

FINANCE COMMITTEE MEETING  
APPROVED MINUTES

November 13, 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  
Ginger Charlton, District Clerk

The meeting was called to order at 8:35 a.m.

1. Finance Department Activity Report

Mr. Dykstra reported the following:

Finance

- Staff completed paperwork for the Proposition 1A securitization program and sent it in. We received acknowledgement from them that we are in their system for \$406,526. They priced the offering at 4% plus their costs.
- Staff updated the bi-weekly cash flow presentation for 2009 and the revenue projections for new water and sewer rates.
- Staff continued the 2010 budget preparation process with comments from the budget workshop incorporated into the budget for presentation and possible adoption at the November 20<sup>th</sup> Board meeting.
- Staff has transferred a total of \$150,000 to the CalPERS post-retirement medical investment trust and plans to send the balance of the reserve of approximately \$178,000 in 2 additional installments before year-end. They have \$1 billion in their fund so far.
- Staff gave input to the strategic planning process.
- Kenneth Hurst is filling in as a temporary Senior Account from Accountemps while Deb Rose is out. She has been out about 8 weeks and it has been very difficult to prepare the 2010 Budget and begin getting ready for the year-end work.

Human Resources

- Staff has completed the processing of terminations of seasonal employees.
- Staff has held two negotiating sessions with the managers and supervisors group's representatives and four negotiating sessions with the classified employees' representatives.
- Staff completed the pre-employment testing for the new Technical Services Supervisor.

Next 30 days – Finance

- Staff is completing the 2010 budget preparation process.
- Staff will start to set up condominiums for consumption billing.
- Staff is continuing with the strategic planning process.

- Staff is preparing for an Audit Committee meeting to be held on Friday, December 4<sup>th</sup>. The meeting could include a closed session under the Whistle Blower policy.

#### Human Resources

- Staff will continue negotiations with the classified and the supervisors and managers bargaining groups.
- Staff is beginning the changeover to new long-term disability, life insurance, vision, and health reimbursement account processor providers. Director Reinkens asked Mr. Dykstra to see if Board members could pick up the long-term disability insurance if they paid for it.

#### 2. Bills Paid and Payable Approval

Mr. Dykstra said that he ran the summary report for checks for the same time period as the bigger report that is normally run for the Committee's review. He said that it is much shorter but doesn't give as much information. The Committee felt that the summary was fine for the packet and Mr. Dykstra could bring one copy of the full report in case of questions. There are still some questions about blocking out names on certain checks so Mr. Dykstra will review the item with legal counsel.

#### 3. Expense Report Approval

Mr. Dykstra reported that the only expense report this month was for a lunch with legal counsel during negotiations.

#### 4. Investment Schedule

Mr. Dykstra reported that the LAIF rate continues to deteriorate and is currently at .63%. Ms. Gustafson said that she has heard that Placer County's rate of return is supposedly much higher and she was curious if we would want to diversify. Mr. Dykstra said that he will check it out. Ms. Gustafson also mentioned a new proposed assessment district that would go through Placer County for private individuals. She will get more information for the Board.

#### 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. Director Reinkens asked if we found out what Caltrans is doing. Mr. Bolton said that they have pushed the West Shore Storm Water Project out to 2011 because they didn't sell enough bonds and are shelving projects. Caltrans personnel will meet with Mr. Bolton again and look at the impacts that their construction has caused to our trails while reviewing the West Shore project. Ms. Gustafson said that Senator Cox helped by setting up a meeting which pushed Caltrans to work more closely with us.
- On Lakeside Trail Design & Engineering Phases 4-7, we are continuing to work on getting the design finished for some construction next summer.
- Mr. Dykstra added Lakeside Trail Phases 5-7 and Bike Trail Wayfinding Signs to the report because grants are being secured for these projects.

Mr. Dykstra reviewed the Grant application status report and added that there is more money beyond what is shown in the report to get work done but the money doesn't flow through the District.

6. 2009 Cash Flow Projection

Mr. Dykstra said that this has been a smooth year due to less grant funded construction activity and the District has not needed to borrow from its reserve funds.

7. 2009 Water & Sewer Revenue Projections Update

Mr. Dykstra said that sewer is very close to what was projected except for the 2% rate reduction. Water is coming in lower because of the 3% reduction in rates, conservation, and we haven't started charging the condos for consumption yet. He reviewed the projections and answered questions of the committee members. Director Friedman asked if the District has educational materials that could be included in the bills for the condos. Ms. Gustafson said the District does.

8. Investment Information on CalPers California Employers' Retiree Benefit Trust (CERBT)

Mr. Dykstra reviewed the fund and said that over \$1 billion is invested so far and many agencies are participating in it. He gave the committee information on what the fund is investing in and answered questions.

9. Financial Update on 2009 Forest Fuels Reduction Programs

Mr. Dykstra reported that Bob Bryant and Jon LeRoy have been working very closely with the fire districts in terms of doing work on our open space properties. He reviewed the properties, the grants associated with them, and how the grants were paid out. Ms. Gustafson said that Bob Bryant jumped on the grants and TCPUD has done a lot more this year than any other agency. She added that this report is basically finances and not results and that a lot has been accomplished that wasn't on this report because the funds didn't go through the District. Staff will get the full fuel suppression report to the committee to show what has been secured on all of our properties along with what we've spent and the work done by other agencies on District property.

10. Public Forum

Ms. Gustafson passed out copies of e-mails she received from Paul Vatistas. She said that it would take quite a bit of staff to put together the information that Mr. Vatistas needs in order to conduct an AVA. It is in her work plan for 2010 to develop metrics by which she and the Board can manage. The committee was in agreement and urged the focus to be on the strategic plan. Mike Sexton will respond to Mr. Vatistas' e-mail regarding Lake Forest and his accusation that Ms. Gustafson isn't following FPPC guidelines. There was also a discussion about letting Mr. Vatistas give a presentation at a Board meeting or during the public participation item to address all of his concerns. Ms. Gustafson will draft a letter and bring it to the next Board meeting for the Board President's signature.

11. Meeting Review and Staff Direction

There was no further direction from the committee.

12. Adjournment

The meeting adjourned at 10:30 a.m.

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Ginger Charlton, District Clerk