

**TOMALES VILLAGE COMMUNITY SERVICES DISTRICT
BOARD MEETING**

Minutes of Meeting held May 8, 2013

Board Members Present: Walter Earle, Patty Oku, Hope Sturges, and Sue Sims
Board Members Absent: Eric Knudsen

Also Present: Karl Drexel, Administrator

Donna Clavaud
Paul Duffey

Terry Duffey
Beth Koelker

Samantha Kimmey

Board President Walter Earle called the meeting to order at 6:05 p.m.

Approval of Minutes:

The Chair asked for additions or corrections of the April 10, 2013 board meeting minutes. The Administrator noted that he had one change to the attendees and that was Venta Leon was not in attendance. Her name was carried over from the previous meeting inadvertently. With corrections:

Hope Sturges made a motion to approve the minutes of the April 10, 2013 Regular Board Meeting. Seconded by Patty Oku. M/S/U.

Financial Report:

A. &B. The Administrator submitted the financial reports and a list of payables for the months of April and May along with copies of the check registers for the month of April. Hope Sturges asked about the deposits from the Marin County Auditor's office for Levy 4 payments and asked if that was the regular amount. The Administrator explained that the Levy 4 payments come in at different times and for different amounts throughout the year..

Patty Oku made a motion to accept bank statements, accept the financial reports, and approve expenditures for April and May. Seconded by Sue Sims. M/S/U.

C. Proposed Draft Budget for 2013 – 2014

The Administrator presented the Draft Budget for 2013-2014. He noted income is projected to be down this year primarily because expenses are down and the SUSD fees are based on expenses. He noted that the SUSD sewer fees were projected to be 17% less than the previous year. The budget did not propose a rate increase for the coming year and projected a slight net income at the end of the year without taking Depreciation into account. When Depreciation is considered, the District is unable to cover that cost. Discussion followed the Draft Budget summary. The Administrator reviewed the expenses that were reduced for this budget, including Office Expenses, Equipment Expenses and Administrative Expenses. He noted the fee for the Administrator's Health Insurance Allowance is being reduced by \$2,400, the telephone, fax and internet Expense is being reduced by \$1,000, and Travel and Seminars are being reduced by almost \$1,000, all costs that will be absorbed by the Administrator. He noted Total Operating Expenses are reduced and subsequently, the income from the SUSD, which is based on expenses, is reduced as well.

Patty Oku asked if we should put the replacement of the water tower roof on the budget. The Administrator explained that Capital Expenses are not placed on the budget unless there is funding for that project through grants or other sources. He noted that the Board, or Park Committee, can make up a wish list of things they would like to see done and he would pursue funding.

Sue Sims asked if the Budget included an expense item for an efficiency audit. The Administrator noted that the Budget category of Professional Fees was reduced by 6% to better reflect actual costs for Legal, Accounting and Consulting costs. He explained he did not include any costs for an efficiency audit, a rate study or any other consulting, but made a note in the summary that if the Board chose to pursue those items they could transfer funds from Reserves to fund them. Sue suggested that it be put in the Budget as a line item.

Terry Duffey asked for clarification as to Administrative costs for the Park. She said the Budget does not include any expense for Administrator's Fees for the administration of the Park. The Administrator explained that all administrative costs, other than expenses that can be directly attributable to the Park, or a Park project, are funded by the District's General Fund, which is funded by sewer fees and other non-operational income. Administration of the Park is a District expense and is funded by the District. If a grant covers Project Management or Administrative costs, then Administration Fees come out of the grant.

A Public Hearing to further discuss and revise the Budget was scheduled for May 22, 2013, at which time the public will have a chance to present any requests and the Board will have a chance to vote on the Budget and revisions.

Phillips & Associates Report:

- A. The Administrator reported that irrigation was started and Phillips had serviced the system. All was working well, except the one irrigation head. Phillips was looking into the problem. He noted the comminutor motor had been replaced. He reported that it cost \$589 and that Phillips deductible was \$500, so it cost the District \$89.

Committee Reports:

A. Newsletter Committee

Terry Duffey reported that she was working on the Newsletter. The proposed articles were in the Board Packet.

B. Fundraising Committee

Nothing to report on fundraising

C. Park Advisory Committee

1. Patty Oku introduced the April meeting minutes. She noted that one of the things brought up in open communication was having T-shirts and aprons made for the workers the Day of Party in the Park. She displayed the samples that Beth had designed.
2. Patty reported the Entrance Gate design was coming along. She presented the ideas of the new gate design with the Board and public. Beth had drawn the concept designs that the committee had developed. .
3. Patty reported on Party in the Park. She mentioned that Eric wanted to announce that they were looking for more booths, especially kids' games.

D. Financial Advisory Committee

1. Sue Sims reported that the Financial Advisory Committee had submitted copies of their April meeting, along with the responses to the RFP for an efficiency audit and a Budget Process proposal that provides a way to look at, and work on, the budget throughout the year. The committee proposed to the Board that an efficiency audit be performed and they recommended Hank Brenard to do the audit.
2. The four proposals for an efficiency audit were presented to the Board along with the names of some other consultants that perform that kind of work and were recommended by other CSDA members. There was some discussion regarding the requests for information and what the consultants proposed. Donna explained that the committee researched efficiency audits and determined they were pretty standard, which is where they got the request list from. She provided a copy of an efficiency audit that Patty said she would make copies of for the entire Board to review.

Donna Clavaud also noted that the FAC thought it was important for them and the Board to decide what questions they wanted to ask the consultants to get a better feel for which way to go. One question that the FAC had was conflict of interest with the consultants. Another was confidentiality with the report. It was decided that the FAC would formulate a list of questions to ask each consultant including their background in Special Districts, experience with wastewater treatment, experience with SMALL districts, experience with Government Code 61000, samples of previous efficiency audit, references from other Districts that have used them, confidentiality agreements and conflict of interests. It was also decided that the FAC would pursue additional proposals from the CSDA List Serv suggestions and send a copy of the letter to the Board for review before it goes out.

3. The FAC submitted a proposal for a Budget Process plan that would address budget issues throughout the year. It was decided to postpone discussion until the July 2013 Board Meeting.

Pending Business:

A. Grant Writing

1. Measure A Funding for Special Districts

The Administrator reported that the County has still not formulated the Measure A Funds allocation for Special Districts. The working premise is that the Counties Special Districts providing recreation and open space will share 26% of the 15% of the total tax receipts. The working group and the County Recreation and Park Department are still working on how that 26% will be allocated.

2. Dean Witter Foundation Grant

The Administrator reported that the Dean Witter Foundation has approved a \$10,000 matching grant for the rebuilding of the gazebo. They said they will match dollar for dollar funds raised by the District up to the full \$10,000. They did not stipulate any time requirements.

3. Land and Water Conservation Grant

Nothing new to report on the LWCF grant.

B. Capital Improvement Projects

1. The Administrator reported that David was completing the final punch list for final inspection of the Park Project, including gutters and downspouts for the bathrooms, landscaping behind the bathrooms, replace the handicap signs, install additional fall surface chips, and submit an application for a retroactive encroachment permit from the County. There was discussion regarding a work day. Walter offered to rent a rototiller and rototill the chips before the new chips came in. A work day was scheduled for June 8th.
2. The Park gate was being discussed and designs are being addressed. The Gazebo will be discussed at a future time.

C. Policy Manual

1. Walter Earle reported that he had been working on some different policies and would have something to report next month. Patty Oku submitted copies of the information presented in a Webinar on Board Protocol with regard to the Brown Act and Robert's Rules for Board and committee member reference and possible Board policy.

D. 2012 Audit

The Administrator reported that the audit had been completed and he sent out copies to the Board and the Financial Advisory Committee. It was decided to put the item on the June Agenda.

E. 5-Year Strategic Plan

The Administrator noted that he was asked to put this item on the agenda so it can be reviewed from time to time. Patty Oku noted that the District has completed or is in the process of completing all but two of the goals in the first two years.

F. Complaints and Correspondence

None

New Business

A. Median Household Income Survey

1. The Administrator reported that he had attended the State Funding Fair in Sacramento and all available grants for infrastructure funding are designated for disadvantaged communities. Although we don't know what the actual Median Household Income is for Tomales, most people feel it is less than the \$98,000 per year the State calculates it to be. In order to get an accurate MHI, a third party has to conduct a MHI study. The Rural Community Assistance Corporation does such studies when they have the funding and he is looking into having one done for Tomales.

Administrator's Report:

The Administrator submitted a written report of the month's activities.

Open Communication:

None

Correspondence

There was no action taken on correspondence

Adjourned at 8:40 PM

Next Meeting: June 12, 2013 6:00 PM.



Approved

June 12, 2013

Date