

**OLYMPIC VALLEY PUBLIC SERVICE DISTRICT  
FINANCE COMMITTEE MEETING  
DATE: APRIL 26, 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; Dave Hunt, District Engineer; 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 48710-48761 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
48711	AmeriGas	5,601	Heating fuel for buildings 1810 and 305
48722	Special District Risk Management	1,000	Deductible for Accident 2/2/21-Claim
48726	Tahoe Truckee Sierra Disposal	67,531	Qrtly Trash Contract 22.28 Per Unit - Jan-1006/Feb-1006/ March 1019
48727	Thomas S Archer	900	Legal – Billable
48728	U.S. Bank Corp Payment System	3,170	No charges greater than \$800. Other charges included training, travel, certifications, internet, software subscriptions and office supplies
48731	AmeriGas	2,421	Heating fuel- 305 & 1810 SV Road
48733	California Rural Water Assoc.	816	04-2021-04-2022 Membership Renewal
48735	Carrier Corporation	19,635	Boiler Pump & Valve Repairs
48741	Liberty Utilities	8,225	Dental and Life Insurance Fire and UD
48749	R.S. Hughes Company, Inc.	1,585	Replacement SCBA Bottles
48750	Schneider Electric USA, Inc.	1,217	Annual SCADA Support Contract
48751	Squaw Valley Business Association	3,000	Annual Membership Renewal
48755	Thomas S Archer	1,240	General Legal Services
48756	USA BlueBook	1,800	Ops Safety Equipment

48757	Verizon Wireless	1,442	New Engineering iPad (inspections)/ New Cell for Chief/ and Monthly Service
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There have been no additional expenses related to the District's name change in the past month.

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

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

The statement shows 75% of the year has elapsed. Revenue is at 97% of the budget and expenditures are at 71% of the budget. Compared to the prior year at this time, the District's net surplus is \$191k 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.

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

The statement shows 75% of the year has elapsed. Revenue is at 88% of the budget and expenditures are at 76% of the budget. Compared to the prior year at this time, our net surplus is \$316,000 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 75% of the year has elapsed. Revenue is at 65%, or \$2.6M and expenditures are at 75%, or \$2.8M. There were no new connections during the month of March. 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 75% of the year has elapsed, revenue is at 87% and expenditures are at 74%.

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 \$8.6M. Ms. Grindle discussed the possibility of purchasing a CD soon, which would be brought to the Board if recommended by staff.

D-7 Bike Trail Snow Removal, Revenue to Expense

This statement shows 82% of the season has elapsed. The District has budgeted \$46,000 for this project and Placer County will be providing monthly payments split over the contracted winter months. Approximately \$37,600 has been billed to date. Approximately \$10,700 has been expensed on labor, materials, fuel etc.

D-8 Capital Improvement Financial Progress Report

Ms. Grindle, Mr. Hunt and Chief Riley reviewed the report and provided a status of the projects.

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

D-9 Progress Payment – Farr West Engineering – West Tank Coating Project

D-10 Progress Payment – Farr West Engineering – Pressure Zone 1A Project

D-11 Progress Payment – Farr West Engineering – Sewer System Rehabilitation Project

F-2 Second Draft of FY 2021-2022 Budget and Rates

Ms. Grindle reviewed the financial summary for budget year 2021-2022 focusing on Page 6 of the Board Exhibit.

Mr. Geary reviewed that the District is in the fifth year of its Prop. 218 notice. The 2021-22 rate increases (4% for water, 5% for sewer, and 3% for Garbage) are in line with the prior Prop. 218 notice. The garbage rate increase to the District is 6% and staff intends to capture the difference from the Garbage Fixed Asset Replacement Fund (FARF).

Ms. Grindle reviewed the method to approximate Ad Valorem property tax revenue which is estimated to increase 0.3% from the anticipated 2021 revenue, for a total of \$3,738,000. Most of the tax revenue will be allocated to the Fire Department. There were no changes from the last review.

Mr. Hunt reviewed the capital projects noting that there were no significant changes since the budget reviewed last month. Mr. Hunt reviewed the projects. The schedule for capital projects on Victor Lane and in Hidden Lake will be adjusted in next month's budget draft to take advantage of the opportunity to replace water and sewer in advance of development of a vacant lot.

Ms. Grindle reviewed the CalPERS Unfunded Accrued Pension Liability (UAL). The required minimum contribution is decreasing due to aggressive payments of the UAL. The District is expected to reach a 90% funding level as of the June 30, 2021 valuation. The Fire Department is expected to reach a 90% funding level in Fiscal Year 2025. This will require additional annual payments of \$200,000 for the next four years. This may be funded with an inter-company loan from the Utility Department.

Mr. Geary reviewed diversified revenue sources such as the Operations and Maintenance agreement with Squaw Valley Mutual Water Company and potentially expanding Fire Department services to provide Advanced Life Support services. A study to analyze the impacts of providing ambulance services will be performed and is budgeted to be a shared cost by OVFD and two neighboring Departments.

Mr. Geary reviewed grants. Staff hopes to provide an update on the success of the Placer County Water Agency Financial Assistance Program (PCWA FAP) applications for the water meter replacement project and for an emergency intertie between the Squaw Valley Mutual Water Company and District's water distribution lines next month. Mr. Geary said that the District plans to apply for a CalFIRE fire prevention grant to fund the Community Wildfire Protection Plan. If awarded, the funds reserved for plan development could be repurposed for fuel mitigation projects such as a green waste or chipping day. Mr. Hunt said that the District has received a grant for \$55,000 for the pressure zone 1A project from the PCWA FAP and a grant from Integrated Regional Water management (IRWM) for the water meter replacement project. Mr. Hunt said that Farr West Engineering (FWE) is providing consulting support for the West Tank Recoating Project, Pressure Zone 1A Project and Sewer System Rehabilitation Project. FWE will also provide consulting services for the Water and Sewer line replacement projects.

Mr. Geary reviewed debt financing including the status of the side fund loan, building loan and property loans.

Ms. Grindle reviewed the updated methodology SDRMA will use to determine property and liability insurance rates. The District's rates will only go up 1% in contrast to the expected 25%-30% increases. Worker's Compensation premiums will decrease 9%.

Ms. Grindle reviewed the budgeted contributions to Fixed Asset Replacement Funds (FARFs).

No further business coming before the Finance Committee, the meeting was adjourned at 3:50 P.M.

By, JA/DG