

**SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
ADJOURNED REGULAR FINANCE & ADMINISTRATION
COMMITTEE MEETING MINUTES FOR
JANUARY 10, 2019**

The Finance & Administration Committee of the San Luis & Delta-Mendota Water Authority convened at approximately 8:35 a.m. for a regular meeting, with Chair Rick Gilmore presiding.

Members and Alternate Members in Attendance

Ex Officio

Cannon Michael
Don Peracchi

Division 1

Rick Gilmore, Member - Anthea Hansen, Alternate

Division 2

Absent

Division 3

Chris White, Alternate for Jim O'Banion

Division 4

Sara Singleton, Member - Dana Jacobson, Alternate

Division 5

Bill Pucheu, Member - Steve Stadler, Alternate

Friant Water Authority

Jason Phillips, Member - Doug DeFlicht, Alternate (via teleconference)

Authority Representatives Present

Federico Barajas, Executive Director
Frances Mizuno, Assistant Executive Director
Rebecca Akroyd, General Counsel
Joyce Machado, Director of Finance
Sally Arambel, Director HR/Admin
Melody Hernandez, Accounting Tech I

Others in Attendance

Don Willard, Friant Water Authority
JP Otollo, Panoche Water District
Mike Wade, California Farm Water Coalition

1. Call to Order

Chair and Member Rick Gilmore called the meeting to order.

2. Pledge of Allegiance

The Pledge of Allegiance was recited.

3. Additions or Corrections to the Agenda

There were no additions or corrections.

4. Opportunity for Public Comment

There was no public comment.

ACTION ITEMS

5. Finance & Administration Committee to Consider Approval of the December 6, 2018 Meeting Minutes.

Member Bill Pucheu made the motion to approve the December 6, 2018 meeting minutes. The motion was seconded by Member Don Peracchi and passed unanimously with minor edits. The Committee action is reported as follows:

AYES: Michael, Peracchi, Gilmore, White, Singleton, Pucheu

NOES: None

ABSTENTIONS: None

6. Finance & Administration Committee to Consider Recommendation to the Board of Directors for Approval of the Revised Employee Handbook.

Assistant Executive Director Frances Mizuno asked the Committee to refer to the revised Employee Handbook included in their packet. Mizuno stated that the handbook had been updated to reflect the Authority's current operations and administration and also to make sure it is in compliance with current laws. Mizuno added that as part of revising the Employee Handbook staff had surveyed other water agencies benefits packages to identify areas of the Authority's benefit package that need improvement. Mizuno noted that increasing the number of paid holidays, vacation accrual, and tuition reimbursement could make the benefits package more appealing. Member Cannon Michael suggested the Committee be allowed more time to review the information provided and also suggested more Board involvement in determining the changes that need to be made to the current benefits. Member Sara Singleton also suggested staff present the Committee the compensation as a whole including benefits and salary amounts. Chair and Member Rick Gilmore suggested allowing time for further review and research on changes to benefits and to bring the revised employee handbook with no changes to benefits item back to the Board at the February meeting for action. Assistant Executive Director Frances Mizuno agreed, but suggested the Committee submit any desired edits to the Employee Handbook (with current

benefits) before the next FAC meeting and the benefits package as whole could be reviewed at a later date.

REPORT ITEMS

7. FY19 Activities Budget to Actual through 11/30/18.

Director of Finance Joyce Machado reviewed the Budget to Actual Paid/Pending Comparison for FY19 through 11/30/18 included in the Committee packet. Machado stated that the budget for the 12 member funded activities over 9 months, was trending positive and overall actual spending was at 49.75% of the approved budget. Machado noted that this was due to timing of invoices and projects. Machado briefly reviewed information provided on the remaining pages of the report. General Counsel Rebecca Akroyd and Assistant Executive Director Frances Mizuno provided additional information and explanation on actual expenditure versus committed amounts related to the technical budget items.

8. O&M Self-Funding Update.

Director of Finance Joyce Machado reported to the Committee that for WY18 the O&M self-funded actual expenses through 11/30/18 were under budget by \$849,448. Machado stated that for WY17 the Draft Contractor Records were mailed out on October 31, 2018 for a thirty-day review. Machado noted that for WY17 there are a few outstanding draft accountings that staff is currently working to complete. Machado stated that for WY16 the final reconciliations and allocation of costs are being made. Machado added that the Intertie cost allocation still remained as an outstanding item. Assistant Executive Director Frances Mizuno noted that the Intertie cost allocation issue would be a high priority item to resolve in the new year.

9. Financial Audit Update.

Director of Finance Joyce Machado stated that Request for Proposal (RFP) letters for FY18 and FY19 audit engagements were mailed out earlier that week to auditing firms and responses are due back February 8, 2019. Machado added that staff remains committed to completing the FY16 audit by the end of February, FY17 shortly after and FY18 in April.

10. Reports Pursuant to Government Code Sec 54954.2

No report given.

II. Adjournment.

The meeting was adjourned at approximately 9:10 a.m.