

**SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
FINANCE & ADMINISTRATION COMMITTEE REGULAR MEETING AND
JOINT FINANCE & ADMINISTRATION COMMITTEE REGULAR MEETING / SPECIAL
BOARD WORKSHOP
MINUTES FOR DECEMBER 5, 2022**

The Finance & Administration Committee of the San Luis & Delta-Mendota Water Authority convened at approximately 12:00 p.m. at 842 6th Street in Los Banos, California, with Board Chair Cannon Michael presiding.

Members and Alternate Members in Attendance

Ex Officio

Cannon Michael
William Bourdeau

Division 1

Anthea Hansen, Alternate for Rick Gilmore

Division 2

Bobbie Ormonde, Member (via ZOOM)

Division 3

Chris White, Member

Division 4

Jeff Cattaneo, Member (via ZOOM) - Dana Jacobson, Alternate

Division 5

Bill Pucheu

Friant Water Authority

Wilson Orvis, Alternate for Jason Phillips

Board of Directors Present

Division 1

Anthea Hansen, Director

Division 2

William Bourdeau, Director

Division 3

Chris White, Alternate for Dan McCurdy
Cannon Michael, Director

Division 4

Jeff Cattaneo, Director

Division 5

Bill Pucheu, Director

Authority Representatives Present

Federico Barajas, Executive Director
Pablo Arroyave, Chief Operating Officer

Scott Petersen, Water Policy Director
Rebecca Akroyd, General Counsel
Rebecca Harms, Deputy General Counsel
Raymond Tarka, Director of Finance
Lauren Viers, Accountant III
Stewart Davis, IT Officer
Darlene Neves, Operational Accounting Supervisor

Others in Attendance

Chase Hurley, Pacheco Water District
Minnie Moreno, Del Puerto Water District
Stephanie Reyna-Hiestand, City of Tracy
Joyce Machado, San Benito County Water District

1. Call to Order/Roll Call

Ex Officio Member and Acting Committee Chair Cannon Michael called the meeting to order, and roll was called.

2. Additions or Corrections to the Agenda

No additions or corrections.

3. Opportunity for Public Comment

No public comment.

4. Finance & Administration Committee to Consider Approval of the November 7, 2022 Meeting Minutes.

On a motion made by Alternate Member Anthea Hansen, seconded by Alternate Member Wilson Orvis, the Committee approved the November 7, 2022 meeting minutes. The vote on the motion was as follows:

AYES: Michael, Bourdeau, Hansen, Ormonde, White, Cattaneo, Pucheu, Orvis
NAYS: None
ABSTENTIONS: None

REPORT ITEMS

5. Discussion Regarding Fiscal Year 2024 Activity Budget.

Executive Director Federico Barajas presented the item. Barajas began by reviewing the three summary pages provided to the committee explaining that the variance between the fiscal

year 2023 budgeted membership assessments and fiscal year 2023 projected expenses is carried forward into the fiscal year 2024 membership assessments. Barajas then began review of the FY24 draft activity budget, highlighting the significant changes from the FY23 budget such as the new activity agreement for the BF Sisk Dam Raise and Reservoir Expansion Project and the significant decrease in the Leg Ops budget. Barajas stated that a Board of Director's budget workshop has been scheduled later this month to review the FY24 budget in further detail and allow for additional feedback from Board members.

6. Discussion Regarding Cost Allocation of Various Activity/Fund Budgets

Executive Director Federico Barajas presented the item. Barajas reviewed the changes made per discussion with the Finance & Administration Committee in the November meeting. Barajas then stated that based on feedback received, the hybrid 2A option has been eliminated from further analysis. Barajas reviewed the current cost allocation and the tier allocation option with the proposed Fiscal Year 2024 General Membership and Leg Ops budgets.

7. FY23 Activity Agreements Budget to Actual Report through 10/31/2022

Director of Finance Raymond Tarka reported on the Budget to Actual Comparison Summary through October 31, 2022 for the member-funded activities. Tarka stated that for the seven-month period, the budget was trending positive overall with actual spending through October 31, 2022 at 35.89% of the approved budget.

8. FY23 O&M Budget to Actual Report through 10/31/22

Director of Finance Raymond Tarka reported that for WY22, the self-funded routine O&M expenses through October 31, 2022 were under budget by \$1,231,384. The water year 2020 final accountings are completed and letters for review have been sent. Refunds are expected to be in the mail by December 7th. The water year 2021 final accountings and the Intertie O&M cost recovery remain outstanding, as well as the fiscal year 2022 audited financial statements.

9. Procurement Activity Report

Director of Finance Raymond Tarka presented the procurement activity report for the period of November 1st through November 30th. There is no activity to report at this time.

10. Executive Director's Report

Executive Director Federico Barajas referred to Chief Operating Officer Pablo Arroyave to

provide an update on the BIL funding application. Arroyave stated the applications for the DMC Subsidence Correction and JPP Excitation project funding were submitted to Reclamation last week. Arroyave noted that for the JPP Excitation project the Authority used a revised project cost estimate of \$25 million from Reclamation.

Executive Director Federico Barajas informed the committee that the January Finance & Administration Committee meeting will take place on January 9th and the Board of Directors meeting will be held January 12, 2023 due to the New Year's Day holiday.

11. Committee Member Reports

No reports.

12. Reports Pursuant to Government Code Sec 54954.2

No reports given.

13. Adjournment.

The meeting was adjourned at approximately 12:47 p.m.