

MINUTES
SPECIAL JOINT BUDGET WORKSHOP MEETING OF THE
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT BOARD OF DIRECTORS
AND THE
FINANCE COMMITTEE

TUESDAY, JUNE 04, 2024
2:00 PM - 4:00 PM
6425 MAIN STREET, GEORGETOWN, CALIFORNIA 95634

BOARD OF DIRECTORS

Mitch MacDonald, President
Donna Seaman, Vice President
Michael Saunders, Director
Mike Thornbrough, Treasurer
Robert Stovall, Director

THE FINANCE COMMITTEE

Andy Fisher, Chairman
William Gorenc Jr, Vice Chairman
M. Martha Helak, Secretary
Steve Miller
Vacant
Vacant

Presenting Staff

Nicholas Schneider General Manager Jessica Buckle Office Finance Manager

MISSION STATEMENT

It is the purpose of the Georgetown Divide Public Utility District to:

- Provide reliable water supplies.
 - Ensure high-quality drinking water.
 - Promote stewardship to protect community resources, public health, and quality of life.
 - Provide excellent and responsive customer services through dedicated and valued staff.
 - Ensure fiscal responsibility and accountability are observed by balancing immediate and long-term needs.
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A full record of this meeting is available on the District channel;
<https://youtube.com/live/WVhjBNrcazo>

1. CALL TO ORDER, ROLL CALL, AND PLEDGE OF ALLEGIANCE

President MacDonald called the meeting to order at 2:04 p.m.

President MacDonald called for the roll call.

Present: Director Seaman, Director Thornbrough, Director Saunders, Director Stovall, and President MacDonald. Member Miller, Member Gorenc Jr, and Chairman Fisher.

Absent: None

President MacDonald the Pledge of Allegiance.

2. ADOPTION OF AGENDA

No public comments were received.

Director Saunders motioned to adopt the agenda. Director Stovall seconded the motion.

President MacDonald called for the vote.

Ayes: Seaman, Thornbrough, Saunders, Stovall, and MacDonald.

Nays: None

Abstentions: None

The motion Passed **Unanimously**.

3. PUBLIC FORUM (ONLY ITEMS THAT ARE NOT ON THE AGENDA)

No public comments were delivered.

4. INFORMATIONAL ITEMS

No items were delivered.

5. ACTION ITEMS

A. JOINT WORKSHOP ON THE DRAFT FY 2024-2025 OPERATING BUDGET AND CAPITAL IMPROVEMENT PLAN

President MacDonald left at 3:59 p.m. Vice President Seaman assumed control of the meeting.

a. INTRODUCTIONS – Director Mitch MacDonald, Board President

b. BUDGET REVIEW PROCESS – Nicholas Schneider, General Manager

c. PRESENTATION OF DRAFT FY 2024-2025 OPERATING BUDGET AND CAPITAL IMPROVEMENT PLAN – Nicholas Schneider, General Manager

General Manager Nicholas Schneider presented the proposed Fiscal Year 2024-25 Operating Budget and Capital Improvement Plan (CIP). Discussion was intermittent following the pertinent points as the various accounts revenues and liabilities were examined. The losses in Irrigation revenue associated with customer numbers falling was discussed. Revenue sources were examined. The liabilities associated with employees and health insurance were explained. It was suggested that a trust be established to address these unfunded liabilities moving forward. Increases in utilities costs were accounted for in the proposal. PG&E costs rose 25% in the past year.

Professional services not associated with daily operation were requested to be placed in CIP. These services are associated with grant revenue acquisition and project work for grant-funded projects making this placement the most appropriate.

Public Comment:

Cherie Carlyon

Steve Dowd

d. QUESTIONS AND ANSWERS

This occurred intermittently as it related to items being presented.

e. NEXT STEP IN THE PROCESS – Review of Proposed Budget and Capital Improvement Plan at the Regular Board Meeting of June 6, 2024.

B. Finance Committee Vote to Forward The FY 2024-2025 Recommendation to The Board of Directors

Member Miller shared his process for budget proposal evaluations which involves examining items as percentages. Line items are then compared to the economy and associated reports and to ascertain if the proposal matches developments in the overall economic environment. Member Miller also shared the importance of understanding the impacts of our economic environment on cost of living and impacts on employees, keeping this in consideration regarding staff compensation and associated retention. Member Gorenc Jr. gave his compliments to staff for their professionalism and responses to his inquiries.

Member Miller and Gorenc Jr. reached a consensus recommending the Proposed Operating Budget for FY 2024-25 and CIP to the Board of Directors for approval consideration.

Public Comment:

No public comment was received.

6. NEXT MEETING DATE AND ADJOURNMENT – The next Regular Meeting of The Board of Directors will be June 6, 2024, at 2:00 P.M. at the Georgetown Divide Public Utility District, 6425 Main Street, in Georgetown. Details to follow.

Director Thornbrough motioned to adjourn the meeting. Director Saunders seconded the motion.

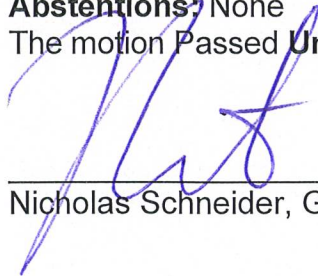
Vice President Seaman called for the vote.

Ayes: Thornbrough, Saunders, Stovall, and Seaman

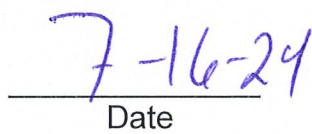
Nays: None

Abstentions: None

The motion Passed **Unanimously. The meeting was adjourned at 4:34 p.m.**



Nicholas Schneider, General Manager



Date

Attachments:

Public Comment

GDPUD Joint
Finance Committee/Board Meeting
June 4, 2024, at 2 pm
Public Comments
Cherie Carlyon

FY 24/25 budget review.

At the March 28th FC meeting, I brought up the issue of the Pension Expense account that was added to each department. Nick stated that the office staff was told by the CPA'S that according to GASB statement 68 the district needed to include this information on their financial statements.

Here is part of statement 68: "Beginning with FY 14-15 GASB statement 68 will require reporting of net pension liability in accrual-based financial statements". A budget is not an accrual-based financial statement, it shows the revenues and expenses. This information can be put on a balance sheet. You can, if you want, put the information in the budget as a comment or a notation.

Account number 100-5100-50402—Pension Expense (GASB 68-per FYE audit) for FY 22-23 the amount is \$816,542 compared to the FY 23/24 amount of \$146,743. This looks like an error. For FY 22-23 all departments total \$2,121,894 and FY 23/24 all department total \$1,334,027. I looked at the two audits and the \$2,121,894 total should total \$1,594,921. See page 44 for both audits. The amounts are listed as FY 21/22 and FY 22/23, not FY 22/23 and FY 23/24. The amounts look like they are in the incorrect fiscal years.