TOWN OF DISCOVERY BAY
A COMMUNITY SERVICES DISTRICT
SDLF Platinum-Level of Governance

President – Michael Callahan • Vice-President –Carolyn Graham • Director – Kevin Graves • Director – Bryon Gutow • Director – Ashley Porter

MINUTES OF THE REGULAR MEETING
OF THE STANDING FINANCE COMMITTEE
OF THE TOWN OF DISCOVERY BAY
Wednesday, June 5, 2024 4:30 P.M.

Finance Committee Members
Chair Carolyn Graham
Vice-Chair Ashley Porter

A. ROLL CALL

1. Called business meeting to order 4:30 p.m.
2. Roll call was taken, and all members were present..

B. PUBLIC COMMENTS (Individual Public Comments will be limited to a 3-minute time limit)

- Speaker has concerns over funding for upcoming large repairs. He also asked about raising rates to pay for upcoming expenses.

C. DRAFT MINUTES TO BE APPROVED

1. Approve Special Finance DRAFT Meeting Minutes of April 3, 2024.

Vice-Chair Porter made a Motion to Approve the April 3, 2024 Draft Meeting Minutes.
Chair Graham seconded.
Vote: Motion Carried – AYES: 2, NOES: 0, ABSTAINED: 0, ABSENT: 0

D. PRESENTATIONS

1. Bi-Monthly Financial Report.

Presented by Finance Manager Margaret Moggia.

- Water expenses were lower than budgeted due to staffing vacancies, and lower than anticipated facility maintenance.
- Wastewater revenues came in higher than budgeted amount.
- Zone 8 earned approximately $57,000 in interest income.
- Zone 8 Community Center expenses were lower than budgeted amount.
- Zone 8 Landscaping expenses were lower than budgeted amount.
- Zone 9 revenues were higher than budgeted amount.
- Capital Water projects include Marina, Newport and Willow filter repair, and Well 8.
- Capital Wastewater projects include diffuser, and denitrification.
- Capital Landscape projects include Cornell Park, Clipper Drive and the Patio Project.
- FY 2024/25 Finance activities include 2024-2025 Budget adoption, Zone 9 Assessment Report, Rate Study and updating of financial policies.

E. UPDATES

None.

F. DISCUSSION

1. Discussion and Possible Feeback for Financial Auditor selection for Fiscal Years ending June 30, 2024, June 30, 2025, and June 30, 2026.

Presented by Finance Manager Margaret Moggia.

- Staff requested proposals from twelve auditing firms.
- Staff received two proposals.
- Staff recommends using CLA due to their focus on local government with support of a national organization.
- CLA is familiar with preparing an Annual Comprehensive Financial Report (ACFR) and the requirements of GFOA's Excellence in Financial Reporting.
- Committee recommends bringing forward to a future Board of Directors Meeting.

2. Discussion and Possible Feeback to Adopt Resolution No. 2024-10 - Approving Amendment to District Financial Policy #031.

Presented by Finance Manager Margaret Moggia.

- Financial Policy #031 was established in September 2021.
- Staff has several notable changes to the policy. Suggested edits include changes on bank accounts and cash management, internal controls, financial reporting, accounts payable, and accounting of fixed assets.
- Committee recommends bringing forward to a future Board of Directors Meeting.

3. Discussion and Possible Feeback to Adopt Resolution No. 2024-11 – Add Policy #034 – Capitalization Policy.

Presented by Finance Manager Margaret Moggia.

- In review of District's approved policies, the Finance Manager noted there is no stand-alone capitalization policy.
- This policy is being established to provide the following goals and objectives:
  - Define capital assets
  - Clarify capitalizable costs versus expenses
  - Set the threshold of a capital asset
  - Determine the estimated minimum useful life of a capital asset
  - Determine the depreciation/amortization method of a capital asset
  - Describe procedures for impairment of capital assets
  - Describe procedure for replacement and retirement of capital assets
  - Describe procedure for disposal of capital assets
- Committee recommends bringing forward to a future Board of Directors Meeting.

G. FUTURE DISCUSSION/AGENDA ITEMS

None.

H. ADJOURNMENT

1. Adjourned at 5:22p.m. to the next Standing Finance Committee meeting on August 7, 2024, at the Community Center located at 1601 Discovery Bay Boulevard.

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