

MINUTES

A Budget Committee meeting of the Board of Trustees of the Contra Costa Mosquito and Vector Control District was held on Monday, April 28, 2014, in the District Office at 155 Mason Circle, Concord, California.

TRUSTEES PRESENT Morris Jones
 Michael Krieg
 Richard Means
 Diane Wolcott
 Darryl Young

TRUSTEES ABSENT Jim Fitzsimmons, Chairperson
 Warren Clayton
 Peggie Howell
 James Pinckney

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

1. The Committee meeting was called to order at 7:00 p.m.
2. Roll call indicated that five trustees were present and four were absent.
3. PUBLIC INPUT ON NON AGENDA ITEMS

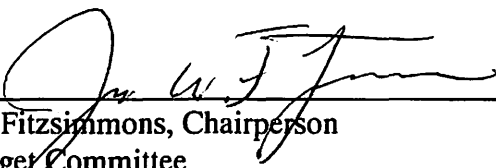
None.
4. APPROVAL OF MINUTES FROM COMMITTEE MEETING HELD ON JUNE 24, 2013

** Motion was made by Trustee Krieg and seconded by Trustee Wolcott to approve minutes from Committee meeting held on June 24, 2013. 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 an improving housing market in regard to property tax collections in Contra Costa County. Graphs were used to display a ten year history of the District reserves with the Local Agency Investment Fund (LAIF) and ten years of expenses versus revenues. There was much discussion about the management of District revenues and spending down reserves over the next couple of fiscal years.
6. REVIEW FISCAL YEAR 13/14 BUDGET YEAR TO DATE - Assistant Manager Waletzko discussed the year to date budget and touched on a number of items including *Payroll, Other Post Employment Benefits, Agriculture, Aviation Services and Property Taxes*. There was discussion about the reimbursement of \$346,000 or property taxes, from the State of California

for funds borrowed under Proposition 1A legislation, and how it make property taxes appear larger then it would otherwise for FY 13/14. The annual \$200,000 contribution for Other Post Employment Benefits (OPEB) in the budget for FY 13/14 was noted. It was explained that an actuarial review is required every three years and the Annual Recommended Contribution (ARC) could change depending on the performance of funds already held for the District. Once it is actuarially determined that there is enough money in the trust to pay for retiree health benefits the District will no longer have to contribute anything to the trust. It was project by Assistant Manger Waletzko that the District would end FY 13/14 with a budget deficit of \$253,000; which would come from reserves.

7. REVIEW LONG TERM FORECASTS (Appendix IV) - The long term forecast was discussed and some of the assumptions used were explained. Assistant Manager Waletzko explained that the assumptions are very useful but that any one change, however unpredictable, can have a huge impact to the forecast in future years. A handout was given that showed the District reserve balance on December 1st of every year because, due to property tax collections and District spending priorities, that is when the District has it's lowest reserve balance. It was noted that these numbers are good barometers of how low the District reserves can go in future years before we have to borrow funds for operations. Assistant Manager Waletzko noted the most recent property tax check we received showed an increase of 2.93% from last year and we had projected a 2% increase.
8. BOARD AND STAFF ANNOUNCEMENTS - None
9. ADJOURNMENT - There being no further business, the meeting was adjourned at 8:30 P.M.

I certify the above minutes were approved as read or corrected at a meeting of the Budget Committee held on June 23, 2014.



Jim Fitzsimmons, Chairperson
Budget Committee

AYES:

NOES:

ABSENT:

ABSTAIN: