

**FINANCE COMMITTEE MEETING**  
APPROVED MINUTES

February 11, 2011

DIRECTORS PRESENT: Lou Reinkens and Ron Treabess (committee members)  
Judy Friedman

STAFF PRESENT: Jim Dykstra, Treasurer/Director of Accounting & Employee Services  
Cindy Gustafson, General Manager  
Tony Laliotis, Director of Utilities  
Bob Bolton, Director of Parks and Recreation  
Ginger Charlton, District Clerk

The meeting was called to order at 8:30 a.m.

**9. Boardroom Technology Upgrades**

Ms. Gustafson reported that staff talked to two different firms about installing a meeting room audio visual system. After discussions, CCS Presentation Systems was preferred. Two gentlemen from CCS attended the meeting to review their proposal and to answer questions. Directors Treabess and Reinkens reviewed several scenarios including an expanded system to cover what may be needed in the future and the costs of such upgrades. Although this item wasn't budgeted for 2011, money could be made available by not doing other capital projects and reducing certain operating costs. Director Treabess said he didn't know why we would wait if we had the money to advance this year. He recommended proceeding with the upgrades at a pace that fits in with staff's other projects. Director Reinkens agreed. This item will go to the Board next week.

**1. Department Activity Report**

Mr. Dykstra reviewed the report and added information on the following items:

*Continuing year-end close and financial audit preparation.* Mr. Dykstra reported that the new partner on our account from Caporicci and Larson will attend the next Finance Committee meeting and the audit will be done during the last week of March and the first week of April. He added that the Board can discuss if they want to go out and look for different auditors after this year's audit is complete.

*Providing information for a pension refunding bond proposal.*

Mr. Dykstra reported that he had a meeting with a gentleman who is interested in doing a pension refunding bond for the District. He will get a definitive package from him soon.

*Researching capitalization of consulting costs.*

Mr. Dykstra reviewed what various districts do with capitalizing consulting study costs and reviewed information on what Stephen Gauthier, the "man" in government accounting, believes should be done which is to expense feasibility studies. This item can be agendized as a separate item on a Board agenda if Board members with differing views would like.

*Recruiting and evaluating candidates for the Director of Resource Development, Operations Specialist II/III, and Part-Time Engineering Project Assistant positions.*

Ms. Gustafson reported that staff will be doing an assessment center interview process on Monday, February 28<sup>th</sup> for the five to six finalists for the Director of Resource Development position. Since five candidates are local, three outside evaluators who have been in very similar positions will join four staff members as raters and Ms. Gustafson will be the facilitator. The Operations Specialist II/III position is still open. The Part-Time Engineering Project Assistant position is closed and Mr. Homolka is working through the 30+ applications.

*Completing work to begin billing new Lake Forest Water customers.*

Mr. Dykstra reported that information was received from Mr. Dewante that will help us to put the customers into the system.

## **2. Bills Paid and Payable Approval**

There were no questions.

## **3. Expense Report Approvals**

Mr. Dykstra reviewed the reports. There were no questions.

## **4. Investment Schedule**

Mr. Dykstra reviewed the investments and answered questions of the committee. He also went over the quarterly statement for the California Employers' Retiree Benefit Trust and said that it is performing reasonably well for us.

## **5. 2011 Cash Flow Projection**

Mr. Dykstra went over the projection and noted that the District has an \$8.4 million capital budget this year and of that \$5.4 million of that is grant funded.

## **6. Grant Tracking Report**

Mr. Dykstra reviewed the following grants:

Homewood Bike Trail – We are in an advance position.

Lakeside Trail Design & Engineering – Reaching a close out area.

Lakeside Trail Phases 5-7 Construction – We are on top of this - active in 2011 and 2012.

2009 USFS Lake Tahoe Fire Protection Partner – Is in the close out stage.

2010 USFS Lake Tahoe Fire Protection Partner – Have done a first billing.

## **7. Fleet Replacement Plan**

The committee received copies of the Draft Fleet Replacement Plan. Mr. Laliotis said that the plan lays out the District's entire fleet, documents all of the vehicles, their replacement costs, and their usable life expectancy, and includes a spreadsheet that breaks out the actual annual replacement costs for the next 15 years. He reviewed the plan and pointed out that the annualized fleet contribution for the next 15 years would be about \$208,000. Mr. Laliotis built in to the plan a used fork lift. This item will come to the full Board next week.

## **8. Federal Lobbyist Update**

Ms. Gustafson said that with the recent changes in the House and Senate, the District has been informed by Senator Feinstein's staff that no appropriations requests (earmarks) will be considered this year. There is an effort in the Basin to reform a joint effort to pursue Federal funding through a variety of sources. TRPA, California Tahoe Conservancy, Fire Districts, Special Districts and other

leaders may be included in this effort. Staff believes that this joint effort would be a more appropriate means to pursue Federal funding when it does become available. Terminating the contract with Doyce Boesch for representation at the Federal level will result in \$50,000 for 2011's budget.

**10. Hiring Update**

This item was covered in the department activity report.

**11. Public Forum**

There was no public input.

**12. Meeting Review and Staff Direction**

There was no further review.

**13. Adjournment**

The meeting adjourned at 10:15 a.m.

Prepared by Ginger Charlton

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Ginger Charlton, District Clerk