

**Cosumnes Groundwater Authority
Board of Directors Meeting**

Meeting Minutes
September 18, 2023 - 9:00am

Call to Order: 9:07am

1) Introductions / Determine if Quorum is Present

Directors in Attendance: Gary Thomas, Mike Selling , Leo VanWarmerdam , Mark Stretars , Pat Hume, Chris Hunley, John Mulrooney, Herb Garms, Gary Silva, Jay Vandenburg

Regular Business Action Items

2) Consent Items

- a. Agenda – September 18, 2023
- b. Minutes – August 21,, 2023
- c. Financial Report – September 2023

Director Thomas moved to approve the Agenda and Minutes.

Director Stretars seconded the motion.

The motion passed with all in favor.

Staff discussed the financials which included the Budgets to Actuals statement, breaking down our spending and remaining budget for the '23-'24 Fiscal Year. The current actuals reflect different invoice periods, noting that some invoices are still to come for past work completed. The Board voiced some concerns over the actual budget numbers as well as the cash flow projection for the fiscal year.

Director Thomas moved to approve the Financial Report.

Director Garms seconded the motion.

The motion passed with all in favor.

Regular Business Action Items

3) Fiscal Year 2021-2022 Audit

Richardson & Company, LLP conducted and completed CGA's FY 2021-2022 Audit. They are also working on closing out our FY 2022-2023 Audit. Brian Nash came to the meeting as their representative to present the information regarding the FY 21-22 Audit. Items presented to the Board included an Independent Auditor's Report, Management Letter, and Governance Letter. Brian suggested some Accounting assistance via a consultant that he could recommend to aid staff with balancing the financials. The Board also looked at the Statement of Net Position, Statement of Revenue and Expenses, Statement of Cash Flows, and Notes to Basic Financial Statements.

Drafted on:
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The Board discussed the cash flow projections for the coming years, in particular, noting that it is based off of approved contracts at this time. Brian made several recommendations to the Board including ensuring bank reconciliations are completed and accurate, to create and approve policies such as an Expense Reimbursement Policy, an Anti-Fraud Policy, and a Whistleblower Policy, and to ensure that all documents/contracts are properly signed. Documenting everything to a tee and having a review on bank reconciliations and statements by a Board member to ensure accounting procedures are being followed correctly was also discussed. CGA has a 3 year contract with Richardson & Company, LLP starting in fiscal year 21-22 and extending to the current fiscal year 23-24.

4) CGA Board Roles

The Board discussed the recommended roles to keep in line with the 23-24 Fiscal Year CGA Work Plan. CGA Staff Member Brittany Friedman was recommended as the Board Secretary and CGA Board Member Rick Ferriera was recommended as the Board Treasurer. There will be further discussion between staff and the Treasurer what exactly the role entails in terms of responsibilities.

Director Silva Jr. made a motion to approve both the Treasurer and Secretary roles.

Director VanWarmerdam seconded the motion.

The motion passed with all in favor.

5) Cash Flow Projection

Staff provided an overview on the Cash Flow Projection of the Fiscal Year 2023-2024, noting that there is an estimated \$103, 584 cash flow shortfall for February and March 2024. Staff provided three options for the Board to consider to address the projected shortfall. The cashflow issue is most notably due to Member Contributions not coming in until April of the Fiscal Year ending in June. The staff recommendation on the options was to open a line of credit with Five Star Bank or to ask GSA's to make their full or partial member contributions early in order to continue the work CGA is doing without limiting ourselves and our efforts.

The Board discussed the upcoming outreach and workshops taking place in November as well as staff time involved in preparing for the meetings and the cost associated with those. It was suggested that EKI be pushed back a bit in their involvement with CGA in order to reduce costs and instead, turn to Ryan at SCI to assist with further work or to answer questions. Timing and financial structure was also discussed by Supervisor Pat Hume and a suggestion was made to reduce or push back certain procedures, such as state comments, this year, noting that the same issues may still arise in the next fiscal year. Another recommendation was made to adjust the timing on our public outreach workshops this Fall, either to push them back or to cancel them entirely. Staff recommended that the CGA December meeting be canceled in order to save on funds, since it is a slow time of year.

No action was taken at this time.

6) Groundwater Sustainability Fee Study Development Update

Staff provided an update on the Groundwater Sustainability Fee including a current draft of the yearly budget included in the draft fee study. The draft fee study will be prepared by SCI Consulting and presented at the CGA October Board Meeting. At the September 12th Projects and Management Actions Committee (PMA) Meeting the committee reviewed the draft budget and recommended exploring a conservation program to reach the demand reduction goals identified in the Cosumnes Subbasin GSP. A Fee Study Timeline for 2024 Implementation was also presented with a Final Fee Report scheduled to be presented to the Board in April 2024.

The Outreach and Engagement budget was adjusted from \$30,000 to \$10,000 bringing the total of the CGA Administrative costs to \$328,000. The drafted total yearly costs of \$445,000 was broken down into categories of Incentives, Administrative and Weather Stations. There was a discussion on the Summary of all Fees by Sources and the Parcel Fee charged to all groundwater-using parcels. There were also some questions in regards to the details of the Conservation programs and their components as cost is an issue for CGA at this time.

7) Monitoring Network Update

EKI provided a complete overlook of our monitoring network and Fall 2023 monitoring event. There are 25 sites that CGA is responsible for gathering water elevation data at, twice yearly. There are also 8 sites (some overlap with the 25 elevation sites) where water quality samples need to be gathered once a year (Fall). EKI provided the Fall 2023 Monitoring Checklist for the Board to review. The New Hope Road Monitoring Installation is happening this week and CGA staff and EKI will be there to check-in. Brittany is putting together a Monitoring Network Binder to capture all notes, coordination efforts, well information, contact information, field notes, etc. that will be utilized during the Fall Monitoring. Brittany is also handling the coordination of the monitoring to take place in October. If the Board or members of the public/committees want to visit a well during a monitoring visit they will need to follow the already set dates and times allotted.

Informational Items

8) Committee Reports

The Citizen Advisory Committee will be meeting this Wednesday, September 20 from 5:30 - 7:30pm. Outreach and Engagement Committee Chair Teresa Flewellyn provided a report on upcoming events including the Workshops on November 1 and 4, the BBQ Luncheon on November 9, and the next O & E meeting which will be held on December 7. There are several special meetings to take place in smaller Ad Hoc Committees to handle the content of the workshops, Farmer's Survey and BBQ Luncheon. A Newsletter has been created for CGA that will go before the Board at the October 4 meeting and sent out in October 2023. The next Newsletter is scheduled to go out in January 2024 and be quarterly from that point forward. The content for the posters at the workshops will also be shared to the Board at the October 4 meeting.

The next PMA Committee meeting is scheduled for November 14, 2023 where they will continue their conversation on conservation programs. The Financial Ad Hoc Committee does not have any updates or future meetings scheduled at this time. However, staff is working with Rick Wood from CSDA to advise on financials.

9) CGA Staff Reports

CGA Staff shared an written report of updates and resources.

10) CGA Counsel Reports

None.

11) DWR North Central Regional Office Update

CGA Staff provided a written report/update sent in by the DWR North Central Regional Office.

12) Received Correspondence

None.

13) Director/Member GSA Comments

None.

14) Upcoming Agenda Items

The following items were identified: None.

Public Comment on Non-Agenda Items

15) Public Comment

Jay Schneider made a comment on the State Water Control Board and reserved water in the basin that is being wasted. He suggested that someone from the State Board should come and speak to the CGA Board on these water waste issues.

Adjourn Meeting

Chair Hunley adjourned the meeting by consensus at 12:06pm.

PLEASE NOTE STARTING IN OCTOBER, REGULAR MEETINGS OF CGA WILL BE HELD ON THE 1ST WEDNESDAY EACH MONTH. THE NEXT MEETING WILL BE HELD ON OCTOBER 4, 2023.