



**BOARD OF COMMISSIONERS  
1850 SW 170th AVENUE  
BEAVERTON, OR 97006**

**NOVEMBER 17, 2010  
REGULAR MEETING  
7:00 P.M.**

**Listening devices are available upon request  
48 hours prior to the day of the meeting (503-642-1511)**

**Streaming live at [www.tvwd.org](http://www.tvwd.org)  
Broadcast by TVCTV (at a later date)**

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**ALL VERBAL TESTIMONY IS ELECTRONICALLY RECORDED**

- 1. CALL TO ORDER – REGULAR MEETING
- 2. REPORTS BY THE CHIEF EXECUTIVE OFFICER AND MANAGEMENT STAFF
- 3. COMMISSIONER COMMUNICATION
  - 3.1 -Reports of Meetings Attended
  - 3.2 -Topics to be raised by the Commissioners

4. PUBLIC COMMENT:  
**This time is set aside for persons wishing to address the Board on items on the Consent Agenda, and matters not on the Agenda. Additional public comment will be invited on agenda items as they are presented. Each participant is limited to five minutes, unless an extension is granted by the Board.**

CONSENT AGENDA: These items are considered to be routine and may be enacted in one motion without separate discussion. Any Board member may request that an item be removed by motion for discussion and separate action.

ITEMS REMOVED FOR SEPARATE DISCUSSION: Any items requested to be removed from the consent agenda for separate discussion, will be considered immediately after the Board of Commissioners have approved those items which do not need discussion.

- 5. CONSENT AGENDA ITEMS
  - 5.1 - Work Session Minutes of October 5, 2010.....
  - 5.2 - Regular Meeting Minutes of October 20, 2010.....

**BUSINESS AGENDA ITEMS:**

**Time will be set aside for public comment for each business item. Each participant is limited to five minutes unless the Board grants an extension, or the agenda item is noted for a specific amount of time for public comment.**

- 6. DISTRIBUTION OF LOCAL GOVERNMENT BOND AND LEVY BALLOT MEASURE INFORMATION (MOTION TO ADOPT).....
- 7. A MOTION AUTHORIZING A NEW POSITION IN THE FINANCE AND INFORMATION TECHNOLOGY DEPARTMENT FOR 2009-2011 (MOTION) .....
- 8. ADJOURNMENT

**TUALATIN VALLEY WATER DISTRICT  
REGULAR BOARD MEETING AGENDA ITEM**

**MEETING DATE: NOVEMBER 17, 2010**

**TITLE: DISTRIBUTION OF LOCAL GOVERNMENT BOND AND LEVEY BALLOT  
MEASURE INFORMATION**

**ITEM:** During the September 15, 2010 TVWD Board meeting, the Board approved a process for TVWD to include a reminder on the TVWD Web site of a pending election and provide a link to the County Elections Web site for more information. At that time, it was noted that staff would come back to the Board with a formal Board Policy for consideration.

The attached draft policy seeks to capture the direction provided by the Board during the September 15, 2010 meeting and incorporate the Board's previous direction regarding the distribution and inclusion of election information in TVWD publications, mailings or property.

**STAFF RECOMMENDATION:** Staff is asking for Board action to either adopt or suggest changes to the attached draft policy.

**BUDGET IMPACT:** None

**ADDITIONAL INFORMATION:** Todd Heidgerken, 503-848-3013 or [toddh@tvwd.org](mailto:toddh@tvwd.org)

**ATTACHMENTS:** Draft Board policy regarding the Distribution of Local Government Bond and Levy Ballot Measure Information.

APPROVING MANAGERS INITIAL:

CHIEF EXECUTIVE OFFICER	_____	HUMAN RESOURCES	N/A
FIELD OPERATIONS	N/A	INTERGOV. RELATIONS	_____
FINANCIAL SERVICES	N/A	CUSTOMER SERVICES	N/A
ENGINEERING SERV.	N/A		

**BOARD ACTION:**

APPROVED \_\_\_\_\_  
DENIED \_\_\_\_\_

## **Distribution of Local Government Bond and Levy Ballot Measure Information**

### Article 1.10.180

- I. The TVWD Board will provide links to information regarding local government bond and levy ballot measures on the TVWD Web site using the following process.
  - A. Prior to an election where a local government bond or levy ballot measure will appear on the ballot, TVWD staff will provide a link to the Washington County Elections Web site; and
  - B. A statement on TVWD's Web site stating the date of the election and reminding people to vote will accompany the link to the Washington County Elections Web site.
- II. The distribution and inclusion of election information for non TVWD bond or levy measure election through the use of TVWD publications, mailings, or property is prohibited by the TVWD Board. The distribution of election information of TVWD bond or levy ballot measures shall be determined on a case by case basis by the TVWD Board.
- II. Nothing in this policy is intended to conflict with restrictions contained in Oregon Revised Statutes (ORS) 260.432 and guidelines are issued by the Oregon Secretary of State Elections Division.

TUALATIN VALLEY WATER DISTRICT  
BOARD AGENDA ITEM

**MEETING DATE: NOVEMBER 17, 2010**

**TITLE: A MOTION AUTHORIZING A NEW POSITION IN THE FINANCE AND INFORMATION TECHNOLOGY DEPARTMENT FOR 2009-2011**

**ITEM:** The District is moving in the direction of comprehensive asset management and life-cycle costing of capital decisions, and we are doing more capital projects in-house than ever before. Timely, detailed project accounting and reporting is essential for estimating new project costs and for recovering our costs to provide contract services to other entities. Asset and project accounting requirements for audit purposes have become more complex and will continue to do so with new auditing and public disclosure rules. To meet these needs and keep up with the increased project data entry requirements of the new financial system we are recommending that the District add a Capital Asset/Project Accountant to the Finance division. This position would be responsible for in-depth capital project tracking and reporting and reconciliation of construction work in progress dollars, as well as for providing targeted analytical support services to Engineering, Field Operations, and OCIR staff. Adding this position will assist in implementation of the District's Capital Improvement Program, allow enhanced cost-tracking of services provided to contract entities, and will provide the resource needed to make effective use of financial and asset management systems software and produce the type of quality project information we need.

**STAFF RECOMMENDATION:** Staff recommends that the Board move to authorize a new Capital Asset/Project Accounting position to be added to the 2009-2011 budget.

**BUDGET IMPACT:** No transfer of contingency to fund this position is requested at this time. As a result of vacancies in other positions at the beginning of the biennium there should be sufficient budget left in the Finance department personal services to cover this position for the remainder of the year. There will be an impact on the 2011-13 biennial budget of approximately \$100,000 for salary, benefits, and materials and services.

**ADDITIONAL INFORMATION:** Greg DiLoreto, (503) 848-3032, [greg@tvwd.org](mailto:greg@tvwd.org), Bernice Bagnall, (503) 848-3017, [bernice@tvwd.org](mailto:bernice@tvwd.org)

**ATTACHMENTS:** Background Information

APPROVING MANAGERS INITIALS:

CHIEF EXECUTIVE OFFICER	_____	HUMAN RESOURCES	N/A
FIELD OPERATIONS	N/A	INTERGOV. RELATIONS	N/A
FINANCIAL SERVICES	_____	CUSTOMER SERVICES	N/A
ENGINEERING SERV.	N/A		

**BOARD ACTION:**

APPROVED \_\_\_\_\_  
DENIED \_\_\_\_\_

**Background**

## **Proposal to add a Capital Asset/Project Accountant Position**

**Department:** Finance & Information Technology

**Key Roles:** Coding, accounting, reconciling, tracking, and reporting for capital assets, equipment rates, and capital projects; reconciliation of construction work in progress accounts; coordination of project data entry and tracking with Engineering, OCIR, and Field Operations departments; act as Finance liaison to AWM/GIS/CMMS programs

**Pay Grade:** To be determined

### Brief History

Since the last time we added a staff position in Finance the following new tasks have been taken on:

- Procurement-card system management and accounting
- Performance measure tracking
- Accounting for Gold and Silver backflow programs
- Other Post-Employment Benefits accounting and reporting
- On-line credit card and SDC credit card acceptance and the associated bank reconciliations
- Positive Pay check verification with the bank
- Joint Venture accounting for WRWC and JWC
- Calculation of Sherwood and Tualatin Wheeling charges and exhibits
- Joint water supply planning meetings with Engineering
- Financial System Conversion Project
- Support for HR/Payroll conversion and maintenance
- IT Steering Committee and strategic planning for IT projects
- Carbon Emission Reduction Task Force participation
- Specialized reporting for the City of Beaverton
- Accounting for TVWD's non-profit and for PSWCC (pending)

As noted on the Board Agenda cover sheet, the District is moving in the direction of comprehensive asset management and life-cycle costing of capital decisions, and we are doing more capital projects in-house than ever before. Timely, detailed project accounting is essential for estimating new project costs and for recovering our costs to provide contract services to other entities. Asset and project accounting requirements for audit purposes have become more complex and will continue to do so with new Governmental Accounting Standards Board pronouncements. Unfortunately, capital asset and project accounting is an area that has been essentially under-staffed in the Finance department for the past couple of years as we have taken on new assignments in other areas. (e.g., the Procurement-Card system requires 15+ hours each week for maintenance, processing, and assistance to users.) The recent 4+month absence of our fixed asset accountant served to highlight how much we depend on project accounting and how little cross-training and back-up we have for that critical function.

### **Current Situation**

The department managers from Engineering, OCIR, and Field Operations have requested additional tools and assistance to budget for projects and track project costs. Finance staff and those managers

themselves have developed various spreadsheets to assist, but the results are patchwork and inadequate. This situation has become more critical with the changeover to LOGOS and the impending implementation of enterprise-wide GIS.

- The LOGOS system requires a great deal of data entry, which has more than used up any staff capacity previously available in finance and accounting.
- LOGOS has multiple approval levels, which provides improved internal controls but also means that posting entries to the general ledger takes longer.
- Implementation of the payroll system has added additional processing time, and will require more data entry and report development to supplement project accounting.
- We have a backlog to July 1 of project and asset accounting information that has to be reconciled and entered into the new system.
- When the enterprise GIS is implemented it will mean much more asset data will be available at a greater level of detail, and it will all need to be correctly posted to the GL and inventory systems.
- We have a current request to provide Finance staff representation on the Asset Work Management project, but we have no capacity available to participate.

As a part of the move to a new financial system the Engineering and Field Operations department managers sought a much more detailed and complex level of project accounting than has previously been available. The Project Accounting module in LOGOS provides a multi-level structure, so they took the opportunity to develop new project strings that have 4 levels, each with 4 categories of expenditure, meaning that each project has 16 sub-elements. That level of granularity means data entry, tracking, and reporting are more labor-intensive and time consuming and there is more opportunity for error when no-one is designated with primary responsibility for those tasks.

LOGOS Project Accounting is basically a stand-alone module and is not integrated with payroll or the General Ledger (GL). It tracks only project dollars and does not account for labor hours or equipment units or rental rates. These elements are critical for the District to be able to cost out and invoice our services to our contract entities. The District's old "Job Cost" system was inadequate to meet expanded project and asset tracking needs, but it did provide a single, simplified data entry point that automatically populated payroll and GL systems. Job Cost also provided a simplified method to attach equipment rates and inventory to projects; this functionality is not available in LOGOS. We hope to gain additional project accounting functionality through a Computerized Maintenance Management System, (CMMS) but we cannot wait for that and we risk losing project detail data in the interim.

### **Proposed Solution**

Adding a full-time capital asset and project accounting position will address the following needs:

- Development of an integrated tracking tool to supplement LOGOS Project Accounting so that projects will show labor hours and equipment units instead of just dollars spent
- Development and maintenance of equipment and vehicle rental rates and applying rental rates to projects as appropriate
- Calculation of appropriate project overhead factors
- Tracking and assigning inventory to projects
- Tracking payroll and labor hours and associating them with the appropriate project file
- Tracking equipment units and associating them with projects

- Creating monthly reconciliations and invoicing for the “Bill To” jobs
- Monthly CIP tracking and reporting and reconciliation with GL
- Monthly (at least) reconciliation between project expenditures posted in the Construction Fund and budgetary information in the General Fund
- Creating project set-up formats and assisting District staff to create project structures that will meet their needs
- Providing targeted assistance to Engineering and Field Operations for project accounting as well as inventory and asset accounting
- Providing targeted support to effectively budget at the project level
- Tracking and reconciling Construction Work In Progress for audit purposes
- Capitalizing project costs
- Calculating the year-end contributed capital rate
- Calculating project and asset additions/deletions for Utility Plant in Service
- Creating regular and ad hoc project reports
- Support and assistance for budget development and monitoring at the project level
- Cross-training, succession planning, and enhanced internal controls through separation of duties
- Participation and representation of Finance on the Asset Work Management and CMMS projects, as well as GIS as necessary

We are hopeful that once the financial system conversion project is complete some of the finance and accounting staff will have more time available for other assignments, but the fact is we are currently utilizing two temporary positions and all staff in the division are working overtime anyway. This level of effort is not sustainable, and we will lose the temporary positions once the project is complete. We will also be entering a new biennial budget process and will have to build a whole new system to integrate with LOGOS. As GIS, AWM, and CMMS move forward there will be additional needs for asset and project accounting. A new position for Capital Asset and Project Accounting is essential to provide the type of quality, in-depth project accounting we need to run our financial operations, correctly cost out our services, and provide support to project managers District-wide.