, the percent of revenue each source generated for the District and some of the trends and potential impacts of the increasing assessed value of property and property tax collections in Contra Costa County. Graphs were used to display a twelve year history of the District reserves with the Local Agency Investment Fund (LAIF) and eleven years of expenses versus revenues. There was discussion about the management of District revenues and the District weathering the downturn in the housing market that began in 2008 and the corresponding reduction in property tax revenues.
6. REVIEW FISCAL YEAR 16/17 BUDGET YEAR TO DATE - Assistant Manager Waletzko discussed the year to date budget and touched on large expenditures that are 100% paid early in the fiscal year such as *Retirement, Other Post Employment Benefits & Worker's Compensation*. There was some discussion on pesticide purchases versus last year and the sub categories under the *Transportation/Travel* expenditure line. It was noted that we projected a 4% increase in property tax revenues for fiscal year 2016/2017 and the Contra Costa County

Tax Collector later projected 6%. There was also discussion about the increase in revenues from the now closed redevelopment agencies in the county and the unpredictability of that revenue stream.

7. REVIEW LONG TERM FORECASTS - The District long term forecast was discussed and some of the assumptions used were explained. It was noted that we project one new hire in fiscal year 2017/2018; to be determined by the new General Manager. Assistant Manager Waletzko explained the most frequent benchmark used to measure the District financial situation is the Local Agency Investment Fund (LAIF) % of Revenues line. He noted that he watches for which year in the future this benchmark reaches 50%. This in turn measures how much reserves the District retains in comparison to estimated annual expenses; and is a good barometer of how low the District reserves can go in future years before we would have to borrow funds for operations. There was discussion regarding the annual \$145,000 contribution for *Other Post Employment Benefits (OPEB)* in the forecast and it was explained that while the GASB 45 trust is well funded, not contributing the actuarially determined amount each year will result in a note in the District audited financial statements. It was noted that staff will continue to request reimbursement for our annual retiree medical costs from this trust fund.
8. BOARD AND STAFF ANNOUNCEMENTS - None
9. ADJOURNMENT - There being no further business, the meeting was adjourned at 8:32 P.M.

I certify the above minutes were approved as read or corrected at a meeting of the Budget Committee held on April 23, 2018.



Michael Krieg, Chairperson
Budget Committee

AYES:

NOES:

ABSENT:

ABSTAIN: