



ROSS VALLEY SANITARY DISTRICT

Serving the Greater Ross Valley Area for Over 100 Years

2960 Kerner Boulevard, San Rafael, Ca 94901

Ph: 415.259.2949 Fax: 415.460.2149

Directors: Michael Boorstein ~ Thomas Gaffney ~ Doug Kelly ~ Pamela Meigs ~ Mary Sylla

REGULAR FINANCE COMMITTEE MEETING AGENDA

Tuesday, August 16, 2022 – 11:00 a.m.

MODIFIED BROWN ACT REQUIREMENTS IN LIGHT OF COVID-19

Consistent with AB 361 and Resolution No. 21-1611, this meeting will be conducted by teleconference; members of the Board of Directors and members of the public may participate in this meeting through the following call-in information:

Meeting URL:

<https://us06web.zoom.us/j/87503322148?pwd=UTNYaHlXNmQwZ0o1NkpiQ3JxK1ByUT09>

Call In Phone number: +1 (669) 900-6833

Meeting ID: 875-0332-2148

Any member of the public on the telephone may speak during Public Comment or may email public comments to jcooper@rvsd.org and comments will be read from each member of the public. During this period of modified Brown Act Requirements, Ross Valley Sanitary District will use best efforts to swiftly resolve requests for reasonable modifications or accommodations with individuals with disabilities, consistent with the Americans with Disabilities Act, and resolving any doubt whatsoever in favor of accessibility.

Meetings of this Standing Committee will follow the same Rules of Decorum that govern RVSD Board Meetings.

The RVSD Board of Directors welcomes members of the public at its meetings and encourages citizen participation and input. The Board takes seriously its responsibility to be a model of civility and to safeguard the public ability to directly address the Board by providing the appropriate Board Meetings Decorum in accordance with Resolution No. 10-1378, which is posted at every Board meeting. Thank you.

The Senior Board Member serving on the Standing Committee will call agenda items, ask for the Staff Report, hear questions or initial concerns from Board Members, open the item for public comment and return to the Board for additional comments and direction. The public may speak for up to three minutes, as time allows, on agenda items.

Pursuant to Government Code § 54952.2(c)(6) Board members who are not members of the standing committee may attend only as observers and may not comment or otherwise participate.

1. Call Meeting to Order
2. Approval of Agenda
3. Approval of July 19, 2022, Finance Committee Meeting Notes
4. Informational Item: [Monthly Financial Report for the New Fiscal Year 2022-23](#)

5. Review of August 17, 2022, Agenda Item 7.b.: [Accept the Monthly Financial Statements of July 2022](#)
6. Review of August 17, 2022, Agenda Item 7.e.: [Authorize the General Manager to Execute an Agreement for a Three-Year Lease with Dell Financial Services for Replacement of Eleven Laptop Units in the Total Amount of \\$39,961.05](#)
7. Review of August 17, 2022, Agenda Item 7.f.: [Authorize the General Manager, Upon Review and Approval of Counsel, to Execute Task Order No. 23 to the Master Services Agreement with Integral Consulting Inc. for CEQA Compliance for the Woodland Capacity and Creek Crossings Project \(Project #956\) for an Amount Not to Exceed \\$54,823](#)
8. Review of August 17, 2022, Agenda Item 8: [Consideration of Authorizing the General Manager to Approve a Purchase Agreement with Community Media Center of Marin \(CMCM\) in the Total Amount of \\$19,297.37 for the Installation of Audiovisual Equipment at 1111 Andersen Drive](#)
9. Review of August 17, 2022, Agenda Item 9: [Consideration of Authorizing the General Manager, Upon Review and Approval of Legal Counsel, to Approve Task Order No. 5 to the Master Services Agreement with Harris & Associates, Inc. for Design and Engineering Services During Construction \(ESDC\) for the Woodland Capacity and Creek Crossings Project \(#956\) in the Amount of \\$286,306](#)

Adjourn

Any person with a disability covered under the Americans with Disabilities Act (ADA) may receive a copy of the agenda or a copy of all the documents constituting the agenda packet prepared by the local agency or other interested person for this meeting upon request in an appropriate alternative format. Requests for mailed copies of agendas or agenda packets are valid for the calendar year in which requests are made and must be renewed annually after January 1. Any person with a disability covered under the ADA may also request a disability-related modification or accommodation, including auxiliary aids or services in order to participate in a public meeting. Please contact the office at 415.259.2949 at least ten (10) working days prior to the meeting and provide information on the assistance required.

Copies of all staff reports and documents subject to disclosure that relate to each item of business referred to on the agenda are available for public inspection at least 72 hours before each regularly scheduled Board meeting at the District Office, located at 2960 Kerner Boulevard, San Rafael, CA. Any documents subject to disclosure that are provided to all, or a majority of all, of the members of the Board regarding any item on this agenda after the agenda has been distributed will also be made available for inspection at the District Office during regular business hours.

**ROSS VALLEY SANITARY DISTRICT
FINANCE COMMITTEE REGULAR MEETING NOTES**

Tuesday, July 19, 2022
11:00 a.m.

via Zoom

Committee

Members Present: Thomas Gaffney
Doug Kelly

Committee

Members Absent: None

Board Directors

Present: Michael Boorstein
Pamela Meigs

Staff and

Steve Moore, General Manager
Consultants Present: Felicia Newhouse, Assistant General Manager
Julia Cooper, Clerk of the Board
Paul Bruemmer, Operations and Maintenance Manager
Corey Spray, Finance Supervisor
Christina Winnicki, Accountant II
Courtney Buel, Management Analyst
Kevin Meller, Verkada
Lisa Sulmasy, Verkada
Matthew Fiala, QOVO
Carmen Kasner, Ardurra
Gabriela Dow, Ardurra

Public Present: None

Item # 1 – Call Meeting to Order

The meeting was called to order by Director Gaffney at 11:00 a.m.

Item # 2 - Approval of Agenda

The Committee amended the agenda for the July 19, 2022, to consider Items 10 and 11 after Item 3 to accommodate present consultants.

Item # 3 – Approval of June 14, 2022, Finance Committee Meeting Notes

The Committee approved the Finance Committee notes for June 14, 2022.

Item # 10 - Review of July 20, 2022, Agenda Item 10: Consideration of Authorizing the General Manager, Upon Review and Approval of Counsel, to Execute Payment in the Total Amount of \$178,589.12 to QOVO Solutions, Inc. for the Installation of Verkada Video Surveillance, Access Control, Alarm System, and Guest Management Integrations at 1111 Andersen Drive

GM Moore introduced this item and O&M Manager Paul Bruemmer reviewed the process of choosing this vendor and the benefits they provide. Kevin Meller of Verkada shared a brief presentation to review product features, project timeline, pricing, and the Committee agreed on the benefits.

Item # 11 - Review of July 20, 2022, Agenda Item 11: Consideration of Authorizing the General Manager, Upon Review and Approval of Counsel, to Approve a Master Services Agreement with Ardurra for Communication and Outreach Services and Task Order No. 1 for an Amount Not to Exceed \$150,000

GM Moore introduced this item and described the positive impact of NV5 on the District and the possibilities for growth by partnering with Ardurra. He reviewed the proposed budget and introduced Carmen Kasner of Ardurra. Ms. Kasner described her professional experience, and Gabriela Dow reviewed the proposed items for the upcoming year. The Committee reviewed the positive public outreach actions from the last few years and the benefits of working with the same public outreach team.

Item # 4 - Review of July 20, 2022, Agenda Item 8.b.: Accept the Monthly Financial Statements of May 2022

Director Gaffney thanked staff for their consistent financial reporting, and AGM Newhouse added that the Finance team has pushed to remove the reporting delay of an additional month. The Committee reviewed the check register and offered small corrections.

Item # 5 - Review of July 20, 2022, Agenda Item 8.c.: Accept the Year-End Financial Statements of Fiscal Year 2021/2022

The Committee reviewed the projected property tax revenue for the next fiscal year. President Kelly asked how the funded pension liability will be reported, and Finance Supervisor Corey Spray said that the funding plan can be added to the narrative section of the year-end report. The Committee reviewed specific line items in the check register including environmental review consultants and legal costs. The Committee reviewed the allocation of charges to CMSA though the inflow is lower, and AGM Newhouse offered that she would review it further and report out at the full Board meeting.

Item # 6 - Review of July 20, 2022, Agenda Item 8.e.: Authorize the General Manager, Upon Review and Approval of Counsel, to Execute Task Order No. 4 in the Amount of \$65,000 with Weir Andrewson Architects for Architectural and Structural Design Services

AGM Newhouse introduced this item and reviewed the different phases of the architectural and design services for the 1111 Andersen building. This is anticipated to be final task order and will last through project completion. GM Moore added said that this firm was essential to

create exhibits during the lease negotiations with Comcast. The Committee discussed the acquisition of first floor space.

Item # 7 - Review of July 20, 2022, Agenda Item 8.f.: Approve Annual Managed Services with IT Hub LLC for Information Technology (IT) Support in Fiscal Year 2022-23 for an Amount Not to Exceed \$87,000

GM Moore reviewed the annual contract renewal, and he praised IT Hub for their reliable services and dedication to cybersecurity. AGM Newhouse added detail for the cost of service. President Kelly said he would like to see additional training for phishing and email security. AGM Newhouse said that IT Hub is currently deploying that program and tracking staff metrics.

Item # 8 - Review of July 20, 2022, Agenda Item 8.g.: Adopt Resolution No. 22-1627 Determining the Annual Appropriation Limit for the Budget Fiscal Year 2023

AGM Newhouse introduced this item that demonstrates that the District reinvests revenue into service area infrastructure. Finance Supervisor Spray added that this limit focuses on property tax revenue where the District's main revenue source is use fees or sewer service charges. The Committee discussed ways to clarify the resolution while remaining compliant with the California constitution.

Item # 9 - Review of July 20, 2022, Agenda Item 9: Conduct Public Hearing and Consideration of Adopting of Resolution No. 22-1628 Approving the Report of Sewer Service Charges for Fiscal Year 2022/23 and Directing the Filing of Charges for Collection by the County Tax Collector

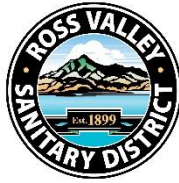
The Committee stated that they would like to keep the District's approved five-year plan. Director Gaffney said he intends to review the printed version of the report of sewer service charges.

Item # 12 - Review of July 20, 2022, Agenda Item 12: Consideration of Authorizing the General Manager, Upon Review and Approval of Counsel, to Execute a Sourcewell Contract Purchase Agreement in the Total Amount of \$373,624.95 to Vac-Con for a Vac-Con V230H/500 Combination Sewer Cleaning Truck

O&M Manager Bruemmer reviewed the need for a smaller, more nimble cleaning unit. This will be used for debris cleaning and sewer overflow responses on tighter roads of the District. Committee discussed previous equipment purchases, and O&M Manager Bruemmer explained the differences between the units and reduced need for manual excavation. Director Gaffney added that this item is in the approved annual budget. President Kelly said that this expenditure is in response to the reality of our District's topography. GM Moore said that he believes this purchase can reduce the frequency of sewer overflows.

Adjourn: The Committee adjourned the meeting at 12:29 p.m.

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ROSS VALLEY SANITARY DISTRICT

2960 Kerner Blvd., San Rafael, CA 94901
Tel. (415) 259-2949 | Web: www.rvsd.org

DATE: August 16, 2022

TO: RVSD Finance Committee Member Thomas Gaffney
RVSD Finance Committee Member Mary Sylla

FROM: Felicia Newhouse, Assistant General Manager
Corey Spray, Finance Supervisor

RE: Monthly Financial Report for the New Fiscal Year 2022-23

The purpose of this informational item is to provide the Finance Committee with a summary of the key changes to the Monthly Financial Report for July 2022 and going forward.

Previously, the Monthly Financial Report has been prepared with the below sections detailing specific activity within the District:

Key Indicators – This section described the overall District’s operations and cash activity. The section included the ending cash account balances, a total cash balance rollforward, and the total fiscal year-to-date revenue and expenditures.

Statement of Activities – Revenues & Expenditures – This section displayed the budget-to-actual comparison for both internal Enterprise Funds, Operating and Capital. The comparison was performed both against a year-to-date and full fiscal year budget allocation. From the comparison, line-items that met a certain threshold were described in a variance analysis.

Variance Analysis – This section described the rationale for the identified budget-to-actual variances that met the specific threshold of either (1) +/- 10% and \$10,000 or (2) +/- \$100,000.

Statement of Net Position – This section displayed the District’s assets, liabilities and net position on a comparative rolling three-month presentation.

Statement of Cash Flow and Requirements – This section displayed the District’s actual and projected cash flows on a monthly basis. Furthermore, the “Unrestricted Cash” was calculated.

Check Register & Change in Cash Report – This section displayed the District’s check register.

These sections are being revised to the following to help better present the District's monthly financial information for ease of understanding. The new sections that will be included are:

Performance Overview – This section describes the current month activity, i.e., both revenue and expenditures, in terms of level of significance within a category. The purpose is to present to the reader both what is and why the significant driver impacted the total monthly activity. For scenarios of which the annual budget is exceeded, this explanation is also included to keep the reader informed on District Staff accountability. All balances are sourced from the “Budget to Actual Comparison Tables” presented in the next section.

Budget to Actual Comparison Tables – This section displays the current fiscal and prior year same period month, and comparison of the current fiscal year-to-date actual activity against the total annual budget amount for each category. Categories were determined as described in the Adopted Budget Document. The shift towards comparing the fiscal year-to-date activity to the annual budget amount versus a computed year-to-average budget balance is used to better display the actual expenditures impact on the current fiscal year budget. An annual budget is approved, and Department Staff accordingly use approved appropriations in reference to the annual budget balance.

Fund Balance & Reserve Funding – This section both displays and describes the District's fund balance activity and how the Reserve Financial Policy is implemented. District reserves are better thought through as components of a modified accrual basis balance of District Net Position. This means that certain noncurrent assets and liabilities and associated activity are to be removed from the District's Net Position to approximate its Fund Balance. The reserves stipulated within the Financial Policy can then be examined for the activities that do occur within each fiscal month. The approximation is materially close to what it would be if the District maintained its books and records entirely on a modified accrual basis throughout the fiscal year given the adjustments are based on applicable Governmental Accounting Standards.

Cash Balance & Related Flows Activity – This section both displays and describes the District's cash activity. Like the previous report form, the cash account balances are presented, but with also a balance rollforward to show the receipts, disbursements, and transfers between each account. A projected cash flows statement is further added to convert the mostly accrual-based revenue and expenditures activity to cash activity as in accordance with the District's Financial Policies concerning monthly reporting to the Board. Unlike the previous format, the new format consolidates the revenue and expenditures activity to be more in line with cash inflows and outflows of resources on a quarterly basis versus monthly. The usage of a quarterly presentation is to clearly present the projection to a reader.

Current Month Check Register – This section displays the cash disbursements like in the previous format for Board review. Unlike in the previous format where a customized table was presented, the Board is now presented with a direct system export showing the full detail of what District Staff review on a periodic basis. Explanations of how to read this report are provided within the Monthly Financial Report to assist the Board's review. These explanations include how to exactly identify which transaction is capital related, a lateral program grant or loan payment, and which payment is a pass-through payment. This presentation better assists the Board in its review considering the report shows what the related general ledger account code is used.

Attachment: Monthly Financial Report July 31, 2022