

BUDGET & PERSONNEL COMMITTEE MEETING MINUTES
CASTROVILLE COMMUNITY SERVICES DISTRICT
May 9, 2023

The Budget & Personnel Committee meeting was held in the District board room.

Director Ron Stefani called the meeting to order at 10:05 a.m.

ROLL CALL:

Directors Present: Committee members: Ron Stefani and Greg MacMillan

Absent:

Staff Present: General Manager Eric Tynan and Office Manager Lidia Santos

Guest:

PUBLIC COMMENTS

None

1. Review of FY 2023/2024 Proposed Budget – General Manager Eric Tynan presented the preliminary budgets for Water (Castroville –Zone1), Sewer and Governmental (Castroville - Zone1), Sewer and Governmental (Moro Cojo, NMCHS, & Monte Del Lago Mobile Park –Zone 2), and Sewer (Moss Landing – Zone 3), which were all reviewed by the Budget Committee.

2. Recommendations for FY 2023/2024 Budget – The Budget Committee will be updating the Board at the regularly scheduled board meeting on May 16, 2023 on the budgets reviewed and their recommendations. All budget items were reviewed and discussed at this meeting and recommended changes made. Furthermore, there is no water rate increase as the 5 year water rate increase that was approved ended fiscal year 2020/2021. Castroville Zone 1-Sewer currently reflects \$100,000 of ad valorem property taxes to be transferred out to Castroville Zone1-Governmental in order to fund extended recreational services (\$100,000) for 2023-24. Ad valorem funds will need to be transferred out in this manner as done in the past to fund extended recreational services. Funding to be used for capital improvement projects (Sports Complex Improvements and Rehabilitation Project) is yet to be determined and to be discussed further at the regularly scheduled board meeting on May 16, 2023. The transfer out of funds was not done for several years since there were sufficient funds in the Castroville Zone 1-Governmental. Castroville Zone 1-Governmental no longer has sufficient monies in the fund to pay for extended recreational services, therefore ad valorem property tax monies will need to be applied to the Castroville Zone 1-Governmental as done in the 2022/2023 budget and in the past. NCRPD Finance & Administration Director Alex Lopez had submitted the request for extended recreational services, which is included with this board packet and can be viewed on page 14. For fiscal year 2023/2024 NCRPD in addition to requesting the \$100,000 for extended recreational services, they are also asking for \$322,000 for the Sports Complex Improvement and Rehabilitation project as the project came in substantially higher than anticipated at \$550,000. NCRPD is asking Castroville CSD to fund the difference for this CIP totaling \$322,000. The Budget & Personnel Committee will provide their recommendation to the full Board at the May 16, 2023 board meeting. This is only a discussion at this time and no action has been taken. Extended Recreational Services expense is now reflecting \$100,000. Changes were also made to Employees Wages, FICA and PERS Retirement Employer Contributions budget line items for Water, Sewer Zone 1, 2, and 3 to reflect a 3% not 5% increase. The cost of insurance coverage for PERS Platinum is currently \$17,338.75 monthly for all employees, which covers 90/10 for employees with CalPERS from until December 2023 and expected to increase for January 2024 to June 2024 fiscal year. The new rates for 2024 will not be disclosed until August of 2023. PERS Choice was dissolved as of December 2021. Director Ron Stefani stated that having good coverage is very important. The budget will be discussed further at the regular scheduled board meeting. Sewer and Governmental (Moro Cojo, NMCHS & Monte De Lago Mobile Park-Zone 2 will have no sewer rate increases as the last of the 5 year approved rate increase was for fiscal year 2020/2021 per Ordinance No. 67.

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3. Personnel-Staff Wage Increase – The Budget & Personnel Committee reviewed the Wage Step Program that was approved by the Board at the October 2018 board meeting for all hourly staff positions, which can be viewed on pages 43 of this board packet. Also, enclosed was a memorandum to the Board from General Manager Eric Tynan with option 1, 3% hourly rate increase for employees and option 2, 5% hourly rate increase for employees. The consumer price index for all items as of March 2023 reflect 5%. The General Manager position is salary and the most recent three year contract was executed July 1, 2021.

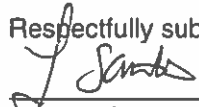
4. Recommendations for Staff Wage Increase- General Manager Eric Tynan informed the Budget & Personnel Committee that the preliminary budgets include a 5% hourly wage increase for employee, pending Board approval. He recommended all staff receive a 5% hourly wage increase. Per Director Ron Stefani, employee health care monthly premiums continue to rise annually and Castroville CSD pays 100% of the monthly health premium for employees and dependents, which is a valuable benefit. For this reason Directors Stefani and MacMillan recommend option 1 for all employees, a 3% hourly rate increase. The Budget & Personnel Committee will be making recommendations to the Board at the regularly scheduled board meeting on May 16, 2023, which will only be a discussion item.

5. Adjournment

CLOSE:

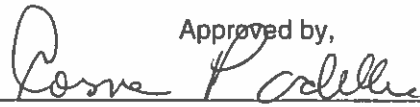
Meeting adjourned at 11:34 a.m.

Respectfully submitted by,



Lidia Santos
Secretary to the Board

Approved by,



Cosme Padilla
President