

FINANCE COMMITTEE MEETING
APPROVED MINUTES

December 10, 2010

DIRECTORS PRESENT: Lou Reinkens and Ron Treabess

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

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

1. Department Activity Report

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

Viewing a CalPERS update on projected pension rate increases for future years. Mr. Dykstra added that they are amortizing the 2008 loses; they reevaluated their demographics because they found that men are living an average of a year longer than before; and they are looking at lowering their assumed rate of return which would increase our contribution rate about 2%. Mr. Dykstra will get the actuarial report to the Board members and Ms. Gustafson for the January meeting.

Updated the budget to reflect the final water and sewer rates approved by the Board. Mr. Dykstra handed out the budget and showed how he spread out the \$300,000 in reserves.

Employee compensation reporting. Mr. Dykstra handed out information from the State Controller's Office which shows all government employees' compensation information for the year. He reviewed the information and said that this information will be placed on the State Controller's website annually for public review.

Ms. Gustafson commended Michelle Martland for putting together an internal newsletter for employees covering policies and other internal information. She has also been doing a lot of training for her position.

Director Reinkens reported that he is now the chair of JPIA's Risk Management Subcommittee. He will give a report at the Board meeting.

2. Bills Paid and Payable Approval

There were no questions.

3. Investment Schedule

Mr. Dykstra reviewed the information and answered questions.

4. 2010 Cash Flow Projection

Mr. Dykstra reported that the cash flow is the best it has been since he has worked here.

5. Grant Tracking Report

Mr. Dykstra reviewed where the District is on each of the grant projects. The Sugar Pine to Meeks Bike Trail project will come off of the list since the Tahoe Transportation District received federal funding and is running the project now.

6. Updated 2010 Sewer and Water Rate Revenue Projections

Mr. Dykstra reported that the District is just \$1,300 over the sewer rate revenue budget and is about \$21,000 over the water rate revenue budget.

7. Review of September 30, 2010 Financial Statements

Mr. Dykstra reviewed the balance sheets and income statements and answered questions of the committee.

8. Review of Draft #1 of the Investment Policy

Mr. Dykstra said that he used South Tahoe PUD's policy as a model and also used parts of ACWA/JPIA's. He reviewed the objectives in order of priority and answered questions. Some concern was raised about the wording in the first sentence regarding the management and investment of funds not immediately needed for District operations. Mr. Dykstra will reword the sentence to make it clearer. He said that the policy will come to the Board next week with revised language in the first paragraph. He will also build an investment table to help determine the investment allocations in the future.

9. Public Forum

There was no public input.

10. Meeting Review and Staff Direction

There was no further review.

11. Adjournment

The meeting adjourned at 9:55 a.m.