

FINANCE COMMITTEE MEETING
APPROVED MINUTES

October 16, 2009

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

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

The meeting was called to order at 7:00 a.m.

1. Finance Department Activity Report

Mr. Dykstra reported the following:

Finance

- Staff is making arrangements for the District to participate in the Proposition 1A securitization program.
- Staff updated the bi-weekly cash flow presentation for 2009.
- Staff updated the revenue projections for new water and sewer rates.
- Staff continued the 2010 budget preparation process.
- Staff transferred \$75,000 as an initial investment in the CalPERS post-retirement medical investment trust and plans to send the balance of the reserve of \$253,138 in 3 additional installments before year-end.
- Staff gave input to the strategic planning process.

Human Resources

- Staff has nearly completed the processing 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. The union has no further issues with this.
- Staff held two negotiating sessions with the managers and supervisors representatives and one negotiating session with the classified employee's representatives.
- Staff worked with Mr. Laliotis in making an offer to the selected candidate for Technical Services Supervisor.

Next 30 days – Finance

- Staff will continue the 2010 budget preparation process.
- Staff will complete and submit the documents for the District to participate in the Proposition 1A securitization program.
- Staff will start to set up condominiums for consumption billing beginning in 2010.
- Staff will continue with the strategic planning process.
- Staff will summarize the financial aspects of the District's fuel reduction programs.

Human Resources

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

Mr. Dykstra apologized that the budget information and packet wasn't delivered in a timely fashion this month. He explained that the Senior Accountant is a critical part in getting the budget process put together and reviewed what has been happening with Ms. Rose's recuperation from surgery.

2. Bills Paid and Payable Approval

Director Friedman asked about the 2009 Chevy truck invoice. Mr. Lalotis explained that it was the van for Parks and Recreation and that we will be getting approximately \$11,000 back for that from a Placer County grant.

Director Friedman asked if the entire Financial Department Activity Report needs to be in the Board packet. Mr. Dykstra said its part of the law. He added that TCPUD is a lot more transparent than many districts and we put an explanation with each check. The explanation may head off questions by the Board.

3. Expense Report Approvals

Mr. Dykstra reported that the only expense report this month was for a luncheon with Senator Feinstein and some tablecloths for a luncheon with the Placer County Parks Commission. There were no questions.

4. Investment Schedule

Mr. Dykstra reported that the LAIF rate continues to deteriorate and is currently at .64%. He said that the interest rate has tumbled so much that he will need to update the budget.

5. Grant Status Report and Potential Grant Activity

Mr. Dykstra reported:

- There is not a lot of activity on the Homewood and Sugar Pine projects right now.
- On Lakeside Trail Design & Engineering Phases 4-7, Mr. Homolka has been working hard on getting it ready for bidding and some construction next summer.
- Staff has been working on the 2009 USFS Lake Tahoe Fire Protection Partner Grant. Project should start next year.

Mr. Dykstra said that the Grant application status report shows how many grants related to water and sewer infrastructure the District has applied for lately and shows a change in what is available in that area.

6. 2009 Cash Flow Projection

Mr. Dykstra reported that this is the smoothest cash flow we have had since he started here. He said we look good through the end of the year.

7. 2009 Water & Sewer Revenue Projections Update

Mr. Dykstra said that we have gathered a lot of good information over the past year on what's happening with our rates and we are introducing more variability into our revenue stream in the water area with the consumption billing. This trending gives us a better basis now for budgeting the revenue.

8. Review and Discussion of California Statewide Communities Development Authority Proposition 1A Receivables Bond Sale Program and Documentation

Mr. Dykstra reported that the State borrowed \$1.8 billion dollars of general property tax revenues from counties, cities, and special districts. They pretty quickly started talking about this financing mechanism that they would put in place through California Communities. California Communities represents cities and counties but not the State so he feels that they are aligned with our interests. He reviewed the program and answered questions of the Committee. Most cities and counties plan to participate in this program because there is uncertainty regarding when the State will pay us back.

Mr. Dykstra reported that this item will be a resolution at the next Board meeting and the paperwork needs to be returned by November 6th.

9. Review of Draft 2010 Governance and Support Services Budget

Mr. Dykstra reviewed the draft budget with the committee members and answered questions in preparation for the budget workshop on November 3rd.

10. Public Forum

There was no input.

11. Adjournment

The meeting adjourned at 9:00 a.m.

Ginger Charlton, District Clerk