

FINANCE COMMITTEE MEETING
APPROVED MINUTES

April 16, 2010

DIRECTORS PRESENT: Dan Wilkins and Lou Reinkens (members)
Ron Treabess

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 8:35 a.m.

3. Approval of Expense Reports

Mr. Dykstra reviewed the expenses for the trip taken to Washington, D.C. by Ms. Gustafson and Director Wilkins. Directors Reinkens and Treabess were in agreement that the expenses were fair and should be paid by the District.

1. Department Activity Report

Mr. Dykstra reported on what staff has done with Finance, Human Resources, Information Technology, Risk Management, and Real Estate in the past four weeks and what they plan to focus on in the next 30 days.

For Finance, he pointed out that the audit team did a preliminary report on the additional procedure requested by the Board and will give a final report at the April Board meeting. There were no negative findings.

During the Information Technology discussion, the Committee discussed the problem with the conference phone that occurred at the Board meeting. It was suggested that next time we use PowerNet Global's service for a conference call.

Director Reinkens asked if the Board would get a briefing on the GPS and maintenance management software soon. Mr. Laliotis said that the GPS system would be discussed at the April meeting. Ms. Gustafson said that maintenance management would probably be part of the 2011 budget process. Staff will look at a proposal to the Board in the fall for the 2011 budget. Mr. Laliotis added that they want to integrate maintenance management with GIS and they need to make sure the GIS system is ready to work with it.

2. Bills Paid and Payable Approval

There were no questions.

4. Investment Schedule

Mr. Dykstra reviewed the schedule with the Committee. There were no questions.

5. Grant Status Report

Mr. Dykstra passed out the report and reviewed the information with the committee. Ms. Gustafson said that we have received the Cal Trans 90% design package for Highway 89 (Homewood) improvements. The design has been reviewed by the Conservancy and District staff. The Conservancy had some concerns but Jon LeRoy is very confident that Cal Trans has moved the right-of-way as much as possible in order to accommodate the bike trail. When we receive the final design, staff will go forward with variances in order to build the trail within the right-of-way wherever possible.

Director Wilkins said that Cal Trans is very particular when granting variances. A technical detail that staff should pay attention to is the curb that Cal Trans is calling for because they will give more latitude with a vertical curb.

Ms. Gustafson reported that the District has submitted for federal funding for the Sugar Pine to Meeks Bike Trail.

Mr. Dykstra reported that there has been a push to get all of Lakeside Trail Phases 5-7 in order to get it all designed and to bid. There has been an effort to secure funds and there is a definite possibility to bring Phase 7 into construction by the end of August.

Mr. Dykstra reported that staff has started work on the bike trail way finding signs. A series of grant funded water projects have completed design and will be constructed this summer. These grants have been very helpful in terms of funding water capital.

6. 2010 Cash Flow Projection

Mr. Dykstra said that he will work on this item next week and have it as a handout at the Board meeting.

7. Review of 2009 Financial Statement Draft

Mr. Dykstra said that this will come to the Board meeting next week but he wanted to walk the Committee through certain areas that he wanted them to focus on and give some input.

He asked the Committee to review the Management's Discussion and Analysis section and give him some feedback. Director Wilkins asked if a higher level of definition is being created for the utility funds for the sewer vs. water side and he wondered if it was included in this. Mr. Dykstra said that it would probably be done as a budget issue. Consultants have advised us to keep water and sewer together because it gives more freedom to move the money between funds.

Mr. Dykstra reviewed note 9, Fund Balances. That section is where the Board of Directors designated a new property tax reserve – water, of \$1,087,049 to recognize the share of non-District water customers' property tax transferred to fund water capital and reserves. He then reviewed note 11, Postemployment Benefits other than Pensions. He noted that we are ahead of where we need to be right now in terms of funding this and it gives us an asset of \$288,000. He then reviewed note 15, Related Party Transactions. He said that note will help with questions from the public. The last item he reviewed was the Required Supplementary Information which laid out the funding progress on the Retiree Health Plan.

9. Adjournment

The meeting adjourned at 9:35 a.m.

Ginger Charlton, District Clerk