



November 21, 2014

TO: LOCSD Board of Directors

FROM: Kathy A. Kivley, General Manager

SUBJECT: **Agenda Item 11F – 12/04/2014 Board Meeting**
Approve 2015 Advisory Committee Meeting Schedule

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DESCRIPTION

Approve a meeting schedule for the 2015 standing committees.

SUMMARY OF STAFF RECOMMENDATION

Staff recommends that the Board adopt the following motion:

Motion: I move that the Board adopt the standing committee template for meetings and discussion items for Calendar Year 2015 and authorize additional meetings as the General Manager or Board of Directors view as necessary.

DISCUSSION

It is important for the efficient operation of the District, just as with the yearly establishment of dates for the Board Meetings the Board of Directors, to establish meeting dates for the standing committees. In order for the District's staff to plan appropriately and prepare accurate information the establishment of dates and potential subjects facilitate this process.

Prior to the arrival of current staff, the accounting system including cash and reserve funds were combined into accounts without any clear definition and did not conform to Government Accepted Accounting Practices (GAAP). This required a need to create a team (Finance Advisory Committee [FAC]) to discern what goes where each month. This also created a need for the District Accountant to work side-by-side with the auditors each year to sift through one big cash account, define account methods and prepared endless financial spread sheets since the information was not readily available through the software. Prior to implementation of the software and on-going reconciliation of the accounts, the financial information did not conform to GAAP. The prior use of the financial system by definition was not transparent.

With the accurate implementation of the MIP software, reconciliation and analysis of the cash accounts and reserves, the financial system conforms to GAAP. Implementation and reconciliation of the accounting system brings transparency. The individual cash accounts as well as reserves accurately reflect the current cash balances and expenditure reports are issued month directly from the accounting system so the need for team discernment each month is unnecessary. Also, the strict adherence to GAAP combined with separating and reconciling bank accounts and cash accounts allowed the auditors to review the District's financial information with minimal staff input.

In fact, the auditors on their second trip schedule three (3) days to gather data and only spent one and one half days at the District. What this means for the FAC is that the standing committee may focus on bigger picture items as the monthly tasks associated with review of the old financial operations are no longer necessary.

This year was an extremely busy year with the Basin Management Plan, Rate Study, Drought Contingency Plan, CIP and Water Conservation Plan to name only few of the larger issues handled by the Utilities Advisory Committee (UAC) and requiring extensive work by staff. As with the FAC, with creation of the major time consuming projects behind the District, the UAC may focus on other projects. This does not mean that the Board of Directors won't refer items to the respective standing committees for their review, nor does this mean the projects referenced above won't be reviewed by the standing committees upon direction by the Board of Directors.

Attached is a template reflecting a yearly schedule for the standing committee meetings with potential items for discussion. This allows the Board to recognize the importance of pre-planning and allows staff to forward the items listed directly to the respective standing committees for their review and recommendations to the Board. Staff views this process as efficient and expedient especially because of the District's limited staff resources.

It is important to note this action is consistent with the Los Osos Community Service District Bylaws and Rules of Decorum. According to Section 11.1 (a) "Each standing committees shall meet either monthly or quarterly as determined by the Board of Directors".

FINANCIAL IMPACT

The recommended action will potentially save the monthly printing costs and reduce overtime expenses for the District.

Attachment: Committee Assignment Template

Committee Assignments

CY 2015	UAC	ESAC	FAC
January	Wednesday, January 21, 2015	Tuesday, January 20, 2015	
	<ul style="list-style-type: none"> *Mid-yr Utility budget review & recommendations to the Board *Drought Contingency *Brown Act Training *Sea Water Intrusion review & recommendations 	<ul style="list-style-type: none"> *Mid-yr Fire budget review & recommendations to the Board *Brown Act Training 	
February			Monday, February 2, 2015
			<ul style="list-style-type: none"> *Mid-year budget review & recommendations to the Board *Audit Report review & recommendations *Brown Act Training *CPI review & recommendations
March			
April	Wednesday, April 8, 2015	Tuesday, April 14, 2015	
	<ul style="list-style-type: none"> *CIP review & recommendations *FY15/16 Utility budget review & recommendations to the Board 	<ul style="list-style-type: none"> *Cooperative Fire Agreement *FY15/16 Fire budget review & recommendations to the Board *Special Fire Tax *Fire Code Updates *Hazard Abatement 	
May			Monday, May 4, 2015
			<ul style="list-style-type: none"> *FY2015/2016 budget review & recommendations to the Board *Reserves *Special Fire Tax
June			

Committee Assignments

CY 2015	UAC	ESAC	FAC
July	Wednesday, July 8, 2015	Tuesday, July 14, 2015	
	*Sea Water Intrusion review & recommendations	*Habitat Conservation review & recommendations *Hazard Abatement	
August			Monday, August 3, 2015
			*Investment Policy review & recommendations
September			
October	Wednesday, October 14, 2015	Tuesday, October 20, 2015	
	*Recommendations to Board re items for discussion CY 2016 *Water Conservation Measures	*Recommendations to Board re items for discussion CY 2016	
November			Monday, November 2, 2015
			*Recommendations to Board re items for discussion CY 2016 *Reserve Policy Review & Recommendations
December			