

## Georgetown Divide Public Utility District Finance Committee

*“Providing financial review and advisory services for the GDPUD Board of Directors in support of sound, prudent and business like management of the water district.”*

### FINANCE COMMITTEE MEETING MINUTES

**Meeting Date & Time:** May 29, 2019, at 2:00 PM

**Location:** GDPUD Boardroom

**Committee Members Present:** Steve Miller (Chair), Thomas Crawford (Vice Chair), Rick Gillespie, Mitch MacDonald, Ken Pauley, Don Waltz (Secretary)

**Committee Member Absent:** Sierra Nyokka

**Board Member Present:** Michael Saunders (Treasurer, Finance Committee Liaison),

**Staff Present:** Steven Palmer (General Manager)

#### 1. Call to Order, Pledge of Allegiance

*Meeting called to order*

#### 2. Public Forum

*No comments or questions were proffered.*

#### 3. Consent Calendar - Approval of Minutes April 24, 2019, and May 1, 2019

*Motion to approve was made by Tom Crawford and seconded by Ken Pauley. Motion was unanimously approved.*

#### 4. New Business – Review and Discuss Anticipated Finance Committee Business for Fiscal Year 2019/2020

Finance Committee (FC) members were asked by the Chair to identify possible topics of discussion regarding GDPUD finances that would be appropriate for Committee consideration in Fiscal Year 2019-20. General Manager Palmer presented the following list of items that Staff will be asking the FC to review this year:

1. Annual operating budget
2. Five Year Capital Improvement Plan
3. New accounting software implementation
4. Investment policy
5. Other post employment benefit (OPEB) funding

Discussion centered on the information and reports needed by the Committee to follow the District's expenditures and management of assets.

The FC members put forward the following items:

- A. The proportion of revenues generated by (a) fixed or base charges versus (b) unit (per cubic foot or miner's inch) charges levied for water use. It was suggested that the Committee could examine this issue within the contexts of water conservation, social justice and financial risks to the District.
- B. The cost of service for ALT Zone charges for the ALT Community Disposal System versus those ALT residents who own individual septic systems. It was further advocated that the Committee examine the legal basis for these charges insofar as this documentation affects the

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level of GDPUD fees charged for services for wastewater disposal and monitoring. The General Manager made the point that the GDPUD Board of Directors had approved the recommendations made by a Cost of Service study that had proposed a reduction of the Zone charges for the next four years.

- C. The future need and costs of increasing the sources of water supplied to GDPUD customers. The discussion involving this matter proposed considering historical numbers of District customers, the related volume of water consumed by the customers, the El Dorado County General Plan and recommendations originating with the State of California.
- D. The identification of beginning and ending fiscal year balances beginning with FY2013-14. The hope was expressed that understanding the amounts involved could help in the manner in which the funds involved are allocated within the annual budget.
- E. The examination of reserve accounts, a method of differentiating such accounts and the development of a reserve policy that might recognize appropriate amounts to be allocated to these accounts.
- F. Look into the adoption and integration of smart water meters to the extent that this program could affect District customers’ water bills and staff.
- G. Assess water losses connected with the District’s water supply system and pursue possible financial strategies to mitigate these losses. Discussion among FC members involved concern of the magnitude of water losses and the need to develop financial options to deal with consequent problems.
- H. The possibility of revising the timeline accompanying the District’s budget development process. FC members expressed concern about the amount of time allotted to the review of budget documents.
- I. A review of the District’s cash investment policy.

Following the foregoing conversations, the Committee agreed to consider the adoption and prioritization of these issues at its next meeting.

### **5. Next meeting & adjourn**

*It was decided that the next Committee meeting would be held on either June 20, 2019, or June 27, 2019, at 2pm at the Georgetown Divide Public Utility District office, 6425 Main St., Georgetown, CA 95634. The meeting was then adjourned.*

*Minutes prepared by Don Waltz, Finance Committee Secretary.*