

FINANCIAL ADVISORY COMMITTEE MEETING MINUTES

TOMALES VILLAGE COMMUNITY SERVICES DISTRICT

Wednesday, March 22, 2017

Present: Melinda Bell (Chairperson and TVCSD Financial Services Staff), Donna Clavaud (TVCSD Board Member), Venta Leon (Community Member)

Absent: Deborah Parrish (TVCSD Board Member), Chick Peterson (Community Member)

Melinda Bell called the meeting to order at 6:30 pm and there was a quorum to conduct FAC business. Donna Clavaud took notes and prepared the meeting minutes.

AGENDA

This meeting focused on the Committee's ongoing analysis and discussion of a draft proposed sewer budget for fiscal year 2017-18 and the development of a format and outline for a Notice of Public Hearing mailer to Tomales ratepayers for a proposed sewer rate increase.

1. DRAFT Proposed Sewer Budget for 2017-2018:

We are still working on the development of a 'user friendly' sewer budget statement that accurately reflects projected income and expenses.

In terms of income, we have a loss of sewer service fees of \$7,400 and the loss of \$14,5000 as the PG&E annual tax rebate program ended in 2016. The first effects our operational budget and the second effects our ability to meet past debt obligations to meet annual solar bond payments. We discussed different options to create a line item for a proposed rate increase as new income.

District expenses have been reduced for many line items in this proposed draft sewer budget, namely administrative and management expenses, office expenses, Board meeting expenses, legal fees, third-party consulting, dues and subscriptions, seminars and meetings in a hard won effort to increase efficiency and sustainability. We are in discussions with our O & M contractors and the District is hoping to re-visit the scope of work and explore ways we can reduce the price of the current contract. However, new State wastewater regulations have increased costs for monitoring and testing.

Now that the District has an Asset Management Plan and a 10-year Capital Improvement Plan, this proposed budget includes \$14,000 as our Year 1 financial goals for maintenance and repair.

We discussed different ways to reflect projected expenses for our annual debt service for our solar bond payment and for the State Revolving Loan payment for 2010-2011 sewer system capital improvement projects.

FAC recommends that the Board review the most recent draft budget statement included in the Board Packet for the April 12 meeting and offer input on options discussed above for a final draft before the Budget narrative is written.

2. Mailer for Notice of Public Hearing for Proposed Rate Increase

After consider discussion, we agreed on a format, content ideas and a rough outline for a mailer. We are hoping to have the Public Hearing Notice sent out by bulk mail shortly after the monthly Board Meeting on April 12. The meeting with the public will tentatively be scheduled for Wednesday, April 26. Donna Clavaud agreed to draft a mailer.

FAC recommends that the TVCSD Board review, input and approve a mailer at their April 12 meeting. Our Secretary, Cynthia Hammond, will be responsible for sending out the mailer once it is approved by the Board.

The FAC will not be meeting in April unless necessary.

The meeting was adjourned at 8pm.

Approved:

Date: