PAJARO VALLEY WATER MANAGEMENT AGENCY

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ADMINISTRATION & FINANCE COMMITTEE MEETING MINUTES of Tuesday, January 7, 2025, 3:00 p.m. PV Water, 36 Brennan Street, Watsonville

Director Culbertson called the meeting to order at 3:02 p.m.

1. **Roll Call of Committee Members**:

   Committee Members Present: Bob Culbertson (Chair), Amy Newell
   Committee Members Absent: Stephen Rider (Excused absence due to illness)
   Staff Present: Brian Lockwood, General Manager (GM), Nancy Trevino (FASM), Priscilla Sanchez (FA)
   Others Present: Jonathan Abadesco, Audit Partner, C.J. Brown & Company CPAs

2. **Director Comments:** None

3. **Public Comments:** None

4. **Election of Officers for 2025: Chair, Vice Chair**
   Action: The Committee elected Bob Culbertson as Chair and Amy Newell as Vice Chair of the Administration & Finance Committee for 2025.

   The motion carried following vote:
   Ayes: **Culbertson, Newell**
   Noes: **None**
   Abstain: **None**
   Absent: **Rider**

5. **Consider Approval of December 10, 2024, Administration & Finance Committee Meeting Minutes:**
   Action: Director Newell moved to approve the December 10, 2024, meeting minutes; seconded by Director Culbertson.

   The motion carried following vote:

   Ayes: **Newell, Culbertson**
   Noes: **None**
   Abstain: **None**
   Absent: **Rider**

6. **Receive Presentation on Draft Annual Financial Reports for Fiscal Year ended June 30, 2024:**
   GM Lockwood introduced Jonathan Abadesco, Partner at C.J. Brown & Company CPAs, who presented the financial audit outcomes of the Agency's external financial audit and single audit. The determination is the Agency operates using strong internal controls and is in good financial standing with no material misstatements or concerns.

   Action: Director Newell moved to recommend the Board accept and file the annual financial report for the fiscal year ended June 30, 2024; seconded by Director Culbertson.

   The motion carried following vote:

   Ayes: **Culbertson, Newell**
   Noes: **None**
   Abstain: **None**
   Absent: **Rider**

7. **Conduct Annual Review of Administration & Finance Committee Bylaws:**
   GM Lockwood introduced this item to the Committee. Roundtable discussion ensued.

   Action: Director Newell moved to amend Article VI: Responsibilities, Section 1b, Quarterly Reports of the Bylaws, by formally adding to the list the "Account Aging: Over 120 Days with Balances Exceeding $100" report; seconded by Director Culbertson.

   The motion carried following vote:

   Ayes: **Newell, Culbertson**
   Noes: **None**
   Abstain: **None**
   Absent: **Rider**

8. **Review Check Signing Policy:**
   GM Lockwood reviewed the Check Signing Policy with the Committee. Discussion ensued around Policy specifics and historical context. The Committee determined the Policy was fine as written.

   Action: No action was taken.

9. **Consider Accepting Financial Reports:**
   FASM Trevino reported the Agency's cash position at the end of November showing $22 million.

   Action: Director Newell moved to accept the financial reports and recommend the Board approve them; seconded by Director Culbertson.

The motion carried following vote:

Ayes: **Newell, Culbertson**
Noes: **None**
Abstain: **None**
Absent: **Rider**

10. **Consider Accepting Cash Flow Reports:**
FASM Trevino reported the Agency's outstanding AR aging balance of $3.8 million as of December 30th which reflects the year end billing cycle. FASM Trevino also spoke to the check and ACH payments issued in December. Director Culbertson asked about the vendor Nationwide Retirement Solutions to which FASM Trevino explained the payments are issued as a result of employee's voluntary retirement contributions to the Agency sponsored 457 plan.

Action: Director Newell moved to accept the cash flow reports and recommend the Board approve them; seconded by Director Culbertson.

The motion carried following vote:

Ayes: **Newell, Culbertson**
Noes: **None**
Abstain: **None**
Absent: **Rider**

11. **Discuss Future Agenda Items and Next Meeting Date:** Staff and the Committee did not discuss any specific future agenda items. The next regular meeting date is set for Tuesday, February 11, 2025, 3:00 p.m.

Adjournment: 4:24 p.m.