

FINANCE COMMITTEE MEETING  
APPROVED MINUTES

September 11, 2009

DIRECTORS PRESENT: Lou Reinkens (Committee member)

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

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

1. Finance Department Activity Report

Mr. Dykstra reported the following:

Finance

- Staff updated the bi-weekly cash flow presentation for 2009.
- Staff analyzed the August single-family residence water usage and updated the chart for the monthly report to the Board.
- Staff updated the revenue projections for new water and sewer rates.
- Mr. Dykstra said that now that we have gone to monthly billing, people who wait until the end of the month to pay their bill are having their bills cross. Therefore, their new bill doesn't show their payment and staff is getting calls. Staff is suggesting auto debit and reminding them that they can check with their banks to see if their check was cashed.
- Staff continued the 2010 budget preparation process.
- Staff sent the application and supporting information to CalPers to join the post-retirement medical funds investing pool. Once we receive the signed paperwork, we will be able to transfer existing reserve funds.

Human Resources

- Staff began processing the end of season terminations of seasonal employees.
- Staff notified employees who are on their spouse's medical plan that payments in lieu of insurance would be eliminated in November and December due to the CalPers medical plan premium holiday.
- Staff continued to prepare for negotiations which should begin in the next couple of weeks.

Next 30 days – Finance

Staff will be sending post-retirement medical funds to CalPers.  
Staff will continue with the 2010 budget preparation process.  
Staff will begin setting up the billing software for consumption billing for condominiums which will start March, 2010.

## Human Resources

Staff will start negotiations with the union and supervisors and managers bargaining groups.

### 2. Bills Paid and Payable Approval

There were no questions on the bills.

### 3. Expense Report Approvals

Mr. Dykstra reported that the only expense report was for a retirement luncheon for the Technical Services Supervisor. There were no questions.

### 4. Investment Schedule

Mr. Dykstra reported that the LAIF rate continues to decrease and is currently at .8%. He prepared information on alternative types of investments and explained them to the Committee.

### 5. Grant Status Report and Potential Grant Activity

Mr. Dykstra reported:

- We are in an advance position of about \$127,000 on the Homewood Bike Trail grant.
- On Sugar Pine to Meeks Bike Trail we've spent about \$1,000 and don't currently have a grant.
- On Lakeside Trail Design & Engineering Phases 4-7, we still have a little bit to bill to the Resort Association. Ms. Gustafson said that this project is one of the Conservancy's top priorities in the Tahoe Basin. There will be a bond sale in October for the state which could help free up money to fund this project.
- On the 2009 USFS Lake Tahoe Fire Protection Partner grant, Mr. Dykstra said that our share is \$565,500 this year and is for the projects that the District accelerated. He said that the process is moving ahead but we haven't received any money yet.

Ms. Gustafson said that there is also the fuel suppression funding. She had a conference call with Senator Feinstein's and Senator Reid's offices. They asked why the Federal Government should continue to put money into fuels reduction in the Tahoe Basin since it should be a local responsibility. The money may not last and it's a good thing that the District pushed ahead to get them done.

Mr. Dykstra went over the Grant Application Status Report that Mr. Harry put together and answered questions of the Committee.

### 6. 2009 Cash Flow Projection

Mr. Dykstra reported that the low point that always occurs in November is there but isn't as bad as in prior years because we have had a lot less of the working capital in use on the grants this year. He said the District looks fine through the end of the year.

### 7. August Single-Family Residence Water Usage

Mr. Dykstra reported that consumption went up in August with 63% of the income coming from the top users. He said that for the majority of the people, the bills have been much lower than they were led to believe. Director Reinkens asked that an "attaboy" for water conservation be placed in the next newsletter.

8. 2009 Water & Sewer Revenue Projections Update

Mr. Dykstra reported that the budgeted number on sewer (\$2,260,000) and the projected number (\$2,240,000) are really tight and the difference is due to the 2% reduction in rates. For water, HDR had projected \$3,029,000 and we had budgeted \$3,084,000. He is now projecting \$2,900,000. He said part of that was the 3% reduction in rates due to lower costs and other revenues and the delay in billing condos until 2010. He said conservation, significant early summer rain, and the repair of leaks have cut down on many of the bills.

9. Public Forum

There was no input.

10. Meeting Review and Staff Direction

Ms. Gustafson said that as it relates to our overhead costs, she and Jim are working with department heads to put together the man hours that we are using in contract, seasonal, and part-time labor costs into the Organization Chart. That should help the Board look at the full time equivalent value of all the programs. Ms. Gustafson is attempting to show the public that we have done more in the last eight years than ever before and with the same number of people. Other Districts lay their charts out differently and she would like to be able to compare apples to apples.

Director Reinkens said that he has never seen anything presented showing how much we are spending during the year on privatization. He said that he thinks we should make a privatization statement in our mission statement or somewhere with visibility upfront so that the community can see that it's a goal of the District. He also gave Ms. Gustafson direction to start cranking privatization into the presentation for Strategic Planning.

Ms. Gustafson suggested having brown bag lunches with community leaders that have sought out Board members with concerns. She feels it would be important to discuss the Strategic Plan and get input from them.

11. Adjournment

The meeting adjourned at 9:55 a.m.

---

Ginger Charlton, District Clerk