

**OLYMPIC VALLEY PUBLIC SERVICE DISTRICT
FINANCE COMMITTEE MEETING
DATE: JUNE 28, 2021**

Pursuant to the Governor's Executive Order N-29-20, issued March 17, 2020, the Olympic Valley Public Service District Community Room was not accessible for this meeting. All Directors and attendees participated via video/teleconference only.

Directors Present: Directors Katy Hover-Smoot and Victoria Mercer

Attendees: Jessica Asher, Board Secretary; Brandon Burks, Operations Manager; Mike Geary, General Manager; Danielle Grindle, Finance & Administration Manager; Jessica Grunst, Account Clerk II/HR Specialist; and Allen Riley, Fire Chief.

Call to order at 3:00 P.M.

Public comment – None.

Items reviewed by the Committee include the following:

D-1 Operating Account Check Register: Ms. Grunst reviewed the Operating Check Register numbers 48824-49307 and ACH payments. Staff provided an explanation of the payments greater than \$800 and gave a summary of electronic payments (ACH).

Check #	Name	Amount (\$)	Description
48827	Amerigas	1,682	Heating fuel- 305 SV Road
48834	Farr West Engineering	15,770	Approved May Progress Payments- Pressure Zone 1A/ CCTV Project/Sewer Sys Rehab
48836	Hoffman Southwest Corp	40,986	Pro Pipe- 2020 Sewer TV Inspection Project
48838	Allen H. Riley	3,340	Reno Ford R-21 Repairs on Personal CC- Reimbursement
48839	Roman Window Cleaning, Inc.	2,615	Window Cleaning Building 305
48842	U.S. Bank Corp Payment System	6,058	May CC Statements: includes subscriptions, office supplies, training, MEDIC renewals
49278	AT&T	868	PRI- All Main Phone Lines
49280	CAL FIRE	10,148	Q32021- Dispatch Agreement
49282	Carrier Corporation	2,122	Boiler Repairs @ Bld 305
49284	L. N. Curtis & Sons	7,186	Fire Capital- Turn Outs and Tech Rescue Gear
49287	Fire Catt, LLC.	3,005	Annual Fire Hose Testing
49288	Independent Technologies	1,430	IT Service- Troubleshoot Computer Issues and set up new Laptops

49289	Jack Henry & Associates, Inc.	867	FY 2021/22- Check Processing Software
49291	Liberty Utilities	8,611	May Electric All Locations
49296	Sparks Diesel Service	7,760	2006 Ford F550-Fire Rescue Repairs
49299	Thatcher Company, Inc.	6,880	Caustic Soda for our Water System
49300	Thomas S Archer	1,340	May Board Meeting/ Legal
49301	Total Compensation Systems, Inc.	1,900	GASB 75 Roll Forward Valuation
49302	USA BlueBook	2,327	Water and Sewer Parts/ Supplies
49303	Leroy Valadez	1,084	Travel Reimbursement- Confined Space Training
49304	Van Essen Instruments	1,119	Water and Sewer Parts/ Supplies

Ms. Grindle reviewed exhibits D-2 through D-8:

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

The statement shows 92% of the year has elapsed. Revenue is at 99% of the budget and expenditures are at 87% of the budget. Compared to the prior year at this time, the District's net surplus is \$282k lower, which is mostly due making an additional payment to the California Public Employees' Retirement System (CalPERS). Ms. Grindle reviewed and explained selected line items of the Operations Enterprise Income Statement and Balance sheet.

The District entered into a three-year contract with Hunt and Sons for propane. They will no longer be using the services of AmeriGas and tanks are currently being switched out.

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

The statement shows 92% of the year has elapsed. Revenue is at 105% of the budget and expenditures are at 94% of the budget. Compared to the prior year at this time, our net surplus is \$251,000 higher, which is mostly due to assisting in wildland fires. Ms. Grindle reviewed and explained significant line items of the Fire Department Income Statement and Balance sheet.

D-4 Capital Reserve Fund Balance Sheet/Income Statement

The income statement shows 92% of the year has elapsed. Revenue is at 103%, or \$4.2M and expenditures are at 92%, or \$3.4M. There were three new connections during the month of May. The District has received the Estimated Allocation of Property Taxes for Fiscal Year 2021, the total anticipated tax revenue, less any fees from the county, is estimated to be \$3,727,000.

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, including enterprise funds (Operations/Administration Dept.), governmental operations (Fire Dept.), and Capital Reserves. The statement shows 92% of the year has elapsed, revenue is at 107% and expenditures are at 91%.

D-6 Fund Balance Statement

The statement shows the highest yielding funds are Pro Equities Certificate of Deposit (CD) #2 at 3.10%. The Pro Equities Certificate of Deposit #3 is at 2.70% and Pro Equities Certificate of Deposit #1 is at 2.40%. Total funds on deposit are approximately \$9M.

D-7 TTSD Payment – 4th Quarter

The fourth quarter payment to Tahoe Truckee Sierra Disposal (TTSD) is based on current records that there are 1,024 residential dwelling units amounting to payment of \$68,444.16 for the period of April – June, 2021.

D-8 CalPERS Annual Lump Sum Payment of the Employer Unfunded Liability

The 2021-2022 Employer Unfunded Liability Payment for the safety plan is \$222,838. The payment for the miscellaneous plan is \$74,272.

Mr. Geary reviewed the following progress payments and provided a brief update on each project:

D-8 Progress Payment – Farr West Engineering – Hidden Lake Loop Water and Sewer Line Replacement Project

F-3 PUBLIC HEARING: Approve FY 2021-2022 Budget and Employee Salary Schedules

Ms. Grindle reviewed items F-3, F-3A and F-3B. Item F-3 is a PUBLIC HEARING to Approve FY 2021-2022 Budget, and FY 2021-2022 Employee Salary Schedules. Item F-3A includes adoption of Resolution 2021-14, approving the budget for FY 2021-2022 and item F-3B included adoption of Resolution 2021-15 approving salary schedules for FY 2021-2022.

Ms. Grindle and Mr. Geary reviewed the changes since the Board reviewed the previous draft in May. These changes include:

- Rate revenue has been modified slightly due to new connections;
- The capital projects budget was increased by \$150,000 to account for ever increasing construction costs;
- Staff continues to participate in labor negotiations with the Fire Department and Local 39, and will be discussed further in closed session;
- There was a decrease in the budget for salaries and labor in the Utility Department due to the resignation of an Operations Trainee;
- The District has entered a three-year contract with Hunt and Sons resulting in a decrease in propane utility costs;
- A \$10,000 line item was added to the Fire Department budget to hire a consultant grant writer next Spring to apply for the CalPERS Fire Prevention Grant.
- A memo regarding the reserve policy and status of reserve funds was added. The Fire Department will not be meeting its minimum required reserve balances and will be monitored closely over the next couple of years for additional revenue sources; and

There was a discussion about the health insurance changes by CalPERS, this will require a renegotiation of the Operations Department Memorandum of Understanding.

F-4 Introduce Ordinance 2021-01 – Adopting Rates & Charges and Revised District Codes.

Ms. Grindle reviewed the staff report and Ordinance 2021-01 which adopts the FY 2021-2022 rates and charges for water, sewer and garbage service and revises the related codes. Ordinance 2021-01 was introduced at the May 25, 2021 Board Meeting. Proposed rate increases are Sewer 5%, Water 4%, and Garbage 3%. There are no changes proposed to connection fees.

F-5 PUBLIC HEARING: Request Placer County to Collect Delinquent Charges.

Ms. Grindle reviewed Resolution 2021-16, requesting Placer County to collect delinquent charges. As of June 23, 2021, there were nineteen (19) accounts with overdue balances in excess of \$100 were outstanding from the July 1, 2020 annual water, sewer, and garbage billing. The aggregate total is \$32,362.72. Eleven (11) of these accounts were delinquent last year.

No further business coming before the Finance Committee, the meeting was adjourned at 3:55 P.M.

By, JA/DG