

MERCED IRRIGATION DISTRICT

JOINT MEETING OF THE BOARD'S FINANCE/ADMINISTRATION COMMITTEE AND THE MERCED IRRIGATION DISTRICT ADVISORY COMMITTEE

APPROVED MINUTES

February 3, 2017

A joint meeting of the Finance and Administration Committee of the Board of Directors of the Merced Irrigation District (FAC or Committee), and the Merced Irrigation District Advisory Committee (MIDAC) met on the above date, pursuant to notice, at 10:00 AM at the District's headquarters located at 744 W. 20th Street, Merced California.

Roll call showed the following FAC members present:

Jeff Marchini	<i>Division 1</i>
Scott Koehn	<i>Division 2</i>

Roll call showed the following MIDAC members present:

Division 1

Bob Giampaoli
Arlan Thomas

Division 2

Tom Roduner
Paramjit Singh

Division 3

Bob Salles

Division 4

Rodrigo Espinoza

Community Members

Breanne Ramos
Dan DeWeese

Roll call showed the following MID staff members present:

General Manager	John Sweigard
General Counsel	Phillip McMurray
Director of Administrative Services	Victor Moreno
Chief Financial Officer	Brian Stubbert
Deputy General Manager Water Resources	Bryan Kelly
Deputy General Manager Energy Resources	Don Ouchley
Director of Parks and Recreation	Bret Theodozio

Deputy General Manager of Water Supply
Executive Assistant to GM
Interim Executive Assistant to GM

Hicham Eltal
Crystal Guintini
Dominique Zuniga

District Consultant

Jennifer Carter

CORRECTIONS AND OR ADDITIONS

None

PUBLIC COMMENT:

None

FAC CONSENT CALENDAR

On a motion by Director Marchini, seconded by Director Koehn, the unapproved minutes from the January 5, 2017 FAC meeting were approved.

DISCUSSION/ACTION

MID Chief Financial Officer Stubbert presented the FAC and MIDAC members with an updated draft 2018 Fiscal Year Budget and the timeline of meetings. Mr. Stubbert provided the members with a presentation on the budget, and revisions made to the document since the last FAC meeting at the request of the FAC.

Committee Member Koehn and Marchini asked various questions regarding the impact the wet hydrology is expected to have on MID's revenue this year. Questions were also asked about revenue for Energy Resources, the District's hydroelectric project, staff's confidence with budget numbers given the wet hydrology and a variety of expenses.

General Manager John Sweigard provided information regarding Water Resources revenue assumptions and water purchase and sale options for growers in the basin but outside of the District's boundaries. Options include sales of water from the District's pre-1914 and post-1914 water rights. Staff, FAC and MIDAC members had a discussion using different water prices to see what impacts on revenue would occur at different pricing levels. Questions and concerns were discussed regarding the importance of water pricing this year, and how SGMA might affect water pricing and availability in the coming years.

Mr. Sweigard provided the FAC and MIDAC members with a presentation and discussion on potential changes to the District's healthcare plan. Mr. Sweigard discussed a potential switch to a healthcare plan that is compatible with healthcare savings accounts. Various questions were asked regarding our current wages and healthcare plan.

On a motion by Director Koehn, seconded by Director Marchini, the following recommendations were made by the FAC to the Board:

- Move District healthcare plan to HSA compatible plan
- Wage increases and merit based bonus for the non-bargaining unit of District employees.

REPORT ITEMS

None

CLOSED SESSION

None

ADJOURNMENT

On a motion by Director Koehn, seconded by Director Marchini, the Joint Finance and Administration Committee, and Merced Irrigation District Advisory Committee meeting was adjourned at 12:15 P.M.