

AGENDA
SPECIAL MEETING
FINANCE COMMITTEE
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT
6425 MAIN STREET, GEORGETOWN, CA 95634

WEDNESDAY, MAY 29, 2019
2:00 P.M.

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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1. CALL TO ORDER, PLEDGE OF ALLEGIANCE

- 2. PUBLIC FORUM** – Any member of the public may address the Finance Committee on any matter within the jurisdictional authority of the Finance Committee. Public members desiring to provide comments, must be recognized by the Committee Chairman, and speak from the podium. Comments must be directed only to the Finance Committee. The public should address the Finance Committee members during the public meetings as Chairman, Vice Chairman, Secretary, or Member, followed by the Committee member's individual last name. The Finance Committee will hear communications on matters not on the agenda, but no action will be taken. No disruptive conduct shall be permitted at any Finance Committee meeting. Persistence in disruptive conduct shall be grounds for summary termination, by the Chairman, of that person's privilege of address.

3. CONSENT CALENDAR

A. Approval of Minutes

1. Regular Meeting of April 24, 2019
2. Special Meeting of May 1, 2019

4. NEW BUSINESS

B. Review and Discuss Anticipated Finance Committee Business for Fiscal Year 2019/2020

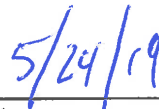
Possible Committee Action: Information and discussion.

5. NEXT MEETING DATE AND ADJOURNMENT – The next Regular Meeting of the Finance Committee will be June 20, 2019, at 2:00 P.M. at the Georgetown Divide Public Utility District, 6425 Main Street, Georgetown, CA 95634.

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 Christina Cross 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 on the District's bulletin board at the Georgetown Divide Public Utility District office, at 6425 Main Street, Georgetown, California, on April 30, 2019.



Steven Palmer, PE, General Manager



Date

DRAFT FINANCE COMMITTEE MEETING MINUTES

Meeting Date & Time: April 24, 2019, at 2:00 PM

Location: GDPUD Boardroom

Committee Members Present: Rick Gillespie (Chair), Thomas Crawford (Vice Chair), Mitch MacDonald, Steve Miller, Sierra Nyokka, Don Waltz

Committee Member Absent: Ken Pauley

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

Staff Present: Steve Palmer, Christina Cross

Consultant Present: Cody Gunstenson (Account Executive, representing Tyler Technologies)

1. Call to Order, Pledge of Allegiance

Meeting called to order

2. Public Forum

No public comment was forthcoming.

3. Consent Calendar - Approval of Minutes January 4, 2019

The Finance Committee minutes of its January 4, 2019, special meeting were approved by Rick Gillespie, Thomas Crawford and Sierra Nyokka.

Minutes are available on the GDPUD Website.

4. New Business

A. Welcome New Members

Steve Miller, Mitch MacDonald and Don Waltz were introduced as new Finance Committee members.

B. Brown Act Overview

Steve Palmer, GDPUD General Manager, presented a brief overview of the requirements of the Brown Act as it pertains to the Finance Committee. He provided additional detail with respect to what constitutes a serial meeting.

C. Selection of Committee Officers – Chairman, Vice Chairman, Secretary

The Committee unanimously voted to elect Steve Miller as Chair, Thomas Crawford as Vice Chair and Don Waltz as Secretary. It was also decided that the existing Chair, Rick Gillespie, would continue to preside until the conclusion of the present (24 April 2019) meeting.

D. Review and Comment on Financial Software Proposal

Christina Cross, GDPUD Management Analyst, presented the responses the District received to its Request for Proposals regarding a replacement for the District's existing accounting software. Ms. Cross indicated that the District had received a total of 4 proposals; however, two had been eliminated. The pros and cons of the two remaining proposals from Caselle and Tyler Technologies were then addressed. The District staff recommendation was to proceed with the acquisition of the software as proposed by Tyler. Ms. Cross went on to explain the costs associated with acquiring Tyler software and services.

Initially, Ms. Cross stated that the costs of (a) acquiring the software and (b) the annually repeating costs (which would follow the first year of system implementation) would total \$113,502 and \$19,717, respectively. Ms. Cross then explained that District staff had decided that certain options offered by Tyler should be included. Consequently, the first-year costs would rise to \$115,582 and the subsequent annual costs would be \$28,137. An ensuing discussion expressed the thought that the District should also add an escrow account to ensure that the source code used in the Tyler software would continue to be available in the future should Tyler Technologies cease to exist as a business entity. The cost of this service would amount to \$1500 in the first year and \$1500 per year thereafter.

Committee members subsequently asked questions respecting the Tyler proposal. One question posed was whether District staff employees who required training in the Tyler system were to be trained in the GDPUD building or at another location. During the responses to this question, it was revealed by the Tyler Technologies representative in attendance (Cody Gunstenson) that training costs could be about \$20,000. Thus, the first-year software implementation costs might amount to as much as \$135,000. At this point, a question was raised as to the availability of funds to cover the software acquisition.

Ms. Cross pointed out that the District had budgeted \$80,000 in its FY2018-19 budget and \$120,000 in its proposed FY2019-20 budget to cover the first year costs (\$135,000) and the first year of annual costs of about \$28,000. This concluded the Committee's discussion of the Tyler proposal.

The Committee then entertained a motion. To wit: "The Board should support the District staff recommendation to proceed with the Tyler proposal." As shown below, the Committee voted to approve the motion:

Ayes: Rick Gillespie, Thomas Crawford, Sierra Nyokka, Mitch MacDonald, Steve Miller

Noes: None

Abstain: Don Waltz

E. Review and Comment on Draft Proposed Fiscal Year 2019-20 Operating Budget

Steve Palmer presented slides of the proposed GDPUD FY2019-20 budget. A number of questions arose as to the accuracy of the numbers being displayed. A request was made to include in the proposed budget information a 5-year history of actual fiscal-year-end revenues and expenses. As a result, the Committee tabled the consideration of the proposed budget until its next meeting.

F. Review and Comment on Proposed Updated Five-Year Capital Improvement Plan

The Committee tabled this item until its next meeting. Mr. Palmer requested that Committee members contact him with any concerns regarding the plan.

5. Next meeting & adjourn

Next Meeting will be held May 1, 2019 at 2pm at Georgetown Divide Public Utility District, 6425 Main St., Georgetown, CA 95634. The meeting was then adjourned.

DRAFT FINANCE COMMITTEE MEETING MINUTES

Meeting Date & Time: May 1, 2019, at 2:00 PM

Location: GDPUD Boardroom

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

Committee Member Absent: Rick Gillespie

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

Staff Present: Steve Palmer (General Manager), Christina Cross (Management Analyst)

Consultant Present: None

1. Call to Order, Pledge of Allegiance

Meeting called to order

2. Public Forum

Cherie Carlyon requested that she be provided written documentation regarding the District's financial policies and procedures.

No other comments or questions were received.

3. Consent Calendar - Approval of Minutes April 24, 2019

This item was tabled.

4. New Business

A. Review and Comment on Draft Proposed Fiscal Year 2019-20 Operating Budget

Steve Palmer, GDPUD General Manager, provided a slide presentation involving the proposed FY2019-20 budgets for

- 1) the GDPUD General Fund, and the*
- 2) ALT Zone Fund.*

Questions were asked and discussions ensued regarding the following budget line and transfer items:

General Fund Revenues: *Line Items 3010 (Water Sales – Res), 3020 (Water Sales – Com), 3040 (Water Sales – Irr), and 4020 (Interest).*

General Fund Expenses: *Line Items 5010 (Super & Labor), 5016 (Payroll Taxes), 5017 (Standby), 5018 (Insurance H & L), 5020 (Insurance Workman's Comp), 5036 (Legal), 5038 (Mat. & Supp), 5039 (Materials Other), 5041 (Staff Development), 5042 (Travel), 5046 (Vehicle Maintenance), and 5084 (Government Regulation).*

Transfers from the General Fund to SRF Fund 29 and Capital Reserve Fund 43.

ALT Zone Fund Revenues and Expenses: *Considerable discussion revolved about Line Item 3192 (Zone Charges). Questions were asked and responses given to the levying of charges for those residents in Auburn Lake Trails who relied on individual septic systems for the disposal of waste versus those residents who were reliant on a linked common disposal system. Specifically, it was expressed by some Committee members that an*

equal charge for the two levels of service was resulting in a subsidy being generated, i.e., those residents with individual septic systems were paying for expenses such as budget Line Item 5080 (Outside Services) for which they received no benefits. Mr. Palmer indicated that District legal counsel had opined that, since the disposal of waste within Auburn Lake Trails was subject to a single Regional Water Quality Control Board permit, the distribution of costs as currently administered was appropriate. Some Committee members retorted that an existing agreement between the District and the Auburn Lake Trails Property Owners Association, as well as the California Constitution, seemed to contrary to this interpretation.

*At the conclusion of discussions regarding the General Fund and ALT Zone Fund, the Committee entertained motions making the following **recommendations to the GDPUD Board of Directors regarding the proposed FY2019-20 budget:***

- 1) Motion was made and seconded that (A) General Fund (10) projected revenues per Line Item 3010 (Water Sales- Res) be increased from \$2,757,375 to \$2,900,000, and (B) a transfer from the General Fund to the unrestricted Capital Reserve Fund 43 be increased from \$992,825 to \$1,492,825. Motion was approved as follows:
Ayes: Thomas Crawford, Mitch MacDonald, Sierra Nyokka, Ken Pauley
Noes: Steve Miller, Don Waltz*
- 2) Motion was made and seconded to accept General Fund (10) expenses as submitted to the Committee. Motion was unanimously approved.*
- 3) Motion was made and seconded to accept ALT Zone Fund (40) revenues and expenses as submitted to the Committee. Motion was unanimously approved.*

B. Review and Comment on Proposed Updated Five-Year Capital Improvement Plan

The General Manager showed slides and described individual projects comprising a proposed 5-year capital improvement plan. Mr. Palmer responded to many questions regarding these projects. The following projects generated the most questions and discussion:

- 1) Reservoir and Stream Gauging Improvements (Project No. 911)*
- 2) Treated Water Line Replacement/Rehab (Project No. 922)*
- 3) Main Canal Reliability (Project No. 924)*
- 4) North Fork American River Pumping Plant Evaluation*
- 5) Automated Meter Reading and Meter Replacement Project*
- 6) Upcountry Ditch Reliability*
- 7) District Office Parking Lot Rehabilitation*

*The Committee completed discussions and motions were made to make the following **recommendations to the GDPUD Board concerning the 5-year Capital Improvement Plan (CIP) proposed for FY2019-20:***

- 1) *Motion was made and seconded to reconsider funding for the North Fork American River Pumping Plant Evaluation in FY2020-21. Motion was approved as follows:
Ayes: Mitch MacDonald, Steve Miller, Sierra Nyokka, Ken Pauley
Noes: Thomas Crawford and Don Waltz*
- 2) *Motion was made and seconded to begin the Automated Meter Reading and Meter Replacement Project in FY2019-20 rather than as proposed in FY2020-21. The motion was unanimously approved.*
- 3) *Motion was made and seconded to begin the Upcountry Ditch Reliability project in FY2019-20 rather than as proposed in FY2020-21. The motion was unanimously approved.*
- 4) *Motion was made and seconded that the 5-year CIP for the District Office Parking Lot Rehabilitation project should include money for a regular maintenance project (such as crack sealing and seal coating). The motion was unanimously approved.*
- 5) *Motion was made and seconded to accept all remaining 5-year CIP projects as they were submitted to the Committee. The motion was unanimously approved.*

C. Discuss and Establish Finance Committee Regular Meeting Day and Time

The Committee discussed alternative meeting dates and times. A decision was reached to continue with meetings held on the 3rd Thursday of each month at 2:00 PM. However, it was also determined that meetings dates could deviate from this reoccurring date and time when Committee members are unable to meet as regularly scheduled.

5. Next meeting & adjourn

It was decided that the next Committee meeting is to be held May 29, 2019, at 2pm at the Georgetown Divide Public Utility District office, 6425 Main St., Georgetown, CA 95634. The meeting was then adjourned.