

**EL DORADO HILLS COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS SPECIAL MEETING**

November 4, 2009

MINUTES

CALL TO ORDER

President Tony Rogozinski brought the special meeting to order on Wednesday, November 4, 2009 at 5:30 pm. Directors Justin Masters and Noelle Mattock, were in attendance. Directors Gertsch and Vandegrift arrived after roll call. Also present were Director of Finance Allison Hamaker, Assistant General Manager Sandi Kukkola, General Manager Wayne Lowery, Director of Parks Kent Oakley, Senior Accountant Sherry Shannon, Acting Recreation Director Mike Cottrell, and three members of the Public.

Motion #1 Director Mattock moved and Director Masters seconded the motion to approve the agenda. Motion carried 3-0-2.

1. FY 2009-10 General Fund Budget Review and Workshop

a. District cash flow analysis

Finance Director Hamaker reviewed the District's cash flow from the past 5 years, explaining how much money is in the District's "bank accounts." The Landscaping and Lighting Assessment Districts subsidies and reserves were also reviewed.

Director Vandegrift arrived at approximately 5:45 pm

b. Historic and comparative review of District's 15% Contingency Reserve.

Hamaker explained the history of the District's 15% contingency reserve. Policy 3272.20 (Economic Uncertainty Reserve) was changed from 10% to 15% in 2005. Other agencies in the area show contingency reserves from 8% to 20%. Hamaker feels the District has a sound contingency (economic uncertainty) reserve policy.

Director Gertsch arrived at approximately 6:10 pm.

c. Proposed changes to Fiscal Year 2009-10 General Fund Budget:

- i. Fiscal Year 2009 forecast column update – what changed?**
- ii. Effects of additional changes since the final budget adoption June 2009.**

Senior Accountant Shannon explained the reason for changes to the 2009 year estimate, since that year is now officially closed. Major changes included additional property tax revenue, program fees, and transfers in from other funds. Decreased

expenditures were due to some vacant positions, a decrease in services and supplies and capital equipment. The net increase to the general fund was \$1,301,728.

Finance Director Hamaker explained the changes in the 2010 budget since it was approved, including the Prop 1A securitization, reorganization of staff, postponement of construction, and the return of a grant from Comcast that would have slightly increased resident fees. The net increase to the general fund was \$829,389.

d. Overview of previously approved Capital Improvement Program (CIP) projects:

- i. CIP Budget #929, Jeff Mitchell Field**
- ii. CIP Budget # 934, Stephen Harris Park Phase II**

Parks Director Oakley explained the Deputy Jeff Mitchell Field contract came in right on the contract price. Other expenses included fees and permits, printing costs and reimbursement to Steve Fuhrman, the project architect, rental restrooms for events, \$8,000 for wall signage from the Fallen Heroes bike run and some staff time.

Oakley asked the board for direction on restrooms at Steven Harris Park. If the restrooms were included in phase 2, which is under construction, the cost would be an addition \$108,000. Per the contract awarded at the October 8, 2009 meeting the board needs to approve an additional \$39,238 for Phase 2 construction.

2. Amend FY 2009-10 General Fund Budget

a. Approve proposed changes to Fiscal Year 2009-10 General Fund Budget

A list of additional projects and purchases for the 2010 budget was presented, totaling \$797,787. Each item was reviewed. The Board decided to approve the energy audit work/CAB roof repair, but to pay cash instead of financing the project. This increased the cost of that item to \$251,765, and of the total budget request to \$847,787.

Much discussion was about the District Office Building. The Board felt uncomfortable authorizing money without a specific plan. Director Masters felt the cost of a two story building to accommodate the school district is not feasible. Lowery explained that the school district would be required to pay the costs over and above what the CSD needs would be; if a two story building was required due to the school district's needs, the school district would be responsible for those added costs. The board members discussed round numbers they might be willing to spend on a building which ranged between \$600,000 and \$1,000,000.

The Board directed staff to take back to the Admin Finance committee a rough idea of overall costs for the proposed district office including dialogue with Buckeye School District, their building needs, the estimated cost of the building and what Buckeye's commitment is to this project. The Administration and Finance committee will have a special meeting in early December.

After discussing each item presented, Hamaker distributed a 10-year forecast illustrating the effect of the change, which remained positive over time.

b. Approve proposed expenditures from Park Impact Fees

Hamaker presented the balance in the park impact fee fund currently available of \$1,365,598, which includes the encumbered projects of Lake Forest park, the current year Promontory Lease Payment, and Windsor Point Park sidewalk construction.

Projects proposed included the Promontory Bocce Shade Structure, the Promontory Spray Park Restroom, and funds toward the Customer Service Center Office, for a total of \$400,000.

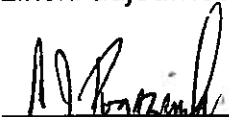
The board discussed the requirement of El Dorado County to build restrooms at Promontory Park near the spray ground. They displayed frustration with the County for not requiring the restroom facilities during the plan approval process, but understood the need for restrooms close to the spray ground and picnic area.

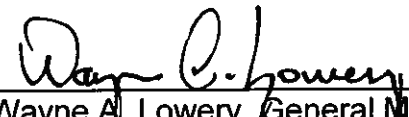
Much Discussion was held about restrooms in Village and Community Parks. Tournament facilities were identified as needing permanent restrooms. Besides Harris Park the Board considered adding restrooms near the sports fields in the EDH Community Park. Lowery ask the Board to defer this item until the January CIP meeting as this will need to be added to the CIP and given a priority along with designating funding. Because Stephan Harris Park is a Village Park it was determine by general consent that restrooms should be included in the current project.

Motion #2 **Director Gertsch moved and Director Vandegrift seconded the motion to approve staff recommendations to increase the General Fund budget in the amount of \$847,787 and Park Impact Fee budget in the amount of \$400,000. Motion carried 5-0.**

Adjournment

President Rogozinski adjourned the meeting at approximately 8:25 am.

APPROVED:  DATE: 12-16-09
Tony Rogozinski, President
EDHCSD Board of Directors

ATTEST:  DATE: 12-11-2009
Wayne A. Lowery, General Manager
Secretary to the Board of Directors