



FINANCE COMMITTEE

REGULAR MEETING

Thursday, October 11, 2018 - 10:00 AM to 12:00 PM
1000 Main Street Cambria, CA 93428

MINUTES

A. CALL TO ORDER

Chairman Pierson called the meeting to order at 10:06 a.m.

B. ESTABLISH QUORUM

A quorum was established.

Committee members present: David Pierson, Cindy Steidel and Dewayne Lee.

Amanda Rice arrived at 10:48 a.m.

Committee members absent: Ted Siegler.

Staff present: Acting General Manager Monique Madrid, Finance Manager Pamela Duffield, Interim Finance Manager Alleyne LaBossiere, District Engineer Bob Gresens and Deputy District Clerk Haley Dodson.

Public present:

Crosby Swartz

Laura Swartz

Leslie Richards

Harry Farmer

Donn Howell

Paul Nugent

Cheryl McDowell

C. CHAIRMAN'S REPORT

There was no Chairman's report.

Chairman Pierson welcomed Pamela Duffield to the Finance Committee and to the District.

1. PUBLIC COMMENT

Public Comment:

Laura Swartz: there was going to be separate account for operational fees. How's that going to be done?

Mr. LaBossiere responded that a general ledger account can be setup to track revenue amounts.

Public Comment:

Cheryl McDowell: Is there an income and expense report for each department?

Committee member Steidel stated the Infrastructure Committee is looking into Tyler Incode modules.

Mr. LaBossiere stated it's already being done. It's in the budget report by total and account number.

Chairman Pierson responded she's looking for a separate expense report.

Mr. LaBossiere responded that the current system doesn't allow for it. It's a manual process.

Committee member Lee asked how close are we to switching to Tyler Incode?

Mr. LaBossiere said the starting process will begin around December 1st.

Committee member Steidel asked what modules will be used from Tyler Incode?

Mr. LaBossiere responded we will use the same ones we are currently using.

Mr. Gresens stated the project cost accounting module is included in the original purchase. The fixed asset module is an additional cost. The Infrastructure Committee may have more discussion on it. The maintenance feature isn't included and it's an additional cost.

Committee member Steidel asked how much is the maintenance feature?

Mr. Gresens responded the work order module is \$6k and \$3k annually. This doesn't include fixed assets.

Public Comment:

Donn Howell: KeepTrak is cheap for a single user. We need to review it in greater detail. It's going to be awhile before the new software is implemented. I've never seen an implementation plan so laid out. We can anticipate a 10-month timeframe for implementation. I think going forward with Tyler Incode is good, I was initially against it.

Paul Nugent: He has questions about fuel allocation and the way fuel is tracked.

Mr. LaBossiere stated each vehicle has a fuel card. It is tracked by card as long as the card stays with the vehicle.

Public Comment:

Paul Nugent: Is there a crosscheck for mileage?

Mr. LaBossiere responded no.

Public Comment:

Paul Nugent: Jason said there was a water leak that couldn't be addressed until Sunday. What's the timeline for an emergency?

Ms. Madrid responded the District would respond to a leak provided we know about it and depend on when we were notified. Our response to water leaks and wastewater spills is a reasonable amount of time which is estimated to be 45 minutes.

Public Comment:

Laura Swartz: We are looking for a new general manager. There were two separate jobs when we came here, the head of the pipes and a town manager. Mr. Gruber took over both jobs but there was too much power in one place and wasn't economically feasible. Is there any thought about going back to the other way and not paying them as much? The power will be separated, and we'd have people with skills to manage the town and pipes.

Chairman Pierson responded I'm not sure that's true. There were two people reporting to the Board of Directors?

Public Comment:

Laura Swartz: I'm not sure. Tammy was the overall manager and the other person had the expertise to manage pipes. I don't know if they reported to the general manager.

Leslie Richards: Bryan Bode was the services manager.

Chairman Pierson responded the board doesn't want two direct reports. They want a general manager. If we hire someone who is wonderful in utilities, they may not want a chief engineer or manager, they may want a wastewater or water person reporting to them. We allow them to do that. We will ask these questions during interviews.

Public Comment:

Laura Swartz: As we hire a new GM, what direction will we take? Jerry had so much knowledge on pipes and we were dependent on him for two different positions.

Ms. Madrid responded that you talk about the power. The Chief Plant Operator and Supervisors report to the District Engineer and are required to report to the regulatory agencies as far as permitting. The general manager oversees them as far as CCSD policies. There is a division of power. Jerry took on utility manager duties and Bob took on some of the utility positions.

Public Comment:

Leslie Richards: Bob, you're retiring this year? Will the district replace your position with a fulltime engineer?

Mr. Gresens responded I'm strongly considering it at this point.

Chairman Pierson responded we will let the general manager decide the structure.

Public Comment:

Paul Nugent: I sent an email to board@cambriacsd.org but it went to a staff member and as far as transparency and open communication, why is it going to a staff member?

Chairman Pierson responded that the director's emails are listed on the website.

Public Comment:

Paul Nugent: If we are looking for talent, specify the role you're looking for and let the talent come to it.

Chairman Pierson responded that's not what we are going to do. We are getting together a posting to go out on websites and magazines and it will include the duties & responsibilities and a number of knowledge and skills required and then we will direct them to the website where we will have the full job description. We will get resumes and try to match them up. The people that match up, we will interview. These questions should be going to the full board, not us.

Public Comment:

Leslie Richards: We were encouraged to come to the Infrastructure and Finance Committees to ask questions.

2. CONSENT AGENDA

A. Consideration to Approve the September 13, 2018 Regular Meeting Minutes

Chairman Pierson stated Haley did a marvelous job on the minutes.

Committee member Lee motioned to approve the meeting minutes.

Committee member Steidel seconded the motion.

The motion was approved: 3-Ayes (Lee, Steidel, Pierson), 0-Nays, 2-Absent (Rice and Siegler)

3. REGULAR BUSINESS

A. Discussion Regarding Progress Made on Budget, Allocated Overhead and Reserve Fund Policies and the Finance Manager's Input on the Policies

Chairman Pierson introduced the item. The allocated overhead is addressed in the budget policy as currently written.

Chairman Pierson asked Ms. Duffield to provide her suggested budget policy changes to the committee.

Mrs. Duffield provided her revisions to the committee.

Chairman Pierson stated the full board will be looking at a reorganization of the standing committees in December and this will be a time we can address the timing of the meetings.

Committee member Rice stated Ms. Madrid has a grasp of what the committee is looking for.

Chairman Pierson suggests that Ted, Monique and Pam revise the final paragraph.

The committee had a discussion regarding reserve funds.

Public comment:

Laura Swartz: It's important to know what the EWS is costing us.

Cheryl McDowell: Can you ask to define their bills, so you can chart it.

Leslie Richards: You need to refer this question to district counsel.

Chairman Pierson stated we must account for the SWF and it's being done now.

Committee member Rice stated we need a vehicle replacement program.

Chairman Pierson stated we need to update the vehicle use policy.

Chairman Pierson recommends the committee skip the reserve policy and move onto the next item.

The committee agreed.

B. Discussion and Consideration Regarding Developing an Inter-fund Loan Policy

Chairman Pierson introduced the item and stated we need an adhoc committee to revise the inter-fund loan policy. At the August board meeting staff gave 4 examples of inter-fund loan policies. Would anyone like to volunteer to revise the policy?

Committee member Rice stated that Vice Chair Siegler had to take on the budget policy and I don't want to take it on with everything going on.

Chairman Pierson volunteered to revise the policy.

C. Discussion and Consideration Regarding New Budget Based on Rates Passing or Not Passing

Chairman Pierson introduced the item.

Mrs. Duffield stated February is the appropriate month to do this.

Public Comment:

Harry Farmer: There is \$200k allocated for influent screen, \$800k for the rest of the year if the rate increases approved. It's roughly a million combined but the rate increase determined if we were going to spend \$800k.

Committee member Rice stated we can't shut off water for nonpayment soon. You must give them a sixty-day notice.

D. Discussion and Consideration of Structure of Finance Standing Committee

Chairman Pierson introduced the item and stated the Infrastructure Committee discussed it. There's talk of going to more members, less board members being on the committee and consolidation. Any thoughts?

Committee member Lee stated we would be in a better position if we can have a few more members and not be so constrained. The only advantage to putting the committees together is the administrative part. It's an expense every time we have a meeting. If we can consolidate that, it would streamline it and have several subcommittee meetings and bring it to the full committee to propose it to the board. We are trying to save money and time for the board and get more public input. The more ideas we have, the better we are at making suggestions.

Committee member Steidel responded I support Committee member Lee and being able to reduce costs. The same members of the public attend both meetings and it would be proactive by having a single committee with working groups.

Chairman Pierson agreed.

Public Comment:

Cheryl McDowell: It would be an asset to hear opinions and constructive criticism from employees.

Paul Nugent: If i were a CCSD employee, rate payer and customer and I wanted to be involved in the process, how would I do that?

Chairman Pierson responded if the agenda calls for items that we need staff input on, yes. But, most of the time they need to be out serving the customers. It would be by invitation only.

Committee member Rice stated a larger committee is good and there could be an advantage to combining them both. I spent a year and couple months on a water emergency alternatives committee and that's all we did. It took us time to get up to speed. There is some advantage to the specialty factor. I like larger committees and working groups, which makes it more of a collaborative effort and not putting it on staff to bring materials for the basis of discussion. I really do think that having at least one board member is critical and I'm going to say that it's difficult since the Vice Chair isn't a board member. It might be helpful for it to be the President and Vice President as Chairman and Vice Chair. I'd like to call Los Osos and see how they do it.

Committee member Steidel stated another option is not have a board member participating on the committees.

Committee member Rice responded I think it's good for a board member to participate so they can try and keep the committee on track.

Committee member Steidel responded that we had a strong Chairman and were kept on track.

Committee member Lee stated I think this committee should function as a working process of the board. We should only be discussing and doing the work the board wants us to do.

Committee member Rice stated there aren't reports from the committee at the board meetings. That would be easily be accomplished by adding the minutes to the board agenda.

Chairman Pierson asked if that's possible?

Ms. Madrid responded yes.

Public Comment:

Donn Howell: I think separate committees are a good idea. We had a motion to submit a report. The committee membership should be increased to 7, with one board member being an ex officio. The board member would be a liaison to the full board. In terms of chairing and voting, we all felt more comfortable if we had the resource but didn't feel constrained by the board member.

Crosby Swartz: They can set a meeting schedule and frequency.

Leslie Richards: You have Finance and Infrastructure Committees and I suggest you keep them separate. Can someone can take the minutes?

Paul Nugent: I can probably organize people to share that. I could totally do it once or twice a month.

Committee member Rice stated we need a self-appointment process like PROS and the water emergency committee.

E. Discussion and Consideration Regarding Adding an Additional Ad Hoc Committee for Grant Funding

Chairman Pierson tabled this item until February. The board approved spending 4,500 to eCivis to get their service for grant notifications. I'm currently the ad hoc committee looking for grant opportunities for eCivis.

Public Comment:

Cheryl McDowell: Do we have a grant writer?

Committee member Steidel suggested asking the community if they'd like to provide grant writing assistance.

Public Comment:

Leslie Richards: You should look again in February. The deadlines are the first of the year.

4. FUTURE AGENDA ITEMS

There were no future agenda items.

5. ADJOURN

Chairman Pierson adjourned the meeting at 12:14 p.m.