



BEAR VALLEY COMMUNITY SERVICES DISTRICT

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BEAR VALLEY COMMUNITY SERVICES DISTRICT BUDGET STUDY SESSION AGENDA

DATE OF MEETING: June 26 & 27, 2017
PLACE OPEN SESSION MEETINGS: 28999 South Lower Valley Road
TIME OF OPEN SESSION MEETING: 1:00 pm

1. **Call to Order**

The Meeting was called to order at 1:13 pm.

2. **Attendance**

Directors Baron, Carlyn, Muell and Roberts were present. Director Grace was absent. Also in attendance were General Manager David Edmonds, Accountant Jonathan Orozco and Secretary of the Board Kristy McEwen.

3. **Approval of Agenda – Roll Call**

The Agenda was approved unanimously by the Board.

4. **Pledge of Allegiance**

5. **Public Comments on Non-Agenda Items**

Members of the public may address the Board on matters not listed on this Agenda. The Board cannot take action on any item that is not on the Agenda. The Board or staff may briefly respond to statements made or questions posed, or may ask questions for clarification. These items may also be referred to staff or scheduled on a future Agenda. There will be a separate opportunity for public comment for each item on the Agenda.

- None

6. **Information and Discussion Items:**

A. Preliminary Budget Study Session – The following budgets were discussed:

- General Fund Overview – The Board reached consensus that transfers from the General Fund are to be used for Roads loan payment, increased contribution to Mailbox and Gate Projects and to fully fund the much needed Capital Replacement Plan & Utility Rate Studies.
- Roads – The Board reached consensus to put savings from the Bear Valley & Cumberland Rehabilitation Project toward the Gate Project, and to finance a street sweeper and roller through a lease purchase agreement.
- Water – The operation is not financially stable or sustainable without a rate increase. The Capital Replacement Plan and Rate Study is a priority. Much needed infrastructure repairs will be undertaken, however, there are

numerous other necessary repairs that are not included in the budget due to lack of funds.

- iv. Wastewater - The operation is not financially stable or sustainable without a rate increase. The Capital Replacement Plan and Rate Study is a priority. Much needed infrastructure repairs will be undertaken, however, there are numerous other necessary repairs that are not included in the budget due to lack of funds.
- v. Post Office – The operation has been closed, however a minimal contribution from the General Fund is necessary for FY 2017/18 to cover Unemployment claims and audit expense.
- vi. Solid Waste – Funds are budgeted for required permit upgrades and transfer station reconfiguration. Operational changes were discussed. The operation is not financially stable or sustainable without a rate increase. The Capital Replacement Plan and Rate Study is a priority.

The special study session was recessed at 5:35 pm until 1:00 pm, June 27, 2017.

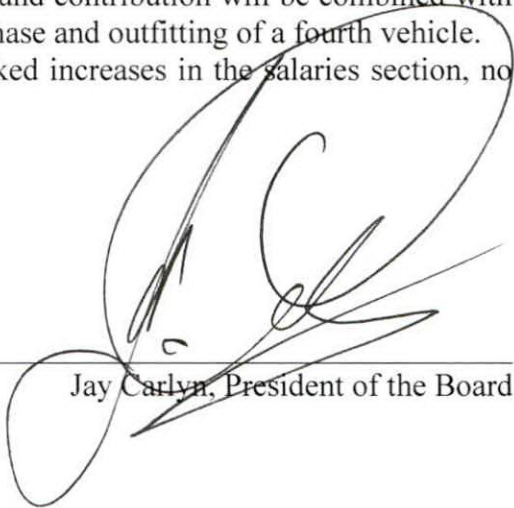
The meeting was re-convened at 1:25 pm, June 27, 2017. All Directors were present. The following budgets were discussed:

- vii. Revisit Water Funds
 - 1. Water Development Fund 60 to present corrected numbers
 - 2. Water Enterprise Fund 42 to include Well Access roads in Capital Outlay
 - 3. Water Reserve Fund 70 to present corrected numbers
- viii. Revisit Wastewater Funds
 - 1. Wastewater Enterprise Fund 43 to include Manhole Repair/Replace in Capital Outlay
 - 2. Wastewater Reserve Fund 69 to present corrected numbers
- ix. General Fund Overview – Although revenue continues to be stagnant, General Fund budgets are relatively stable, allowing the savings from dispatch outsourcing to be used for Capital Replacement and Utility Rate Studies for Water, Wastewater and Solid Waste divisions.
- x. Administration Fund 40 – the Administration division will “house” technology and IT update projects in Capital Outlay, to be paid by transfer in from various funds.
- xi. General Services Fund 40 – the General Services division will “house” several fleet and facility projects in Capital Outlay, to be paid by transfer in from various funds.
- xii. Mailbox AD17-1 Fund 63 – for Preliminary Budget purposes, staff will budget assuming the Assessment is approved by voters. If the Assessment is not approved, expenses will be returned to General Services.
- xiii. Parks & Recreation Fund 45
- xiv. Gate Fund 40 – Aside from an increase in Salaries due to minimum wage increase, no significant operational changes are planned. The Gate Project is now fully funded through various contributions from the General Fund and other divisions.
- xv. Dispatch Fund 40 – The transition to outsourcing to Kern County has gone very smoothly and officers are pleased with the service. This division will

retain a separate budget for the upcoming fiscal year, but will likely be combined with Police in FY 2018/19.

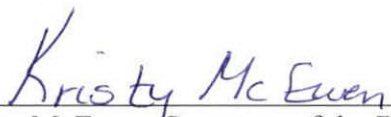
- xvi. AB109 Fund 30 – No further revenues are anticipated. Existing funds will be used for the Gate Project.
- xvii. COPS Grant Fund 68 – All new revenues will be used to fund one full-time officer, police overtime and reserves. Carryover funds will be used for previously budgeted purposes with the remainder to be spent on replacement vehicles. A General Fund contribution will be combined with the remaining balance for the purchase and outfitting of a fourth vehicle.
- xviii. Police Fund 40 – Aside from marked increases in the salaries section, no significant changes are expected.

Adjournment: The meeting was adjourned at 3:45 pm.



Jay Carlyn, President of the Board

ATTEST



Kristy McEwen, Secretary of the Board