

FINANCE COMMITTEE NOTES

May 12, 2021

Attendees:

Committee members: Mark Gibboney (Chair) and Randall Reed

Staff members: John Bosler, Chad Brantley, Rob Hills, Agnes Boros, Robert Kalarsarinis, Eric Grubb, Roberta Perez, Jennifer Fillingner, Frank Chu, Andrea Dutton, Rossana Ammari, Taya Victorino, and Elisabeth Mendez

Members of the Public: None

Call to Order: 10:00 a.m.

Public Comment: None

Additions/Deletions to Agenda: Reverse the order of Items 3 and 4 on the Agenda

Introductory Remarks by Chair Gibboney

Chair Gibboney announced for the record that this meeting was conducted by teleconference pursuant to the Brown Act waivers provided for under the Governor's Executive Orders in response to the COVID-19 State of Emergency. Further, the agenda stated that there was no public location for attending this meeting in person. The agenda stated that the public may listen and provide comment telephonically by calling the number listed on the agenda. Chair Gibboney took a roll call of Committee members and staff present on the call as listed above.

1. Policy Update: Administrative Policy No. 1.7, Capital Assets

- Staff performed the biennial review of the Capital Assets Policy.
- Recommended changes to the policy include:
 - Update the capital asset types and tables to be consistent with how assets are categorized in the new Tyler Munis accounting system; additionally, updating the job title of the Finance staff member receiving the General Manager's delegation of the primary financial responsibilities for the District.
- The Committee agreed to bring the amended policy before the full Board for consideration and approval on May 25.

2. Policy Update: Administrative Policy No. 2.9, Fraud Prevention

- Staff performed the biennial review of the Fraud Prevention Policy.
- Recommend changes to the policy include:

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- Expanding the District's confidential reporting tool, *The Connection*, to be accessible to the public and that the Human Resources Manager and the Director of Finance and Technology Services will investigate any cases received.
- Requiring all employees acknowledge the Fraud Prevention Policy annually.
- The Committee agreed to bring the amended policy changes before the full Board for consideration and approval on May 25.

3. Mid-Term Budget Adjustment

- Staff presented the proposed Mid-Term Budget Adjustments for the Biennial Budget FY 2021 & FY 2022. These balanced adjustments affect the FY2022 Operating Revenue Budget.
 - Significant items included in the proposed adjustment are increased revenues from sales to San Gabriel Valley Water Company through Fontana Union water rights, increased cost of assessments from Chino Basin Watermaster and Fontana Union, and decreased cost of Bad Debt losses.

4. Median Income Indicator (Verbal Report)

- Staff presented the Committee with information on two economic measurements for the City of Rancho Cucamonga, the State of California, and the entire United States
 - The report included the Median Household Income and the average Effective Buying Income (EBI).
 - The report showed that Rancho Cucamonga's median income is projected to increase by 3.6% in 2021. The two-year average Median Income is 21% higher than the State, and 47% higher than the US. The City's EBI is 3% higher than the State and 27% above the US.
- This was an informational item only no further action was required from the Committee.

Meeting Adjourned at 10:26 a.m.