



May 1, 2023

TO: Finance Advisory Committee
FROM: Laura Durban, Administrative Services Manager
SUBJECT: **Agenda Item 2 – 05/01/2023 FAC Meeting**
Approve Prior Meeting Minutes

President
Charles L. Cesena

Vice President
Marshall E. Ochylski

Directors
Matthew D. Fourcroy
Troy C. Gatchell
Christine M. Womack

General Manager
Ron Munds

District Accountant
Robert Stilts, CPA

Unit Chief
John Owens

Battalion Chief
Paul Provence

DESCRIPTION

Attached are the minutes of the Finance Advisory Committee (FAC) meetings held January 03, 2023, January 30, 2023, February 27, 2023 and April 3, 2023 for your review and approval.

STAFF RECOMMENDATION

Staff recommend that the Finance Advisory Committee adopt the following Motion:

Motion: I move that the Finance Advisory Committee approve the minutes of the FAC meetings held January 3, 2023, January 30, 2023, February 27, 2023, and April 3, 2023

Attachment
01/03/2023 DRAFT Finance Advisory Committee Minutes
01/30/2023 DRAFT Finance Advisory Committee Minutes
02/27/2023 DRAFT Finance Advisory Committee Minutes
04/03/2023 DRAFT Finance Advisory Committee Minutes

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Los Osos Community Services District
DRAFT - Minutes of the Finance Advisory Committee Special Meeting
January 3, 2023, at 5:30 p.m. at the District Office

AGENDA ITEM	DISCUSSION	FOLLOW-UP
<p>1. Call to Order Flag Salute Roll Call</p>	<p>Chairperson Womack called the meeting to order at 5:31 p.m.</p> <p><u>Roll Call:</u></p> <p>Sandra Cirilo, Committee Member – Absent Lisa Gonzalez, Committee Member – Present Rick LeVeque, Committee Member – Present Alyce Thorp, Committee Member – Absent Marshall Ochylski, Vice-Chairperson – Absent Christine Womack, Chairperson – Present</p> <p><u>Staff:</u></p> <p>Ron Munds, General Manager Laura Durban, Administrative Services Manager</p>	
<p>2. Approve FAC Meeting Minutes of November 28, 2022</p>	<p>Chairperson Womack presented the minutes for approval.</p> <p>Public Comment – None</p> <p>Committee Member LeVeque made a motion that the Committee approve the minutes of November 28, 2022. The motion was seconded by Committee Member Gonzalez and passed with unanimous consent.</p>	<p>Action: The Committee recommended that the Board approve the minutes of November 28, 2022.</p>
<p>3. Review of Board item Reaffirming the District's Investment Policy</p>	<p>General Manager Munds presented the District's Investment Policy.</p> <p>The Committee discussed the Investment Policy.</p> <p>Public Comment – None</p> <p>Committee Member Gonzalez made a recommendation that the Board adopt Resolution 2023-01 reaffirming the District's Investment Policy. The motion was seconded by Committee Member LeVeque and passed with unanimous consent.</p>	<p>Action: The Committee recommended that the Board <i>adopt Resolution 2023-01 reaffirming the District's Investment Policy.</i></p>
<p>4. Review of Board Item Regarding Approval of Warrant Register for December 2022</p>	<p>General Manager Munds presented the warrants.</p> <p>The Committee discussed the Warrants.</p> <p>Public Comment – None</p> <p>Committee Member LeVeque made a recommendation that the Board approve the Warrants of December 2022. The motion was seconded by Committee Member Gonzalez and passed with unanimous consent.</p>	<p>Action: The Committee recommended that the Board approve the Warrant Register for December 2022.</p>
<p>5. Review of Board Item Regarding Financial Reports for the period ending November 30, 2022</p>	<p>General Manager Munds presented the financial reports.</p> <p>The Committee discussed the Financials.</p> <p>Public Comment – None</p> <p>Committee Member LeVeque made a recommendation that the Board receive and file the Financials of November 30, 2022. The motion was seconded by Committee Member Gonzalez and passed with unanimous consent.</p>	<p>Action: The Committee recommended that the Board receive and file the Financials for the period ending November 30, 2022.</p>
<p>6. General Manager Update</p>	<p>General Manager Munds presented updates on the Bay Oaks Well, the 10th Street Transfer Pump Project, the Incorporation Report, and the mid-year budget adjustments.</p> <p>The Committee discussed the General Manager Report.</p> <p>Public Comment – None</p>	<p>Action: None</p>

AGENDA ITEM	DISCUSSION	FOLLOW-UP
7. Public Comments on Items NOT on this Agenda	Public Comment – None	
8. Schedule Next FAC Meeting	The next meeting of the Financial Advisory Committee is scheduled for Monday January 30, 2023, at 5:30 p.m. unless otherwise noted.	
9. Closing Comments by FAC Committee	Chairperson Womack wished everyone a Happy New Year.	
10. Adjournment	The meeting adjourned at 6:28 p.m.	

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Los Osos Community Services District
DRAFT - Minutes of the Finance Advisory Committee Meeting
January 30, 2023, at 5:30 p.m. at the District Office

AGENDA ITEM	DISCUSSION	FOLLOW-UP
<p>1. Call to Order Flag Salute Roll Call</p>	<p>Chairperson Womack called the meeting to order at 5:37 p.m.</p> <p><u>Roll Call:</u></p> <p>Sandra Cirilo, Committee Member – Absent Lisa Gonzalez, Committee Member – Present Rick LeVeque, Committee Member – Absent Alyce Thorp, Committee Member – Absent Marshall Ochylski, Vice-Chairperson – Present Christine Womack, Chairperson – Present</p> <p><u>Staff:</u> Ron Munds, General Manager Laura Durban, Administrative Services Manager</p>	
<p>2. PRESENTATION Brown Act Training</p>	<p>Brown Act Training continued until next FAC meeting.</p>	<p><u>Action: None</u></p>
<p>3. Approve FAC Meeting Minutes of January 3, 2023</p>	<p>Public Comment - None</p> <p>Committee Member Gonzalez made a motion that the Committee approve the minutes of November 28, 2022. There was no second, the minutes will be continued to the next FAC Meeting</p>	<p><u>Action: Approval of the January 3, 2023 Minutes continued until next FAC meeting.</u></p>
<p>4. Review of Board item 2022/2023 Mid-Year Budget Adjustments</p>	<p>General Manager Munds presented the Mid-Year Budget Adjustments for Funds 100, 301, 500, and 800.</p> <p>Vice-Chairperson Ochylski asked what fund pays for basin management.</p> <p>General Manager Munds responded that basin management expenses are paid by the Drainage Fund.</p> <p>Public Comment – None</p> <p>Committee Member Gonzalez recommended to the Board that the Board approve the Mid-Year Adjustment requests as presented for Funds 100, 301, 500 and 800. The motion passed with unanimous consent.</p>	<p><u>Action: The Committee recommended that the Board approve the Mid-Year Adjustment requests as presented for Funds 100, 301, 500 and 800.</u></p>
<p>5. Review Funding Strategies for the Cabrillo Storm Water Basin Repairs</p>	<p>General Manager Munds presented a report on strategies to fund the Cabrillo Storm Water Basin repairs.</p> <p>The Committee discussed inter-fund loan interest, FEMA funds, repayment plans, Zone A funds, and permanent basin repairs.</p> <p>Public Comment – Richard Margetson inquired about drainage funding and loan scenarios with and without FEMA assistance.</p> <p>Committee Member Gonzalez recommended to the Board that the Board Authorize the spending of the Fund 800 reserves for immediate expenses related to the temporary and permanent repair of the Cabrillo storm water basin. The motion passed with unanimous consent.</p>	<p><u>Action: The Committee recommended that the Board Authorize the spending of the Fund 800 reserves for immediate expenses related to the temporary and permanent repair of the Cabrillo storm water basin.</u></p>
<p>6. Review of Board Item Regarding Approval of Warrant Register for January 2023</p>	<p>General Manager Munds presented the Warrants.</p> <p>Public Comment – None</p> <p>Committee Member Gonzalez recommended to the Board that the Board approve the Warrant Register for the period January 2023. The motion was passed with unanimous consent.</p>	<p><u>Action: The Committee recommended that the Board approve the Warrant Register for January 2023.</u></p>

AGENDA ITEM	DISCUSSION	FOLLOW-UP
7. Review of Board Item Regarding Financial Reports for the Period Ending December 31, 2022	<p>General Manager Munds presented the Financial Reports.</p> <p>Public Comment – None</p> <p>Committee Member Gonzalez recommended to the Board, that the Board receive and file the Financials for the period ending December 31, 2022. The motion was passed with unanimous consent.</p>	Action: The Committee recommended that the Board receive and file the Financials for the period ending December 31, 2022.
8. Review of Board Item Quarterly and Annual Financial Report	<p>General Manager Munds presented the 2022 Annual Investment Report and the Quarter 4, 2022 Report.</p> <p>Public Comment – None</p> <p>Committee Member Gonzalez recommended to the Board that the Board receive and file the Quarterly Investment Report for the fourth quarter of 2022 and the Annual Investment Report for 2023. The motion was passed with unanimous consent.</p>	Action: The Committee recommended that the Board receive and file the Quarterly Investment Report for the fourth quarter of 2022 and the Annual Investment Report for 2023.
9. General Manager Update	<p>General Manager Munds presented updates on the Bay Oaks Well.</p> <p>Public Comment – None</p>	Action: None
10. Public Comments on Items NOT on this Agenda	Public Comment – None	
11. Schedule Next FAC Meeting	The next meeting of the Financial Advisory Committee is scheduled for Monday, February 27, 2023, at 5:30 p.m. unless otherwise noted.	
12. Closing Comments by FAC Committee	<p>Committee Member Gonzalez commented that she was pleased with how the basin repair funds were handled.</p> <p>President Womack thanked Ron and Staff.</p>	
13. Adjournment	The meeting adjourned at 6:29 p.m.	

Los Osos Community Services District
DRAFT - Minutes of the Finance Advisory Committee Meeting
February 27, 2023, at 5:30 p.m. at the District Office

AGENDA ITEM	DISCUSSION	FOLLOW-UP
1. Call to Order Flag Salute Roll Call	Chairperson Womack called the meeting to order at 5:32 p.m. <u>Roll Call:</u> Sandra Cirilo, Committee Member – Absent Lisa Gonzalez, Committee Member – Present Rick LeVeque, Committee Member – Absent Alyce Thorp, Committee Member – Absent Marshall Ochylski, Vice-Chairperson – Present Christine Womack, Chairperson – Present <u>Staff:</u> Ron Munds, General Manager Laura Durban, Administrative Services Manager	
2. PRESENTATION Brown Act Training	Brown Act Training continued until next FAC meeting. Public Comment - None	<u>Action: None</u>
3. Approve FAC Meeting Minutes of January 30, 2023	The approval of the minutes will be continued until the next FAC meeting. Public Comment - None	<u>Action: None</u>
4 Review of Board Item Regarding Approval of Warrant Register for February 2023	General Manager Munds presented the Warrants. The Committee discussed the Warrants. Public Comment – None Committee Member Gonzalez recommended to the Board that the Board approve the Warrant Register for the period February 2023.	<u>Action: The Committee recommended to the Board that the Board approve the Warrant Register for February 2023.</u>
5. Review of Board Item Regarding Financial Reports for the Period Ending January 31, 2023	General Manager Munds presented the Financial Reports; commented on turning the basin repairs into a capital project. The Committee discussed the Financials. Committee Member Gonzales commented on Staff's quick reaction at the basin. Public Comment – None Vice Chairperson Ochylski commented being proactive avoided more damage. Committee Member Gonzalez recommended to the Board, that the Board receive and file the Financials for the period ending January 31, 2023.	<u>Action: The Committee recommended to the Board that the Board receive and file the Financials for the period ending January 31, 2023.</u>
6. Review of Board Item Regarding Funding Strategy for the Cabrillo Storm Water Basin Repairs	General Manager Munds discussed the funding strategy for Cabrillo Basin repairs, including the FAC/Public comments recommendation, FEMA funding, revised estimates for repair and attorney fees, total project cost, financial impact, and terms of the inter-fund loan. The Committee discussed the inter-fund loan terms. Public Comment – None Committee Member Gonzales recommended to the Board that the Board adopt Resolution No. 2023-15 approving an interfund loan to Fund 800 for the emergency Cabrillo stormwater basin repairs.	<u>Action: The Committee recommended to the Board that the Board adopt Resolution No. 2023-15 approving an interfund loan to Fund 800</u>

AGENDA ITEM	DISCUSSION	FOLLOW-UP
7. General Manager Update	<p>General Manager Munds discussed updates on the Bay Oaks Well, 10th Street Transfer Pump Project, and Fire Station 15 Building Condition Assessment and commended Crew Leader Pall for his effort during the February 23-24 Rain Event.</p> <p>Committee Member Gonzales inquired about the 16th Street Tank Project.</p> <p>General Manager Munds responded the North Tank project has been postponed.</p> <p>Vice Chairperson Ochylski commented that ESAC supports General Manager Munds approach regarding the fire station building condition assessment.</p> <p>Public Comment – Lynette Tornatzky thanked everyone for the reports and the delay in the 16th Street Tank project.</p>	Action: None
8. Public Comments on Items NOT on this Agenda	Public Comment – None	
9. Schedule Next FAC Meeting	The next meeting of the Financial Advisory Committee is scheduled for Monday, April 3, 2023, at 5:30 p.m. unless otherwise noted.	
10. Closing Comments by FAC Committee	<p>Committee Member Gonzalez thanked those who are helping the residents affected by the basin incident.</p> <p>Chairperson Womack commented that everyone be careful driving in the rain.</p>	
11. Adjournment	The meeting adjourned at 6:15 p.m.	

Los Osos Community Services District
DRAFT - Minutes of the Finance Advisory Committee Meeting
April 3, 2023, at 5:30 p.m. at the District Office

AGENDA ITEM	DISCUSSION	FOLLOW-UP
<p>1. Call to Order Flag Salute Roll Call</p>	<p>Chairperson Womack called the meeting to order at 5:30 p.m.</p> <p><u>Roll Call:</u></p> <p>Sandra Cirilo, Committee Member – Absent Lisa Gonzalez, Committee Member – Present Alyce Thorp, Committee Member – Absent Marshall Ochylski, Vice Chairperson - Absent Christine Womack, Chairperson – Present</p> <p><u>Staff:</u></p> <p>Ron Munds, General Manager Laura Durban, Administrative Services Manager</p>	
<p>2. Approve FAC Meeting Minutes of January 3, 2023, January 30, 2023 and February 27, 2023</p>	<p>The approval of the minutes will be continued until the next FAC meeting.</p> <p>Public Comment - None</p>	<u>Action:</u> None
<p>3. PRESENTATION by Wulff, Hansen & Co. regarding District Investment Opportunities</p>	<p>General Manager Munds discussed why the District is exploring other investment options for bank accounts and introduced Steven Gortler.</p> <p>Steven Gortler provided a 12-month history of US Treasury securities and the company's Treasury Investment Program.</p> <p>Public Comment – Richard Margetson inquired if a higher rate could become available, why lock-in at 4.55% and how soon after a Treasury matures would the Board receive quarterly information.</p> <p>Steven Gortler commented on the timing and process of providing quarterly portfolio results and reinvestment options.</p> <p>The Committee discussed fees, banks, securities, money safety, reserves, guarantees, and liquidity.</p> <p>Public Comment – Richard Margetson commented on Mechanics Bank, collateralized reserves, fees, and inquired if the District has made any contact with Mechanics Bank.</p>	<u>Action:</u> None
<p>4 Review of Board Item Regarding Approval of Warrant Register for March 2023</p>	<p>General Manager Munds presented the Warrants.</p> <p>Public Comment – None</p> <p>Committee Member Gonzalez recommended to the Board that the Board approve the Warrant Register for the period March 2023.</p>	<u>Action:</u> The Committee recommended that the Board approve the Warrant Register for March 2023.
<p>5. Review of Board Item Regarding Financial Reports for the Period Ending February 28, 2023</p>	<p>General Manager Munds presented the Financial Reports.</p> <p>Committee Member Gonzales commented on Fund 301 Line Item 7330, tax revenues, CalFire adjustments, and the solid waste increase.</p> <p>General Manager Munds commented on line item 7330 miscellaneous purchases; solid waste increase; and an April meeting with Chief Provence to go over Schedule A charges.</p> <p>Public Comment – Richard Margetson inquired about the issuance of CalFire adjustments.</p> <p>Committee Member Gonzalez recommended to the Board, that the Board receive and file the Financials for the period ending February 28, 2023.</p>	<u>Action:</u> The Committee recommended that the Board receive and file the Financials for the period ending February 28, 2023.

AGENDA ITEM	DISCUSSION	FOLLOW-UP
6. General Manager Update	<p>General Manager Munds discussed updates on the Bay Oaks Well Project; Water Resiliency Intertie Project; Fire Station 15 Building Condition Assessment; and FEMA reimbursement Updates.</p> <p>Public Comment – None</p>	<u>Action:</u> None
7. Public Comments on Items NOT on this Agenda	Public Comment – None	
8. Schedule Next FAC Meeting	The next meeting of the Financial Advisory Committee is scheduled for Monday, May 1, 2023, at 5:30 p.m. unless otherwise noted.	
9. Closing Comments by FAC Committee	Committee Member Gonzalez invited the community to a party honoring Caroline Hall, on May 19, 2023, at St. Benedict's.	
10. Adjournment	The meeting adjourned at 6:42 p.m.	

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