

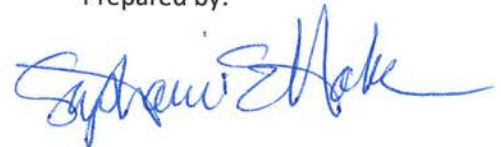
# MINUTES

Thursday, October 17, 2024  
Mammoth Community Water District  
Regular Board Meeting

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*The Board of Directors convened in session at the hour of 2:37 p.m. A short recess was taken, and the meeting was adjourned at 6:20 p.m.*

Prepared by:



Stephanie Hake  
Executive Assistant

ATTEST:

Mark Busby  
Board Secretary



**THE REGULAR MEETING** of the Board of Directors of the Mammoth Community Water District was held on  
Thursday, October 17, 2024 at 2:37 p.m.

### **ROLL CALL**

#### **Board Present**

Director: Tom Cage (*arrived at 2:42 p.m.*)

Director: Dennis Domaille

Director: Elizabeth Hylton

Director: Tom Smith

Director: Gary Thompson

#### **Board Absent**

None

#### **Staff Present**

General Manager: Mark Busby

District Engineer: Garrett Higerd

Finance Manager: Jeff Beatty

Operations Superintendent: Clay Murray

Maintenance Superintendent: Rob Motley

Information Services Manager: Justin Mulbay

Principal Administrative Analyst: Michael Draper

Executive Assistant: Stephanie Hake

Legal Counsel: Josh Horowitz (*remote attendance*)

#### **Guests Present**

Brandon Ferrell, Eadie Payne, LLP

Leanna Block – MCWD

Melissa Bretz – MCWD

### **PUBLIC FORUM**

*President Smith opened the public forum at 2:38 p.m.*

*Justin Mulbay expressed his appreciation to the Board for recognizing staff with the Staff Appreciation Day. He added how much he and others really enjoy working for Mammoth Community Water District.*

*No one else addressed the Board and President Smith closed the public forum at 2:38 p.m.*

### **CONSENT AGENDA A**

**A-1 Approve the September 2024 Check Disbursements**

**A-2 Approve the Minutes from the Regular Board Meeting held September 19, 2024**

*Director Domaille made a motion.*

**BOARD ACTION – To approve Consent Agenda A**

MOVED BY: Director Domaille  
SECONDED BY: Director Hylton  
AYES: Directors Domaille, Hylton, Smith, and Thompson  
NAYS: None  
ABSENT: Director Cage

**CONSENT AGENDA B – DEPARTMENT REPORTS**

<b>B-1 Operations Department Report</b>	<b>B-5 Information Services Report</b>
<b>B-2 Maintenance Department Report</b>	<b>B-6 Personnel Services Report</b>
<b>B-3 Finance Department Report</b>	<b>B-7 Regulatory Support Services Report</b>
<b>B-4 Engineering Department Report</b>	<b>B-8 General Manager's Report</b>

*President Smith expressed his appreciation to staff for producing such thorough reports each month, keeping the Board informed of the many District activities.*

*Director Hylton made a motion.*

**BOARD ACTION – To approve Consent Agenda B**

MOVED BY: Director Hylton  
SECONDED BY: Director Thompson  
AYES: Directors Domaille, Hylton, Smith, and Thompson  
NAYS: None  
ABSENT: Director Cage

**CURRENT BUSINESS**

**C-1 Presentation, Discussion, and Filing of the 2023-2024 Financial Audit**

- **Brandon Ferrell, CPA, Eadie Payne LLP**

*Brandon Ferrell with Eadie Payne addressed the Board and reviewed the results of the financial audit conducted by his firm. He said they were issuing a "clean opinion" for the District's fiscal year 2024 financial statements, the highest rating available in accordance with GAAP (Generally Accepted Accounting Principles).*

*Mr. Ferrell said that part of the audit process is to assess internal controls and that some minor deficiencies were noted which have since been corrected. He said because journal entries are the biggest opportunity for fraud, he recommends there be separation between who posts a journal entry and who reviews and approves it.*

*Jeff Beatty noted that there were a couple of text errors in the report, but nothing material.*

*In response to a question from Director Cage, Mr. Beatty clarified the GASB 96 required change regarding how software subscriptions are reported. He said these subscriptions have previously been considered an expense and now are to be treated as a liability and a corresponding asset, similar to a lease.*

*There was no further discussion and Director Cage made a motion.*

**BOARD ACTION – To accept the Fiscal Year 2023-2024 draft financial audit dated 10/10/24 with the noted text corrections by Mr. Beatty**

MOVED BY: Director Cage  
SECONDED BY: Director Hylton  
AYES: Directors Cage, Domaille, Hylton, Smith, and Thompson  
NAYS: None

**C-2 Discuss and Possible Direction Regarding the Fiscal Year 2024 Mid-Year Financial Forecast**

*Jeff Beatty said Melissa Bretz, one of the finance team members, prepared most of this year's forecast. She worked extensively with the management team analyzing all fiscal year to-date and anticipated expenses.*

*He said that revenue is expected to exceed operating and capital expenses resulting in a contribution to the reserve funds rather than the budgeted withdrawal. The increase in revenue is due to higher-than-expected connection fees and interest income along with deferring some scheduled capital projects.*

*Director Cage noted that this was discussed in detail at the Finance Committee meeting. There were a few questions and comments by the Board. Following President Smith thanked Mr. Beatty and the Finance team for their work on the report.*

**BOARD ACTION – None, informational only**

**C-3 Update on Status of the Fiscal Year 2024 Strategic Plan**

*Mark Busby and the department managers led the Board through the strategic plan document, discussing the mid-year status of many of the strategic objectives in the eight categories.*

*The Board complimented Mr. Busby and staff for the large volume of quality work that continually gets accomplished.*

**BOARD ACTION – None, informational only**

**C-4 Water Supply Update**

*Clay Murray described the status of the water supply, noting that surface water is still the primary source. He recommended remaining at the current water conservation level, Level 0 for the next quarter. He noted that the next update in January 2025 should have more insight as to what the snowpack may indicate for the coming spring/summer season.*

**BOARD ACTION – None, informational only**

**C-5 Consider and Possibly Approve Adjustments in Compensation and Benefits provided to the General Manager (to be considered after closed session)**

Following closed session, Stephanie Hake was brought back into the meeting for open session. President Smith said that Mr. Busby's (General Manager) evaluation was being continued to the November 21, 2025 regular Board meeting.

**BOARD ACTION – None**

**COMMITTEE MEETINGS HELD DURING THE MONTH**

**Ad-Hoc Connection Fee Study Committee – September 30, 2024**

Tom Smith  
Dennis Domaille

**Mono LAFCO – October 10, 2024**

Tom Cage

**Technical Services Committee – October 16, 2024**

Dennis Domaille  
Gary Thompson

**Investment Committee – October 16, 2024**

Tom Cage  
Elizabeth Hylton

**Finance Committee – October 16, 2024**

Tom Cage  
Elizabeth Hylton

**Ad-Hoc Connection Fee Study Committee:**

Director Smith reported that the committee met with the consultant and the study is moving forward.

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**Mono LAFCO:**

Director Cage reported that the LAFCO meeting focused on discussing five Municipal Service Review and Sphere of Influence Reports.

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**Technical Services Committee:**

Director Domaille said the committee meeting highlights included updates regarding a recent visit by Lahontan Regional Water Quality Board staff as well as the vast number of activities happening in Information Services (IS). He commented on IS staff's expertise and the progressive approach to cyber security for the District.

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**Investment Committee:**

Director Cage reported that the committee reviewed the investment portfolio with the advisor from Chandler. The portfolio continues to return interest above the national benchmarks.

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**Finance Committee:**

Director Hylton said the committee discussed the draft audit report and received an update on the security committee's activity. There was nothing else that wasn't discussed at this meeting.

### **DIRECTOR COMMENTS, REQUESTS, AND REPORTS**

*There were no comments from Directors.*

### **ATTORNEY REPORT**

*Attorney Horowitz reported that following the close of the 2024 legislative session, several bills were passed with varying implications for special districts. Details of the bills will be provided in the annual BKS year-end report.*

*A brief recess was taken, and the Board went into closed session at 4:55 p.m.*

### **CLOSED SESSION**

#### **D-1 Conference with Legal Counsel**

Existing Litigation – Pursuant to Government Code Section 54956.9 (a)

Case: Southern California Edison Company vs. Mammoth Community Water District

#### **D-2 Public Employee Performance Evaluation – General Manager**

Pursuant to Government Code sections 54954.5(e) and 54957

#### **D-3 Conference with Labor Negotiator**

Pursuant to Government Code sections 54954.5(f) and 54957.6

District Negotiators: Tom Smith and Tom Cage

Direction concerning proposed terms of General Manager Employment agreement,  
Including compensation and benefits

### **ADJOURNMENT**

*The Board returned from closed session, and it was reported that Current Business item C-5 was being continued to the November 21, 2025 regular Board meeting.*

*President Smith adjourned the meeting at 6:35 p.m.*