

TVCS D FINANCIAL ADVISORY COMMITTEE MEETING MINUTES

MONDAY, MAY 18, 2015

PRESENT: Deborah Parrish (Chair), Venta Leon, Donna Clavaud

ABSENT: Chick Petersen (excused)

VISITORS: Bruce Abbott

The meeting was convened at 6:30pm at Tomales Town Hall. A quorum of the members focused on the 2015-16 Proposed Draft Sewer Enterprise Budget as a main agenda item to discuss changes to be recommended to the Board of Directors. The FAC members also reviewed the RFP Contact List and discussed outreach. Donna Clavaud recorded the minutes.

1. 2015-16 Proposed Draft Budget for TVCS D Sewer Enterprise:

The FAC reviewed an updated draft that our Administrator had emailed the day before that he indicated “included the line items recommended by the FAC at the May 13th meeting” and that “the Narrative has been revised to address those recommendations” and to submit any recommendations or revisions to him before the next Board packet so that “I can incorporate them”.

During our discussion, there was unanimous concern about a deficit of \$10,000 in the new Draft Sewer Budget.

*The FAC recommends a Balance Sheet be attached so we can comprehend the larger TVCS D financial picture.

*There is also no mention of any repayment of the outstanding loan to Tomales Community Park in the proposed draft sewer budget. FAC requests that the Park Committee report the status of this loan balance to the Board of Directors and a plan to repay it.

*The line item for Reserves should be set apart and indicate either a rise or decline of Reserve levels. We had recommended at the last Board meeting that the Reserve amount should be the remaining surplus of funds.

*FAC recommends that we be provided with an Excel version of the Draft Budget (including Income Statement and Balance Sheet) so we can

more easily analyze financials and examine and compare prior year variances for a four year period.

*The Budget Narrative should be condensed for all readers and laid out in an easier format with bullets.

* It should be accompanied by a 1-page Executive Summary that outlines the overall TVCSD strategy with a recap of Board actions over the past year that impact the next year's budget. An example that the committee talked about is the recently completed Efficiency Audit by Matrix Consulting Group that TVCSD invested in as a third party professional study to assess District strengths and opportunities. We shared our surprise that the Administrator's Narrative failed to even mention this TVCSD accomplishment which has been the foundation for the FAC recommendations for budget line item changes for the new 2015-16 fiscal year. Furthermore, FAC would like to see the Executive Summary identify next steps, such as sending a new budget to RCAC so that they can re-calculate draft financial projections and be able to complete the Rate Study with updated figures for revenue and expenses. Another next step is the need to Board-approve a CIP list by first bringing our O & M Operator into the discussion and review recommendations from the Matrix Efficiency Audit. We agreed that this would help FAC and the TVCSD Board take the next step to develop a 5-10 year Financial Plan.

The group shared the difficulties of trying to analyze and discuss the 2015-16 Proposed Budget without the presence of the Administrator/Treasurer and without the benefit of the supporting assumptions used to develop this budget.

*We agreed to remind the TVCSD Board to review FAC's revision of the Budget Narrative provided at the last Board meeting to make changes and edits. TVCSD Board: What do you want stakeholders to know about TVCSD commitments, accomplishments, underlying budget assumptions, and ideas and strategies for moving forward into our future as sewer and park stewards?

We all agreed that the TVCSD Board has managed to accomplish a great deal over the past year and we want the District to hear our story to truly understand how we are working hard as elected volunteers to address their needs and concerns.

2. Requests for Proposals (RFPs):

Financial Services-interviews were on 5/15; checking references now; the Interview Committee plans to send recommendations to Board for June meeting action.

Administrator-only 1 bid; FAC recommends more outreach and to form Committee for a search

O & M-FAC recommends the Board identify a Committee; only 1 bid received; need for further outreach; need to revise RFP based on Efficiency Audit recommendations

FAC discusses option of creating an RFP for a part time Secretary to do Board meeting minutes and assemble Board packets; FAC recommends Board discuss and take action on this.

The meeting was concluded at 8:25pm.

Signed: Donna Clavaud

Approved on: June 3, 2015