

**VALLEY SANITARY DISTRICT
BUDGET & FINANCE COMMITTEE MEETING MINUTES
May 2, 2023**

A regular meeting of the Valley Sanitary District (VSD) Budget & Finance Committee was held at 45-500 Van Buren Street in Indio, California, on Tuesday, May 2, 2023.

1. CALL TO ORDER

Chairperson Debra Canero called the meeting to order at 1:00 p.m.

2. ROLL CALL

Directors Present:
Chairperson Debra Canero

Directors Absent:
Committee Member Scott Sear

Staff Present:
Ron Buchwald, Interim General Manager; Jeanette Juarez, Chief Administrative Officer;
Dave Commons, Chief Operations Officer; and Holly Gould, Clerk of the Board

3. PLEDGE OF ALLEGIANCE

4. PUBLIC COMMENT

The public comment on any item not appearing on the agenda. Please notify the Secretary before the meeting if you wish to speak on a non-hearing item.

None.

5. DISCUSSION / ACTION ITEMS

5.1 Approve Minutes for January 3, 2023, Budget & Finance Committee

5.2 Discussion and Review of the Valley Sanitary District Financial Plan and Revised Proposed Fiscal Year 2023/24 Capital Improvement Budget

Due to the cancellation of the Proposition 218 notice and proposed rate increase scheduled for July 1, 2023, to June 30, 2028, staff updated the financial plan and proposed fiscal year 2023/24 capital improvement budget. Jeanette Juarez, Chief Administrative Officer, presented the unaudited reserve balances for Fund 11, Fund 12, and Fund 13. She explained that Fund 11 is the operating expenditures and six-month reserve, Fund 12 is the reserve for capital replacement and rehabilitation, and Fund 13 can only be used for expansion or new capital projects. Jeanette stated that the District's policy states that 40% of Fund 11 is deposited into

Fund 12. She stated that this policy would not be sustainable and recommended the Board review the policy. Jeanette presented the revised proposed capital project for FY24 that removed the Sewer Rehabilitation or Replacement Design and Construction, Training Office Building Design, Laboratory Building Design, and the Biosolids Conversion Project. Chairperson Canero stated that she would like to see some funding go to the Biosolids Conversion Project, even if it is minimal. She also suggested renaming Sewer Emergency Repairs to Sewer Rehabilitation so some of the smaller tasks of the Sewer Rehabilitation or Replacement Project can utilize those funds if needed. The FY24 capital budget was revised from \$61,477,311 to \$54,216,450.

Chairperson Canero asked for an update on the outreach project with Coachella Valley History Museum. Ron Buchwald, Interim General Manager, will contact Gloria Franz for an update.

6. ADJOURNMENT

There being no further business to discuss, the meeting adjourned at 2:07 p.m. The next regular committee meeting will be on July 5, 2023.

Respectfully submitted,
Holly Gould, Clerk of the Board
Valley Sanitary District