

**SQUAW VALLEY PUBLIC SERVICE DISTRICT
FINANCE COMMITTEE MEETING
DATE: NOVEMBER 18, 2019**

Call to order at 9:00 A.M.
Public comment – none

Directors Present: Directors Katy Hover-Smoot and Victoria Mercer

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

Items reviewed by the Committee include the following:

F-2 Audit Report for Fiscal Year 2018-2019

At the end of each fiscal year, the District undergoes an audited evaluation by a certified third-party to assure the annual financial statements of the District are reported without any material misstatement and are performed in accordance with Generally Accepted Accounting Principals (GAAP). The District engaged the services of McClintock Accountancy Corporation.

Mr. McClintock reviewed the “Independent Auditors Report Opinion” and commended the management team for being one of few Districts to prepare the financial reports in-house. Ms. Galka reviewed the audit report format and stated that the “Management’s Discussion and Analysis” provides an excellent overview of the financials. Ms. Grindle provided highlights of the report adding that staff is collaborative and has developed systems to improve transparency and fiscal planning. Ms. Galka reviewed new accountancy standards regarding leases, which will go into effect in Fiscal Year 2021. Mr. McClintock and Ms. Galka said the District’s financial health and bookkeeping are excellent and that staff was exceptional to work with.

There was a discussion about paying down the CalPERS Unfunded Accrued Liability (UAL). The Directors said they would be interested in learning more via trainings locally or in Sacramento. There was also discussion about connection fees, the garbage contract and insurance.

D-1 Operating Account Check Register: Ms. Grunst reviewed the Operating Check Register numbers 47543-47615 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 |
|---------|--------------------------------|-------------|--|
| 47553 | Wesley J. Beyer | 1,150.17 | Duty Uniform Shirts & Hats |
| 47560 | Cruz Construction Company, Inc | 135,676.51 | Cruz Truckee River Siphon Project Progress Payment |
| 47568 | Hunt & Sons, Inc. | 1,703.02 | Diesel & Regular Fuel |
| 47573 | Liberty Utilities | 4,531.25 | Electric all Locations and Wells |
| 47576 | McClintock Accountancy Corp | 10,090.00 | FY 18/19 Audit Progress Payment #3 |

| | | | |
|-------|--------------------------------|------------|---|
| 47578 | Office Depot | 1,155.74 | Cleaning Supplies, Toner, Office Supplies |
| 47582 | Shafer Equipment Company Inc. | 1,736.51 | Bike Trail Snowblower Repairs |
| 47585 | Standard Insurance Company | 2,618.92 | Dental Insurance |
| 47591 | Thomas S Archer | 2,020.00 | General Legal |
| 47602 | Badger Meter, Inc | 3,917.10 | New Water Meter Parts- Capital |
| 47604 | Cruz Construction Company, Inc | 178,310.41 | Truckee River Siphon Replacement Project- Progress Payment |
| 47605 | Farr West Engineering | 28,490.00 | Truckee River Siphon Replacement Project- - Inspections Services and Resort and Squaw Creek- Billable (\$1,375) |
| 47606 | Holdrege & Kull Consulting | 3,754.30 | Truckee River Siphon Replacement Project Progress Payment |
| 47607 | Hunt & Sons, Inc. | 1,322.68 | Diesel & Regular Fuel |
| 47613 | Thatcher Company, Inc. | 2,934.23 | 25% Caustic soda solution |
| 47615 | Truckee Tahoe Propane | 3,242.30 | Heating fuel- 305 |

There was a discussion about propane price comparisons and the ACH payment for the Café Plan.

Ms. Grindle reviewed exhibits D-2 through D-7:

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

The statement shows 33% of the year has elapsed. Revenue is at 93% of the budget and expenditures are at 34% of the budget. In total, compared to the prior year at this time, the net surplus is \$65,000 higher. 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 33% of the year has elapsed. Revenue is at 33% of the budget and expenditures are at 34% of the budget. Compared to last the prior year at this time, the net surplus is \$140,000 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.

A small amount of revenue is anticipated from assistance by hire contract when the Fire Department covered Cal Fire stations in September.

D-4 Capital Reserve Fund Balance Sheet/Income Statement

The income statement shows 33% of the year has elapsed. Revenue is at 8% and expenditures are at 33%. Our first tax revenue payment will come in December.

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 33% of the year has elapsed, revenue is at 51% and expenditures are at 34%.

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 on hand is just under \$9M.

There was a discussion about potentially transferring funds from Placer County accounts to the local agency investment fund (L.A.I.F) account which has slightly higher interest rates.

Ms. Grindle reviewed the following payments:

D-7 Progress Payment – McClintock Accountancy – Fiscal Year 2018-2019 Audit

Mr. Geary reviewed the following progress payments:

D-8 Progress Payment – Farr West Engineering – Truckee River Siphon Inspection

D-9 Progress Payment – Farr West Engineering – Resort at Squaw Creek Inspection

D-10 Progress Payment – Andregg Psomas – Truckee River Siphon Construction Survey

D-11 Progress Payment – Cruz Construction – Truckee River Siphon

D-12 Progress Payment – NV5 – Truckee River Siphon Geotechnical Services

F-3 Bike Trail Financial Reserves Policy

Mr. Geary reviewed the staff report. The amended policy has been adopted to include funds for operations and capital replacement.

F-4 Springbrook Accounting Software - Upgrade Agreement

Ms. Grindle reviewed the staff report. This cost of the upgrade is included in the fiscal year budget. Ms. Grindle and Ms. Gueissaz attended a Springbrook conference this past year and feel that many of the new features will be useful to the accounting team.

No further business coming before the Finance Committee, the meeting was adjourned at 10:40 A.M.

By, JA/DG