

**SQUAW VALLEY PUBLIC SERVICE DISTRICT
FINANCE COMMITTEE MEETING
DATE: MARCH 30, 2020**

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

Call to order at 3:00 P.M.
Public comment – none

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, Human Resources and Account Specialist II; Fabienne Gueissaz, Office Supervisor; Dave Hunt, District Engineer; and Allen Riley, Fire Chief.

Items reviewed by the Committee include the following:

D-1 Operating Account Check Register: Ms. Grunst reviewed the Operating Check Register numbers 47840-47931 and ACH payments. Staff provided an explanation of the payments greater than \$800.00 and gave a summary of electronic payments (ACH).

Check #	Name	Amount (\$)	Description
47843	Cruz Construction Company, Inc	164,981.95	Truckee River Siphon Retention Payment
47847	Holdrege & Kull Consulting	1,608.25	Truckee River Siphon- Construction Inspection Services
47849	Professional Pipe Services	5,355.45	2019 Sewer TV Inspection Project – retention payment
47850	Squaw Valley Business Association	3,000.00	2019 SV Business Assoc Dues
47853	Amerigas	5,152.34	Heating Fuel - 1810 and 305
47855	AT&T	1,258.30	SCADA- Lines/ Line 4/Fax/DSL Line/Outside door/ PRI Switch/ Alarms
47856	Atomic Printing	1,329.22	Winter Newsletter/ EMS Short Forms
47858	California Rural Water Assoc.	816.00	2020 Membership Renewal
47861	Angela M Costamagna	1,350.00	Office & Community Room Cleaning
47863	L. N. Curtis & Sons	1,474.69	Nozzel with Shut Off- Fire
47866	Farr West Engineering	2,483.50	General Services- GIS
47867	W.W. Grainger, Inc.	2,573.74	Shelves-Extra Bay Storage Fire Dep 305
47869	Hi-Tech Emergency Vehicle	6,312.34	R-21 hydraulic repair
47870	Hunt & Sons, Inc.	1,559.33	Diesel & Regular Fuel
47872	Kansas City Life Group Benefits	2,092.52	Dental Insurance and Life Insurance
47882	Springbrook Software, Inc	3,439.50	Premise Springbrook Upgrade- T&M Invoice

47887	Thatcher Company, Inc.	6,109.00	25% Caustic soda solution
47888	Thomas S Archer	3,320.00	General Legal (1660) (900 RSC) Fire Legal (760)
47889	U.S. Bank Corp Payment System	3,555.99	Combined Payment- Pro Ware Asset Manage Softw, MSFT365, Parcel Quest, Burn Class x 2, Lactation Room Updates
47891	VF Outdoors, LLC	1,853.24	Base Camp Duffel XL- North Face- Regional Rescue
47893	Independent Technologies	4,845.25	Server Install and Computer Install
47900	Dept of Forestry & Fire Prot.	9,762.46	April-June 30th 2020- Cooperative Agreement
47901	Farr West Engineering	2,473.00	Feb General Services
47905	Hunt & Sons, Inc.	2,204.15	Diesel & Regular Fuel
47908	Liberty Utilities	5,849.32	Electricity all Locations
47915	Schneider Electric USA, Inc.	1,184.04	Annual Clear Scada Service and Support
47921	Tahoe Truckee Sierra Disposal	65,270.22	Jan-March 2020- Trash Contract + Bld. 305 Trash
47922	U.S. Bank Corp Payment System	1,265.46	Chief Riley Fire Card- Dry Suit Repairs (\$600) Vehicle Repairs & Supplies
47923	U.S. Bank Corp Payment System	2,794.74	Admin Cal Card- CA Water Enviro Assoc- 2020 Annual Conference, CalGovHR Conf, Office Supplies, MSFT365, SHRM membership
47925	U.S. Bank Corp Payment System	978.60	Captain Card- Hotel for I300 Class, I300 Class Registration, Internet Station 22, CO Alarms
47926	U.S. Bank Corp Payment System	931.99	Captain Card- Chisholm Travel, Hotel, Meals- Burn Classes
47930	Thomas Wilson	877.27	Refund Check- Customer double paid

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

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

The statement shows 67% of the year has elapsed. Revenue is at 96% of the budget and expenditures are at 67% of the budget. In total, compared to the prior year at this time, the net surplus is \$61,000 lower. Ms. Grindle reviewed and explained each line item of the Operations Enterprise Income Statement and Balance sheet.

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

The statement shows 67% of the year has elapsed. Revenue is at 67% of the budget and expenditures are at 68% of the budget. Compared to the prior year at this time, the net surplus is \$106,000 lower. This is primarily due to not assisting in wildland fires year to date. Ms. Grindle reviewed and explained each line item of the Fire Department Income Statement and Balance sheet.

D-4 Capital Reserve Fund Balance Sheet/Income Statement

The income statement shows 67% of the year has elapsed. Revenue is at 67% and expenditures are at 67%. The total anticipated tax revenue, less any fees from the County, is estimated to be \$3,616,000. This is an increase over the prior year's actual revenue received by \$48,000 or %1.34 and is \$55,000 greater than the budgeted amount.

Revenue from connection fees is higher than budgeted, primarily due to the Palisades Development. There was a brief discussion about the possible effects of COVID-19 on the economy, District finances and the distribution of property taxes.

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.), governmental operations (Fire Dept.), and Capital Reserves. The statement shows 67% of the year has elapsed, revenue is at 82% and expenditures are at 68%.

D-6 Fund Balance Statement

The statement shows the highest yielding funds are Pro Equities Certificate of Deposit #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 is approximately \$8.9M.

Ms. Grindle and Mr. Burks reviewed exhibit D-7:

D-7 Bike Trail Snow Removal, Revenue to Expense

This statement shows 64% of the season has been expended. The District has budgeted \$46,000 for this project and Placer County will be providing monthly payments split over the contracted winter months. Approximately \$29,300 has been billed to date.

Ms. Grindle reviewed exhibit D-8:

D-8 TTSD Payment – 3rd Quarter

The third quarter payment to Tahoe Truckee Sierra Disposal (TTSD) is based on current records that there are 999 residential dwelling units (including homes with second units) amounting to payment of \$64,645.29 for the period of October – December 2019.

Mr. Geary reviewed the following progress payments:

D-9 Progress Payment – Andregg Psomas - Truckee River Siphon Easement

F-1 Introduce Ordinance 2020-01 "Adopting a Fire and Life Safety Cost Recovery Schedule"

This item was introduced at the February Board Meeting and February Finance Committee meeting. No further discussion was required at this time.

F-8 First Draft of FY 2020-2021 Budget and Rates

Ms. Grindle reviewed the financial summary for budget year 2020-2021 in detail.

The 2020-21 rate increases (e.g., 4% for water, 5% for sewer, and 3% for garbage) are in line with the 5-year Prop. 218 notice from 2017 and provide funding to achieve revenue requirements.

Payroll across the utility department will see a 2.43% increase from an annual cost of living adjustment (COLA). The Fire Department's annual salary survey is underway. The first draft of the budget assumes the same COLA as the utility department as well as merit increases where due.

Minimum required contributions to the CalPERS Unfunded Pension Liability increased by \$10,000 to \$178,000 for the Miscellaneous group and by \$16,000 to \$206,000 for the Safety group. The District intends to pay down the unfunded accrued liability to a 90% funded-level in the next 3-5 years. This will require an additional \$400,000 payment for the Utility Department and \$230,000 for the Fire Department. The Fire Department will receive an internal loan from the Utility Department in order to do this.

There was a discussion about the Olympic Valley Groundwater Management Plan and the costs associated with preparing the Quinquennial Review and Report.

Mr. Hunt reviewed the water and sewer capital improvement and capital replacement projects within the budget including residential meter replacements, water tank inspection and recoating, the sewer television inspection project, and a sewer line rehabilitation and replacement project.

Mr. Geary introduced proposed budget changes for the Fire Department to include an additional full-time seasonal employee for eight (8) months per year to allow for minimum staffing of four (4) people per shift. The additional seasonal employee is comparable to paying a full-time staff member to work overtime when shifts needs to be covered. Additionally, with a 4-person minimum on shift the Fire Department will be able to start providing ambulance services. This has been a long-term goal of the District but never achieved. With start-up costs for an ambulance being low and the cost of labor unchanging, staff feels this is an excellent opportunity to expand the level of services as well as generate much needed revenue to pay off the CalPERS Unfunded Pension Liability. Once the ambulance is in full operations; annual revenues are anticipated to be approximately \$255,000. This change will increase staff morale, help with staff retention and initial analysis shows that is it financially responsible. There was further discussion about potential revenue streams in order to ensure that the Department can be appropriately funded without any increases to property tax revenue. Ms. Grindle will assemble the data from this analysis and include it in a full report on these changes at the April 2020 Board Meeting.

The committee reviewed how to present the budget information to the entire board.

F-11 Mountain Housing Council – MHC 2.0 Partner Request

The committee decided this item should be reviewed together with the whole board.

No further business coming before the Finance Committee, the meeting was adjourned at 5:34 P.M.

By, JA/DG