

BUDGET & PERSONNEL COMMITTEE MEETING MINUTES
CASTROVILLE COMMUNITY SERVICES DISTRICT
May 11, 2022

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

Director Ron Stefani called the meeting to order at 2:00 p.m.

ROLL CALL:

Directors Present: Committee members: Ron Stefani and Cosme Padilla

Absent:

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

Guest:

PUBLIC COMMENTS

None

1. Review of FY 2022/2023 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 2022/2023 Budget – The Budget Committee will be updating the Board at the regularly scheduled board meeting on May 17, 2022 (the regular board meeting was rescheduled to May 24, 2022 due to lack of a quorum.) on the budgets reviewed and their recommendations. All budget items were reviewed and discussed at this meeting. There is no water rate increase this fiscal year as the 5 year water rate increase that was approved ended fiscal year 2020/2021. Recommended changes to the following budget line items: Castroville Zone 1-Sewer to reflect \$150,000 of ad valorem property taxes to be transferred out to Castroville Zone1-Governmental in order to fund extended recreational services (\$150,000) for 2022-23. Street lights has a significant credit with PG&E and will not need funding transferred for 2022-23. Ad valorem funds will need to be transferred out in this manner as done in the past to fund extended recreational services of which \$50,000 of the \$150,000 to be used for capital improvement projects (Sports Complex Improvements and Rehabilitation Project). The transfer out of funds was not done for several years since there were sufficient funds in the Castroville Zone 1-Governmental. However, 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 2021/2022 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. General Manager Eric Tynan stated that NCRPD has been doing a great job and did notice the Sports Complex was in need of improvements and rehabilitation. The Budget Committee concurred with General Manager Eric Tynan's recommendation. These same changes will also be reflected in the Castroville Zone 1-Governmental budget. The Budget & Personnel Committee will provide their recommendation to the full Board at the May 17, 2022 board meeting. This is only a discussion at this time and no action has been taken. Extended Recreational Services expense is now reflecting \$150,000. Changes were also made to Employees Health Benefit budget line item for Water, Sewer Zone 1, 2, and 3 to reflect the cost of insurance coverage for PERS Platinum 90/10 for employees with CalPERS from January 2023-June 2023 as employees are currently enrolled in this plan as of January 1, 2022. Director as 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. No other changes were made at this time. However, discussed was also the annual contribution made to the CERBT fund for Other Post-Employment Benefits. Currently the District contributes \$19,000 annually, which isn't quite enough to be on track to full fund the pan. A letter which provided funding guidance for the District's OPEB Plan and the Quarterly CERBT Account Update Summary can be viewed on pages 44-55. General Manager Eric Tynan recommend the District consider the 10 year funding plan. 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 39 of this board packet. 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 3% to 3.5% hourly wage increase for employee in accordance with the Wage Step Program, pending Board approval. He recommended all staff be moved up to the next wage step as the staff has been doing a great job and the consumer price index (CPI) is at 5.9%. Also discussed was On-Call pay for the Operations Department. The report on what is being proposed and a comparison of other agencies On-Call Pay can be viewed on pages 40-41 of this board packet. General Manager Eric Tynan is recommending On-Call Pay for the week should be 6 hours overtime for the employee who is On-Call for the Operation Department. Per the committee the District should offer and abide by CA overtime provisions as outlined for all employees: Daily: Up to 8 hours-straight time, Over 8 hours-time & one-half, Over 12 hours-double time. Weekly: Up to 40 hours-straight time. Per the Committee they are recommending the Administration staff and the General Manager be moved up to the next step and receive an additional 2% wage increase, total 5%. The Budget & Personnel Committee will be making recommendations to the Board at the regularly scheduled board meeting on May 17, 2022, which will only be a discussion item.

5. Adjournment

CLOSE:

Meeting adjourned at 4:30 p.m.

Respectfully submitted by,



Lidia Santos
Secretary to the Board

Approved by,



James Cochran
President