

Pursuant to Governor Newsom's Executive Order N-29-20, members of the Finance Standing Committee or staff will participate in this meeting via a teleconference. Members of the public can submit written comments to the Board Secretary at boardcomment@camabriacsd.org.



FINANCE COMMITTEE

REGULAR MEETING
Tuesday, September 28, 2021 - 10:00 AM

AGENDA

Please click the link below to join the webinar:

<https://us06web.zoom.us/j/98917238546?pwd=VmxuMDloOGNwY3VDMFNtOVJ6a01NZz09>

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Copies of the staff reports or other documentation relating to each item of business referred to on the agenda are on file in the Office of the Board Secretary, available for public inspection during District business hours. The agenda and agenda packets are also available on the CCSD website at www.camabriacsd.org. Please call 805-927-6223 if you need any assistance. If requested, the agenda and supporting documents shall be made available in alternative formats to persons with a disability. The Committee Chairperson will answer any questions regarding the agenda.

- A. CALL TO ORDER
- B. ESTABLISH QUORUM
- C. CHAIRMAN'S REPORT
- D. COMMITTEE MEMBER COMMUNICATIONS

Any Committee Member may make an announcement, report briefly on his or her activities, or ask a question for clarification.

1. PUBLIC COMMENT

Members of the public may now address the Committee on any item of interest within the jurisdiction of the Committee but not on its agenda today. Future agenda items can be suggested at this time. In compliance with the Brown Act, the Committee cannot discuss or act on items not on the agenda. Each speaker has up to three minutes.

2. CONSENT AGENDA

- A. Consideration to Approve the August 24, 2021 Regular Meeting Minutes

3. REGULAR BUSINESS

- A. Discuss and Consider Final Report of the Strategic Plan Ad-Hoc Assignment to Identify Under-funded/Under-Resourced and Under-Staffed Services
- B. Receive Update on FY 20/21 Audit
- C. Receive Update on Tyler Incode

4. FUTURE AGENDA ITEMS

5. ADJOURN

FINANCE COMMITTEE
REGULAR MEETING
Tuesday, August 24, 2021 - 10:00 AM
MINUTES

A. CALL TO ORDER

Chairman Gray called the meeting to order at 10:00 a.m.

B. ESTABLISH QUORUM

A quorum was established.

Committee members present via Zoom: Tom Gray, Ted Siegler, Dewayne Lee, Marvin Corne, and Cheryl McDowell.

Absent: Mary Maher

Staff present via Zoom: John Weigold, General Manager, Pamela Duffield, Finance Manager, Ossana Terterian, Board Secretary.

C. ELECTION OF ALTERNATE SECRETARY

Cheryl McDowell was approved 3-Ayes, (Lee,, Siegler, Corne) 0 Nays, 1 abstention (McDowell), 1 absent

D. CHAIRMAN'S REPORT

None

E. AD HOC SUBCOMMITTEE REPORTS

Committee member Siegler made a comment

1. COMMITTEE MEMBER COMMUNICATIONS

None

2. PUBLIC COMMENT

None

3. CONSENT AGENDA

- A. Consideration to Approve the July 27, 2021 Regular Meeting Minutes and the August 10, 2021 Special Meeting Minutes

Committee Member Lee moved to approve the meeting minutes.

Committee Member Siegler seconded the motion.

The motion was approved 5-Ayes (Lee, Maher, McDowell, Siegler, Corne), 0-Nays, 0-Abstain

2. REGULAR BUSINESS

- A. Receive Update on Tyler Incode

Ms. Duffield presented an update on the Tyler Incode implementation status.

- B. Review and discuss strategic plan ad-hoc assignment to identify potential structural changes to address under-funded/under-resourced and under-staffed services.

Some members of the existing ad-hoc subcommittee expressed an interest in removing themselves from the committee. This would create an opportunity for others to participate. There was no action taken. The issue will be taken up at the October meeting.

- C. Review CCSD Reserve Policy #2150

Committee members Corne and Siegler, who comprised the existing ad-hoc subcommittee to draft a Reserve Policy expressed an interest in reviewing and potentially revising the Reserve Policy #2150. No further action was taken.

3. FUTURE AGENDA ITEMS

Chairman Gray asked for any future agenda items.

4. ADJOURN

Chairman Gray adjourned the meeting at 11:11 a.m.

Summary of CCSD Finance Committee Ad Hoc on unfunded/underfunded/understaffed

On January 19, 2021, the CCSD Board of Directors adopted a strategic plan objective to “achieve and sustain adequate financial resources to sustain the mission”. The Finance Committee was assigned the task of identifying unfunded, under-funded, or understaffed activities.

Each CCSD Department Manager submitted a list of his/her department’s needs that fell into the category of unfunded, under-funded, or understaffed. These needs were then prioritized as

1. Needed now or within next 6 months
2. Needed within 6-12 months
3. Beyond 12 months

The items were further identified as “one-time only” or “ongoing”. (see attached list)

Once the funding gaps were identified, the committee was to seek possible solutions which might include cost savings, new sources of revenue or the development of new or enhanced public-private partnerships. An ad hoc subcommittee of the Finance committee was formed to work with the CCSD Finance Manager in the pursuit of this goal.

The decision was made that this group should narrow its focus to concentrate on the General Fund areas- specifically Fire Dept., Facilities & Resources and Parks, Recreation & Open Spaces.

As the group began its analysis of the issues, it became apparent that there is insufficient revenue for the District to continue to provide the same services and at the same level as it has been attempting to do or to expand services to meet the additional requests.

The first recommendation is that a roundtable meeting be held with a group of the most influential members of the community (i.e., leaders of the major civic organizations, FFRP, Chamber of Commerce, Lions Club, Greenspace, American Legion, etc.). The participants should be made aware of CCSD’s financial challenges, and their assistance sought to identify possible courses of action. CCSD should be represented by Board President Steidel, Finance Committee Chairman Gray, General Manager Weigold and Finance Manager Duffield.

Community participants should be limited to no more than eight to keep the meeting to a manageable size.

Obviously, every possible grant opportunity for each of the various areas should be explored.

Fire Department

Priority 1

A grant application for the additional 3 firefighters is pending. If that grant is received it will provide a short-term solution. Grants for some of the other needs may also be available. However, for the long-term, the Board of Directors must decide to what level they wish to staff and equip the fire department. The only viable and sustainable source of additional revenue is

a substantial increase to property taxes through the fire benefit assessment. The proposition for such increase must be presented to the voters and receive a two-thirds majority in favor.

Priority 2

Many, if not most of the priority 2 items can be funded in the normal budgeting process with exception of the addition of clerical staff. Perhaps the need for a clerical staff can be met by sharing resources with other departments. The department should investigate the sharing of an existing training facility with other fire departments in the area rather than invest in creating its own. The new fire engine, if needed, may be financed.

Priority 3

The further addition of staff falls into the same scenario as in priority one requiring fire benefit assessment increases. Financing of the generator might be obtained. The water tender is far enough in the future that a dedicated reserve may be created to prepare for the purchase. As for the expansion of the fire station, without a windfall grant of some kind it is unlikely that funds will be available for this project in the foreseeable future.

As a strategic alternative, the board might consider merging the fire department with another such as SLO County Fire or CalFire.

Facilities and Resources

Priority 1

Consider adding the additional maintenance worker at a lower job grade to reduce the initial expense or utilize part-time or temporary help.

Seek grants to assist with the weed abatement and tree removal

Continue to pursue county, state and federal assistance with the storm damage expenses

Vets Hall: The combined priority 1,2 and 3 Vets Hall repair projects total \$375,000. This is a result of deferring needed maintenance over a long period of time. CCSD should consider enlisting the help of other civic organizations or citizens groups to form an independent 501(c)3 foundation to "save the hall". The foundation could then launch a community fund raising effort to make the necessary repairs and assume the management and maintenance responsibility going forward. An alternative short-term solution might be to attempt to secure a loan on the building to fund the repairs. In the meantime, CCSD staff will review all fees relative to the use of the Veterans Hall for opportunities to increase revenue.

Homeless Encampment: Every effort should be made to discourage these encampments. Seek grants or other financial assistance from the county and state to defray the expense associated with these encampments.

Fiscalini Ranch Preserve: It is recognized that Fiscalini Ranch Preserve is a virtual treasure for Cambrians and visitors alike and every effort must be made to maintain and preserve it. The combined priority 1 and 2 needs on the list total \$1.5 million. CCSD alone does not have the ability to acquire this amount. It must rely on grants or financial assistance from other entities. Senior Management of CCSD should meet with the Senior Management of Friends of Fiscalini Ranch Preserve to review and, if necessary, update the Ranch Management Plan that was implemented in 2003. The objective of the meeting would be to reach agreement on a realistic maintenance and funding plan.

Other: CCSD personnel perform a considerable amount of maintenance and service on property owned by SLO County (parking lots, restrooms, etc.) or other agencies. Efforts should be made to ensure that the District is reimbursed for those services or stop performing them and deploy resources elsewhere.

PROS

Parks, recreation, and open-space projects on the list are all very desirable but without major grant opportunities funds to execute these projects are unlikely to become available in the foreseeable future.

One possible revenue source, albeit a small one, might be to seek a share of the SLO County Transient Occupancy Tax (TOT). The county collects a 12.5% lodging tax of which 1.5% is used to promote tourism. The PROS resources and activities support tourism therefore CCSD should be entitled to a portion of the tax revenue. SLO County says the remainder of the TOT goes for other public services. Again, CCSD performs some of those services and should be compensated accordingly.

Administration

Most of the Administration needs can be funded through the normal budgeting process except for an Administration Office Building. A specific reserve should be established to begin accumulating funds for this purpose.

Vacant Lots owned by CCSD

Attempt to divest as many of these lots as possible. Seek volunteer labor in the maintenance of these properties ("adopt a lot program"). No additional real estate should be accepted by CCSD without guaranteed funding for its maintenance.

Conclusion

As an unincorporated community services district, CCSD is limited in its ability to raise revenue. As in the private sector, the first step toward achieving and maintaining financial stability is to look for savings through efficiency and eliminating waste. Since Cambria is a no-growth community and, in fact, has lost population in the last decade there should be an opportunity to reduce rather than increase personnel. The implementation of new technologies should

enable additional efficiencies. Wherever practical, outsourcing should be considered as a means to reduce headcount. An additional benefit is the elimination of the need to purchase and maintain equipment.

District staff is encouraged to examine every activity for possible cost savings. Cross-training of employees and sharing of vehicles and equipment between departments is a good starting point.

Cambridia Community Services District
Strategic Plan - Achieve and Sustain Adequate Financial Resources to Fulfill the Mission
Task #1 - Identify Underfunded, Under-resourced and Under-staffed Services
Due Date - April 1, 2021, Updated July 27, 2021

Fund	Department	Source	Priority	Budget Item Request Description	Line Item Request Amount	FY 2021/2022		Ongoing Expense (Y/N)
						FY 2021/22 Funded Amount	FY 2021/22 Unfunded Amount	
General	Fire	Budget Funded	1	Radio System Upgrade (Grant Failed with County OES)	30,000	30,000	-	N
General	Fire	Budget Unfunded	1	Addition of 3 Firefighters (Step E Salary & Benefits) 3 Staff - Replaces the reserve firefighter program and provides 3 staff on engine at one time. (current is 2 FTE and 1 reserve firefighters)	361,200	-	361,200	Y
General	Fire	Budget Unfunded	1	Zoll X Series EKG (Grant Offset)	40,000	40,000	-	N
General	Fire	Budget Unfunded	1	Station Security Upgrade - Phase I of III	80,000	20,000	60,000	Y
Priority 1 Sub-Total					511,200	90,000	421,200	
General	Fire	Budget Unfunded	2	Fuel Station Computer Replacement (Delayed in FY 19/20)	14,000	14,000	-	N
General	Fire	Budget Unfunded	2	Addition of Clerical Assistant	74,799	-	74,799	Y
General	Fire	Under Funded	2	2021 Storm Damage	42,975	12,000	30,975	N
General	Fire	Under Funded	2	Hose Replacement - Per NFPA Guidelines (current 30+yrs)	30,000	-	30,000	N
General	Fire	Under Funded	2	2nd Set of Turnout Uniforms for FF - Per NFPA (13 sets)	26,000	-	26,000	N
General	Fire	Under Funded	2	Training Facility for Firefighters	50,000	-	50,000	N
General	Fire	Under Funded	2	Unimproved Property for Training Facility	50,000	-	50,000	N
General	Fire	Under Funded	2	Fire Station Painting Exterior & Garages	20,000	-	20,000	N
General	Fire	Under Funded	2	Fire Engine Type 3 (FY 2022/2023)	400,000	-	400,000	N
General	Fire	Under Funded	2	Truck - Utility with Buildout (Loan Offset)	50,000	50,000	-	N
Priority 2 Sub-Total					757,774	76,000	681,774	
General	Fire	Budget Unfunded	3	CERT (New GL Acct Fmly 6220A)	5,500	3,605	1,895	Y
General	Fire	Under Funded	3	Fire Prevention Officer (Paramedic/Captain)	168,000	-	168,000	Y
General	Fire	Under Funded	3	Additional Storage Shed & Foundation	8,000	8,000	-	N
General	Fire	Under Funded	3	Fire Station Addition for Residential Wing/Admin Office	3,000,000	-	3,000,000	Y
General	Fire	Under Funded	3	Water Tender (FY 2031/2032)	250,000	-	250,000	N
General	Fire	Under Funded	3	Vehicle Equipment Reserve - Annual	50,000	-	50,000	Y
General	Fire	Under Funded	3	Emergency Generator Replacement	100,000	-	100,000	N
General	Fire	Under Staffed	3	Addition of 3 Firefighters (Step E Salary & Benefits) 4 Staff - Replaces the reserve firefighter program and provides 4 staff on engine at one time. (current is 2 FTE and 1 reserve firefighters)	361,200	-	361,200	Y
Priority 3 Sub-Total					3,942,700	11,605	3,931,095	
Fire Department - Sub-Total					5,211,674	177,605	5,034,069	
General	Fac & Res	Budget Unfunded	1	Addition of Maintenance Worker (Step E & Benefits)	92,603	-	92,603	Y

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						FY 2021/22 Funded Amount	FY 2021/22 Unfunded Amount	
General	Fac & Res	Budget Unfunded	1	Buildings & Grounds Increase for weed abatement & tree removal	120,000	-	120,000	Y
General	Fac & Res	Budgeted	1	Temporary Services (6 mos)	24,000	8,000	16,000	Y
General	Fac & Res	Under Funded	1	2021 Storm Damage	269,750	48,500	221,250	N
General	Fac & Res	Under Funded	1	Vets Hall - Priority 1 Projects	116,500	15,000	101,500	Y
General	Fac & Res	Under Funded	1	Rodeo Grounds Shop Building - Annual CIP Budget	30,000	-	30,000	Y
General	Fac & Res	Under Fund/Res/Staff	1	Homeless Encampment	150,000	60,000	90,000	Y
General	Fac & Res	Under Fund/Res/Staff	1	Vacant Lot Maintenance (450 +/- Lots)	80,973	80,973	-	Y
Priority 1 Sub-Total					883,826	212,473	671,353	
General	Fac & Res	Under Funded	2	Vets Hall - Priority 2 Projects	112,500	-	112,500	Y
General	Fac & Res	Under Funded	2	Community Park/Dog Park Maintenance	14,100	14,100	-	Y
General	Fac & Res	Under Fund/Res/Staff	2	Ranch Staffing/Maintenance	500,000	-	500,000	Y
General	Fac & Res	Under Fund/Res/Staff	2	Public Restrooms (Monthly cleaning, supplies, repairs, staffing)	36,336	36,336	-	Y
Priority 2 Sub-Total					662,936	50,436	612,500	
General	Fac & Res	Under Funded	3	Street Lighting - Annual Electricity, Maintenance	16,200	16,200	-	Y
General	Fac & Res	Under Funded	3	Vets Hall - Priority 3 Projects	145,500	-	145,500	Y
General	Fac & Res	Under Funded	3	Public Restroom & Parking Lot - Annual CIP Budget	5,000	-	5,000	Y
General	Fac & Res	Under Funded	3	Cross Town Trail, Santa Rosa Creek Trail Systems	6,375	6,375	-	Y
General	Fac & Res	Under Funded	3	Cross Town Trail, Santa Rosa Creek Trail Systems- Asphalt Maint	50,000	-	50,000	Y
General	Fac & Res	Under Funded	3	Pocket Parks Maintenance - Moonstone Beach & Bridge/Center	1,000	1,000	-	Y
General	Fac & Res	Under Funded	3	Banner Program for Non-Profits	1,000	-	1,000	Y
General	Fac & Res	Under Funded	3	Trash Enclosures - Decorative Planters Annual Replacement	35,000	-	35,000	Y
General	Fac & Res	Under Fund/Res/Staff	3	Ranch Mgmt Plan Projects, Forest Mgmt & Restoration	1,000,000	-	1,000,000	N
Priority 3 Sub-Total					1,260,075	23,575	1,236,500	
Facilities & Resources Department Sub-Total					2,806,837	286,484	2,520,353	
General	PROS	Budget Unfunded	3	Community Park Phase II - Design	10,000	-	10,000	N
General	PROS	Under Funded	3	Skatepark - CIP for Construction	350,000	7,215	342,785	N
General	PROS	Under Funded	3	Fiscalini Ranch Restroom - CIP for Construction	220,000	14,925	205,075	N
General	PROS	Under Funded	3	Community Park Plan- CIP for Construction	3,000,000	-	3,000,000	N
General	PROS	Under Funded	3	Community Park Plan- CIP for Construction (Land Only)	1,000,000	-	1,000,000	N

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						FY 2021/22 Funded Amount	FY 2021/22 Unfunded Amount	
Priority 3 Sub-Total					4,580,000	22,140	4,557,860	
PROS Department Sub-Total					4,580,000	22,140	4,557,860	
General	Admin	Under Funded	1	Consultant Services for Redistricting	3,600	3,600	-	N
Priority 1 Sub-Total					3,600	3,600	-	
General	Admin		2		-	-	-	N
Priority 2 Sub-Total					-	-	-	
General	Admin	Budget Unfunded	3	Clerical Assistant Part-Time to Full Time (Step E & Benefits)	44,879	-	44,879	Y
General	Admin	Under Funded	3	Replace District Car (FY 2022 or 2023)	30,000	-	30,000	N
General	Admin	Under Funded	3	Administrative Office Building	400,000	-	400,000	N
General	Admin	Under Funded	3	Administrative Office - Leased Space Carpet	25,000	-	25,000	N
Priority 3 Sub-Total					499,879	-	499,879	
Administrative Department Sub-Total					503,479	3,600	499,879	
Total General Fund					10,286,254	60,920	10,225,334	
Water	Water	Under Funded	1	CIP Priority 1 Projects	1,570,527	579,649	990,878	Y
Priority 1 Sub-Total					1,570,527	579,649	990,878	
Water	Water	Under Funded	2	CIP Priority 2 Projects	633,000	-	633,000	Y
Water	Water	Under Funded	2	Cover for Sheltering of Equipment at Plant (50%)	15,000	15,000	-	N
Water	Water	Under Funded	2	AWIA (American Water Infrastructure Act) Vulnerability Assessment	5,000	5,000	-	N
Water	Water	Under Funded	2	TCP (Trichloropropane) Monitoring	5,000	5,000	-	Y
Water	Water	Under Funded	2	Modular Office Building @ Plant	10,000	10,000	-	N
Water	Water	Under Funded	2	2021 Storm Damage	47,000	-	47,000	N
Water	Water	Under Resourced	2	Lease w/CUHS for Well Site (annual cost w/annual CPI incr)	42,000	42,000	-	Y
Priority 2 Sub-Total					757,000	77,000	680,000	
Water	Water	Under Funded	3	CIP Priority 3 Projects	1,181,000	-	1,181,000	Y
Water	Water	Under Funded	3	Van Gordon Site - Modular Office Building	100,000	-	100,000	N
Water	Water	Under Funded	4	CIP Priority 4 Projects	100,000	-	100,000	Y

Cambria Community Services District
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Fund	Department	Source	Priority	Budget Item Request Description	Line Item Request Amount	FY 2021/2022		Ongoing Expense (Y/N)
						FY 2021/22 Funded Amount	FY 2021/22 Unfunded Amount	
Priority 3 & 4 Sub-Total					1,381,000	-	1,381,000	
Water Department Sub-Total					3,708,527	656,649	3,051,878	
Water	WRF-Ops/Cap	Under Funded	1	CIP Priority 1 Projects	200,000	200,000	-	Y
Priority 1 Sub-Total					200,000	200,000	-	
Water	WRF-Ops/Cap	Under Funded	2	CIP Priority 2 Projects	260,000		260,000	Y
Water	WRF-Ops/Cap	Under Funded	2	2021 Storm Damage	51,000	-	51,000	N
Priority 2 Sub-Total					311,000	-	311,000	
Water	WRF-Ops/Cap	Under Funded	3	CIP Priority 3 Projects	410,000		410,000	Y
Priority 3 Sub-Total					410,000	-	410,000	
SWF Department Sub-Total					921,000	200,000	721,000	
Wastewater	Wastewater	Budget Unfunded	1	Replace John Deere Tractor	70,000	70,000	-	N
Wastewater	Wastewater	Budget Unfunded	1	Replace Van - Transport of Video Camera System	55,000	55,000	-	N
Wastewater	Wastewater	Under Funded	1	CIP Priority 1 Projects	1,520,000	135,125	1,384,875	Y
Wastewater	Wastewater	Under Funded	1	CIP Priority SST Projects	10,416,852	489,894	9,926,958	Y
Priority 1 Sub-Total					12,061,852	750,019	11,311,833	
Wastewater	Wastewater	Under Funded	2	CIP Priority 2 Projects	80,000	-	80,000	Y
Wastewater	Wastewater	Under Funded	2	2021 Storm Damage	2,269	2,269	-	N
Wastewater	Wastewater	Under Funded	2	PFAS (Per-and polyfluoroalkyl substance) Monitoring	5,000	2,000	3,000	Y
Wastewater	Wastewater	Under Funded	2	PFAS (Per-and polyfluoroalkyl substance) Treatment	100,000	10,000	90,000	Y
Wastewater	Wastewater	Under Funded	2	Cover for Sheltering of Equipment at Plant (50%)	15,000	-	15,000	N
Priority 2 Sub-Total					202,269	14,269	188,000	
Wastewater	Wastewater	Under Funded	3	CIP Priority 3 Projects	695,000	-	695,000	Y
Priority 3 Sub-Total					695,000	-	695,000	
Wastewater Department Sub-Total					12,959,121	764,288	12,194,833	
Total Enterprise Funds					17,588,648	1,620,937	15,967,711	