

**Minutes of the Budget Workshop of the Board of Directors
Tamalpais Community Services District
Tamalpais Valley Community Center
203 Marin Avenue
June 17, 2009**

The Budget Workshop meeting of the Board of Directors of and for the Tamalpais Community Services District ("District") was called to order by President Bartschat at 6:34 PM on Wednesday, June 10, 2009.

1. ROLL CALL

PRESENT: President Steffen Bartschat, Board Members Linda Johnson ("L. Johnson"), Richard Johnson ("R. Johnson"), Jim Jacobs and Gretchen Stagg. As all five (5) of the five (5) Members were present, a quorum was constituted.

STAFF

PRESENT: Jon Elam, General Manager ("GM"), Jerry Taylor, Finance Manager, Carol Buchholz, Parks & Recreation Director and recording Secretary Jack Schwartz.

ALSO

PRESENT: None.

2. APPROVE AGENDA.

MOTION: MOVE TO APPROVE AGENDA AS SUBMITTED

M/S/C JACOBS/L. JOHNSON Vote – 5 Ayes

3. PUBLIC COMMENT.

None.

4. Public Expression. Member R. Johnson noted that the food was good. President Bartschat remarked on circulating e-mail correspondence and cautioned of violating the Brown Act.

5. General Business.

(a) Parks and Recreation. GM Elam stated that the Parks and Recreation (P&R) budget should be discussed first. Director Buchholz referred the Board to the written materials included with the Agenda packet and reported that even with a 5% income cut by the State, the P&R budget still looked "pretty good," including depreciation. Following

this report and based on the 2009/2010 budget being sound, Director Buchholz repeated her earlier request for a permanent part-time Administrative Assistant to start on a probationary basis.

President Bartschat noted that the P&R budget was “even” and that there did not seem to be sufficient funds to hire a new employee; however Finance Manager Taylor observed that many of the stated expenses could be cut, leaving a \$65,000 cushion for hiring an Administrative Assistant, who will cost approximately \$50,000. The Board stated that the budget should be amended to reflect these extra funds, an amendment that Mr. Taylor promised to do, leaving room for a 19 to 20 hour new employee.

- (b) **Refuse.** GM Elam reported that the refuse budget was a great success, with a \$40,000 surplus, professional services increase, the upcoming 218 process and insurance costs are down (the only vagary continues to fuel costs).

To save expenses, Member L. Johnson suggested combining the following event-days: “green” with “debris” with pharmaceuticals, with batteries. Lastly, GM Elam stated that refuse had \$300,000 in reserves.

- (c) **Sanitation.** GM Elam reminded the Board that the District was already charging \$710 per year for sanitation use, the highest charge possible without another 218 process. Mr. Elam warns that due to EPA costs, professional services and the past, present and future SMCSO capital expenses, the user fee should be approximately \$90 per year (a shortfall of some \$200 per user).

In response to President Bartschat’s inquiry relating to the District’s financial responsibility for Sausalito spills, GM Elam stated that these costs could result in as much as \$150,000 or more that is presently unbudgeted. Also, while sanitation revenues are approximately \$300,000, the District is “down” approximately \$477,000, stated Member R. Johnson.

President Bartschat stated that the District must go into a “savings mode” and begin cutting costs, including capital improvements. President Bartschat also stated that the District must start the Proposition 218 process so that its fees can be raised.

GM Elam then reminded that of the current \$710 per year, approximately \$145 relates to collection, \$149 to treatment and the balance to SMCSO’s capital improvement projects. These costs will be significantly lessened by relocating to SASM, a District that GM Elam stated might lose Mill Valley, making SASM its own self-sustained District. The TCSD “integration” with SASM is being pushed as fast as possible.

The Board then agreed that a Proposition 218 process should be initiated immediately, raising the annual user fee to \$931 (\$221 more per user than current fees).

The Board also agreed that capital improvements like the tennis court resurfacing project, pump station improvements and new vehicles might have to be postponed, as environmental stringencies have materially increased the District's costs.

President Bartschat produced a graph that depicted the District's financial problems and the concomitant need to raise fees (the Board felt that this need was so apparent that it might shorten and quicken the 218 process, to which GM Elam expressed his doubts. Member L. Johnson asked if collection and treatment might be billed separately, a suggestion that all agreed was encouraging.

5. **Adjournment.**

MOTION MOVE TO ADJOURN

M/S/C L. JOHNSON/JACOBS

Vote – 5 Ayes

The Work Session Meeting was adjourned at 8:45)



President



Secretary