

FINANCE COMMITTEE MEETING
UNAPPROVED MINUTES

May 22, 2009

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

STAFF PRESENT: Jim Dykstra, Treasurer/Director of Accounting & Employee Services
Cindy Gustafson, General Manager
Alan Harry, Director of Development & Public Information
Tony Laliotis, Director of Utilities

The meeting was called to order at 9:00 a.m.

1. Finance Department Activity Report

Mr. Dykstra reported the following:

- Staff updated the bi-weekly cash flow presentation for 2009.
- Staff prepared an estimate of State property tax borrowing if they were to suspend Proposition 1A to deal with their budget crisis.
- Staff completed and filed the 2008 State Controller's Reports for the District.
- Staff continued to research ways to bill condominium customers for master meters.
- Staff responded to many customer inquiries regarding being billed monthly and rate changes.
- Staff requested additional work from our actuaries to submit to CalPERS to get into the post-retirement medical trust fund. It cost ~\$750 but we won't have to do another actuarial report until 2011.
- Staff provided comments on the first draft of the new billing statement to Data Prose.
- Staff completed the March 31, 2009 unaudited financial statements.
- Staff completed revenue projections with the new water and sewer rates so we can measure month by month how we are doing against the budget. Staff was asked if consumption prior to the new rates could be easily measured against the current consumption. Ms. Gustafson said that HDR did a lot of that and we'll see what we can get from them.
- Staff developed new boat ramp procedures to account for inspection fees and change to launch fees. Our staff will collect all fees to expedite the process and then we'll pay TRPA. We can also charge TRPA a 2% administrative fee and credit card costs for the service.

For Human Resources:

- Staff has successfully identified all seasonal employees. We have a high percentage of seasonal returnees.
- Staff has completed the majority of pre-employment processing and seasonal employees are starting as needed. Ms. Gustafson noted that there was no cost of living increase to seasonal employees this year.
- Staff has continued the set-up of the new ACWA/JPIA training site for employees.

Mr. Dykstra went over the tasks scheduled for the next 30 days and answered questions.

2. Bills Paid and Payable Approval

Mr. Dykstra answered questions of the Committee and recommended approval.

3. Expense Report Approvals

Mr. Dykstra reviewed the expense report and recommended approval.

4. Investment Schedule

Mr. Dykstra reviewed the schedule and noted that he is seeing that their investments are changing because there is more of a comfort level on investing in CDs, etc.

5. Grant Status Report

Mr. Dykstra reported that we are in an advanced position on the Homewood Bike Trail and we have the money to continue going forward with the design. Sugar Pine to Meeks Bike Trail doesn't have much going on right now. Heritage Plaza is completed and staff is processing a refund to NLTRA. Lakeside Trail is nearing the final design. He added that if we get into a position to go into construction, the District will assess the risk with any bond measure funds that would be used on this project.

6. 2009 Cash Flow Projection

Mr. Dykstra said that we did receive our property tax installments from El Dorado and Placer County. We are running about 5% ahead of last year from El Dorado. He hasn't received all the information he needs to compute Placer County's. He noted that the cash flow projections are good now.

7. Winter Access Vehicle Purchasing Selection Process

Mr. Dykstra said that this item was added because a member of the community asked a question about our process for selecting winter access vehicles. Ms. Gustafson said that staff will bring these types of questions to the next appropriate Finance Committee to resolve so that the Board has the answer as well. She said that constituents write e-mails and want a response immediately but so much time is being spent answering those questions that it would be beneficial to have it handled in this manner. She pointed out that Director Friedman suggested the process and the Committee agreed.

Mr. Laliotis said that the snow mobiles have been in the budget for many, many years and keep getting deferred. This year there was an emergency at a drinking water source in a very difficult to access part of Alpine Peaks and both machines blew up. Staff did a lot of research and spoke with ski hill personnel and Search and Rescue Departments and got a good feel for what type of machine is required to accomplish what they need. They then worked with several dealers to get the best price.

8. Possible State Borrowing of District Property Tax & District Cost Savings

Mr. Dykstra went over what could happen now that Governor Schwarzenegger's budget proposals didn't pass. He explained the suspension of Proposition 1A and how the State could "borrow" not more than 8% of the total amount of ad-valorem property tax revenues from local agencies. Ms. Gustafson said that ACWA is working very hard on the issue and they will give us language that they suggest that we put in our bills. She said that the 4% that is outlined for the remainder of this year is affordable without major changes to our operational issues. Ms.

Gustafson explained how the State can handle collections and what everyone is doing to try to protect themselves.

Director Friedman said that she did a notarization for someone who was the RFP for the Dollar II Metering Project. She asked staff to confirm with legal counsel that that didn't create a conflict.

9. Review of March 31, 2009 Financial Statements

Mr. Dykstra reviewed the statements and reported that customer payments are coming in much more evenly than they did in the past. Everything is running pretty typically for this time of year.

10. 2009 Water & Sewer Revenue Projections

Mr. Dykstra reviewed consumption billing and said that he will track it against the budget and will also use the information with the five-year rate plan to help with the implementation on the 2010 rates. Director Reinkens asked staff to do a summary report of the exceptions on usage. Mr. Laliotis and Mr. Dykstra will work together to do the report.

11. Public Forum

There was no input.

12. Meeting Review and Staff Direction

Mr. Dykstra said that staff has gotten some good direction on several items including reporting on consumption. Director Reinkens asked if staff has a form letter that can be used for inquiries to help take some of the load off of Ms. Gustafson. He suggested letter with boxes that could be checked telling who the inquiry has been sent to.

13. Adjournment

The meeting adjourned at 10:30 a.m.

Ginger Charlton, District Clerk

Prepared by Ginger Charlton