

SQUAW VALLEY PUBLIC SERVICE DISTRICT

FINANCE COMMITTEE MEETING

DATE: April 24, 2017

Call to order at 3:15 P.M.

Public comment – none

Attendees: Directors Eric Poulsen and Dale Cox; Mike Geary, General Manager; Kathryn Obayashi-Bartsch, Secretary to the Board; Pete Bansen, Fire Chief; Allen Riley, Fire Chief; Danielle Grindle, Finance & Administration Manager, Brandon Burks, Operations Superintendent and Jessica Grunst, Account Clerk II/HR Specialist.

Director Ilfeld is attending the CSDA Leadership Conference and Director Cox is taking his place at today's meeting.

Items reviewed by the Committee include the following:

D-1 Operating Account Check Register: Ms. Grunst reviewed the Operating Check Register numbers 44670-44752 and ACH payments. Staff reviewed payments of more than \$800 and provided an explanation of the following payments and a summary of electronic payments (ACH). There was also discussion of some payments less than \$800 that were of interest to the Committee members.

Check Payments:

- 44679 HDR Engineering Inc. – cost of service analysis
- 44680 International Association of Fire Chiefs – annual membership
- 44681 KME Fire Apparatus – Type I fire engine payment
- 44688 Sierra Controls – SCADA Improvements Project 2017
- 44689 Truckee Tahoe Propane – heating fuel
- 44692 Leroy Valadez-Dominguez – part-time firefighter payroll
- 44693 Mass Mutual Retirement Services – deferred compensation withholding
- 44695 Standard Insurance Company – dental insurance
- 44697 AT&T – phone charges for March
- 44704 Burtons Fire – engine 21 repair
- 44712 Dustin Gwerder – reimbursement for training
- 44713 Hunt & Sons, Inc. – unleaded & diesel fuel
- 44715 Law Offices of Thomas Archer – general legal services & remainder billable (\$1,200)
- 44716 Liberty Utilities – electricity for all facilities, wells & pumps
- 44719 Managed Health Network – employee assistance program annual payment
- 44728 Cashiering Pro Equities – certificate of deposit
- 44739 Knox Company – medical vault
- 44740 Tahoe Truckee Propane – heating fuel
- 44747 Allen Riley – reimbursement for a retroactive payroll increase
- 44751 Leroy Valadez-Dominguez – part-time firefighter payroll
- 44752 Mass Mutual Retirement Services – deferred compensation withholding

Ms. Grindle reviewed exhibits D-2 through D-10. As introduced in previous months, some of the reports have changed to include a balance sheet for additional information as well as a new Combined Fund

report was added. The new report is exhibit D-5-Combined Revenues/Expenditures/Balance Sheet. This new exhibit is for internal use only and not required by governmental accounting.

D-2 Operations Enterprise Fund, Revenue vs. Expenditure/Balance Sheet

The statement shows 75% of the year has elapsed. Revenue is at 94.6% of the annualized budget and expenditures are at 75% of the budget.

D-3 Fire Government Fund, Revenue vs. Expenditure/Balance Sheet

The statement shows 75% of the year has elapsed. Revenue is at 81.3% of the annualized budget and expenditures are at 79.4% of the budget.

D-4 Capital Reserve Fund Balance Sheet/Income Statement

The income statement shows 75% of the year has elapsed and expenditures are running at 75.2%.

D-5 Combined Revenues/Expenditures/Balance Sheet

This report is for internal use only as a tool but is not intended to be an audited financial report. The report captures the District's position as a whole including enterprise funds (Operations/Administration Dept.) and governmental operations (Fire Dept.). The statement shows 75% of the year has elapsed and expenditures are running at 77.5%. Revenue is at 79.6% to the budget.

D-6 Fund Balance Statement

The statement shows the highest yielding funds are Placer County Funds (#541-003 and #541-435) at 1.58 % which is lower than last month at 1.68 %.

D-7 Bike Trail Snow Removal Expenditure vs. Revenue

The statement shows that 82% of the budget year has elapsed and the year-to-date percentage to budget is 56%. All in-valley contributions have been collected.

D-8 Operations Dept. Petty Cash Register

This quarterly statement shows no activity.

D-9 Fire Dept. Petty Cash Register

This quarterly statement shows only one item of \$50.

D-10 Capital Improvement Financial Progress Report

This quarterly statement provides a summary of capital improvements, capital repairs and replacements and grant funded projects.

Payments: Mr. Geary reviewed the following payments with the Committee:

D-11 Progress Payment – HDR Engineering, Inc. – Water & Sewer Rate Study

F-6 McClintock Accountancy Contract – Audit Services

Ms. Grindle said McClintock provided an engagement letter to audit the District's compiled financial statements for FY2017-2019. The proposed agreement for three years is as follows:

June 30, 2017 audit and all reports, \$16,900. GASB 68 \$2,600.

June 30, 2018 audit and all reports, \$17,400. GASB 68 \$2,700.

June 30, 2019 audit and all reports, \$17,900. GASB 68 \$2,800.

Should single audit reports be required the fee would be \$4,000. These fees are based on the actual time spent, plus out-of-pocket costs. If significant additional time is necessary, this will be discussed and a new fee estimate will be determined before additional costs are incurred.

F-8 2nd Review of 2017-18 Fiscal Year Budget and Rate Structures.

Ms. Grindle reviewed the item. The proposed budget was prepared with a focus on establishing adequate reserves of the District's Fixed Asset Replacement Funds (FARF's) while supporting the required resources to provide consistent and quality utility and fire services to the community.

For 2017-18, staff is proposing contributions to the Water FARF in the amount of \$380,000; to the Sewer FARF in the amount of \$475,000. As a comparison, the 2016-17 FARF contributions are projected to be \$520,000 and \$337,000, respectively. We anticipate growing the Water FARF to \$708,000 in the coming budget year, which is about 47% of what it was at its peak in 2009.

No further business coming before the Finance Committee, the meeting was adjourned at 5:00 P.M.

By, KOB/DG