



RANCHO MURIETA COMMUNITY SERVICES DISTRICT

15160 Jackson Road, Rancho Murieta, CA 95683

Office - 916-354-3700 * Fax - 916-354-2082

FINANCE COMMITTEE

(Directors John Merchant and Tim Maybee)

Regular Meeting

September 10, 2019 at 10:00 a.m.

All persons present at District meetings will place their cellular devices in silent and/or vibrate mode (no ringing of any kind). During meetings, these devices will be used only for emergency purposes and, if used, the party called/calling will exit the meeting room for conversation. Other electronic and internet enabled devices are to be used in the "silent" mode. Under no circumstances will recording devices or problems associated with them be permitted to interrupt or delay District meetings.

AGENDA

1. **Call to Order**
2. **Comments from the Public**
3. **Pun Group Update**
4. **Pun Group Finance and Accounting Services Proposal**
5. **CFD 2014-1 Technical Financial Review**
6. **Financial system upgrade**
7. **General Manager's Reserves Spending Authority**
8. **Directors and Staff Comments/Suggestions**
9. **Adjournment**

In accordance with California Government Code Section 54957.5, any writing or document that is a public record, relates to an open session agenda item and is distributed less than 72 hours prior to a regular meeting will be made available for public inspection in the District offices during normal business hours. If, however, the document is not distributed until the regular meeting to which it relates, then the document or writing will be made available to the public at the location of the meeting.

Note: This agenda is posted pursuant to the provisions of the Government Code commencing at Section 54950. The date of this posting is September 6, 2019. Posting locations are: 1) District Office; 2) Post Office; 3) Rancho Murieta Association; 4) Murieta Village Association.

MEMORANDUM

Date: September 6, 2019
To: Finance Committee
From: Mark Martin, General Manager
Subject: General Manager's Reserves Spending Authority

At the July 2019 Finance Committee, Director of Administration Tom Hennig gave a summary of the recommendation to authorize the General Manager to expend reserve funds up to \$25,000 without requiring prior Board approval. Over the last six years, approximately 83 reserve expenditure requests were sent to the Board for approval with a dollar amount under \$25,000. After discussion, the Committee agreed to recommend authorizing the General Manager to expend up to \$25,000 of reserve funds without Board approval and up to \$50,000 on already budget-approved Capital Improvement/Replacement Projects. This will be an amendment to District Code Chapter 4 (Purchasing and Bidding) which will have its first reading of the Ordinance at the September 18, 2019 Regular Board meeting.

ORDINANCE NO. O2019-04

AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE RANCHO MURIETA COMMUNITY SERVICES DISTRICT AMENDING DISTRICT CODE CHAPTER 4 (PURCHASING AND BIDDING) TO ADJUST GENERAL MANAGER SPENDING AUTHORIZATION ON RESERVE FUND EXPENDITURES AND BUDGET-APPROVED CAPITAL PROJECTS

The Board of Directors of the Rancho Murieta Community Services District hereby ordains as follows:

SECTION 1. PURPOSE AND AUTHORITY. The purpose of this ordinance is to adjust the General Manager spending authority with regard to expenditures paid from the District reserve funds and expenditures on budget-approved capital improvement and replacement projects. This ordinance is adopted pursuant to Government Code sections 54202, 61060 and 61063, and other applicable law.

SECTION 2. CODE AMENDMENTS

Sections 3.03 and 3.04 are added to District Code Chapter 4 (Purchasing and Bidding) to read as follows:

Section 3.03. Expenditures from Reserve Funds. The General Manager spending authority under sections 5.00 (Commodities, General Services and Construction Contracts of \$25,000 or Less) and 7.02 (Professional Service Contracts of \$25,000 or Less) applies to any expenditure that will be funded from an existing District reserve fund. Any expenditure from a reserve fund in excess of \$25,000 requires Board approval (except as provided by section 3.04 for expenditures on budget-approved capital projects or section 4.00 for emergency purchases and contracting).

Section 3.04. Expenditures on Budget-Approved Capital Projects. The General Manager may approve a purchase of Commodities, General Services contract, Professional Services contract, or Construction Contract in an amount or estimated amount of \$50,000 or less if (a) the purchase or contract directly supports or furthers a particular capital improvement or replacement project, and (b) the costs of the particular project are included within the current year's Board-approved budget. For any such purchase of Commodities, General Services contract, Professional Services contract, or Construction Contract of \$25,000 or less, the General Manager may make the purchase or approve the contract on the Open Market by seeking the most favorable terms and price either through negotiation, comparative pricing, or informal Competitive Bidding, whichever method the General Manager deems most appropriate in the circumstances. For any such purchase of Commodities, General Services contract, or Construction Contract between \$25,000 and \$50,000, the General Manager shall follow the competitive bidding and award procedures set forth in section 6.00 (Commodities, General Services and Construction Contracts in Excess of \$25,000) and section 6.02(e) is modified to authorize the General Manager to award and approve the purchase or contract. For any such Professional Services contract between \$25,000 and \$50,000, the General Manager shall follow the RFP/Q, selection, and award procedures set forth in section 7.03 (Professional Service Contracts Exceeding \$25,000) and section 7.03(c) is modified to authorize the General Manager to award and approve the contract.

SECTION 4. EFFECTIVE DATE. This ordinance shall take effect 30 days after its final passage.

SECTION 5. SEVERABILITY. If any section or provision of this ordinance or the application of it to any person, transaction or circumstance is held invalid or unenforceable, such invalidity or unenforceability shall not affect the other provisions of this ordinance that can be given effect without the invalid or unenforceable provision, and to this end the provisions of this ordinance are declared to be severable.

SECTION 6. PUBLICATION. The District Secretary is directed to publish this ordinance once in a newspaper of general circulation published in the District within 15 days after the adoption of the ordinance.

INTRODUCED by the Board of Directors on the 18th day of September 2019.

PASSED AND ADOPTED by the Board of Directors of the Rancho Murieta Community Services District at a regular meeting on the 16th day of October 2019 by the following roll call vote:

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

Les Clark
President, Board of Directors

Attest:

Suzanne Lindenfeld, District Secretary