

**SQUAW VALLEY PUBLIC SERVICE DISTRICT  
FINANCE COMMITTEE MEETING  
DATE: APRIL 27, 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 3:02 P.M.  
Public comment – none

**Directors Present:** Directors Katy Hover-Smoot and Victoria Mercer

**Attendees:** Mike Geary, General Manager; Danielle Grindle, Finance & Administration Manager; Fabienne Gueissaz, Office Supervisor; and Allen Riley, Fire Chief.

Items reviewed by the Committee include the following:

D-1 Operating Account Check Register: Ms. Grindle reviewed the Operating Check Register numbers 47932-47983 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
47934	A-1 National Fire Co.	1,685.00	SCBA Bottle Testing
47935	Adobe Systems Incorporated	1,019.40	Admin/ Fire Adobe DC 5 Users Annual Charge
47936	AmeriGas	9,256.99	Heating fuel- buildings 305/ 1810 SV Road
47942	Atomic Printing	1,329.22	Winter Newsletter and EMS forms
47945	Angela M Costamagna	1,012.50	Office and Board Room Cleanings
47951	Independent Technologies	1,550.00	Software Upgrades
47953	Kansas City Life Group Benefits	2,508.84	Monthly Dental, Life and AD&D Insurance
47955	Liberty Utilities	7,008.45	Monthly Electric
47970	Springbrook Software LLC.	2,250.00	Upgrade T&M
47976	Thatcher Company, Inc.	1,321.92	Caustic Soda Well #5
47978	U.S. Bank Corp Payment System	1,647.38	Ops Credit Card- Burks and Wilson CWEA Cor

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

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 75% of the budget. In total, compared to the prior year at this time, the net surplus is \$2,000 lower. Ms. Grindle reviewed and explained each line item of the Operations Enterprise Income Statement and Balance sheet.

Materials and supplies are over budget due to the increase in price of Caustic Soda; the budget for FY2021 has been increased. Ms. Grindle expects the net surplus to extend through year end.

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

The statement shows 75% of the year has elapsed. Revenue is at 75% of the budget and expenditures are at 77% of the budget. Compared to the prior year at this time, the net surplus is \$80,000 lower. This is primarily due to not assisting in wildland fires year to date. Ms. Grindle stated that the District would not budget for Strike Teams next fiscal year.

D-4 Capital Reserve Fund Balance Sheet/Income Statement

The income statement shows 75% of the year has elapsed. Revenue is at 68% and expenditures are at 75%. 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.

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 75% of the year has elapsed, revenue is at 82.4% and expenditures are at 76.1%.

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 \$8.8M.

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

D-7 Bike Trail Snow Removal, Revenue to Expense

This statement shows 82% 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 \$37,637 has been billed to date.

D-8 Capital Improvement Financial Progress

This statement shows capital projects throughout the year and the status of completion. Highlights include the Pump Bypass and Air Compressor will be purchased soon, the Toilet Rebate Program is finished, and the Regional Training Facility and Turnout Racks are pushed to FY2021

Mr. Geary reviewed the following progress payments:

D-9 Progress Payment – Andregg Psomas – TR Siphon Construction Survey

D-10 Progress Payment – Mountain Valley Roofing – 1810 Facility Roof Replacement Project

F-3 Second Draft of FY 2020-2021 Budget and Rates.

Ms. Grindle reviewed the staff report.

Salaries and Wages are expecting a COLA increase of 2.43%. The operations department has many projects planned for the next year, including the water and sewer master plan and the updating of the personnel policy manual. Property tax revenue is expected to increase by 1.14%. The Fire Department budget includes the purchase of an ambulance for \$35,000.

Ms. Grindle recommends continuing to pay down the CalPERS Unfunded Accrued Liability (UAL), and she will look into other funding sources, such as loans, to get the District's plans to a 90% funded level.

Ms. Grindle explained that the budget is being revised, as the state of the economy is unknown. Some capital projects will get pushed, and the District will be looking into USDA loans with lower interest rates. Mr. Geary said that if the District can get USDA loans with low interest rates, that money can be used for capital projects and the money the District has in the bank can be used to pay down the UAL, along with the building loan at 305 Squaw Valley Road.

Mr. Geary added that although the District is hopeful that the economy will recover quickly, the District needs to be careful. The echo wave is where the public sector feels the pressure from a crashed economy about a year after the private sector, mostly because of property tax revenue.

Ms. Hover-Smoot asked Ms. Grindle how much a shrinkage at the county level would impact the District. Ms. Grindle said that the District is fortunate not to depend on TOT funds, but only gets property taxes and rate revenue. She said that if property values go down, the District will not be affected for a few years. For rate collection, Ms. Grindle said the District is fortunate that any unpaid utility bills get sent to Placer County Collections to be put on the tax roll. This way, the District always gets paid, even if it is a little delayed. Mr. Geary said that the county will see a bigger impact with a reduction in employer tax, property tax and transient occupancy tax.

Mr. Geary stated that the District will increase Garbage service rates only as much as TTSD increases rates. Mr. Geary said there might be a reason to pass a 218 notice, but to not implement them. He will discuss with council to see if that is the right move.

Mrs. Mercer asked whether the board has been open to debt financing in the past. Mr. Geary said that the District did debt financing when purchasing the land and building for the building at 305 Squaw Valley Road.

#### F-4 Financial Audit Services – Three-Year Agreement for FY 2020-2022.

Ms. Grindle reviewed the staff report. She recommends continuing using McClintock Accountancy Corp for the District's annual audit. Their proposal for auditing services came in significantly lower than the other accounting firms.

MUN CPAs and James Marta are both based in Sacramento and do the audits for other local agencies and came highly regarded. Jacobson Jarvis and Fetcher & Co are both from out of the area.

No further business coming before the Finance Committee, the meeting was adjourned at 4:45 P.M.  
By, FG/DG