



TVCS D Board of Director's Meeting Agenda

Date: Wednesday, November 9, 2016, 7 – 9 pm

Location: Tomales Town Hall, Tomales, California 94971

I. Call To Order

II. Open Communication Time for community members and visitors to bring up items they wish to discuss and items that do not appear on the agenda. Added items will be included under Other Business.

III. Approval of November 9, 2016 BOD Agenda Action

IV. Board Member Reports

V. Approval of October 12, 2016 Minutes Action

VI. Financial Report (Melinda Bell)

- a. Accept Check Registers and Approve Expenditures Action
- b. Financial Manager's Report Action
- c. Review and Approve Financial Statements Action
- d. Update on cost saving items (publication, memberships, etc.)

VII. General Manager's Report

VIII. Phillips & Associates Report

- a. Review reports for September 2016

IX. Committee Reports

- a. Financial Advisory Committee (FAC)
 1. Review approved October minutes
 2. Discuss "in progress" amendments to By-Laws and board approval to seek legal council Action
 3. Update and adjust the priorities calendar
- b. Park Advisory Committee (PAC)
 1. Review approved October minutes
 2. Approval of new PAC member Susan Alvarez Action
 3. Project Manager discussion

X. Pending Business

1. Newsletter update and approval of Disaster Council insert Action
2. Letter of appreciation to Steve Kinsey

XI. Other Business

XII. New Business

1. Call for Committee member volunteers
2. No TVCS D BOD meeting in December, discuss January 2017 meeting agenda
3. Explore issue of property owner inspection of private sewer lines
4. Ethics and sexual harassment trainings status

XIII. Correspondence

XIV. Adjournment

TVCS D MISSION STATEMENT: *Enhance quality of life, with commitment to the health of the community, by providing dependable wastewater collection, treatment and reuse in an environmentally friendly manner; maintaining safe and reliable recreational park facilities while providing a welcoming forum for active community participation and input.*

The agenda and supporting documents can be accessed on the TVCS D website 72 hours prior to the meeting. Anyone requesting

disability related accommodations may contact the district office 72 hours prior to the meeting.

PO Box 303 ● Tomales, CA ● 94971 ● ph 707.878.2767 ● www.tomalescsd.ca.gov

Board of Directors:

Bill Bonini, President ● Deborah Parrish, Vice President ● Donna Clavud ● Peter MacLaird ● Dru Fallon O'Neill



TVCS D Board of Director's Meeting Minutes

Date: Wednesday, October 12, 2016, 7 – 9 pm

Location: Tomales Town Hall, Tomales, California 94971 DRAFT

Board Members Present: Bill Bonini, President; Deborah Parrish, Vice President; Donna Clavaud, Dru Fallon O'Neill

Board Members Absent: Peter MacLaird

Also Present: Jose Ortiz, TVCS D General Manager; Melinda Bell, TVCS D Financial Manager; Cynthia Hammond, TVCS D Recording Secretary; Walter Earle, Margaret Graham, Terry Duffy, Venta Leon.

I. Call To Order

Bill Bonini called the meeting to order at 7:05 p.m.

II. Open Communication Time for community members and visitors to bring up items they wish to discuss and items that do not appear on the agenda. Added items will be included under Other Business.

Margaret Graham requested to address the following items:

1. What is the status of a Project Manager for the Park?
2. Requests clarification for changing the RFP proposal for the water fountain, which could be installed for under \$5,000. Deborah Parrish said this would be addressed under the PAC report as it was mentioned in the PAC minutes.

III. Approval of October 12, 2016 TVCS D BOD Agenda

Bill Bonini motioned to approve October 12, 2016 TVCS D BOD agenda. No objections.

IV. TVCS D Board Member reports

None

V. Approval of September 14, 2016 TVCS D BOD minutes

Bill Bonini motioned to approve September 14, 2016 TVCS D BOD minutes as is. No objections.

VI. Financial Report (Melinda Bell)

a. Accept check registers, approve expenditures and approve financial report:

Dru Fallon O'Neill motioned to accept check registers, approve expenditures and approve financial report. Deborah Parrish seconded the motion. M/S/U

b. Financial Manager's Report:

1. Melinda Bell reviewed with the board, the auditor's report on Accounting Controls and Procedures and acknowledged improved sewer program results from the prior year. There were no new recommendations made. Dru Fallon O'Neill is now reviewing bank statements.
2. Melinda Bell handed out the Robert W. Johnson audit report. The year-end audit reported a net loss of \$60,065 for the sewer program, which includes \$53,404 in depreciation expenses. There was a decrease in cash of \$50,181 including cash outlay of \$37,708 in payment of debt.
3. Year end audited results for the Park are a net increase of \$31,511 including \$7,500 in depreciation and recognizing capitalization of \$3,753 construction in process on the gazebo.

c. Acceptance of Robert W. Johnson's Audit Report and report of internal accounting controls and procedures:

Donna Clavaud motioned to accept Robert W. Johnson's Audit Report and accounting controls and procedures for the year ending June 30, 2016. Deborah Parrish seconded the motion. M/S/U

d. Approve Melinda Bell's contract for TVCSD Financial Services for the next two (2) years:

Dru Fallon O'Neill motioned to approve contract for Financial Services for the next two (2) years. Deborah Parrish seconded the motion. M/S/U

e. Approve Auditor, Robert W. Johnson proposal for TVCSD audit services the next three (3) years:

Dru Fallon motioned to accept the Robert W. Johnson contract for the next three (3) years. Deborah Parrish seconded the motion. M/S/U

f. Office utilization:

Melinda Bell requested from the board, their preference for correspondence. For efficiency, Deborah Parrish requests an email be sent to all TVCSD board members.

Ric Hahn has TVCSD office laptop computer and has suggested disconnecting the TVCSD office phone line. Currently, all calls to TVCSD office go directly to Melinda Bell's cell phone. There is no objection to disconnecting phone services.

VII. General Manager's Report

Jose Ortiz handed out an asset inventory list prepared by Robert W. Johnson. This asset inventory identified and determined the ages of assets in order to predict when assets may need to be replaced. Jose Ortiz added some assets that weren't listed on the Robert W. Johnson asset list. This data will be submitted to RCAC in January for a new rate analysis. Capital Improvement Plan (CIP) will identify critical areas for replacement for the next five (5) years. Jose Ortiz will get realistic values, as some costs are eighteen (18) years old. Donna Clavaud will send letter to RCAC advising them a request for a new rate analysis will be forthcoming.

Jose Ortiz proposes a closed circuit TV inspection (approx. 2,500 ft) this winter from the downtown area to the plant. Fog Oil Grease (FOG) tank is currently off-line; the TV inspection will show if there is a build-up.

Donna Clavaud asked Jose Ortiz about a proposed CIP plan and labor costs. Jose Ortiz explained there are three (3) cost components: labor, material and equipment. Labor costs are embedded in the estimate of future costs.

In addition to the sewer system assets, solar panels and Park assets are included in the asset inventory.

The SCADA system Telstar installed and signed off as OK is not working correctly. Jose Ortiz contacted Rockwell directly and it seems the Telstar technician didn't properly configure the drivers and the software doesn't communicate properly with the hardware. Steve Phillips and Jose Ortiz gave Telstar a list of all things that weren't working properly and requested a meeting. Instead of meeting with District representatives, Telstar recommended conducting a radio survey. A new radio transmitter was installed based on the findings of the radio survey. Despite the new transmitter, there have been intermittent communication failures.

Jose Ortiz handed out a breakdown of charges of the monthly fees to perform routine operations and maintenance from Natural Systems Utilities (NSU) and Phillips and Associates. Jose Ortiz requests the board to keep this information confidential. NSU tracks time spent by different work classifications. The last four (4) months of expenses incurred by NSU was \$23,076. TVCSD was billed \$22,738 for the same time period, which included additional lab costs for waste discharge requirements. This breakdown of charges will allow a basis for TVCSD to develop an RFP that identifies all the various tasks. Deborah Parrish and Bill Bonini recall Phillips and Associates "responded" to the RFP a couple of years ago, via email on June 2015, and wasn't too specific. Deborah Parrish asks Board to consider to actively court two (2) to three (3) other service operators/providers to give TVCSD their independent opinion on hourly rates. Jose Ortiz will review previous RFP to see if there are items that don't need to be included, but will be in compliant. Deborah Parrish asked Jose Ortiz if fifty (50) hours per month seemed reasonable for TVCSD operator's time. Jose Ortiz thought the operator's time was close to that figure and if the SCADA system worked properly, that would save time.

Jose Ortiz is working on improving TVCSD website report card for the Grand Jury. In its response to the Grand jury, the District set 12/31/2016 as the deadline. Jose Ortiz will send Walter Earle a downloadable "Request for Public Information" form to post on TVCSD website.

Jose Ortiz will contact Bruce Abbott, Shoreline Unified School District (SUSD) Chief Business Official, to meet with TVCSD BOD on becoming part of the planning process for the rate analysis study.

VIII. Phillips & Associates Report

a. August 2016 reports were reviewed.

TVCSD received a letter that stated Steve Chase was the new chief plant operator and not Steve Phillips.

In August, there have been high Biological Oxygen Demand (BOD) readings from algae buildup in pond three (3). Hopefully the cool weather will slow this down. Readings are being done two (2) times a week, which will result in more lab costs.

IX. Committee Reports

a. Financial Advisory Committee (FAC)

1. Review approved September 28, 2016 minutes.

Donna Clavaud reported FAC reviewed completed policies and those in draft form. At the next meeting,

the following draft policies will be reviewed: RFP guidelines, Independent Contractor Policy, Office Use Policy, Document Retention Policy and Reimbursement Policy, Reserve Policy is lacking dollar limits. A Succession Policy needs to be drafted.

There will also be a focus on TVCSD By-Laws as they are outdated.

Donna Clavaud is working on the PAC RFP for the gazebo and is in need of an engineer's estimate. Jose Ortiz suggests that bids from local contractor's be solicited, and that the specifications be written properly. Donna Clavaud will ask architect for a PDF file and will send to Jose Ortiz. PAC projects fall into three (3) categories: the gazebo and entry gate, handicap ramps, fence and retaining wall.

Donna Clavaud is in agreement with Margaret Graham; to remove the fountain from the RFP. Bill Bonini said that David Judd could install the fountain under the RFP amount of \$5,000 or less. The fountain purchase and labor installation costs by David Judd will be separate: District will pay for the fountain; David Judd will install and submit a separate invoice for his labor costs.

Donna Clavaud received an email from Steve Kinsey's office; the grant for the fence is in process.

b. Park Advisory Committee (PAC)

1. Review approved September 26, 2016 minutes

The County will inspect the PAC projects and the duties of the project manager are to oversee the builder. Jose Ortiz knows a construction manager to oversee the gazebo project and will contact him. Donna Clavaud suggested contacting Ted Anderson, experienced in concrete and construction management who at one time volunteered to oversee the PAC projects.

X. Pending Business

1. Newsletter

Cynthia Hammond will be editing and Beth Koelker will be doing the layout. Request for articles will be emailed October 14, 2016 with a deadline of October 31, 2016 with a word limit and a distribution date to Tomales PO Boxes by November 18. Newsletter to include messages from President, General Manager, PAC and FAC reports, overview of TVCSD waste water system, etc.

XI. Other Business

None

XII. New Business

1. Letter of appreciation to Steve Kinsey

Donna Clavaud suggests writing a letter of appreciation to Steve Kinsey for his support of TVCSD. This item will be discussed at TVCSD November 9, 2016 BOD meeting.

2. Plans for TV inspection of collection systems

This item was discussed under General Manager's report.

XIII. Correspondence

None

Deborah Parrish motioned to adjourn the October 12, 2016 TVCSD BOD meeting. Dru Fallon O'Neill seconded the motion. M/S/U

XIV. Adjournment

Meeting adjourned at 9:13 pm

Next TVCSD BOD Meeting, November 9, 2016, 7 pm at Tomales Town Hall

Approved by: President, Bill Bonini

Date:

Attested by: Cynthia Hammond, Recording Secretary

Date:

TVCS D MISSION STATEMENT: *Enhance quality of life, with commitment to the health of the community, by providing dependable wastewater collection, treatment and reuse in an environmentally friendly manner; maintaining safe and reliable recreational park facilities while providing a welcoming forum for active community participation and input.*

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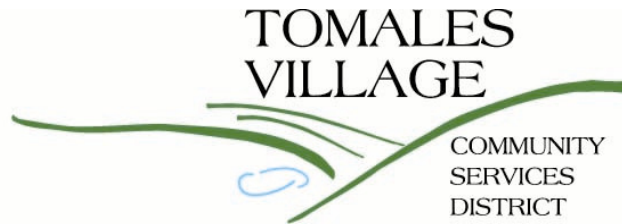
Board of Directors:

Bill Bonini, President ● Deborah Parrish, Vice President ● Donna Clavaud

Peter MacLaird ● Dru Fallon O'Neill

Bank Account Transactions October 2016

Date	Num	Name	Memo	Amount	Balance
131.46 - Bank of Marin - Park Account			Beginning		117,633.83
10/07/2016	1147	Fishman Supply	inv 1051478	-29.10	117,604.73
10/07/2016	1148	Melinda K. Bell	September	-105.00	117,499.73
10/12/2016		City of Hope	10/21 Deposit	200.00	117,699.73
10/13/2016	1149	PGE	8/25-9/26	-135.45	117,564.28
10/19/2016		Henry Elfstrom	October	70.00	117,634.28
10/19/2016	1150	Martinez, Maria	Oct-Dec	-104.16	117,530.12
10/24/2016	1151	City of Hope	refund 10_21	-200.00	117,330.12
Total 131.46 - Bank of Marin - Park Account			Ending	-303.71	117,330.12
131.31 - Redwood Credit Union					135,838.02
131.42 - Bank of Marin - Money Market			Beginning		6,624.23
10/02/2016			Interest	0.87	6,625.10
Total 131.42 - Bank of Marin - Money Market			Ending	0.87	6,625.10
131.44 - Bank of Marin - Sewer			Beginning		18,890.86
10/07/2016	4264	Melinda K. Bell	September	-1,294.26	17,596.60
10/07/2016	4265	Natural Systems Utilities -CA	Tomales invoices 0000231631 and 0000231870	-5,705.73	11,890.87
10/07/2016	4266	Nelson Staffing	9/21-10/2	-209.70	11,681.17
10/07/2016	4267	PGE	8044736439 8/25-9/23	-79.81	11,601.36
10/11/2016	4268	Internal Revenue Service	SocSecMedicare	-214.20	11,387.16
10/13/2016	4269	Nelson Staffing	invoice 6141701 10/5-10/9 2.5 hours	-87.38	11,299.78
10/13/2016	4270	O'Neill, Dru Fallon	January-October meetings less Soc Secty & Medicare	-461.75	10,838.03
10/15/2016		Tomales Regional Histroy C	October	63.00	10,901.03
10/19/2016	4271	AT&T	138729848 10-11 - 11/10	-121.44	10,779.59
10/19/2016	4272	AT&T Uverse	10/6-11/5 145835838-0	-123.75	10,655.84
10/24/2016	4273	Telstar Instruments	8/30,9/16 replaced radio, coax pigtail, fixed controls, programming	-2,192.85	8,462.99
10/26/2016	4274	Nelson Staffing	10/19 & 10/23 4 hours	-270.86	8,192.13
10/28/2016		Shoreline Unified School Dis	2016/2017 paid in full	79,392.47	87,584.60
10/28/2016	4275	Parrish, Deborah	4 meetings less 6.2% SocSec & 1.45% Medic	-184.70	87,399.90
Total 131.44 - Bank of Marin - Sewer			Ending	68,509.04	87,399.90
131.48 - Bank of Marin - Solar			Beginning		29,838.72
10/02/2016			interest	0.13	29,838.85
Total 131.48 - Bank of Marin - Solar			Ending	0.13	29,838.85
Total Sewer Program Cash					259,701.87



Financial Manager's Report November 9, 2016

Accounting Policies and Procedures Manual ACTION TO ACCEPT

Included in the packet is a draft of an Accounting Policies and Procedures Manual. The Financial Advisory Committee is working on drafts of recommended policies; this document sets forth the procedures needed to implement those policies. As the TVCSD environment and practices change, this manual will be updated annually or as needed. The draft began with the Grizzly Flats Accounting Policies and Procedures Manual from 2009 revised in 2012. That document is 49 pages long with considerable detail on payroll and investments, not needed at the present time for TVCSD. The other sections were revised to fit TVCSD's practices.

Office Utilization

On Ric Hahn's advice the office AT&T service has been changed to internet only effective October 17. The office voice service was not cost effective, and it interfered with the office network connecting the printer and the computer. Ric has had the office computer this month to solve the email problem. The computer has been used this year only for remote access for emails, printing documents, and archived storage of prior year documents.

2016/2017 Audit Field Work

The auditor's report from two years ago recommended scheduling audit field work for September or October. This year's field work was done September 6 and 7, 2016. Next year's has been scheduled for September 5 and 6, 2017. This year's schedule gave our auditors time to complete their audit report in time for last month's Board meeting, a goal for which we should always strive.

Financial Results for the First Third of the Fiscal Year

The budget comparisons for July through October show that actual income for both the Park and Sewer programs are close to budget. The delay in Park improvement expenditures explains the \$19,000 favorable total budget variance for the Park. Park cash balances are adequate for this year's planned projects.

Depreciation is not budgeted, so ignoring the actual depreciation expense, total Sewer program expenses are \$22,500 below budget due mostly to delayed Administrator costs plus other small differences. After the delayed costs are paid in November, results will still probably show a favorable \$7,000 budget variance for the Sewer program. When the asset management and long-term capital plan are completed, we will know how much is needed each year to provide a reserve for system improvements and replacements in lieu of budgeting for depreciation.

BALANCE SHEETS 10/31/2016

				Oct 31, 16	Oct 31, 15
ASSETS					
			131.46 · Bank of Marin - Park Account	117,330.12	88,770.13
Total Current Assets				117,330.12	88,770.13
Fixed Assets					
			100.20 · Land and Land Rights	132,000.00	132,000.00
			111.00 · Park Equipment		
			Original Cost	309,286.28	305,532.92
			105.00 · Depreciation	-51,433.00	-43,933.00
			Total 111.00 · Park Equipment	257,853.28	261,599.92
Total Fixed Assets				389,853.28	393,599.92
TOTAL ASSETS - PARK				507,183.40	482,370.05
LIABILITIES & EQUITY					
Liabilities					
			222.00 · Accounta Payable	0.00	228.87
			217.00 · Unearned Revenue	25,000.00	25,000.00
Total Current Liabilities				25,000.00	25,228.87
Total Liabilities				25,000.00	25,228.87
Equity					
			252.50 · Investment in Capital Assets	389,853.28	393,599.92
			260.00 · Unassigned Fund Balance	75,928.61	40,670.58
			Net Income	16,401.51	22,870.68
Total Equity				482,183.40	457,141.18
TOTAL LIABILITIES & EQUITY - PARK				507,183.40	482,370.05
ASSETS					
			131.31 · Redwood Credit Union	135,838.02	135,711.11
			131.42 · Bank of Marin - Money Market	6,625.10	39,151.03
			131.44 · Bank of Marin - Sewer	87,399.90	79,708.21
			131.48 · Bank of Marin - Solar	29,838.85	34,927.34
Total 131.00 · Cash				259,701.87	289,497.69
Fixed Assets					
			100.00 · Property, Plant and Equipment	791,665.97	791,665.97
			100.10 · Maps and Records	17,248.00	17,248.00
			100.20 · Land and Land Rights	52,788.00	52,788.00
			110.00 · Improvement Project	939,393.31	939,393.31
			112.00 · Solar System	269,945.21	269,945.21
			105.00 · Less Accumulated Depreciation	-549,921.33	-495,916.01
Total Fixed Assets				1,521,119.16	1,575,124.48
			136.00 · SUSD Note Receivable	18,275.90	19,729.90
TOTAL ASSETS - SEWER				1,799,096.93	1,884,352.07
LIABILITIES & EQUITY					
Liabilities					
			222.00 · Accounts Payable	186.38	2,697.31
			231.00 - CA Payroll Tax Payable	7.25	0.00
			230.00 - Fed Payroll Tax Payab	8.05	0.00
Total Current Liabilities				201.68	2,697.31
Long Term Liabilities					
			211.00 · SWRCB SRF Loan	155,074.71	174,841.36
			215.00 · CREBS Bond	179,411.74	197,352.92
Total Long Term Liabilities				334,486.45	372,194.28
Total Liabilities				334,688.13	374,891.59
Equity					
			260.00 · Retained Earnings	1,214,215.19	1,274,279.74
			261.00 · Sinking Fund - Debt Reserve	47,775.00	47,775.00
			262.00 · Capital Improvement Reserve	42,758.97	42,758.97
			263.00 · Emergency Reserve	33,982.00	33,982.00
			264.00 · Operating Reserve	3,537.37	3,537.37
			265.00 · Net Assets - Unrestricted	105,000.00	105,000.00
			Net Income	17,140.27	2,127.40
Total Equity				1,464,408.80	1,509,460.48
TOTAL LIABILITIES & EQUITY - SEWER				1,799,096.93	1,884,352.07

BUDGET COMPARISON JULY-OCTOBER 2016

PARK PROGRAM		Jul - Oct 16	Budget
	311.00 · Interest Income	1.36	1.00
	315.80 · Measure A Funds	16,498.68	16,450.00
	320.00 · Contributions Income - Other	550.00	
	322.50 · Cleaning and Security Deposit	-200.00	
	322.00 · Park Use Rental - Other	200.00	400.00
	322.60 · Water Tower PGE	280.00	280.00
Total Income		17,330.04	17,131.00
Expense	414.57 · Accounting	105.00	
	414.81 · Measure A Project Expenses	25.59	10,000.00
	414.82 · Measure A Maintenance Expenses	389.30	300.00
	414.83 · PGE Park	408.64	440.00
	414.85 · Matching Project Funds	0.00	9,169.00
Total Expense		928.53	19,909.00
Net Income - Park		16,401.51	-2,778.00
SEWER PROGRAM			
	301.10 · Service Charges - Monthly	252.00	252.00
	301.15 · Service Charges - Annual Fees	1,512.00	1,512.00
	301.20 · Service Charges - SUSD	68,689.47	61,258.00
	301.30 · Service Charges - County - Other	729.05	-
	305.00 · SUSD Sinking Fund	8,062.00	8,062.00
	311.00 · Interest Income	1,227.01	1,492.00
	315.50 · Levy 4	92.20	4,100.00
Total Income		80,563.73	76,676.00
Expense			
	410.00 · Sewage Collection	85.66	127.00
	411.00 · Sewage Treatment	3,850.47	2,700.00
	412.00 · Sewage Disposal	88.15	112.00
	414.13 · State Unemployment Tax	67.58	60.00
	414.12 · Medicare Payroll Tax	18.84	20.00
	414.11 · Social Security Tax	80.58	104.00
	Total 404.10 · Payroll Tax Expense	167.00	184.00
	414.05 · Administrator's Fees	0.00	15,158.00
	414.31 · Property & Liability Insurance	6,050.59	6,000.00
	414.33 · Worker's Comp Insurance	750.73	500.00
	Total 414.30 · Insurance	6,801.32	6,500.00
	414.41 · Postage and Delivery	47.84	117.00
	414.42 · Printing and Copies	0.00	20.00
	414.43 · Office Supplies	65.91	104.00
	414.44 · Sonic - Web Hosting	59.85	83.00
	414.45 · Equipment Expense	0.00	83.00
	414.465 · Board Meber Stipend	1,300.00	1,500.00
	414.467 · Board Training	0.00	300.00
	Total 414.46 · Board Meeting Expense	1,300.00	1,800.00
	414.47 · Clerical/Bookkeeping	3,473.75	3,220.00
	414.48 · Office Rent	300.00	300.00
	414.49 · Secretary	1,065.96	2,200.00
	Total 414.40 · Office Expense	6,313.31	7,927.00
	414.50 · O&M Contractual Services	21,863.88	23,667.00
	414.552 · Accounting	5,000.00	4,750.00
	414.61 · Newsletter Expense	0.00	355.00
	Total 414.60 · Publication and Notices	0.00	355.00
	414.62 · Dues and Subscriptions	161.20	1,050.00
	414.71 · Plant and Building Maintenance	0.00	333.00
	414.72 · Computer Repairs	149.00	83.00
	414.73 · Equipment Repairs	0.00	383.00
	414.76 · Collection System Maintenance	0.00	1,667.00
	414.77 · Irrigation Field Maintenance	0.00	2,000.00
	414.78 · Solar Panel Maintenance	0.00	133.00
	Total 414.70 · Repairs and Maintenance	149.00	4,599.00
	414.83 · Meetings and Seminars	0.00	160.00
	414.90 · Telephone and Internet Services	981.75	880.00
	Total 414.00 · Administration and General	41,437.46	65,230.00
	417.30 · LAFCO Charges	160.40	
	415.50 · Depreciation Expense	17,801.32	
Total Expense		63,423.46	68,169.00
Net Income - Sewer		17,140.27	8,507.00

GENERAL MANAGER'S REPORT

NOVEMBER 9, 2016

Coordination with Staff

- ❖ Reviewed November 9, 2016 agenda and optimized agenda packet.
- ❖ The continuing issues with SCADA communication failures have led to a decision by the General Manager to instruct NSU/PSI to not contact Telstar without prior authorization by the GM.
- ❖ Recent invoices from Telstar have included a breakdown of charges as the Financial Manager requested.
- ❖ Continued reviewing existing procedures, gathering and reviewing data and background reports, existing contracts and agreements particularly any contracts with Telstar, and regulatory requirements and self-monitoring reporting procedures.
- ❖ At the November 9 regular Board meeting, Cynthia will hand out a proposed letter to Telstar summarizing the chronology of problems with the SCADA system since its upgrade in the fall of 2015. Because the letter is in draft form, it has not been included in the Board packet for public view.
- ❖ On a positive note, we may be seeing some improvement in the performance with the SCADA system. We hope that can be sustained.

New/Continuing Business

- ❖ As stated above, we have temporarily suspended contacting Telstar to deal with the SCADA issues. We are in the process of contacting other
- ❖ I researched other methods for duckweed removal/control other than the proposed manual skimming suggested by NSU/PSI. It may be more cost-effective to chemically treat Pond #1 where duckweed has gotten established. Currently, ponds 2 and three do not have duckweed.
- ❖ As a follow-up to the draft asset inventory presented to the Board at the October meeting, I have begun discussions with NSU/PSI to update the O&M Plan and to begin preparing the asset management plan. I will be presenting this to the Board at the January meeting.
- ❖ I contacted Harry Burrowes, Inc. to get the names construction management firms that could oversee our park projects in the role of project manager/construction inspector. He will get back to me with the names of some local firms.

Next Month

Report Preparation

- ❖ Prepare revised O&M Manual consistent with WDRs and with discussions with NSU/PSI. Tentative submittal date to the Regional Board is November 30, 2016. We had hoped to submit the O&M Plan to the TVCSD Board at the November meeting, but are unable to do so. We will discuss it with the Board at the January meeting in conjunction with our discussion of the asset management plan and the District's five-year financial plan.
- ❖ Begin preparation of CSD standards and policies for sewer connections.
- ❖ Address contract administration and project management needs for some of the upcoming park improvement projects.
- ❖ Continue upgrading our website to improve the special district web transparency scorecard from a D to a B- grade. I will be submitting additional items to Walter Earle for putting onto our website in December.



October 13, 2016

Mr. Blair Allen
Regional Water Quality
San Francisco Bay Region
1515 Clay Street Suite 1400
Oakland, CA 94612

Emailed To:
WDR.monitoring@waterboard.ca.gov

RE: Self-Monitoring Report
Tomales, Marin County
Order No. R2-2015-0019
I.D. No. 264662
September 2016

Mr. Allen

Enclosed please find the Self-Monitoring Report.

Operations is satisfactory and maintenance on schedule.

I certify under the penalty of law that this document and all attachments have been prepared under my direction or supervision in accordance with a system designed to assure that qualified personal proper gathered and evaluated the information submitted. The information submitted is, to the best of my knowledge and belief, true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment.

Sincerely,
PHILLIPS & ASSOCIATES

Steve C. Chase
Operations Supervisor
Certified Chief Plant Operator #II-40930

cc: Tomales Village Community Service District
Vanessa Zubkousky, Department of Public Health, Richmond

NSU-CA was formerly Phillips Services Inc. dba Phillips & Associates

TOMALES INFLUENT HEADWORKS STANDARD OBSERVATION REPORT

1. Reporting period (Month/Year) September 16

2. Influent Headworks Standard Observation required every week year round.

INSPECTION		Week No. 1	Week No. 2	Week No. 3	Week No. 4
Date	9-7-16	9-7-16	9-13-16	9-20-16	9-27-16
Day		Wed	Tue	TU	TU
Time		11:40	10:20	11:00	11:00
Operator		JF	JF	SL	JF
Rain fall, inches		0	0	0	0
* Nuisance odors (smell)		N	N	N	N
* Evidence of any standing water		N	N	N	N
* Evidence of mosquitos breeding		N	N	N	N
* Evidence of improper system components and hydraulic integrity		N	N	N	N
* Evidence of structure seepage		N	N	N	N

* Report Yes or No and any Yes responses report immediately to supervisor or Chief Plant Operator

TOMALES TREATMENT PONDS STANDARD OBSERVATION REPORT

1. Reporting period (Month/Year) September 16
2. Pond Standard Observation required every week year round.

INSPECTION		Week No. 1	Week No. 2	Week No. 3	Week No. 4
Date		9-7-16	9-13-16	9-20-16	9-27-16
Day		Wed	Tue	Tu	Tue
Time		11:30	1020	1045	1110
Operator		JF	JF	SC	JF
* Nuisance odors from ponds		N	N	N	N
* Evidence of pond berm seepage		N	N	N	N
* Evidence of improper system components and hydraulic integrity		N	N	N	N
Sign posting that wastewater is unsafe to drink		Y	Y	Y	Y

* Report Yes or No and any Yes responses please report immediately to supervisor or Chief Plant Operator

TOMALES STORAGE PONDS STANDARD OBSERVATION REPORT

1. Reporting period (Month/Year) September 16

2. Storage Pond Standard Observation required every week year round.

INSPECTION	Week No. 1	Week No. 2	Week No. 3	Week No. 4	Week No. 5
Date	9-7-16	9-13-16	9-20-16	9-27-16	
Day	Wed	Thu	Tu	Tue	
Time	1130	1020	1000	1110	
Operator	JF	JF	SL	JF	
* Nuisance odors from ponds	N	N	N	N	
* Evidence of pond berm seepage	N	N	N	N	
* Evidence of improper system components and hydraulic integrity	N	N	N	N	
Signage that wastewater is unsafe to drink	Y	Y	Y	Y	

* Report Yes or No and any Yes response s please report immediately to supervisor or Chief Plant Operator

TOMALES CHLORINE STORAGE TANK STANDARD OBSERVATION REPORT

1. Reporting period (Month/Year) September 16

2. Chlorine Storage Tank Standard Observation required every week year round.

INSPECTION					
Date	9-7-16	9-13-16	9-20-16	9-27-16	
Day	Wed	Tue	Tu	Tu	
Time	1125	1010	1000	1100	
Tech	JF	JF	SL	JF	
* Evident of any leaks	N	N	N	N	
Tank level, inches	14	14	14	14	
Cl2 gallons added	0	0	0	0	
New tank level after adding Cl2, inches	14	14	14	14	
Gallons used for treatment since last check	0	0	0	0	
Warning Signs Improperly Posted	N	N	N	N	

3. * Any Yes response s please report immediately to supervisor

4. I certify that this report information, to the best of my knowledge is true and correct.

Revised 1506

**TOMALES WASTEWATER TREATMENT FACILITY
STANDARD OBSERVATION REPORT
FIELD DISCHARGE AREA**

Month of September 20 16

OBSERVATIONS ARE TO BE PERFORMED WEEKLY WHEN IRRIGATION IS RUNNING

INSPECTION	Week No. 1	Week No. 2	Week No. 3	Week No. 4	Week No. 5
Day	Wed	Thu	Fri	Tue	
Time	1140	1016	1000	1100	
Operator	JF	JT	SL	JF	
Evidence of standing water	N	N	N	N	
* Evidence of runoff from site	N	N	N	N	
Evidence of erosion caused by irrigation	N	N	N	N	
Evidence of system run off containment system from proper condition and integrity.	N	N	N	N	
* Any odors	N	N	N	N	
Mosquito breeding resulting from irrigation	N	N	N	N	
* Evidence of improper distribution system components and hydraulic integrity	N	N	N	N	
Perimeter fence posting informing public wastewater is not safe to drink	Y	Y	Y	Y	
Sodium Hypochloride tank level, inches	14	14	14	14	

* If irrigation runoff is evident, estimate size of effected area (include sketch)

** If odors evident, note source and area affected.

FINANCIAL ADVISORY COMMITTEE MEETING MINUTES
TOMALES VILLAGE COMMUNITY SERVICES DISTRICT
WEDNESDAY, OCTOBER 26, 2016

PRESENT: Melinda Bell, Chair & Financial Services Staff, Deborah Parrish, Board Vice-President, Donna Clavaud, Board Member, Venta Leon, Community Member

ABSENT: Chick Petersen (community member, alternate)

The meeting was called to order at 6:30 pm by Melinda Bell and there was a quorum to conduct business. Approved minutes of the September meeting were reviewed at the last Board meeting. Donna Clavaud recorded minutes for this meeting.

Melinda Bell reviewed the posted Agenda for this meeting and we agreed to proceed.

AGENDA

Accounting Policies and Procedures:

After initial review of other CSD models for policies on this subject, Deborah and Melinda started writing text custom fit for TVCSD. Melinda continued to work on the draft utilizing several other useful models, such as Grizzly Peak Policy, which is a detailed manual of 13 pages. She presented her draft at this meeting and mentioned that she recommended omitting several categories that were not pertinent to our District. Deborah Parrish agreed with this assessment and concluded that Melinda's draft seemed adequate to implement at this time. She reminded the committee that we can test its usefulness and always make necessary adjustments as we see fit through amendments to the policy. All agreed.

The FAC recommends that this document be put on the BOD agenda for review and approval at the next Board meeting on November 9.

TVCS D By-Laws:

The TVCS D By-Laws were written and certified in 2000 by the first Board of Directors and signed by Kathleen Crayne, President. To our knowledge, they have remained the same until now. Numerous individuals recall that their usefulness was called into question in recent years and TVCS D Board has discussed updating them. By law, they are the principal guiding document that is the foundation of any CSD. Our last administrator considered them to be outdated and they played a passive role in management of TVCS D.

As we are making significant shifts in our management of TVCS D, FAC members have felt strongly that a review of our By-Laws is a priority issue for this current fiscal year; therefore,

this meeting we are beginning the process of studying each section and making necessary recommendations to update them.

In this meeting, we read through the sections and made corrections to Section 6 on Compensation of Directors to reflect current Stipends for attended meetings; and corrections to Section 9 on frequency of regular and annual meetings.

What is notable is that most of the existing Sections and the text of our TVCSD By-Laws are accurate and reflect the current protocols being adhered to by Board of Directors, Officers, Contracted Staff, and Committee Members. FAC members agreed on the content and wording for most of the document and have proposed minor changes to update the text.

There is one major area, Article 14, Meetings of Members and Ratepayers with 14 Sections that FAC recommends we seek legal counsel for applicability to TVCSD. FAC members are not clear as to what our "membership" is as differentiated from "ratepayers". We suspect this text was grafted from agencies who have a distinct membership, rather than stakeholders that are primarily paying for a service on a regular basis but do not participate in a regular voting process at meetings. As such, the current By-Laws are not a very effective document to guide District governance.

Therefore, we recommend the Board of Directors discuss this issue and seek Marin County legal counsel to answer questions about membership & ratepayers on Article 14 (and 14 sections therein) prior to completing a full re-write and subsequent re-certification of the TVCSD By-Laws.

FAC will continue working on Old Business items, such as Asset Management Inventory, 5 & 10 year CIP Plan, other policies, preparation for rate Analysis, and Tomales Community Park CIPs.

The next meeting will be held on November 30.

The meeting was adjourned at 8pm.

Signed and Dated: _____



ACCOUNTING POLICIES AND PROCEDURES MANUAL

Approved at a regular meeting of the Board of Directors on November 9, 2016

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1. INTRODUCTION

This manual puts in place basic accounting, billing, and cash control policies and procedures designed to protect and secure Tomales Village Community Services District (TVCS D), ensure the maintenance of accurate records of financial activities and ensure compliance with governmental and private funding source reporting requirements. Where this manual conflicts with specific Federal or State regulation or with TVCS D's Board policy, the regulations or board policy shall prevail.

1.1. RESPONSIBILITIES

1.1.1. The Board of Directors formulates financial policies, delegates administration of the financial policies to the General Manager, and reviews operations and activities.

1.1.2. The General Manager has responsibility for all operations and activities.

1.1.3. Exceptions to these policies may be made on an individual basis, as necessary, with the approval of the General Manager.

1.1.4. The Secretary and Financial Manager are responsible to the General Manager for all financial operations.

1.2. GENERAL POLICIES

1.2.1. There are separations of financial duties and responsibilities so that no staff member has sole control over bank reconciliations or other accounting functions.

1.2.2. Financial Procedures are reviewed annually by the Board of Directors and General Manager.

1.2.3. Separate General Ledger accounts are maintained as required by funding source regulations.

1.2.4. Accounting forms and timesheets are printed or completed in ink.

1.3. COMPLIANCE WITH EXTERNAL POLICIES

TVCS D's accounting policies and procedures are consistent with:

1.3.1. Generally Accepted Accounting Principles (GAAP).

1.3.2. OMB Circular A-133 "Audits of States, Local Governments, and Non-Profit Organizations".

1.3.3. Statements of the Governmental Accounting Standards Board

1.4. SECURITY AND ACCESS

To ensure that only authorized staff can access on-line and paper records of the organization:

1.4.1. Security and access is determined by the General Manager.

1.4.2. Access to computer or on-line systems is controlled by Board resolution naming those within the District who are authorized to access banking information (identified as signers on the accounts.)

1.4.3. Upon separation of a staff or Board member, the password is immediately locked to prohibit any unauthorized activities or entries, and keys to TVCS D's office are returned.

2. OVERVIEW OF TOMALES VILLAGE CSD ACCOUNTING SYSTEM

The financial records of TVCSD are maintained on QuickBooks Accounting Software using the accrual basis of accounting. Access to the accounting system is controlled to maintain the reliability and integrity of the data.

2.1. DATA BACKUP

Backup is done daily to assure that the data is secure and will not be lost in the event of a computer failure.

2.2. FUNDS RECEIVED

The funds received policies and procedures ensure that all in-coming funds are properly recorded and safeguarded through separation of duties and proper documentation.

2.3. FUNDS DISBURSED

Specialized procedures govern check writing procedures. Only the General Manager, Financial Manager or Board of Directors may authorize the issuance of checks. Two signatures are required for the issuance of checks over \$500 from TVCSD checking accounts. Checks are stored in a locked cabinet to which only the General Manager and Financial Manager have access.

3. DETAILED ACCOUNTING PROCEDURES

3.1. FUNDS RECEIVED

3.1.1. Funds are received electronically in the money market account from the County with notification to the Financial Manager through email. Interest is deposited in the accounts by the bank. US mail containing funds is opened by the Financial Manager.

3.1.2. The Financial Manager makes all bank deposits and records all deposits in the accounting records. Documentation of deposits are filed in the TVCSD office.

3.2. FUND DISBURSEMENTS

The fund disbursement policies and procedures are designed to ensure that disbursements are properly made based on adequate documentation and proper authorization.

3.2.1. Approvals and Authorization

3.2.1.1. The Board of Directors and General Manager will authorize the following expenditures: general operations and maintenance expenses, payroll, purchases of equipment, contracts for services, any purchase over the amount of \$500. The Financial Manager is authorized to approve routine and budgeted expenditures of \$500 and under. The General Manager, President and Vice-President have the authority to purchase items between \$500 and \$7,000 if the items were approved by the Board of Directors as part of the annual budget and/or at a regular meeting of the Board. Authorization for expenditures over \$7,000 must be specifically approved at a Board meeting, as must all unbudgeted expenditures over \$250.

3.2.1.2. Payment for supplies or services will be made based on invoices, not statements.

3.2.1.3. Requests for expense reimbursement are submitted with the invoices attached.

3.2.1.4. Invoices are processed by the Financial Manager.

3.2.2. Missing Invoices

In the event that an invoice for services or supplies is not available, a memo or email request explaining the expense and detailing the cost is submitted for approval by the General Manager or Financial Manager.

3.2.3. Vendor Documentation

All service providers must submit an IRS Form W-9 Request for Tax Payer Identification and Certification or equivalent to the Financial Manager prior to payment. The Financial Manager reviews all current vendors each year prior to Form 1099 preparation to assure information is current, and then mails the 1099's in January.

3.2.4. Check Writing Procedures

3.2.4.1. Checks are processed as needed.

3.2.4.2. Checks are printed through the District's accounting software.

3.2.4.3. Checks are not to be postdated or made out to cash. On rare occasions where the District cannot be invoiced by a vendor, a check can be signed and then filled out at the time of purchase by the Financial Manager. No other TVCSD Staff shall be issued a blank check for purchases. This exception should only be used as a last resort if invoicing is unavailable.

3.2.4.4. The "Payment Record" portion of the check printed by QuickBooks is attached to the invoice plus any other documentation, such as purchase orders or shipping documents, and filed by alphabetical order of the vendor's name in the District's vendor files maintained by the Financial Manager.

3.2.4.5. Voided or spoiled checks will have VOID written across them and will then be filed in numerical order in a locked file cabinet.

3.2.4.6. The check register is included in the Board packet for Board approval.

3.2.5. Check Approval Process

This procedure is designed to ensure that all checks have adequate documentation and authorization and that there are no missing checks or checks written to phantom vendors.

3.2.5.1. The invoice is reviewed for proper account coding, appropriateness of expenditure, and authorized signatures.

3.2.5.2. The invoice is compared with and the check amount. The copy of the check is attached to the invoice and filed

3.2.5.3. Checks are mailed to vendors by the Financial Manager unless specific arrangements had been made in advance for pickup of checks at the office. If a check is picked up, the person picking up the check must provide identification which agrees with the payee on the check or must have verifiable written authorization from the payee to pick up the check.

3.2.6. Electronic Payment and Transfers

These procedures ensure that unauthorized transfers will not be made. Electronic banking allows wire transfers, electronic transfers, stop payments on checks, inter-account transfers and account balance inquiries be initiated and completed via computer or telephone.

3.2.6.1. Wire transfers, electronic transfers, and stop payments shall be set up by the Financial Manager after written approval is received from the General Manager.

3.2.6.2. Password security is set to allow wire transfers, electronic transfers, and stop payments to be set up by staff designated by the Board of Directors.

3.2.7. TVCSD payroll is processed on a quarterly basis. Pay dates are a week from the pay period end date, but checks may be issued earlier if approved by the General Manager.

3.2.8. Payroll is based on time sheets completed by employees and approved by the Financial Manager.

3.2.9. Time sheets will reflect the use of sick time, if applicable. Time sheets must be completed in ink with no whiteout or correction tape. Changes are initialed by the employee. The time sheet will be signed by both the employee and the Financial Manager.

3.2.10. Payroll records are maintained by the General Manager in a confidential manner. Information regarding payroll will not be discussed with other staff. Files must be in locked cabinets with access limited to designated personnel.

3.3. PURCHASING

3.3.1. Leases

3.3.1.1. Only the Board of Directors can sign lease agreements.

3.3.1.2. Copies of all leases will be maintained in the office files. The lease will be reviewed by the General Manager and Board of Directors annually.

3.3.2. Consultant/Contract Services

3.3.2.1. In accordance with the District's Bylaws, all contracts for materials and supplies for construction or completion of any building, structure or improvement, when the costs exceeds \$25,000 shall be contracted in accordance with the provisions of Section 20680 of the California Public Contract Code.

3.3.2.2. The District has an "Agreement for Consultant Services" contract that should be used for all consultants or contract services. The Board of Directors will review and approve proposed projects, usually a "Scope of Work" from the consultant, at properly noticed meetings of the Board. The Board of Directors may authorize the Board Chair or the General Manager to sign the contract once the project and/or Scope of Work is approved.

3.3.2.3. Consideration is made regarding in-house capabilities to accomplish services before contracting for them.

3.3.2.4. Written contracts clearly defining work to be performed are maintained for each consultant and contract services by the General Manager.

3.3.2.5. The qualifications and reasonable charges for fees are considered in hiring consultants and proof of insurance and Form W-9, at minimum, will be required. Requests for Proposals will be issued for all payments to consultants or professional services.

3.4. BANK ACCOUNTS

The Board of Directors may authorize by resolution the Board Chair, Vice-Chair, and/or District Treasurer to establish bank accounts and set signatory authority.

3.4.1. Bank accounts are established to meet the needs of the organization for separation of funds and the specific requirements of funding sources

3.4.1.1. Bank Reconciliations for each account are completed monthly by the Financial Manager with a copy reviewed by a Board member.

3.4.1.2. Outstanding checks more than 90 days old are investigated, and stop payments issued as deemed necessary by the Financial Manager. Replacement checks are reissued after appropriate documentation has been collected.

3.5. ACCOUNTS RECEIVABLE

Sewer service charges are collected by the County and distributed to TVCSD by electronic transfer. Non-owner service users are billed monthly or annually by the Financial Manager. The Shoreline Unified School District is billed annually by the Financial Manager for 33.4% of fiscal year budgeted expenses including capital outlay and debt service.

3.6 Surplus Equipment

3.6.1 Determination of Surplus Property

The term “surplus property” shall mean any property other than real property that is no longer needed or useable by the District. The General Manager shall annually review the District’s equipment and inventory and complete a surplus property form for each item deemed surplus. The General Manager shall present a list of surplus property to the Board for its review and approval prior to disposition of the property.

3.6.2 Methods of Disposition

The General Manager is responsible for the disposition of District surplus property. Once the Board has approved the list of surplus property, the General Manager shall determine which of the following methods of disposition to use; the priority for disposition shall be in the order listed below:

1. Trade In – Property declared as surplus may be offered as a trade-in for credit toward the acquisition of new property. All trade-in offers will be submitted for the review and approval of the General Manager.
2. Return to Manufacturer – Surplus property may, when possible, be returned to the manufacturer for buy-back or credit toward the purchase of new property.
3. Sale – The District may offer surplus property for sale. All surplus property is for sale “as-is” and “where-is” with no warranty, guarantee, or representation of any kind, expressed or implied, as to the condition, utility, or usability of the property offered for sale.
4. Appropriate methods of sale are as follows:
 - a. Public Auction – Surplus property may be sold at public auction. The District may contract with a professional auctioneer.

- b. Sealed Bids – Sealed bids may be solicited for the sale of surplus property. Surplus property disposed of in this manner shall be sold to the highest responsive bidder.
 - c. Negotiated Sale – Surplus property may be sold directly to a purchaser if it is determined that only one known buyer is available or interested in acquiring the property.
 - d. Selling for Scrap – Surplus property with a minimal fair market value may be sold as scrap.
5. Donation or Disposal – If the District is unable to sell surplus property after using the methods provided in sections 1 through 3, above, or if the cost of locating a buyer exceeds the estimated sale price of surplus property, the property may be donated to a charitable organization, recycled, destroyed, or disposed of as junk.

4. OTHER FINANCIAL SAFEGUARDS

4.1. PERSONNEL RECORDS SYSTEM

Access to the personnel records system is controlled to assure the confidentiality, privacy, and appropriate access to records and reliability of data. Access is limited to the General Manager, Secretary and Financial Manager. Hard copy personnel files are maintained in locked file cabinets

4.2. TRAVEL

Travel policies and procedures assure that all travel costs are pre-authorized, documented and are consistent with applicable regulations.

4.2.1. Mileage Reimbursement

4.2.1.1. The reimbursement rate for privately owned vehicles not to exceed the current IRS rates unless provided for by contract and reported as required by 1099 or W2.

4.2.1.2. Mileage reimbursement forms must be completed in ink or typed, signed and submitted to the Financial Manager. Reimbursement for mileage expense is made along with other vendor payments. Board members may be paid reimbursements for business travel and expenses incurred in the performance of their duties.

4.2.1.3. Employees are required to have proof of auto insurance on file with the General Manager. Employees will not be reimbursed for mileage unless proof of insurance is on file for the period in which mileage is incurred.

4.2.2. Travel out of service area

4.2.2.1. Travel out of Marin and Sonoma Counties must be pre-approved by the General Manager or other designee. Travel out of state requires pre-approval by the Board of Directors.

4.2.2.2. Federal per diem guidelines apply unless otherwise established by the Board, not to exceed the current Federal GSA rates. Exceptions may be approved by the Board of Directors.

4.3. PROPERTY, INVENTORY AND CONTROL

Tomales Village Community Services District property inventory procedures provide for management control of owned property and documentation of property for potential insurance losses and tax reporting. Tomales

Village Community Services District will maintain property records to reflect furniture and equipment purchased, and include location, changes, deletions, etc.

4.3.1. Periodically a physical inventory and of all furniture and equipment plus estimates of supplies on hand is completed prior to year end. Any discrepancies are brought to the attention of the General Manager for appropriate action.

4.3.2. Equipment to be retired is documented with an explanation for release. The listing of equipment to be retired is authorized by the General Manager. Any salvage value received is so noted on the records as miscellaneous income.

4.3.3. FIXED AND CAPITAL ASSETS

Tomales Village Services District has established a capitalization threshold of \$5,000.00 for property expected to benefit the operations of the organization for multiple years to be considered a fixed asset.

4.3.3.1. All property with an acquisition cost in excess of \$5,000 is purchased with Tomales Village Community Services District funds so that no property has federal character.

4.3.3.2. The cost of all property acquired through federal or state funds will be clearly designated on the Statement of Financial Position as Paid in Capital, including depreciation of such assets.

4.3.3.3. Capital Assets include buildings and improvements.

4.3.3.4. Property purchased meeting the fixed asset definition is added to the list of assets categorized by type of fixed asset, i.e. buildings, furniture and equipment, plant assets, etc. and includes the asset number, date of installation, cost including taxes, shipping and installation fees, and life expectancy for depreciation purposes. A copy of the invoice(s) should be maintained with these asset records until asset is sold or deleted.

4.3.4. EQUIPMENT DEPRECIATION

The purpose of depreciation is to recognize the decreased value of the property over time (useful life) and to quantify this 'usage' as an expense to each cost center deriving benefit from its use.

4.3.4.1. A fixed asset, as previously defined, is depreciated according to the Tomales Village Community Services District Depreciation Policy.

4.3.4.2. The Depreciation Policy sets the useful life of property types (Buildings, Capital Assets, Furniture & Equipment, Vehicles, etc.)

4.3.4.3. Depreciation Schedules are prepared for the full fiscal year utilizing the guidelines of the Depreciation Policy. A separate schedule is made for each property/asset type. The schedule is maintained by the Financial Manager. As depreciable property is purchased, it is added to the depreciation schedule in the month following purchase/installation.

4.3.4.4. A recurring journal entry is set up for posting each month, charging the depreciation expense to the appropriate program(s).

4.4. AUDITS

Tomales Village Community Services District is required to have a financial audit on an annual basis. Periodically, as determined by the Board, a Request for Proposal is sent to audit firms qualified to provide the

type of audit that meets Tomales Village Community Services District and/or funder need. The Board is responsible for soliciting bids, interviewing firms and making the recommendation to the Board of Directors when selecting the firm to be awarded the audit contract. Acceptance of the audit contract will be evidenced by a signed audit engagement letter that contains the type of service to be provided, the timeframe for providing the service, the cost for the service including incidental expenses, the term of the engagement and a clause stating “if unanticipated issues arise during the course of the audit that will result in additional fees, the audit firm will notify the Board of Directors for approval prior to incurring additional costs”. The audit is presented to the Board by the auditor and accepted by the Board of Directors.

4.5. GRANTS AND CONTRACTS

Contract and grant documents are reviewed and approved by the Financial Manager, as well as the General Manager, prior to being approved by the Board of Directors. The General Manager and Financial Manager will carefully review each award to ensure compliance with all financial provisions.

4.5.1. Original copies of signed grants and contracts are filed in the contract file. The Financial Manager will assign appropriate general ledger account numbers for each new grant or contract.

4.5.2. The Financial Manager will complete all reports required by the grantor by the deadlines and maintain individual contract files containing copies of the grant/contract, any amendments, relevant correspondence regarding the grant/contract, and reports of expenditures or billings.

4.6. BUDGETS

Budgets provide a standard by which to measure performance, encourage planning, and allocate resources in accordance with funding source requirements. Budgets should use reasonable assumptions of income and expenses. All budget assumptions should be documented to facilitate a thorough analysis and evaluation, not only of the budget, but of the actual revenue and expenditures as they relate to the budget.

4.6.1. The organization budget is prepared by the General Manager with input from the Financial Manager. Budgets are estimates of the financial transactions for the year, based on previous years’ spending and evaluating operation changes or needs.

4.6.2. Budgets are submitted to the Board of Directors in April for review and approval.

4.6.3. A public budget hearing will be held in May. After receiving public input, the Board of Directors adopts the budget in June.

4.6.4. A long-term (5–10 year) plan for the Asset Management Program and Capital Improvements shall be reviewed annually and modified as needed.

4.6.5. Reports outlining budgeted amounts compared to actual spending will be presented to the Board of Directors once per month at the regular meeting of the Board.

4.7. INTERNAL REPORTING

Reports assist the Board of Directors, General Manager and funders with managing and controlling of program activities and financial resources.

4.7.1. Monthly financial reports are provided to the Board of Directors at their regular monthly meeting. These reports include budgetary comparisons, balance sheets, bank account registers, and reports of capital and debt service cash outlay.

4.7.2. The Financial Manager prepares reports as required by funding sources and regulatory agencies.

4.7.3. The General Manager will prepare and maintain, on a current basis, a listing of reports and due dates.

4.7.4. It is the responsibility of the General Manager to ensure that all financial reports are submitted on a timely basis.

5. RECORD RETENTION

The purpose of this policy is to provide guidelines to staff regarding the retention or disposal of records; provide for the identification, maintenance, safeguarding and disposal of records in the normal course of business; ensure prompt and accurate retrieval of records; and ensure compliance with legal and regulatory requirements. Vital and important records, regardless of recording media, are those having legal, financial, operational, or historical value to the District.

6. RISK MANAGEMENT AND INSURANCE

In the implementation of the Risk Management, Tomales Village Community Services District will insure those risks which the District deems appropriate using an insurance professional who is knowledgeable about the market, who understands or is willing to learn about Tomales Village Community Services District operations, is an assertive advocate for the District's interests, and is organized and responsive to the District's needs. Special District Risk Management Association (SDRMA) has covered the TVCSD for a number of years, providing both Liability and Worker's Compensation coverage.

7. INVESTMENT POLICY

The Financial Manager is required to annually prepare and submit a statement of investment policy and such policy, with any changes thereto, is to be considered by the Board of Directors at a public meeting. For these reasons, and to ensure prudent and responsible management of the public's funds, it is the policy of the TVCSD to invest funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the District and conforming to all statutes governing the investment of TVCSD funds.

7.1. ETHICS AND CONFLICTS OF INTEREST

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

8. IDENTITY THEFT PREVENTION PROGRAM (RED FLAG RULES)

This document was created in order to ensure the District's compliance with regulations ("Red Flag Rules") issued by the Federal Trade Commissions (FTC) as part of the implementation of the Fair and Accurate Credit

Transaction Act of 2003 (FACTA). FACTA requires financial institutions and creditors to implement written programs that provide for identification, detection, and response to patterns, practices or specific activities that could indicate identity theft (“Red Flags”). The District must comply with the Red Flag Rules because it is considered a creditor; it receives payments for sewer service provided to its customers.

8.1. ASSESSMENT OF EXISTING BUSINESS PRACTICES

Part 1 of the Identity Theft Prevention Program is used to identify areas of potential risk within the District’s standard Customer Service business practices. The District has selected specific business processes associated with offering or maintaining accounts, or engaging in other activities that could raise “red flags” indicating the potential for identity theft.

8.1.1. The District provides Customer Service personnel with the ability to request and review a customer’s personal identifying information when opening, accessing, modifying or closing accounts. Also, if the District has identified a past occurrence of identity theft that was linked to a customer’s utility account (an unauthorized opening, modifying or closing of an account), then they must perform the actions set forth in the following Program.

8.2. IDENTIFICATION OF RED FLAGS

Part II of the Identity Theft Prevention Program assists the District in identifying Red Flags that may arise during routine handling of new and/or existing accounts. The District has identified the following items as potential Red Flag sources or categories that might indicate an instance of identity theft.

- Documents provided for identification appear to have been altered or forged.
- Photograph, physical description and/or other information on identification is not consistent with the appearance of the person presenting the identification.
- Information on the identification is not consistent with readily accessible information that is on file with the District, such as property tax records.
- Social security number presented is the same or similar to that of another customer.
- Information provided is inconsistent when compared against external information sources (address does not match any address listed online, and/or social security number has not been issued or is associated with a deceased person).
- Information provided by the customer is inconsistent with other information provided by the customer.
- Information provided is associated with known fraudulent activity (address and/or phone number on application is the same as the address provided on a previous fraudulent application).
- Information provided is of a type commonly associated with fraudulent activity (address on an application is fictitious and/or phone number is invalid).
- Customer fails to provide all required personal identifying information on an application or in response to notification that the application is incomplete (however, by law social security numbers must not be required).
- Customer cannot provide authentication information beyond that which generally would be available from a wallet.
- Account used in a way that is not consistent with prior use (such as abnormally high water usage).
- Mail sent to the customer is returned repeatedly as undeliverable although transactions continue to be conducted in connection with the customer’s account.
- District is notified that the customer is not receiving account statements.
- District is notified that it has opened a fraudulent account for a person engaged in identity theft.

8.3. DETECTION OF RED FLAGS

Part III of the Identity Theft Prevention Program addresses the process of detecting Red Flags as related to possible identity theft during the District's routine handling of new and/or existing accounts. The following is a list of detection methods that the District uses to prevent identity theft.

- Require customers to present government-issued identification information to open a new account. Types of necessary information include:
 - Name
 - Date of Birth
 - Address (both physical and mailing address)
 - Phone number
 - Photo identification
- Verify customer's identity (for example, review a driver's license or other identification card).
- Independently contact the customer (in case of phone setup of new utility accounts).
- When fielding a request to access and/or modify an existing account (such as a change in billing address), verify identity of customer by requesting specific pieces of personal identifying information (identification with the new billing address and/or documentation proving shift of financial liability).

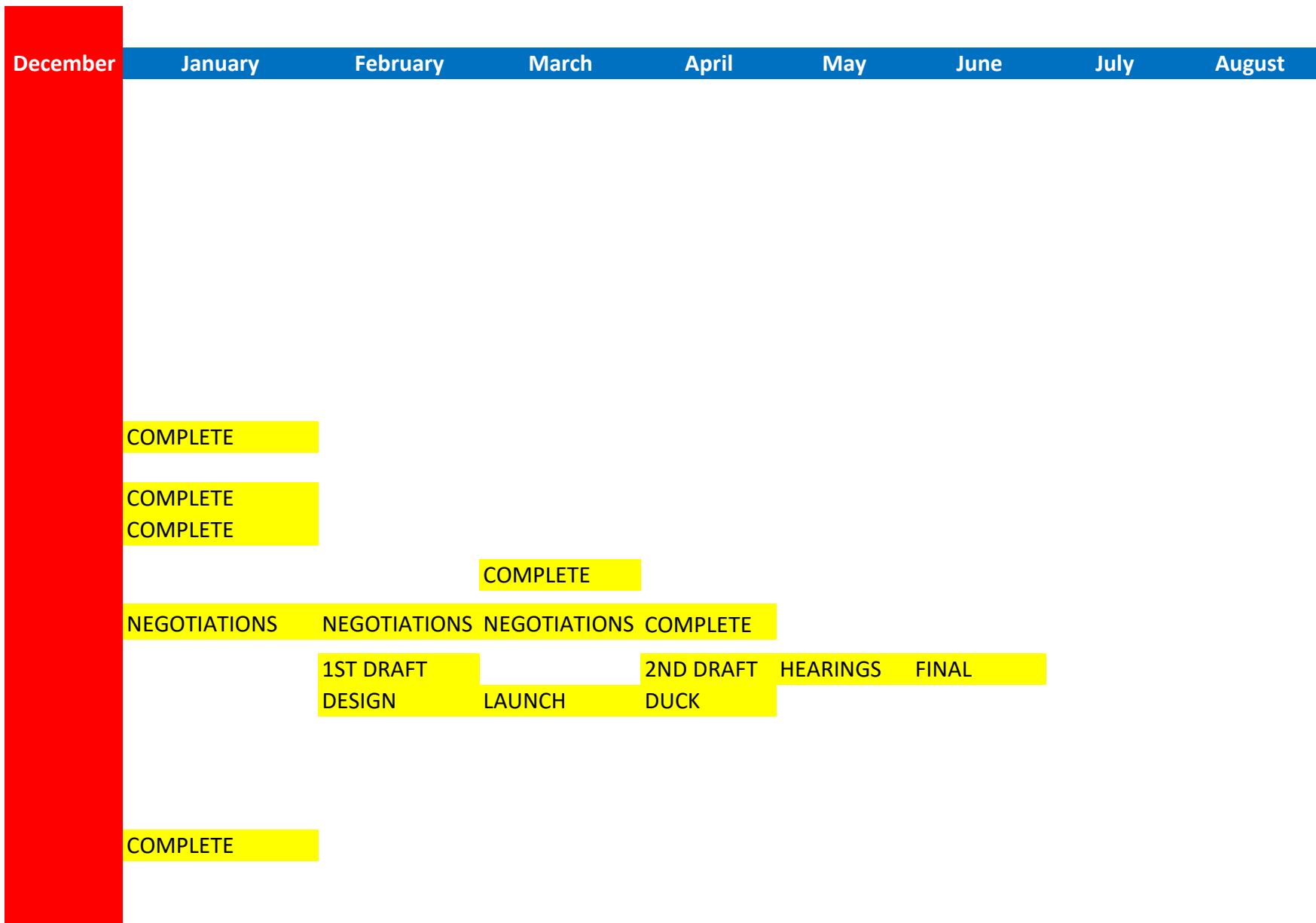
8.4. PREVENTION AND MITIGATION

Part IV of the Identity Theft Prevention Program details response actions for District personnel if the personnel have observed a Red Flag associated with a new or existing utility account. One or more of the following actions will be taken by the District to rectify the situation.

- District will not open a new account (after review of the presented identifying information and discussion with General Manager).
- For an existing account, the District may discontinue the services associated with the account and/or:
 - Continue to monitor the account for evidence of identity theft and contact the customer to discuss possible actions.
 - Change the passwords, security codes, or other security devices that permit access to an existing account.
 - Reopen an existing account with a new account number.
 - Close an existing account.
- For all instance of suspected or confirmed identity theft, the District will notify local law enforcement and will provide them with all the relevant details associated with the identity theft event.

2016-17 Priorities

TASK	Comments	July	August	September	October	November
Tomales Park CIP Plan & Timeline	FAC	COMPLETE				
RFP for TCP Construction Projects	FAC	COMPLETE				
Fence Grant	Donna	COMPLETE				
Staff Contracts/Scope of Work	FAC			FINALIZE		
O&M RFP/Contract Process	FAC			COMPLETE		
Asset Management Inventory	Jose		COMPLETE			
Resubmit Rate Analysis to RCAC for Final 5 & 10 Year Financial Plans	RCAC			SEND OUT		RECEIVE
CIP Plan for 5 & 10 years	FAC					DRAFT
	FAC					COMPLETE
FINANCIAL Policies & Procedures Manual	Break into 4 pieces			WIP	WIP	WIP
Reserves	FAC					COMPLETE
Personnel Policies - GM/Staff Positions	Break into 4 pieces			WIP	WIP	WIP
Succession Policies - continuity, emergency	Break into 4 pieces			WIP	WIP	WIP
Newsletter - Fall & Spring issues	Contracted				COMPLETE	
SUSD Negotiations & Agreement	BILL/BOD					
2017-18 Annual Budgets	FAC/BOD					
Education Outreach on Rates for 17-18	FAC/BOD					
Staff Performance Evaluation - forms/process	FAC				COMPLETE	
Strategic 5 Year Plan	BOD					
Review & Amend TVCSD By-laws	FAC/BOD			RESEARCH	RESEARCH	RESEARCH
MD&A	Melinda			DRAFT		



September

October

November

December

January

February

March

April

May

June

COMPLETE

Tomales Park Committee meeting minutes		
Monday, October 24, 2016 Meeting began @ 6:35 pm		
Margaret Graham chaired the meeting.		
Walter Earle served as note taker.		
Present for meeting were: David Judd, Beth Koelker, Patty Oku, Susan Alvarez. Absent: Bill Bonini		
Agenda:		
Open Communication		
New Committee Member - Assuming Board Approval		
Define the Role of Project Manager		
Park Agreement Review		
Beth and Bishop's Donation Box		
Adjourn		
<u>Agenda Item</u>	<u>Discussion</u>	<u>Action</u>
Open Communication	Margaret and Walter will be gone for the November Park Meeting. Patty agreed to hold the meeting. We're hoping to resolve the issue of a Project Manager. We also want to know how many members we can have on our committee.	
New Committee Member - Assuming Board Approval	Susan Alvarez has agreed to join our committee and will submit an application to the Board for approval at the November meeting.	
Define the Role of Project Manager	We explored how it worked with re-building the park and including the bathroom. David did initial drawings and then they were sent to Barber's office for engineered drawings. Karl would submit to the county and pay the fees. This was done as an owner builder Under Measure A there are a lot more rules. We need someone who: 1. Facilitates in the production and technical details of the RFP's and reviews bids. 2. Orders materials and keeps the ball rolling. 3. Knows or can find out the rules. 4. Makes sure regulations are followed. 5. Interfaces with the Board of Directors. We need RFP's for the three following projects: Fence and retaining wall, Handicap ramps in play areas, Gazebo.	Motion: We ask the Board to hire a Project Manager soon. Our first Gazebo inspection is due this spring and we need to build the ramps before the rules change so that the playground can be certified. Walter/ Beth. Passed
Park Agreement Review	We reviewed the Park Rental Agreement. The main issue was what is Local? We recommend including the following communities as local: Marshall, Two Rock, Valley Ford, Bloomfield and Dillon Beach. We made no changes to the rest of agreement.	Motion: Define the 5 communities as being what is local Patty/ Beth. Passed
Beth and Bishop's Donation Box	Beth found a donation box on line that can be mounted on the door of the mechanical room. She will send the order information to Melinda.	
Meeting adjourned at 7:30 pm.		Motion to adjourn: Patty/ Walter
Minutes approved by:		
Date:		