

July 16, 2013

The Finance Committee of Novato Sanitary District held a meeting at 5:00 p.m., Tuesday, July 16, 2013, at the District office, 500 Davidson Street, Novato.

COMMITTEE MEMBERS PRESENT: Members William C. Long and Jean Mariani.

STAFF PRESENT: Manager-Engineer-Secretary Beverly B. James, Deputy Manager-Engineer Sandeep Karkal, Finance Officer Laura Creamer and Administrative Secretary Julie Swoboda.

ALSO PRESENT: Tom Gaffney, Principal, Bartle Wells Associates

AGENDA APPROVAL: The Manager requested item no. 6 be removed from the agenda. Both Committee members agreed. The Manager requested item no. 5 be moved to immediately follow approval of the minutes. Both Committee members agreed.

REVIEW OF MINUTES: The May 30, 2013 meeting minutes were approved as written.

FINANCIAL POLICIES:

- Review the Reserve Policy and give direction to staff.
- Review Operating and Capital Funds Policy and give direction to staff.

The Manager gave an overview of the Finance Committee's previous meetings where direction was given to staff for revisions to the Reserve Policy. The Committee discussed the Certificate of Participation (COP) Reserve and the Rate Stabilization Reserve. She stated that the minimum required Rate Stabilization Reserve amount is \$600,000 but staff recommends continuing the current basis of one medium pump station or currently \$1,500,000 and escalating it by the ENR construction cost index each year.

Member Mariani suggested edits to Reserve Policy No. 3500, striking out section 3500.4. Member Long agreed with her recommendations.

The Committee reviewed the Operating and Capital Funds Policy.

Member Mariani suggested the Manager bring the Reserve Policies No. 3500 and No. 3510 before the Board of Directors for review at the next regular board meeting.

At 5:30 p.m., Member Long called for a short recess.

Tom Gaffney, Bartle Wells Associates, left the meeting.

At 5:34 p.m., Member Long reconvened the meeting.

GRAND JURY REPORT:

- Review Grand Jury Report: “Marin’s Retirement Health Care Benefits: The Money Isn’t There” and give direction to staff. The Manager stated that the Grand Jury’s report was released on June 3rd and requires the District to respond to all findings and recommendations by August 19th, 2013.

The Committee reviewed and discussed the Manager’s draft Grand Jury response and edits were made. The Manager stated that the response would be presented for approval at the District Board’s August 12 meeting.

ADJOURNMENT: The meeting was adjourned at 5:52 p.m.

Respectfully submitted,

Beverly B. James
Secretary

Julie Swoboda, Recording