

MINUTES

A Budget Committee meeting of the Board of Trustees of the Contra Costa Mosquito and Vector Control District was held on Monday, June 27, 2016, in the District Office at 155 Mason Circle, Concord, California.

TRUSTEES PRESENT Chris Cowen, Chairperson
 Richard Ainsley
 Richard Means
 James Murray
 Lola Odunlami
 Diane Wolcott

TRUSTEES ABSENT Randall Diamond
 Rolando Villareal

OTHERS PRESENT Craig Downs, General Manager
 Ray Waletzko, Assistant Manager

1. The Committee meeting was called to order at 7:02 p.m.
2. Roll call indicated that six Trustees were present and two were absent.
3. PUBLIC INPUT ON NON AGENDA ITEMS

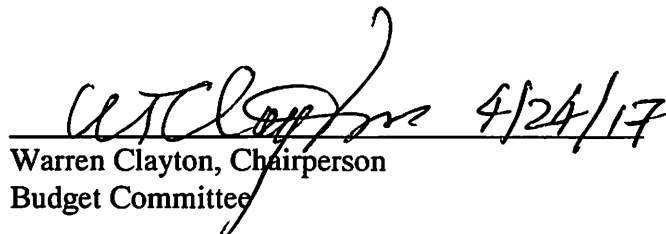
None.
4. APPROVAL OF MINUTES FROM COMMITTEE MEETING HELD ON June 22, 2015 and April 25, 2016

** Motion was made by Trustee Murray and seconded by Trustee Odunlami to approve minutes from Committee meetings held on June 22, 2015 and April 25, 2016. Motion passed.
5. REVIEW DISTRICT LONG RANGE FINANCIAL FORECAST - Assistant Manager Waletzko gave the trustees an updated forecast and explained that he had received the latest property tax numbers for the year and wanted the committee to have the most recent information. There was much discussion about the larger than projected increase in property tax receipts and redevelopment pass through proceeds this year and the affect on the long range forecast. There was discussion about using LAIF reserves as a percent of revenue as the benchmark most commonly used by management to monitor the long term impact of changes. Assistant Manager Waletzko also recommended, after further research, that the forecast for fiscal year 15/16 should have a projected 4% increase in property taxes due to the recent increases in property tax assessments in Contra Costa County.

6. REVIEW DISTRICT BENEFIT ASSESSMENT FOR FY 2016/2017 - Assistant Manager Waletzko explained that the Board of Trustees are required to adopt the Benefit Assessment Engineers Report at the July Board of Trustee meeting every year. It was noted that the benefit assessment generates approximately one third of the District revenues every year and that unlike property taxes the revenues from the benefit assessment are more stable. It was noted that the District can still implement past COLA's up to a max of 5% per year; which would generate approximately \$100,000 annually. The committee decided that since property tax revenues were up, and we have the ability to capture past COLA's in future years, we would not recommend an increase to the benefit assessment in FY 16/17. It was recommended that the full Board of Trustees adopt the benefit assessment report enclosed in the agenda.
7. REVIEW FIXED ASSET AND PROGRAM DEVELOPMENT REQUEST RECOMMENDATIONS FOR FY 2016/2017 - Assistant Manager Waletzko and General Manager Downs discussed some of the items requested this year. Some of the items requested and recommended included a track system for the District Honda 4x4, a new all terrain vehicle (Argo), an Ultra Low Volume fogger, 4 new trucks and a new Dell server.
8. REVIEW PROPOSED BUDGET FOR FY 2016/2017 - Assistant Manager Waletzko discussed some items in the Proposed Budget. These included *Retirement, Other Post Employment Benefits (OPEB), Auditing Services, Vehicles, Property Taxes and Miscellaneous Income*. Assistant Manager Waletzko noted that last year the Board adopted a budget that projected a small surplus but now anticipates a surplus in excess of \$400,000 for FY 15/16. There was much discussion about the projected growth in property taxes for fiscal year 16/17 and it was noted that the Contra Costa County Assessor's office is anticipating growth; but perhaps not as strong as the previous year. It was determined that the committee would present a budget that projected a 4% increase for FY 16/17 for full Board of Trustee approval.
9. REVIEW DISTRICT INVESTMENT POLICY - Assistant Manager Waletzko explained that we currently only use the Local Agency Investment Fund (LAIF) for our reserves and that there were no changes recommended to the policy this year. The policy, as currently written, will be recommended for approval by the full board at the July 11th, 2016, board meeting.
10. BOARD AND STAFF ANNOUNCEMENTS
11. ADJOURNMENT

There being no further business, the meeting was adjourned at 8:08 p.m.

I certify the above minutes were approved as read or corrected at a meeting of the Budget Committee held on April 24, 2017.


Warren Clayton, Chairperson
Budget Committee