

**Los Osos Community Services District  
Minutes of the Finance Advisory Committee Special Meeting  
February 26, 2018 at 5:30 p.m. at the District Office**

AGENDA ITEM	DISCUSSION	FOLLOW-UP
1. Call to Order, Flag Salute and Roll Call	<p>Chairperson Ochylski called the meeting to order at 5:32 p.m. led the flag salute.</p> <p>Roll Call:            Lisa Gonzalez, Committee Member – Present            Cheri Grimm, Committee Member – Present            Bea Jansen, Committee Member - Absent            Christine Wornack, Committee Member – Absent            Marshall Ochylski, Chairperson – Present</p> <p>Staff:            Renee Osborne, General Manager            Ann Kudart, Administrative Services Manager</p>	
2. Approval of FAC Meeting Minutes of January 29, 2018	<p>Committee Gonzalez noted that her name was misspelled in Item 4.</p> <p>Public Comment – None</p> <p><b>Committee Member Grimm made a motion to approve the meeting minutes of January 29, 2018. The motion was seconded by Committee Member Gonzalez and carried by unanimous consent.</b></p>	<b>Action: Approve and file minutes.</b>
3. Review of Board Item Regarding Approval of Warrant Register for February 2018	<p>Committee Member Gonzalez commented on the payment to the auditors, paramedic supplies, and the meter replacements.</p> <p>Public Comment – Julie Tacker commented that as the District Accountant's contract increase was approved on February 1<sup>st</sup> that the payment for January 15<sup>th</sup> to February 1<sup>st</sup> should be at the old rate and February 1<sup>st</sup> to February 15<sup>th</sup> at the new rate.</p> <p>The Committee agreed with the speaker and General Manager Osborne reported that staff will void check 27530 and reissue and the amended rates.</p> <p><b>Committee Member Gonzalez recommended that the Board approve the February 2018 Warrant Register as amended. The motion was seconded by Committee Member Grimm and carried by unanimous consent.</b></p>	<b>Action: The Committee recommended that the Board approve the February 2018 warrants.</b>
4. Review of Board Item Regarding Financial Reports for the Period Ending January 2018	<p>Committee Member Gonzalez voiced her appreciation for the formatting of the financial reports. Manager Osborne reported the unexpected increases to CalPERS Retirement, Federal Unemployment taxes, and nitrate disposal payments.</p> <p>Public Comment – Julie Tacker commented on Bayridge Estates and Vista de Oro assessments, unfunded accrued liability, and brine disposal; that the General Manager is changing the Budget without Board approval; and that Admin time should be tracked for Water Conservation and low income projects.</p> <p>Chuck Cesena commented on the Water Rate Stabilization Fund balance and inquiring as to what the cap was on that reserve.</p> <p>Richard Margetson commented on Investment Income in Admin Fund 100; Bayridge Fund 200 total revenues differ from the 17/18 Budget;</p> <p>General Manager Osborne responded that her time spent on the low income assistance project was easily tracked but that the Board has not asked her to keep track of her time, nor has she, as water conservation is part of her job and if the Board would like she can begin tracking. Chairperson Ochylski responded that President Milledge can bring this to the Board to see if they want the GM to track time as he would not be attending the upcoming meeting.</p>	<b>Action: The Committee recommended that the Board receive and file the Financial Reports for the Period Ending January 2018 with the analysis of the clarifications.</b>

AGENDA ITEM	DISCUSSION	FOLLOW-UP
4. Review of Board Item Regarding Financial Reports for the Period Ending January 2018 (continued)	Committee Member Grimm recommended that the Board receive and file the Financial Reports for the Period Ending January 2018 with the analysis of the clarifications. The motion was seconded by Committee Member Gonzalez and carried by unanimous consent.	
5. Review of Board Item Regarding Allocation of Budget Surplus in the Amount of \$292,873 to Water Reserve Accounts	<p>General Manager Osborne reported that after the audited FY 2016-17 and after depreciation there remained \$292,873 of unallocated funds in Water and that staff is requesting that \$100,000 be set aside for the building, to allocate \$100,000 towards the Vehicle Reserves, and that the remaining \$92,873 be allocated to the Capital Improvements. She reported that this item was presented to UAC on February 21<sup>st</sup> and that they recommended that the Board approve the allocations as long as FAC recommends approval as well.</p> <p>Public Comment – Julie Tacker commented on the type of building to be constructed and if it would replace all of the structures; and maintaining District vehicles.</p> <p>Richard Margetson commented that \$75,000 was already in the budget for the building; that the depreciation was expensed; and that the Board should be sure the amount is corrected before approving any allocations.</p> <p>General Manager Osborne responded that the building is not a new office but would be a workshop and hold tools and equipment and that the cost will be closer to \$100,000 in order to cover electrical, plumbing, windows, and doors.</p> <p><b>Committee Member Gonzalez recommended that the Board approve staff's recommendation regarding the allocations. The motion was seconded by Committee Member Grimm and carried by unanimous consent.</b></p>	<b>Action:</b> The Committee recommended that the Board
6. Public Comments on Items NOT on Agenda	None	
7. Schedule Next Meeting	The next meeting of the Finance Advisory Committee is scheduled to be held on Monday, April 2, 2018 at 5:30 pm unless otherwise noticed.	
8. Closing Comments by FAC Committee Members	<p>Committee Member Gonzalez thanked the Community Center, People Helping People, and County Parks for their support of the Warming Center program.</p> <p>Committee Member Grimm congratulated Chairperson Ochylski as being named the Chamber's Citizen of the Year.</p>	
8. Adjournment	The meeting adjourned at 6:25 p.m.	