

Bolinas Community Public Utility District
A Special Meeting Of The Board Of Directors
March 3, 2023 270 Elm Road, Bolinas

1. Call to Order.

4:35 p.m.

2. Roll.

Directors Alexander Green, McElroy, Siedman and Walker present, director Godino absent; president Siedman presiding.

3. Community Expression.

Director McElroy referenced the signs posted at the entrances to the pedestrian/bike path on the district's property and asked whether it is still closed. Staff said that it is and that, pending an assessment of the trees that fell and the opportunity to remove them (or at least the portions of the trees lying across the path), the path will remain closed.

4. Audited Financial Statements of the Bolinas Community Public Utility District for the Fiscal Year Ending June 30, 2022.

Staff said the draft audited financial statements of the district for Fiscal Year 2021-22 have been prepared by Michael O'Connor, CPA and include a "clean" opinion, finding that the district's financial statements fairly represent the financial condition of the district in all material respects. A management representation letter also has been prepared which the district will need to place on district letterhead, sign and send back to Michael O'Connor to finalize the statements. Staff noted that the auditor has recommended that the district implement a lease capitalization policy in accordance with new accounting standards; staff recommended the district agree to implement this recommendation.

Director Walker said that staff's redlined comments on the initial draft financial statements were very helpful and asked if the auditor accepted them; staff confirmed that the comments were accepted and are included in the revised draft statements before the Board. Director McElroy noted staff included a comment in the redline about accrued vacation benefits which indicates the district has a different vacation accrual policy for field vs office personnel. Staff confirmed this is the case, explaining that all employees previously accrued at the same rate based on years of employment with the district, but that the field staff recently had agreed to accrue at a different (lesser) rate in exchange for the Board's agreement to pay full employee and dependent health insurance premiums for all employees, regardless of date of hire. Previously, for employees hired after 2012, the district paid only 50% of dependent health insurance premiums.

Director McElroy also inquired about a note in the draft financial statements indicating that the district is involved in litigation "incurred in the normal course of conducting business"; staff explained this is a reference to the petition for writ of mandate the district is a party to, along with AMJT Capital, LLC, challenging a California Coastal Commission permit decision with regard to the project to repair the seawall on Brighton Beach.

K. Walker/A. Alexander Green four in favor, director Godino absent authorizing staff to accept the draft audited financial statements on behalf of the district, sign and return the management representation letter and advise the auditor that the district will implement the recommendation to adopt a lease capitalization policy.

5. Adjournment.

4:45 p.m.