

**Los Osos Community Services District**  
**Minutes of the Finance Advisory Committee Meeting**  
**April 1, 2019 at 5:30 p.m. at the District Office**

AGENDA ITEM	DISCUSSION	FOLLOW-UP
<b>1. Call to Order, Flag Salute and Roll Call</b>	<p>Chairperson Ochylski called the meeting to order at 5:41 p.m. and Committee Member Gonzalez led the flag salute.</p> <p><u>Roll Call:</u></p> <p>Sandra Cirilo, Committee Member – Absent  Lisa Gonzalez, Committee Member – Arrived at 5:41 p.m.  Cheri Grimm, Committee Member – Present  Bea Jansen, Committee Member – Confirmed Absence  Alyce Thorp, Committee Member – Confirmed Absence  Marshall Ochylski, Chairperson – Present  Christine Womack, Vice Chairperson – Present</p> <p><u>Staff:</u>  Renee Osborne, General Manager  Marti Brand, Administrative Clerk</p>	
<b>2. Welcome Committee Member Cirilo and Review Brown Act Guidelines</b>	<p>Chairperson Ochylski who provided a PowerPoint presentation regarding the Brown Act, explaining that it is a law which guarantees the public's right to attend and participate in meetings of local legislative bodies and defining the open meeting requirements of the Brown Act.</p> <p>Public Comment – None</p>	<b>Action: No Action.</b>
<b>3. Approve FAC Meeting Minutes of February 25, 2019</b>	<p>Administrative Clerk Brand presented the minutes for Committee approval.</p> <p>Public Comments – Julie Tacker requested that the District cease all practice of working lunches and commented there had not been a full report regarding the personnel settlement.</p> <p><b>Committee Member Gonzalez made a motion that the Committee approve the minutes of February 25, 2019. The motion was seconded by Committee Member Grimm and passed by unanimous consent.</b></p>	<b>Action: File approved minutes.</b>
<b>4. Review of Board Item Regarding Approval of Warrant the period February 22, 2019 through March 22, 2019</b>	<p>Chairperson Ochylski announced that Bookkeeper Geidel had her baby boy two weeks ago; General Manager Osborne reported that all are doing well; and, the Committee extended its congratulations to Adrienne and her family wishing them well.</p> <p>General Manager Osborne presented the warrant register for the Committee's review and reported on a previously asked question regarding two checks that had been zeroed out and that they were items of correction and should not have shown up on the report.</p> <p>Public Comments – Julie Tacker objected to reimbursement Check 285999 to Carrie Young for staff meal for Fire in the amount of \$85.00 to 2<sup>nd</sup> Street Café; and asked if Directors Compensation could be added to the Warrant Register each month.</p> <p>General Manager Osborne responded that she would discuss this with the bookkeeper.</p> <p><b>Committee Member Grimm made a motion that the Committee recommend that the Board approve the warrant register for February 22, 2019 through March 22, 2019. The motion was seconded by Committee Member Gonzalez and passed by unanimous consent.</b></p>	<b>Action: The Committee recommended that the Board approve the warrant register for February 22, 2019 through March 22, 2019.</b>
<b>5. Review of Board Item Regarding Financial Reports for the Period Ending February 28, 2019</b>	<p>General Manager Osborne provided a summary of the report as submitted with the agenda packet.</p>	

AGENDA ITEM	DISCUSSION	FOLLOW-UP
<p><b>5. Review of Board Item Regarding Financial Reports for the Period Ending February 28, 2019 (continued)</b></p>	<p>Committee Member Gonzalez asked that with 33% of the year left would anything be going over the budgeted amounts with the Mid-Year corrections; asked if 7256 on page 11 was a regular replacement program; that clarification was needed as to what 4930 Other Revenue was; and, asked about the credit balance regarding 4114 Water Other Revenues.</p> <p>Committee Member Grimm asked about 7255 Security Services costing \$12,875.40 for the year; and, that the budget calls for \$57,000 in 4105 Recycled Water and there is nothing.</p> <p>General Manager Osborne responded that this is an ongoing replacement program and that we are looking at new type of meters for future replacements; that she will report back to the Committee regarding Other 4930 Revenue; and, that 4114 are deposits for a meter upgrade and once work is complete it is reimbursed. She responded to Committee Member Grimm that she will report back to the Committee and that we have not yet received recycled water from the County.</p> <p>Public Comment – Richard Margetson commented that the last page of the Admin financials and inquired as to any major reductions to the Drainage Reserves.</p> <p>Julie Tacker objected to approving the Financials without a new document with corrected numbers and suggested approving both February and March Financials at the next meeting; commented that President Ochylski's compensation was to be placed in a Fund to be tracked had not been completed; commented on the Parks and Recreation Balance Sheet regarding the Rubber Chip Removal Project; and, commented on the GM's time and expenses regarding the Low Income Assistance Fund.</p> <p><b>Committee Member Gonzalez moved that the Committee recommend that the Board receive and file the financials for the period ending February 28, 2019 subject to corrections and adjustments. The motion was seconded by Committee Member Grimm and passed by unanimous consent.</b></p>	<p><b>Action:</b> The Committee recommended that the Board receive and file the financials for the period ending February 28, 2019 subject to corrections and adjustments.</p>
<p><b>6. Review of Board Item Regarding Designating the Local Agency Investment Fund (LAIF) as the Drainage and Parks and Recreation Account</b></p>	<p>General Manager Osbourne provided a summary of the report as submitted with the agenda packet reporting it would make the bookkeeping easier for Parks and Drainage Account Reserves.</p> <p>Public Comment – Richard Margetson commented that the report states that the Drainage Reserve has \$227,293 and that Parks has \$291,656 in reserves per the 2017/2018 Audit and that those numbers were not audited; he objected that this report stated \$227,293 but the Balance Sheet stated 139,962.74; and, if interest income in LAIF is actually drawn out each year and deposited into the individual accounts or does it continue to accrue in the LAIF.</p> <p>This item was tabled to be brought back at a later date.</p>	<p><b>Action:</b> The item was tabled to a later date.</p>
<p><b>7. Review of Board Item Regarding Establishing a Money Market Account at Pacific Premier Bank and Approve the Transfer of Water CD into the Newly Established Account</b></p>	<p>General Manager Osbourne provided a summary of the report as submitted with the agenda packet. She introduced Liz Summers, Pacific Premier Bank Senior Client Relationship Manager, to answer any questions that the Committee may have.</p> <p>The Committee discussed the Money Market Account versus the Certificate of Deposit; public funds collateralization by Pacific Premiere Bank vs FDIC protection; and the heavy regulations that it must uphold for the clients.</p> <p>Public Comment – None</p>	

AGENDA ITEM	DISCUSSION	FOLLOW-UP
7. Review of Board Item Regarding Establishing a Money Market Account at Pacific Premier Bank and Approve the Transfer of Water CD into the Newly Established Account (continued)	Committee Member Gonzalez moved that the Committee recommend that the Board adopt Resolution 2019-11 to establish a money market account at Pacific Premier Bank for the Water Fund, roll over the CD, and move \$1,000,000 from the Water Money Market account at Rabobank into the new Money Market account at Pacific Premier Bank. The motion was seconded by Committee Member Grimm and passed by unanimous consent.	<u>Action:</u> The Committee recommended that the Board adopt Resolution 2019-11, establish a money market account at Pacific Premier Bank for the Water Fund, roll over the CD, and move \$1,000,000 from the Water money market account at Rabobank into the new money market account at Pacific Premier Bank.
8. Public Comments on Items NOT on this Agenda	Richard Margetson commented that on page 17 of the Financials has taken in \$106,026.41 in taxes, with expenditures at \$80,844.70 and wants to reiterate that the money is not coming out of reserves.	
9. Schedule Next FAC Meeting	The next meeting of the Financial Advisory Committee is scheduled for April 29, 2019, unless otherwise noted.	
10. Closing Comments by FAC Committee	None	
11. Adjournment	The meeting adjourned at 7:04 p.m.	