



San Gabriel Basin Water Quality Authority

1720 W. Cameron Avenue, Suite 100, West Covina, CA 91790 • 626-338-5555 • Fax 626-338-5775

**WQA ADMINISTRATIVE/FINANCE COMMITTEE
TO BE HELD ON TUESDAY, OCTOBER 10, 2023 AT 10:00 A.M.
AT
1720 W. CAMERON AVE., SUITE 100 IN WEST COVINA, CA**

Zoom Registration Link:

AGENDA

Committee Members: Lynda Noriega, Mark Paulson and Robert DiPrimio

Liaison Member: Dave Michalko

- I. Call to Order
- II. Remote Participation Declaration - AB 2449
[Government Code Section 54953(f)]
 - a. Notification of Just Cause
 - b. Emergency Circumstances Requests
- III. Public Comment
- IV. Discussion Regarding Administrative Procedure No. 40: PERSONNEL – Merit Salary Increases and Annual Cost of Living Allowance (“COLA”) Policy [enc]
- V. Discussion Regarding 3rd Quarter 2023 Cash Report [enc]
- VI. Executive Director’s Report
- VII. Adjournment



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AGENDA SUBMITTAL

To: WQA Administrative / Finance Committee
From: Randy Schoellerman, Executive Director
Date: October 10, 2023
Subject: Administrative Procedure No. 40: PERSONNEL – Merit Salary Increases and Annual Cost of Living Allowance (“COLA”) Policy

Discussion

Staff is bringing Procedure No. 40 to the committee for review at the request of the Board during the June 2023 Board meeting. At that time several members of the Board noted that the Board has often deviated from the COLA procedure and recommended having the Administrative / Finance committee review the COLA policy to see if any modifications need to be made.

Procedure No. 40 establishes the COLA procedures for WQA employees. The COLA increase is based on the April Consumer Price Index for All Urban Consumers (“CPI-U”). The procedure, subject to Board approval, annually increases the salary ranges and salaries for employees, except for the Executive Director, by the April CPI-U.

Recommendation

Review Procedure No. 40 COLA Policy.

Enclosure

Administrative Procedure 40: PERSONNEL – Merit Salary Increases and Annual Cost of Living Allowance (“COLA”) Policy

SAN GABRIEL BASIN WATER QUALITY AUTHORITY
Policy and Procedure Manual

DRAFT

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ADMINISTRATIVE PROCEDURES

No. 40

Date: June 19, 2007 Revised: October 20, 2021

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PERSONNEL – Merit Salary Increases and Annual Cost of Living Allowance (“COLA”) Policy

1. **Purpose**

To define policies and procedures regarding the San Gabriel Basin Water Quality Authority merit salary increases and annual cost of living allowance (“COLA”) for both exempt and non-exempt employees. This policy applies to all WQA employees with the exception of the Executive Director.

2. **Background**

As described in the employee manual, employees are eligible for merit raises, up to the limit of the salary range for their position. An annual COLA is also considered on July 1st of each year. Several years ago, the Board of Directors directed staff to use the April cost of living index each year to gauge and propose the employee COLA. This was done to create a consistent benchmark (i.e., time and CPI) for determining a proposed COLA instead of subjectively developing a percentage. Accordingly, the April index is used to determine the annual COLA. The Executive Director makes a recommendation for the COLA, based on the April Consumer Price Index, to the Administrative / Finance Committee, and then to the full Board of Directors based on the Committee’s recommendation.

3. **Policy**

The merit salary increase and COLA policy shall be as follows:

3.1 In June of each fiscal year, the April COLA index is researched by staff and submitted by the Executive Director to the Administrative/Finance Committee. The Administrative/Finance Committee will prepare a recommendation which is then submitted by the Executive Director to the full Board of Directors at the June board meeting.

3.2 All employees shall receive an annual performance evaluation in writing. If deemed necessary by the Executive Director or the Assistance Executive Director, more frequent evaluations may be conducted.

3.3 Unless authorized by the Board of Directors, no employee shall receive annual compensation above their respective salary range. Salary ranges can only be adjusted by board action, either through the COLA process or individually if recommended by the Executive Director.

ADMINISTRATIVE PROCEDURES

PERSONNEL – Merit Salary Increases and Annual Cost of Living Allowance (“COLA”) Policy

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3.4 The defined salary ranges for ~~Exempt and Non-exempt~~ Employees positions are increased by the same percentage as the COLA adjustment, effective July 1st. Unless otherwise approved by the Board, the salary range increase cannot exceed the COLA adjustment.

3.5 Employees are ~~eligible~~ to receive an increase in salary in the amount of the COLA, effective July 1. Unless otherwise approved by the Board, the salary increase cannot exceed the COLA adjustment.

3.6 Employees are also eligible for merit salary increases, up to the limit of the salary range for their position. The eligibility for an employee to receive a merit salary increase shall be determined: 1) with written review; 2) authorized by the Executive Director; and 3) based on demonstrated performance.

4. Definitions of Exempt and Non-Exempt Employees:

Each staff position is categorized as exempt or non-exempt according to federal and state wage hour laws.

4.1 A non-exempt full-time employee is paid a monthly salary, with the regular rate determined by multiplying the monthly rate by 12 to get the annual salary, dividing the annual salary by 52 weeks to get the weekly salary and dividing the weekly salary by the number of regular hours to get the regular hourly salary. A non-exempt employee is eligible for overtime pay or compensatory time off. Currently, non-exempt employee positions include the Project Resource Manager, Executive Assistant/Public Outreach Coordinator, and Administrative/Accounting Assistant.

4.2 An exempt employee is paid a regular monthly salary based on an annual salary divided by 12 calendar months and does not qualify for overtime pay. California law classifies an exempt employee as an executive, administrative or professional employee. The same law specifically defines what duties meet the eligibility requirements of an exempt employee. Currently, exempt employee positions include the Executive Director, Assistant Executive Director/Sr. Project Manager, and the Director of Finance.

5. Current Positions and Monthly Salary Ranges

	<u>Low</u>	<u>High</u>
<u>Exempt Positions</u>		
Executive Director	N/A – by contract	
Assistant Executive Director/Sr. Project Manager	\$8,858	\$16,517
Director of Finance	\$7,792	\$15,434
<u>Non-Exempt Positions</u>		
Project Resource Manager	\$4,459	\$9,689
Executive Assistant/Public Outreach Coordinator	\$4,329	\$8,969
Admin/Accounting Assistant	\$3,636	\$7,053



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AGENDA SUBMITTAL

To: WQA Board of Directors
From: Randy Schoellerman, Executive Director
Date: October 10, 2023
Subject: **Report on Cash and Investments – 3rd Quarter 2023**

Discussion

Attached for your review is the quarterly report on cash and investments as of September 30, 2023.

SGBWQA holds its investment funds at the Local Agency Investment Fund (LAIF). The average monthly effective yield for the Pooled Money Investment Account (PMIA)/LAIF for July and August is 3.305% and 3.434%, respectively. The monthly rate for September has not yet been published. The LAIF quarterly rate for July through September has not yet been issued.

SGBWQA holds its cash funds at BMO Bank. Funds held at BMO exceed the FDIC insured limit of \$250,000. All funds in excess of the FDIC limits are collateralized by BMO in accordance with California Government Code Title 5, Division 2, Part 1, Chapter 4, Article 2 – Deposit of Funds.

Please note that SGBWQA previously held its funds at Bank of the West (BOTW). On February 1, 2023, BOTW joined BMO Bank. Over Labor Day weekend BOTW completed the transition to BMO platforms. The name change has not impacted on our accounts or rights under the agreements, and all agreements between BOTW and SGBWQA are still in effect.

Recommendation / Proposed Action

For information only.

Enclosures

Cash Report
Schedule of Interest Received and Interest Rates
PMIA/LAIF Performance Report
PMIA Daily Effective Yield

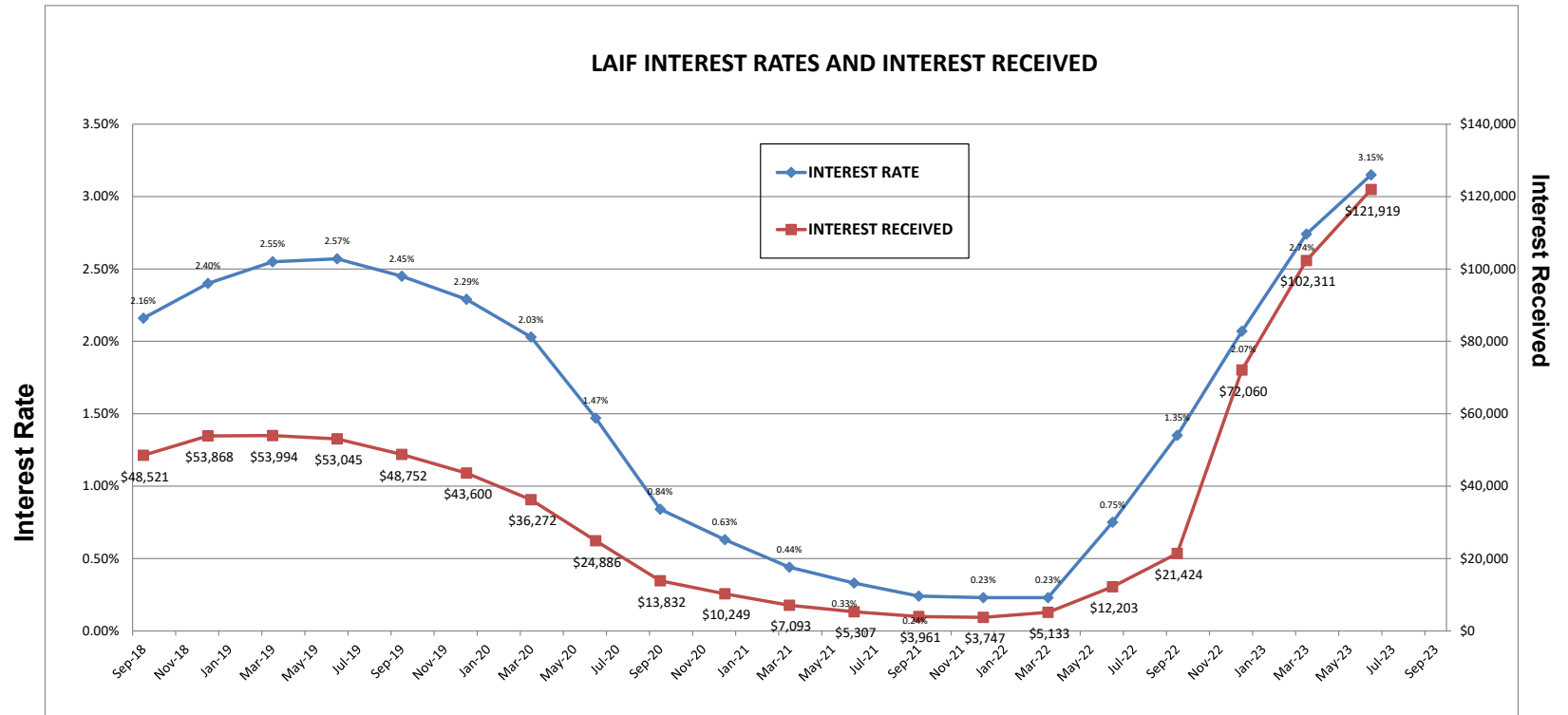
San Gabriel Basin Water Quality Authority
SUMMARY OF CASH AND INVESTMENTS
September 30, 2023

DESCRIPTION	BALANCE
<u>CASH AND BANK ACCOUNTS</u>	
Cash on Hand	\$ 250
 <i><u>Bank of the West Checking Accounts</u></i>	
General Account	1,000
Revolving Account	21,662
Payroll Account	70,766
Project Account	655,589
Pooled Money Market Account - Project/Admin	4,259,611
Federal Funding Account	<u>1,000</u>
Total Cash and Bank Accounts	<u>5,009,878</u>
 <u>Trustee Accounts</u>	
<i><u>Bank of the West</u></i>	
South El Monte Operable Unit (SEMOU) Checking Account	<u>6,543</u>
Total Trustee Accounts	<u>6,543</u>
 <u>Investment Accounts</u>	
California Treasurer's Office	
Local Agency Investment Fund (LAIF)	
WQA General	16,292,685
SEMOU RP's	<u>1,055,096</u>
Total Investment Accounts	<u>17,347,781</u>
 TOTAL CASH, TRUSTEE AND INVESTMENT ACCOUNTS	 <u><u>\$ 22,364,202</u></u>

San Gabriel Basin Water Quality Authority
SUMMARY OF CASH AND INVESTMENTS
 Schedule of LAIF Interest Received and Interest Rates
 AS OF SEPTEMBER 30, 2023

LAIF RATE TABLE

Quarter Ended	Interest Rate (%)	Interest Rec'd
Sep-18	2.16%	\$ 48,521
Dec-18	2.40%	\$ 53,868
Mar-19	2.55%	\$ 53,994
Jun-19	2.57%	\$ 53,045
Sep-19	2.45%	\$ 48,752
Dec-19	2.29%	\$ 43,600
Mar-20	2.03%	\$ 36,272
Jun-20	1.47%	\$ 24,886
Sep-20	0.84%	\$ 13,832
Dec-20	0.63%	\$ 10,249
Mar-21	0.44%	\$ 7,093
Jun-21	0.33%	\$ 5,307
Sep-21	0.24%	\$ 3,961
Dec-21	0.23%	\$ 3,747
Mar-22	0.23%	\$ 5,133
Jun-22	0.75%	\$ 12,203
Sep-22	1.35%	\$ 21,424
Dec-22	2.07%	\$ 72,060
Mar-23	2.74%	\$ 102,311
Jun-23	3.15%	\$ 121,919
Sep-23		





PMIA/LAIF Performance Report as of 09/14/23



Quarterly Performance Quarter Ended 06/30/23

LAIF Apportionment Rate ⁽²⁾ :	3.15
LAIF Earnings Ratio ⁽²⁾ :	0.00008636172883763
LAIF Administrative Cost ^{(1)*} :	0.06
LAIF Fair Value Factor ⁽¹⁾ :	0.984828499
PMIA Daily ⁽¹⁾ :	3.26
PMIA Quarter to Date ⁽¹⁾ :	3.01
PMIA Average Life ⁽¹⁾ :	260

PMIA Average Monthly Effective Yields⁽¹⁾

August	3.434
July	3.305**
June	3.167
May	2.993
April	2.870
March	2.831

Pooled Money Investment Account Monthly Portfolio Composition ⁽¹⁾ 08/31/23 \$168.1 billion

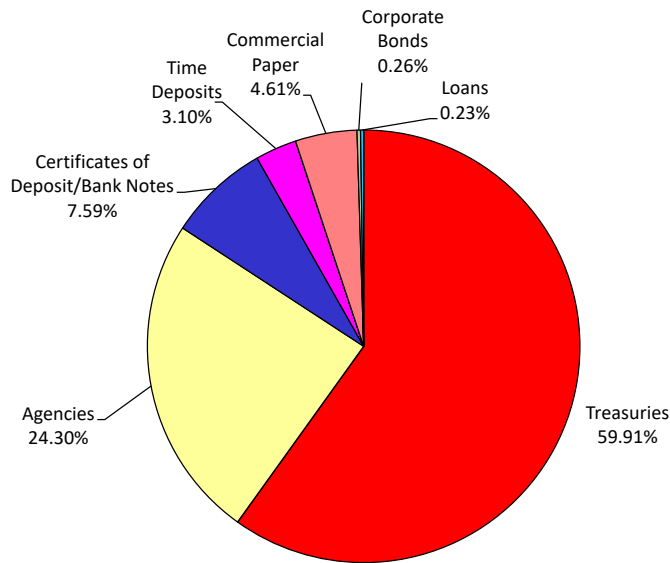


Chart does not include \$2,496,000.00 in mortgages, which equates to 0.002%. Percentages may not total 100% due to rounding.

Daily rates are now available here. [View PMIA Daily Rates](#)

Notes: The apportionment rate includes interest earned on the CalPERS Supplemental Pension Payment pursuant to Government Code 20825 (c)(1) and interest earned on the Wildfire Fund loan pursuant to Public Utility Code 3288 (a).

*The percentage of administrative cost equals the total administrative cost divided by the quarterly interest earnings. The law provides that administrative costs are not to exceed 5% of quarterly EARNINGS of the fund. However, if the 13-week Daily Treasury Bill Rate on the last day of the fiscal year is below 1%, then administrative costs shall not exceed 8% of quarterly EARNINGS of the fund for the subsequent fiscal year.

** Revised

Source:

⁽¹⁾ State of California, Office of the Treasurer

⁽²⁾ State of California, Office of the Controller



CALIFORNIA STATE TREASURER
FIONA MA, CPA



PMIA Daily Effective Yield

Date	Daily	Quarter to Date	Average Maturity
09/29/23	3.50	3.42	252
09/28/23	3.53	3.42	248
09/27/23	3.53	3.42	247
09/26/23	3.57	3.42	243
09/25/23	3.56	3.42	244
09/24/23	3.61	3.41	239
09/23/23	3.61	3.41	239
09/22/23	3.61	3.41	239
09/21/23	3.62	3.41	238
09/20/23	3.63	3.40	235
09/19/23	3.63	3.40	236
09/18/23	3.59	3.40	236
09/17/23	3.58	3.40	239
09/16/23	3.58	3.39	239
09/15/23	3.58	3.39	239
09/14/23	3.53	3.39	240
09/13/23	3.50	3.39	238
09/12/23	3.49	3.39	239
09/11/23	3.47	3.39	240
09/10/23	3.48	3.38	240
09/09/23	3.48	3.38	240
09/08/23	3.48	3.38	240
09/07/23	3.49	3.38	239
09/06/23	3.48	3.38	239
09/05/23	3.47	3.38	240
09/04/23	3.48	3.38	243
09/03/23	3.48	3.37	243
09/02/23	3.48	3.37	243
09/01/23	3.48	3.37	243
08/31/23	3.52	3.37	237
08/30/23	3.49	3.37	233
08/29/23	3.49	3.36	235
08/28/23	3.50	3.36	235
08/27/23	3.52	3.36	234
08/26/23	3.52	3.36	234
08/25/23	3.52	3.35	234
08/24/23	3.52	3.35	235
08/23/23	3.49	3.35	238

*Daily yield does not reflect capital gains or losses



CALIFORNIA STATE TREASURER
FIONA MA, CPA



PMIA Daily Effective Yield

Date	Daily	Quarter to Date	Average Maturity
08/22/23	3.47	3.35	240
08/21/23	3.47	3.34	242
08/20/23	3.47	3.34	245
08/19/23	3.47	3.34	245
08/18/23	3.47	3.34	245
08/17/23	3.46	3.33	246
08/16/23	3.44	3.33	249
08/15/23	3.43	3.33	251
08/14/23	3.38	3.33	246
08/13/23	3.39	3.32	247
08/12/23	3.39	3.32	247
08/11/23	3.39	3.32	247
08/10/23	3.39	3.32	248
08/09/23	3.37	3.32	249
08/08/23	3.36	3.32	250
08/07/23	3.36	3.32	251
08/06/23	3.36	3.32	254
08/05/23	3.36	3.31	254
08/04/23	3.36	3.31	254
08/03/23	3.37	3.31	253
08/02/23	3.37	3.31	254
08/01/23	3.38	3.31	254

*Daily yield does not reflect capital gains or losses