

**SANTA YNEZ COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS**

Minutes of the Finance Committee
June 15, 2018
9:00 A.M.

PRESENT: David Higgins, Karen Jones

ALSO

PRESENT: Jeff Hodge, General Manager
Wendy Berry, Secretary/Treasurer

1. CALL TO ORDER: The meeting was called to order at 9:04 A.M.
2. PUBLIC COMMENTS: None
3. REVIEW 10 YEAR CAPITAL IMPROVEMENT PLAN (CIP).
Staff reviewed the 10-year CIP with the finance committee. The potential projects for 2018/2019 are sewer main repairs, operations vehicle, Horizon Line, and capacity upgrade for the City of Solvang wastewater plant. The District will need to complete a rate study to include the plant upgrade costs for the City of Solvang wastewater plant because the upgrade will cost the District \$2 million dollars in the next two fiscal years.
4. POTENTIAL COSTS FROM CITY OF SOLVANG'S WWTP UPGRADE. Staff reviewed the City of Solvang rough draft 10-year CIP. With the projects the City of Solvang is proposing, the District will need to complete a new rate study to determine what the fees will be in order to cover the District's portion of the upgrade.
5. REVIEW PROPOSED BUDGET FOR FISCAL YEAR 2018/2019.
Staff reviewed the proposed draft budget with the Finance Committee. It is proposed the District will move \$137,353 into reserves. The changes to the budget from the prior finance committee meeting on May 18, 2018 include an increase in professional fees for a rate study and in operations repair and maintenance for smoke testing program. The City of Solvang will be upgrading the wastewater treatment plant and the District is required to pay 20% of the cost of the upgrade. The District will need to complete another rate study to increase the District's fees to cover the District's share of upgrades. The projected amount is \$2.2 million. The District currently has \$3.1 million in reserves. The City of Solvang will be adopting their new Budget/Capital Improvement Plan which should include the potential costs for the upgrade.
6. ADJOURNMENT: The meeting was adjourned at 11:05 A.M.

APPROVED:



David Higgins, Board of Directors



Wendy Berry, Secretary of the Board