

Bolinas Community Public Utility District
A Meeting Of The Finance Committee of the Board Of Directors
May 19, 2020 270 Elm Road, Bolinas

1. Call to Order.

11: 22 a.m.

2. Roll.

Directors Amoroso and Lyndon Comstock (by phone); General Manager Jennifer Blackman also present.

3. Draft Update of the District's Five-Year Capital Improvement Plan.

Staff noted that no changes have been made to the District's Five-Year Capital Improvement Plan ("CIP") since the Finance Committee last reviewed it on April 14, 2020. There were no comments on or questions about the Five-Year CIP from the committee members or the public.

4. Draft Fiscal Year 2020-21 Budget and related spreadsheets re: status of debt and status of reserves.

Staff directed the Committee's attention to the revisions made to the draft budget since the Committee last reviewed it on April 14, 2020. The revisions include incorporating the proposed update to the Memorandum of Understanding ("MOU") between the BCPUD Board and staff concerning compensation, with a 3.5% wage increase for all employees with the exception of the General Manager. The General Manager has declined a wage increase this year, noting that the funds saved will offset the increased revenue needed to give the other employees a wage increase. Director Comstock said the Committee's recent review of other similarly situated special districts indicates that the General Manager actually is underpaid and he would support a pay raise for the General Manager as well as the other employees; that said, he will defer to the full Board in regards to employee wage increases. Staff noted that per the updated MOU, standby pay will increase from \$55.00 to \$57.00 per shift, and monthly cellphone reimbursement will increase from \$43.00 to \$50.00 per month per employee (including the district's Administrative Assistant). Staff reported that the Personnel Committee is prepared to recommend that the Board approve the updated MOU at the May 20, 2020 regular Board meeting.

Staff said the draft budget also reflects an updated planned retirement date for the district's Chief Operator; he previously planned to retire in December 2020 and has decided to defer his retirement until June 2021. Staff therefore has updated the budget to reflect this and included a four-month potential transition period to train a new employee, assuming the Chief Operator does in fact retire effective June 30, 2021.

Staff noted the District recently was informed that the Bolinas Children's Center will be vacating the building as of June 30, 2020. The annual revenue that the district receives from that lease is \$5,040.00. Staff proposes to keep this relatively small revenue line item in the budget remain as the space could be rented for short term events or meetings. Staff said that in light of the on-going Covid 19 pandemic, the Board may want to consider utilizing the "main hall" to hold socially-distanced meetings in the future.

Staff highlighted noted that minor adjustments, less than \$15,000, were made in various line items to balance the budget. Director Comstock asked whether staff incorporates current fiscal years actual costs to-date when creating the budget document, particularly costs relating to employee services. Staff said yes, noting that while the district's third quarter financial statements are not yet available, most of the actual expenses as compared to budgeted expenses at the end of the second quarter were on the mark. Director Comstock asked if the Resource Recovery Project ("RRP") is achieving its budgeted income given Recology's operational changes (i.e., taking Stinson Beach green waste to the Redwood site). Staff said that per the second quarter financial statements, the RRP is ahead of budget in terms of revenue.

Director Comstock then inquired about the tax revenue received from the County thus far. Staff said that as of April 16, 2020, the district has received approximately \$360,000 in tax revenues, with an expected additional amount of \$18,000 by June 30, 2020, which is nearly exactly the budgeted amount of tax revenue in the district's budget. Staff noted that the tax revenue projects were lowered slightly in the draft FY 2020-21 budget due to expected financial repercussions from the ongoing pandemic. Discussion ensued regarding the current shelter-in-place circumstances and the possible extent of revenue ramifications to the district. Overall, staff believes the district is in good shape for the current fiscal year, but the upcoming fiscal year is quite uncertain.

The Committee then turned to an updated version of the status of reserves spreadsheet, which staff has updated to render it easier to read. Staff said credit goes to Administrative Assistant Belle Wood for the excellent format modifications. The Committee reviewed the spreadsheet and offered several clarifying revisions which staff will make on the next version.

5. Customer Mailer with Draft Fiscal Year 2020-21 District Budget.

Staff presented a draft customer mailer for the FY 2020-21 District Budget. Staff emphasized that because the district is not proposing to increase service rates this year, an official "Proposition 218" notice is not

required; instead, this mailer generally informs the public about the draft budget and the upcoming public hearing on June 17, 2020. Director Amoroso suggested a clarifying edit. After a brief discussion, the Committee agreed to recommend that the full Board of Directors approve the customer mailer at the upcoming regular Board meeting on May 20, 2020.

6. Community Expression

None.

7. Adjournment

1:13 p.m.