

FINANCE COMMITTEE

REGULAR MEETING

Tuesday, March 28, 2023 - 10:00 AM

MINUTES

A. CALL TO ORDER

Chairman Gray called the meeting to order at 10:00 a.m.

B. ESTABLISH QUORUM

A quorum was established.

Committee members present: Tom Gray (Chair), Cindy Steidel (Vice Chair), Karen Chrisman, Cheryl McDowell, David Pierson and Aimee Wyatt.

Staff present: Haley Dodson, Administrative Analyst; Carlos Mendoza, Manager, Facilities & Resources; Denise Fritz, Finance Manager.

Staff present via Zoom: Acting General Manager/Utilities Department Manager/District Engineer Ray Dienzo, Pamela Duffield, Administrative Department Manager.

C. CHAIRMAN'S REPORT

None.

D. COMMITTEE MEMBER COMMUNICATIONS

None.

1. **PUBLIC COMMENT**

Public Comment on items not on the Agenda:

Linda Prentiss (submitted two written comments which were read into the record)

2. **CONSENT AGENDA**

A. Consideration to Approve February 28, 2023 Regular Meeting Minutes

There were two small updates noted on the minutes: Changing "CCC" to CCSD on Agenda p. 4, and eliminating an unneeded "and" at the end of a sentence in item C on p. 5.

Vice Chair Steidel moved to approve the minutes.,

Committee member Wyatt seconded the motion.

The motion was approved: 5-Ayes, 0-Nays, 0-Absent

3. **REGULAR BUSINESS**

A. Discussion and Consideration of Land and Water Conservation Fund Grant Application for Cambria Skatepark Project

(This item was taken up second in Regular Business, after Item B).

Public comment was received from:

Juli Amodei
Linda Prentiss (written comment)
Anonymous (written comment)
Donn Howell
Dick Clark
Chelsie Foster

The Committee discussed whether to proceed in support of seeking grant funding, including raising the estimated costs for the project to a proposed \$1.2M that Staff felt was more reasonable for the project. An increase in project cost would also require CCSD to set aside a larger share of general funds in restricted reserves until this project is completed and grant funds are fully paid to the district for reimbursement.

During Committee discussion, Ms. Amodei and Mr. Clark affirmed that Skate Cambria will continue fundraising to minimize district liability and minimize the use of General Fund revenue, especially in case of potential construction cost overruns.

Committee member Pierson moved to recommend that the CCSD Board accept a proposed Amendment (Attachment 3A on the Agenda) to update the Memorandum of Understanding between the CCSD and the Cambria Community Foundation with the addition of language referencing the award of grant funding.

Vice Chair Steidel seconded the motion.

The motion was approved: 5-Ayes, 0-Nays, 0-Absent

Committee members had further discussion about the potential risks of setting aside funds for an estimated 2-3 years for the project completion, and about potential alternative needs for funds that could impact the feasibility of investing and committing funds for such a lengthy time period for this project. It was noted that cost overruns or construction overruns are always an uncertainty.

There was discussion about what other projects may require additional funding sooner than later, such as modernizing the Vets hall, or emergency issues that could come up. The possibility of borrowing funds was raised as an alternative in case of an emergency situation.

Committee member Wyatt moved to recommend that the CCSD Board apply for the 50% matching grant based on the updated project cost of \$1.2 million.

Committee member McDowell seconded the motion.

The motion was approved: 4-Ayes, 1-Nay (Vice Chair Steidel), 0-Absent

B. Discussion and Appointment of Ad Hoc Subcommittee Regarding Review of Reserve Policy

(This item was taken up first in Regular Business, before Item A)

Vice Chair Steidel and Committee member Chrisman volunteered to serve on this committee. They will review the restricted and unrestricted reserves and report back next month.

C. Review and Discussion of Report from Ad Hoc Subcommittee on Budget Policy Review

Committee member Pierson reported on progress of the subcommittee and outlined a proposal for review and updates to the overhead allocation process. The committee will meet again during the week of April 10th to work with staff and refine this proposal.

D. Discussion and Consideration to Amend Wastewater Fund-General Fund Interfund Repayment Agreement with Recommendation to the Board

Due to past loans between accounts that didn't have full documentation, Ms. Duffield requested the committee review and approve a proposed loan repayment schedule to take to the board.

Committee member Pierson moved to recommend that the CCSD board amend the Wastewater Fund-General Fund Interfund Repayment Agreement as recommended by Staff.

Vice Chair Seidel seconded the motion.

The motion was approved: 5-Ayes, 0-Nays, 0-Absent

E. Discussion and Consideration of Water Fund-General Fund Interfund Repayment Agreement, with Recommendation to the Board

This item is related to old loan repayments and interfund loan amounts between accounts, and whether or not interest must be charged between accounts. Some agreements for interfund loans had interest specified in the repayment schedules and some did not specify, so Ms. Duffield sought clarification from the Finance Committee on this issue. There was discussion about having a specific review of interfund loan policies in the future.

Committee member Pierson moved to recommend to the CCSD Board that the repayment agreement as submitted by the Staff be approved, with the exception that the interest on this specific loan be forgiven.

Vice Chair Steidel seconded the motion.

The motion was approved: 5-Ayes, 0-Nays, 0-Absent

F. **FUTURE AGENDA ITEMS**

Committee Member Pierson asked for a discussion on opportunities for revenue enhancement in case additional funds are needed for emergencies or additional high-level priorities for the Fire Department, Maintenance, Facilities or further improvement of the Ranch.

G. **ADJOURN**

Chairman Gray adjourned the meeting at 12:15 p.m.