

Surfside Colony Storm Water Protection District

P.O. Box 235
Surfside, California 90743
(562) 592-2352 • www.surfsideswp.org

Minutes of the July 21st, 2014 General Board Meeting Surfside Office, B-89 7:00 p.m.

Trustees Present: President V. John Kriss, Secretary Gayle Winnen, Jon Regnier, and John Cahoon
Trustees Absent: Nora Straight
Staff Present: Chris Montana, Clerk
Community Present: Don Karich and Mike Farrell of Surfside Colony Community Services District

President Kriss called the meeting to order at 7:10 p.m.

Community Input: None.

Minutes of the June 16th, 2014 General Board Meeting: After reviewing the minutes of the June 16th, 2014 General Board Meeting, a motion was made by Trustee Regnier to approve as prepared. Secretary Winnen seconded. Motion passed unanimously.

Drainage Projects / Sandfill Updates: President Kriss reported that there were no updates.

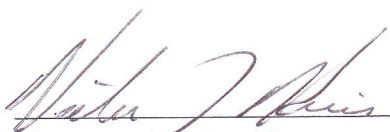
Current Bills: Clerk Montana presented check #'s 1170-1173 for signature in the amount of \$8,994.00 for July 2014 invoices. President Kriss and Secretary Winnen approved and signed as submitted.

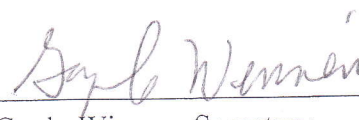
Fund Balance Report: Clerk Montana reported the Fund Balance as of July 21st, 2014 to be \$432,290, and reviewed the District's trial balance with the Board.

Review and Possible Approval of Amended Reserve Policy: Clerk Montana distributed a revised Reserve Policy, which included the addition of the Emergency Storm Reserve Fund, as itemized in the 2014-2015 Budget as adopted at last month's meeting. After discussion, a motion was made to amend as follows:

MOTION: President Kriss moved to approve Resolution 2014-1 (attached) to amend the Reserve Policy by adding the Emergency Storm Reserve in the amount of \$75,000. Trustee Regnier seconded and the motion was passed unanimously.

Adjournment: There being no further business to be brought before the Board, Secretary Winnen moved to adjourn the meeting at 7:30 p.m. Trustee Regnier seconded and motion was passed unanimously.


V. John Kriss, President


Gayle Winnen, Secretary

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RESOLUTION 2014-1

WHEREAS, the Surfside Colony Storm Water Protection District adopted a Cash Reserve Policy on June 7th, 2010, and subsequently amended the Cash Reserve Policy on June 13, 2011 and September 24, 2012.

WHEREAS, the Board of Trustees of the Surfside Colony Storm Water Protection District desires to commit a Emergency Storm Reserve Fund in the amount of \$75,000.

WHEREAS, the Board of Trustees of the Surfside Colony Storm Water Protection District desires to amend the the Reserve Policy to include the Emergency Storm Reserve Fund.

RESOLVED, that the Board of Trustees authorizes the Clerk to amend the Reserve Policy by adding the Emergency Storm Reserve in the amount of \$75,000.

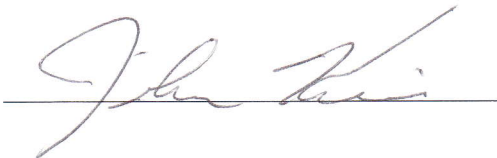
Motion to accept made by:

Seconded by:

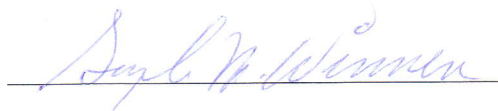
Ayes:

Nays:

Absent:



Handwritten signature of John Kim over a horizontal line.



Handwritten signature of Douglas W. Wimmer over a horizontal line.

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CASH RESERVE POLICY AS AMENDED JULY 21st, 2014

Background

California Government Code Section 53600 subjects all governing bodies of local agencies to the prudent investor standard which requires the Board to act with care, skill, and prudence to safeguard principal and maintain liquidity needs of the agency when investing, purchasing, acquiring or managing public funds.

General

Based upon prudent financial management practices as required by legislative obligations, the appropriate level and separation of reserves is critical to the financial health of the District. It is the goal of this policy to establish those reserve funds and the minimum amount to be maintained by each.

Policy

The financial management objectives of the District, as well as its enabling legislation, warrant the provision of an adequate budgeted reserve at the beginning of each fiscal year. The Board authorizes and directs that the following reserve funds be established and further directs that the minimum amount of each reserve fund shall be, or shall be calculated to be, as follows:

- (1) General Reserve Fund: This fund is established to offset unexpected revenue shortfalls and/or unanticipated expenses in order for the District to operate in an uninterrupted manner for a period of 6 months despite unforeseen circumstances or events significantly affecting budgeted amounts. This Reserve Fund is calculated as six months of Total Budgeted Services and Supplies.
- (2) Revetment/Storm Damage Repair Reserve Fund: This fund is established to accumulate reserves that may be used for future revetment/storm damage repair and construction deemed necessary as result of a natural disaster. The minimum balance shall be equivalent to \$50,000.
- (3) Sandfill Reserve Fund: This fund is established to accumulate reserves to fund periodic sandfills in conjunction with the U.S. Army Corps. The minimum balance shall be equivalent to \$115,000.
- (4) Project Repairs/Improvements Reserve Fund: This fund is established to accumulate reserves which may be used to fund upcoming community projects that repair, rehabilitate, or replace community assets, approved by the District's Board at the beginning of each fiscal year, and as allowed by the District's governing code. This reserve shall be funded with excess funds available at the end of each preceding fiscal year to the extent allocated by the District's Board after the above Reserves have been adequately funded.
- (5) Emergency Storm Reserve Fund: This fund is established to accumulate reserves that may be used for future emergency storm damage repair and construction deemed necessary as result of a storm. The minimum balance shall be equivalent to \$75,000.

The General Reserve Fund, Revetment/Storm Damage Repair Reserve Fund, Sandfill Reserve Fund, Project Repairs/Improvements Reserve Fund and Emergency Storm Reserve Fund balances are evaluated on an annual basis during the adoption and creation of the District's budget.