

**OLYMPIC VALLEY PUBLIC SERVICE DISTRICT
FINANCE COMMITTEE MEETING
DATE: JANUARY 30, 2023**

Directors Present: Directors Bill Hudson, Katrina Smolen

Staff Present: Jessica Asher, Board Secretary; Mike Geary, General Manager; Dave Hunt, District Engineer; Danielle Mueller, Finance and Administration Manager; and Allen Riley, Fire Chief.

Others Present: Bob Shull, California CLASS

Call to order at 1:00 P.M.

Public comment – None.

Items reviewed by the Committee included the following:

F-6 Enrollment in California CLASS

The Committee reviewed item F-6, Enrollment in California CLASS. Mr. Shull, Director of Investment Advisory Services for California CLASS, provided background of the local management investment pool, reviewed the qualifications and scope of the pool, and noted the current yield rates.

There was a discussion about the investment. The fund is easily liquidated, more quickly and simply than the investment system with Placer County historically used by the District. There is no risk to the principal investment, and it is the highest earning option for an asset with this level of liquidity. The fees are relatively low and there are no early termination or redemption fees. Ms. Mueller said she will also be recommending investment in some Certificates of Deposit but discussed the benefits of diversification and importance of having some funds in a high earning pool that is also liquid and can be used for operations. The Finance Committee supported enrollment in California CLASS.

D-1 Operating Account Check Register: Ms. Mueller reviewed the Operating Check Register numbers 50497-50632 and ACH payments. Staff provided an explanation of the payments greater than \$1,500.

Check #	Name	Amount (\$)	Description
50499	Bay Area Coating Consulting Services, Inc.	11,548	West Tank Recoating Project Inspections
50507	Farr West Engineering	4,814	OVPSPD/SVMWC Intertie Project Progress Payment
50508	Hunt Propane, Inc.	5,493	Bulk Propane
50509	Liberty Utilities	9,113	November Electric All Locations
50511	McClintock Accountancy Corp	2,015	Progress Payment for the fiscal year 21/22 Audit
50512	McGinley & Associates	9,915	OVGMP Six Year Review and Report-Progress Payment

50515	Placer Co. Telecommunications	1,579	Radios Services- Parts and Labor-Fire
50519	Tahoe Truckee Sierra Disposal	79,708	Quarterly Trash Contract
50524	Alfred & Susanne Detwiler	2,014	Ops Vehicle Repairs
50525	Alpine Septic and Pumping	1,875	Pump Sand and Oil Separators at 305 & 1810
50530	L. N. Curtis & Sons	6,210	Fire Turnout Replacements and PP Gear
50531	Deer Creek Resources	14,030	CWPP Project Progress Payment
50532	Dell Marketing L.P.	4,229	Admin Laptops
50533	Delta Fire Systems	2,154	Elevator Tests 305 & 1810 and Monitoring Service
50538	Hunt Propane, Inc.	2,516	Bulk Propane Deliveries
50539	Franklin C. Jones	5,532	New Holland TV145 Maintenance and Vehicle Maintenance
50546	Danielle Mueller	2,294	Logo wear Purchased on personal card
50548	Pape Machinery Inc.	4,758	West Tank Generator Rental
50549	ParcelQuest	2,399	Early Annual Renewal - 2023
50552	Jen Rosser	15,000	Refund Customer Deposit
50557	State Water Resources Control	3,453	07/01-06/30/23-Annual Waste Discharge Fee/Permit
50560	U.S. Bank Corp Payment System	7,790	November Cal Card Statement- All Cards
50570	Carrier Corporation	1,733	Boiler Repairs
50574	Farr West Engineering	5,732	General Consulting Services November and December
50575	US Bank, Global Corporate Trust Services	7,556	Building 305 Loan Interest Payment
50579	Hunt & Sons, Inc.	5,268	December Bulk Fuel
50580	Hunt Propane, Inc.	14,857	December Bulk Propane
50581	Liberty Utilities	9,992	December Electric- All Locations
50585	McClintock Accountancy Corp	4,265	Progress Payment for the fiscal year 21/22 Audit
50594	State Water Resources Control	8,473	Annual Water System Fees Invoice-7/1/22-6/30/23
50597	Tahoe Truckee Sanitation Agency	2,602	Annual Sewer Treatment Fees- All Locations
50600	Thomas S Archer	2,110	General Legal December and RSC Billable (\$350)
50614	AP Triton, LLC	2,727	Regional Ambulance Service Study - Fire
50615	Atomic Printing	1,566	Winter Newsletter Printing
50620	Carrier Corporation	4,778	Quarterly Maintenance Contract- Boiler 305

50621	Engineered Fire Systems, Inc.	1,625	Third Party Plan Reviews- Fire
50630	Thatcher Company, Inc.	7,113	25% Caustic soda solution
50631	U.S. Bank Corp Payment System	5,960	December Cal Card All Charges
50632	Western Nevada Supply Co.	19,918	Water Meter Replacement Project Supplies

There was a brief discussion about the District's pre-development agreements and associated deposits for larger projects, and about the projects under contract with Farr West Engineering including General Services, Zone 1A, the West Tank Recoat, and the Intertie with the Squaw Valley Mutual Water Company.

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

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

The statement shows 50% of the year has elapsed. Revenue is at 90% of the budget and expenditures are at 43% of the budget. Compared to the prior year at this time, the net surplus is \$402,000 higher, mostly due to additional rate revenue, grants, and staff shortages. Ms. Mueller 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 50% of the year has elapsed. Revenue is at 49% of the budget and expenditures are at 45% of the budget. Compared to the prior year at this time, the net surplus is \$61,000 higher, mostly due to more tax and grant revenue, offset by less strike team revenue. Ms. Mueller 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 50% of the year has elapsed. Revenue is at 61%, or approximately \$2,528,000 and expenditures are at 51%, or \$2,031,000. The District has received the Estimated Allocation of Property Taxes for Fiscal Year 2023, the total anticipated tax revenue, less any fees from the county, is estimated to be \$4,270,000. This is an increase over the prior year actual revenue received by \$328,000 and \$365,000 higher than budgeted.

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 50% of the year has elapsed, revenue is at 76% and expenditures are at 45%.

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 #1 is at 3.05% and Pro Equities Certificate of Deposit #3 is 2.70%. Total funds on deposit are approximately \$11.9M.

D-7 Bike Trail Snow Removal, Revenue to Expense

This statement shows 27% of the budgeted year 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; \$12,548 has been billed to date.

D-8 Capital Improvement Financial Progress Report

Ms. Mueller reviewed the quarterly report, including the status of the projects.

Staff reviewed the following payments:

- D-9 Progress Payment – McClintock Accountancy – Fiscal Year 2021-2022 Audit
- D-10 Progress Payment – Farr West Engineering – OVPSD/SVMWC Emergency Intertie Project
- D-11 Progress Payment – McGinley & Associates OVGMP Six-Year Review & Report
- D-12 Progress Payment – Badger Meter – Water Meter Replacement Project
- D-13 Progress Payment – Sierra Controls – West Tank Recoating Project

Item D-14 will be removed from the agenda as the Progress Payment has not been submitted by the contractor.

- D-14 Progress Payment – Olympus & Associates – West Tank Recoating Project

F-5 Purchase of Certificate of Deposit (CD) with Protective Securities, Inc.

Ms. Mueller reviewed the staff report for purchase CDs with Protective Securities, Inc. and suggested that the District maximize interest earning with the purchase of CDs. She noted after the purchase of additional CDs, that 15-20% of idle funds would currently be invested, which is well below the 30% maximum allowed by the Investment Policy. Ms. Mueller said she felt it was a safe investment with protected principal which can be removed without penalty if needed.

No further business coming before the Finance Committee, the meeting was adjourned at 2:00 P.M.

By, JA/DM