

CONFORMED AGENDA

SPECIAL MEETING

GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT
BOARD OF DIRECTORS-FINANCE COMMITTEE JOINT WORKSHOP
6425 MAIN STREET, GEORGETOWN, CALIFORNIA
TUESDAY, JANUARY 19, 2016
4:00 PM

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
 - Insure fiscal responsibility and accountability are observed by balancing immediate and long term needs
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1. **CALL TO ORDER, ROLL CALL, AND PLEDGE OF ALLEGIANCE** – *The meeting was called to order at 4:00 PM. Directors present: Capraun, Hanschild, Hoelscher, Krizl, Uso. Finance Committee members present: Rick Gillespie, Dennis Goodenow, Donna Bruss, Ray Kringel, Dane Wadle. Staff present: General Manager Wendell Wall, Engineering Consultant George Sanders, Office Manager Victoria Knoll.*

2. **ADOPTION OF AGENDA** –

A. Board Action to adopt agenda.

Motion by Director Uso to adopt the agenda; second by Director Hanschild.

Public Comment: None.

Vote: Motion carries.

Ayes: Capraun, Hanschild, Hoelscher, Krizl, Uso

3. **PUBLIC FORUM** – This is a special meeting under Government Code Section 54956. Public comment is limited to items appearing on the agenda. Under Section 54954.3, the public shall have the right to comment on any items appearing on the agenda prior to or during consideration of this item. Public comment on items not appearing on the agenda should be made at the regular meetings of the District.

There was no public comment.

4. **JOINT DISTRICT/FINANCE COMMITTEE WORKSHOP TO DISCUSS THE FINANCE COMMITTEE PHASE I REPORT**

A. **Discussion** – At the September 8, 2015 Regular Board Meeting, the Directors asked District staff and the District Finance Committee to review, understand, and recommend any appropriate changes to the funding structure, usage, reserve amounts and other activities related to certain District funds. The Finance Committee will present a summary of its report and recommendations for discussion.

Vice-Chair Dennis Goodenow presented a summary of the Committee's Phase I Report and recommendations. He remarked that only a portion of the funds are being reviewed at this time and that the Phase II Report will be presented at a later date.

The Committee reviewed the following funds, noting which were restricted, and which were designated.*

<i>Fund Number and Name</i>	<i>Designated</i>	<i>Restricted</i>
8 – SMUD	No	No
10 – General	No	No
12 – Retiree	Yes	No
19 – Stumpy Reserve	Yes	No
24 – USDA Reserve	Yes	No
30 – Small Hydro	Yes	No
37 – Garden Valley Improvement Dist.	Yes	Yes
39 – Capital Facility Charge	Yes	No

* The term “Restricted” identifies those funds that have external restrictions placed upon them which cannot be lifted by Board action. The term “Designated” identifies funds that have internal restraints which can be removed or changed by Board action.

Fund 8 – SMUD. The Finance Committee is not recommending, but suggests that the District establish a program to review and secure water rights with this fund. No reserve amount should be required. Adopt a resolution designating the Fund for activities related to the Fund stability, studies, and efforts to secure and add water rights, etc.

Fund 10 – General. The District may be holding too much money in this fund. The Committee suggested keeping enough to cover operating expenses for two billing cycles, currently \$1.2M. The Committee further suggests that funds could be organized by enterprise rather than by activities. Adopt a resolution to ensure the four month’s reserve is maintained.

Fund 12 – Retirement. No changes are recommended

Fund 19 – Stumpy Reserve. This fund was previously restricted, but the bond was paid off and it is no longer restricted. The Committee recommends a floor of \$500k and a ceiling of \$1M. Adopt a resolution designating the reserve parameters.

Fund 24 – USDA Reserve. This fund was dealt with previously and has been renamed as Auburn Lake Trails Water Treatment Plant Reserve. It is further recommended that 20% of Fund 39-Capital Facility Charge should be transferred into Fund 24. Adopt a resolution to designate the new name and expense activities.

Fund 30 – Small Hydro. Currently the District contracts with a company to manage two small hydro-electric plants on the system, and these generate some income to the District with expenses assigned against this fund. It is recommended that the District begin to think about how it will manage the plants when it inherits them at the end of the contract. Adopt a resolution to designate the appropriate amount of reserves and designate expense activities.

Fund 37 – Garden Valley Improvement District. This fund was dealt with previously. Adopt a resolution to maintain the improvement.

Fund 39 – Capital Facility Charge. It is recommended that 20% of this fund be transferred to Fund 24 with the remaining 80% for infrastructure projects. Some of the money in Fund 19 can also be transferred to this fund for capital improvement projects.

Next Steps

- *Identify additional funds for review.*
- *Prioritize additional funds for review.*
- *Conduct additional reviews.*
- *Report findings and recommendations.*
- *Keep the Board and public aware of these findings and recommendations.*

B. Possible Board Action – Receive and file.


The Board directed staff to bring resolutions per specific fund recommendations.

Directors Krizl and Uso thanks staff and the Finance Committee for their hard work.

- 5. ADJOURNMENT** – Next GDPUD regular meeting: February 9, 2016 at 2:00 p.m. at the Georgetown Divide Public Utility District office. Next meeting of the GDPUD Finance Committee: February 16, 2016 at 4:00 PM.

The meeting adjourned at 5:40 PM.

In compliance with the Americans with Disabilities Act, if you are a disabled person and you need a disability-related modification or accommodation to participate in this meeting, please contact Wendell Wall by telephone at 530-333-4356 or by fax at 530-333-9442. Requests must be made as early as possible and at least one full business day before the start of the meeting. In accordance with Government Code Section 54954.2(a), this agenda was posted in the District's bulletin board at the Georgetown Divide Public Utility District office, at 6425 Main Street, Georgetown, California, on January 14, 2016.

Signed 
Wendell B. Wall, General Manager

Date 3-8-2016