

**OLYMPIC VALLEY PUBLIC SERVICE DISTRICT
FINANCE COMMITTEE MEETING
DATE: JUNE 26, 2023**

Directors Present: Director Bill Hudson

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

Others Present: None.

Call to order at 1:00 p.m.

Public comment – None.

Items reviewed by the Committee included the following:

D-1 Operating Account Check Register: Ms. Mueller reviewed the Operating Check Register numbers 50878-50940 and ACH payments. Staff provided an explanation of the payments greater than \$1,500.

Check #	Name	Amount (\$)	Description
50880	Badger Meter, Inc	6,827	Water Meter Replacement Project Parts
50887	DOWL, INC.	2,900	\$600 was intertie Project and \$2300 General Consulting
50890	Hunt & Sons, Inc.	1,907	Bulk Regular and Diesel Fuel
50891	Hunt Propane, Inc.	3,282	Propane Delivery 305 & 1810
50893	Kai Viti Plumbing, LLC	2,049	AKA Roto Rooter- Upstairs Bathroom Bld 305 Repairs
50895	Locality Media Inc	3,754	FY 23/24 -First Due Incident Reporting and Mapping Software Fire
50896	Longo, Inc	3,099	Water Meter Replacement Project
50897	McGinley & Associates	7,681	Mays OVGMP Progress Payment
50908	AT&T	3,248	PRI Switch billing (Main Phone Lines) X 4 months
50912	Evergreen Carpet Care	1,978	Building 305 Carpet Cleaning
50913	Express Evaluations	1,500	FY 23/24 Employee Evaluation Software
50917	Hunt Propane, Inc.	1,970	Propane Delivery 305 & 1810
50919	Liberty Utilities	18,955	April and May Electric- April check was lost in the mail
50921	Gary Morgan	8,156	AKA- AMG. 1202 Sandy Way Sewer Line Repairs. PSD held the payment for owner.
50930	Shred-It USA	1,918	Document Destruction
50934	Thomas S Archer	1,860	May General Legal

Ms. Mueller 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. Revenues are 96% of the budget and expenditures are 85% of the budget. Compared to the prior year at this time, the net surplus is \$95,000 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 92% of the year has elapsed. Revenues are 91% of the budget and expenditures are 86% of the budget. Compared to the prior year at this time, the net surplus is \$286,000 higher, mostly due to more tax and grant revenue, offset by less strike team revenue and not making an additional unfunded accrued liability (UAL) pension payment. 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 92% of the year has elapsed. Revenue is at 107%, or approximately \$4,396,501 and expenditures are at 92%, or \$3,657,601. 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 92% of the year has elapsed, revenue is at 100% and expenditures are at 86%.

D-6 Fund Balance Statement

The statement shows the Cal Class Investment fund is yielding 5.19%, the CalPERS CEPPT (pension) Trust is yielding 4.24%, the CalPERS CERBT (OPEB) Trust is yielding 4.69%, and the ProEquities Money Market account at 4.74%. The ProEquities Certificate of Deposit (CD) accounts yield between 2.70% and 4.85%. Total funds on deposit are approximately \$10.9M.

D-7 TTSD Payment – 4th Quarter

The fourth quarter payment to Tahoe Truckee Sierra Disposal (TTSD) is based on current records that there are 1,054 residential dwelling units (including additional dwelling units) amounting to payment of \$79,884.80 for the period of April – June 2023.

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

The 2023-2024 Employer Unfunded Liability Payment for the safety plan is \$212,124. There is no payment required for the miscellaneous plan as it is fully funded. This is based on the June 30, 2021 valuation provided by CalPERS.

Mr. Hunt reviewed the following payments:

D-9 Progress Payment – Carson Pump – Well 2R Rehabilitation Project

D-10 Progress Payment – DOWL – OVPSD/SVMWC Emergency Intertie Project

D-11 Progress Payment – McGinley & Associates – OVGMP Water Management Action Plan

F-3 Ordinance 2023-01 – Adopting Rates & Charges and Revised District Codes

Ms. Mueller reviewed Ordinance 2023-01 which adopts the Fiscal Year (FY) 2023-2024 rates and charges for water, sewer and garbage service and revises the related codes. Ordinance 2023-01 was introduced at the May 30, 2023, Board Meeting. The Board will consider rate increases are Sewer 5%, Water 5%, and Garbage 10%. There are no changes proposed to connection fees.

F-4 FY 2023-2024 Budget

Ms. Mueller reviewed the item focusing on the changes since the Board reviewed the previous draft in May. These changes include:

- The Fire Department will receive a 3% cost-of-living-adjustment (COLA), which is 1% higher than the approved Memorandum of Understanding.
- The budget related to replacement of the Fire Department utility vehicle has been pushed 1 year due to shipping delays.
- The Fire Department reached a target 90% funded level of the unfunded accrued liability (UAL) for pensions, and as such, the budget mentions the \$200,000 contribution to the 115 Trust made in FY2023.
- Expenses for migration to the LaserFiche software have been added as staff will likely recommend use of the software as part of the District's document management system project in order to be compliant with records retention regulations.
- The Fire Department was awarded a \$45,125 grant from the Truckee North Tahoe Forest Management Program, for the OV-4 Fuels Management Project. Funding is provided by the Tahoe Truckee Community Foundation and the California Department of Forestry and Fire Protection's Wildfire Resilience Program.

F-5 Ordinance 2023-02 – Adopting a Fire and Life Safety Cost Recovery Schedule.

Chief Riley reviewed the staff report and Ordinance 2023-02 updating the Fire and Life Safety Cost Recovery Schedule. Ms. Mueller said that the budget includes an estimated \$10,000 in revenue from the services on the schedule. The costs are proposed to increase by approximately 26%, primarily due to including the administrative labor.

F-7 Request Placer County to Collect Delinquent Charges.

Ms. Mueller reviewed Resolution 2023-12, requesting Placer County to collect delinquent charges. As of June 22, 2023, there were twenty-eight (28) accounts with overdue balances in excess of \$100 that were outstanding from the July 1, 2022 annual water, sewer, and garbage billing. The aggregate total is \$53,910.98. Thirteen (13) of these accounts were delinquent last year. Ms. Mueller noted that the administrative staff have been successful in collecting many of the delinquent accounts in advance of sending the accounts to Placer County to be added to the delinquent customer's property tax roll following the Board's consideration at tomorrow's board meeting.

No further business came before the Finance Committee, the meeting was adjourned at 1:50 P.M.

By, JA/DM