

## FINANCE COMMITTEE NOTES

July 5, 2018

### Attendees:

Committee members: Randall Reed (Chair) and Luis Cetina

Staff members: Carrie Corder, John Bosler, Chad Brantley, and Frank Chu

**Members of the Public:** None

**Call to Order:** 5:00 p.m.

**Public Comment:** None

**Additions/Deletions  
to the Agenda:** None

### I. Wages and benefits trends

- Staff presented to the Committee an analysis report on wages and benefits cost trends. The Committee reviewed the following:
  - Cost saving actions taken by the Board since fiscal year 2010
    - CalPERS tier 2 and PEPRA tier 3
    - Closure of the PARS and OPEB plans
    - CalPERS advance repayment
    - Consumer Driven Health Plan
  - Since 2013, the COLA's, CalPERS rate increases and Health Premium costs have increased at a rate that is slower than the Consumer Price Index (CPI) over the same time period.
    - The option that the Board selected, which requires employees to increase their share of the CalPERS contribution by paying an additional 1% each year from 2013 to 2021, is lowest cost scenario for the District
  - The components of the CalPERS pension cost to the District were compared over the 8-year period 2013 – 2021.
    - The CalPERS employee paid share (pickup) is increasing faster than the employer normal cost and will result in ongoing savings to the District.
  - Health care premiums were analyzed to determine the rate of change and also compared to two health premium cost indexes.

## **FINANCE COMMITTEE NOTES**

**July 5, 2018**

- The District's cost of health care premiums has risen more slowly than either of the indexes that it was compared to.
  - Participation in the new Consumer Driven Health Plan has increased to 6 employees
- The report was for information only.

### **2. Updates to Purchasing Policy**

- Staff presented to the Committee a draft revision of the policy, which included:
  - Updated language to address title changes
  - Addition of the Director level in the authorization table

### **3. Updates to Credits and Adjustments Policy**

- Staff presented to the Committee a draft revision of the policy, which included:
  - Amendment for the processing of payments which was already in practice
  - Addition of the Director level in the authorization table

### **4. Purchase of Groundwater from West Valley Water District**

- Staff recommended that the Committee authorize use of funds set aside for water banking to purchase 500 acre feet of Chino Basin groundwater from West Valley Water District.

### **5. Budget transfers for LWMWTP UV Hydraulic Control and Chemical Storage Tank**

- Staff recommended that the Committee authorize a Budget Transfer to fund these projects

Meeting Adjourned at 6:05 p.m.