

SQUAW VALLEY PUBLIC SERVICE DISTRICT

FINANCE COMMITTEE MEETING

DATE: September 25, 2017

Call to order at 3:00 P.M.

Public comment – none

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

Items reviewed by the Committee include the following:

D-1 Operating Account Check Register: Ms. Grunst reviewed the Operating Check Register numbers 45190-45231 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:

- 45197 Christine Chidlow – account overpayment
- 45198 Stephen Ciesinski – account overpayment
- 45200 LN Curtis & Sons – fire hose & boots
- 45204 Liberty Utilities –electricity bills for all facilities
- 45205 Martis Valley Plumbing – water heater blower replacement at 305 Squaw Valley Rd.
- 45206 Mass Mutual Retirement Services – deferred compensation withholding
- 45208 Municipal Maintenance – sewer tools and supplies
- 44213 Placer County Air Pollution – renewal of annual permits
- 45215 Sierra Chemical – caustic soda
- 45218 Standard Insurance – dental insurance
- 45220 Knox Company – medical/EMS/narcotic locked boxes
- 45221 Truckee Fire Protection District – Fire prevention radio spots & training registration (Gooding)
- 45226 Vincent Communications – radio replacement
- 45229 Carl Gustafson – payroll & medical expense reimbursement
- 45231 Leroy Valadez-Dominguez – part-time firefighter payroll
- 45234 Bank Card Center – CSDA conference registration fees (Hunt/Riley), airfare for training (Guissaz), office 365 subscription
- 45239 Farr West Engineering – progress payments for Palisades Project & Truckee River Siphon Project
- 45240 Jeff Giegle – reimbursement for training registration (Geigle/DeDeo)
- 45243 Interflow Hydrology – progress payment for PlumpJack Well Project
- 45245 Thomas Archer – legal services including PlumpJack Well, Palisades & Board meeting
- 45248 Mass Mutual Retirement Services – deferred compensation withholding
- 45259 Jens Schneyder – reimbursement for training
- 45262 Tahoe Truckee Sierra Disposal – quarterly payment for trash collection service
- 45267 Woodbridge Fire District – reimbursement for training (Craig & Cutter)

Ms. Grindle reviewed exhibits D-2 through D-6.

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

The statement shows 16.7 % of the year has elapsed. Revenue is at 89.7% of the annualized budget and expenditures are at 15.5% of the budget. Compared to the prior year at this time, the net surplus is \$264,000 greater.

Ms. Grindle discussed the CalPERS unfunded liability which is now required to be posted on the financial statements. The total liability is increasing by \$500,000 for the Utility Department.

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

The statement shows 16.7 % of the year has elapsed. Revenue is at 19.7% of the annualized budget and expenditures are at 19.5% of the budget. Compared to the prior year at this time, the net surplus is \$106,000 lower which is primarily due to less strike team work.

Captain Monforte read from Chief Riley's statement: "This summer the Fire Department has sent out B-21 on several fires throughout the state as a result the over-time expenses appear to be high. B-21 has been out with a crew of three for over 689 hours and the District will be reimbursed for labor, equipment and an administrative fee. A surplus of \$89,223 less equipment repairs is expected."

F-6 CalFire Dispatch Contract

The Cal Fire Dispatch contract was also discussed. The previous three year contract with Cal Fire was estimated at \$94,749 with a not to exceed provision of \$30,055 per year. The new three year contract is for a not to exceed amount of \$118,692.52 and breaks down as follows:

FY 2017-18: \$37,650.28

FY 2018-19: \$39,532.80

FY 2019-20: \$41,509.44

The initial increase from the last contract can be attributed in part to CalFire raises of 11-22% in the next four years and the Fire Department's call volume increasing by approximately 10%.

Ms. Grindle discussed the CalPERS unfunded liability which is now required to be posted on the financial statements. The total liability is increasing by \$600,000 for the Fire Department.

D-4 Capital Reserve Fund Balance Sheet/Income Statement

The income statement shows 16.7 % of the year has elapsed and expenditures are running at 16.3%. The District received the Estimated Allocation of Property Taxes for Fiscal Year 2018, also known as the "September Surprise". The total anticipated tax revenue, less any fees from the county is estimated to be \$3,496,815. This is an increase over the budget by \$48,231, or 1.4%.

Ms. Grindle also reviewed an updated D-4 Statement, page two. This showed the final allocations to our FARF balances for FY2017 which are currently being audited.

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 16.7% of the year has elapsed and expenditures are running at 17.4%. Revenue is at 47.5% to the budget.

D-6 Fund Balance Statement

The statement shows the highest yielding funds are ProEquities Certificate of Deposit at 2.4%. Placer County Funds (#541-003 and #541-435) are at 1.59% which is the same as last month.

Payments: Ms. Grindle reviewed the following payments with the Committee:

- D-7 Progress Payment – T-TSD Payment 1st Quarter
- D-8 Progress Payment – Farr West Engineering – Truckee River Siphon
- D-9 Progress Payment – Farr West Engineering – Palisades Construction Inspection
- D-10 Progress Payment – Interflow Hydrology, Inc. – PlumpJack Well

F-4 Declare Operations & Fire Department Items as Surplus Equipment

Mr. Burks and Captain Monforte reviewed the item. The Fire and Operations Departments have an asset replacement program that funds the replacement of equipment and apparatus according to anticipated service life and/or industry guidelines. At present, the Departments have some equipment that has been taken out of service, but may still have some value. District code requires that the Board declare these assets to be surplus before items can be liquidated in any manner.

The equipment includes a Compressed Air Foam Unit (CAFS), various radio equipment, emergency lights, surplus hand tools, extrication power unit and tools, a PPV fan, two electric chain saws, camera equipment, a file cabinet and office chairs.

The CAFS unit is 17 years old, been out of service for approximately 8 years, and in need of maintenance and repair. Truckee Fire has interest in the equipment for use at the Truckee Airport. The CAFS unit would be available, by mutual aid, in the event that we had a need.

F-7 John Deere Backhoe Purchase

Mr. Burks reviewed the item. Staff researched multiple brands, types and sizes of backhoes and believes it is advantageous to purchase the same brand and type that other local agencies use. The John Deere Model 310 SL/HL backhoe is well-suited to District needs and staff recommends purchasing this equipment from Pape Machinery, the John Deere distributor. The price quoted is in accordance with the State of California contract for this equipment.

Pape Machinery, the John Deere distributor, has also proposed purchasing the used JCB Backhoe from the District for \$10,000, which would be applied the cost of the new backhoe. This trade-in price is within the market value range for the JCB due to the needed repairs on this equipment.

This will be a capital replacement funded purchase through the Water and Sewer Fixed Asset Replacement Funds. An amount of \$150,000 was budgeted for 2017-18 year. The cost to purchase the 310 SL/HL is \$129,407 and the price will be reduced by \$10,000 to \$119,407 with the trade-in of the 1994 JCB backhoe.

No further business coming before the Finance Committee, the meeting was adjourned at 4:10 P.M.
By, KOB/DG