



5880 Oak Street, Anderson, CA 96007
Phone: (530) 357-2121 Fax: (530) 357-3723

Board of Directors

Directors - Beverly Fickes, Committee Chair: Scott McVay

General Manager: Paul Kelley

FINANCE COMMITTEE

December 10th 2024 at 4PM: District Office Board Room

Committee Responsibility

The Board's standing Financial Committee shall be concerned with the financial management of the Clear Creek CSD including the preparation and oversight of an annual budget, and oversight of reserve accounts and major expenditures.

Minutes/Notes

- 1. CALL TO ORDER – 4:03pm – Chair McVay**
- 2. PLEDGE OF ALLEGIANCE – Director Fickes**
- 3. ROLL CALL – Directors McVay and Fickes. GM Kelley, Admin Assistant Valdez (Till 4 :50 pm)**
- 4. OPEN TIME/PUBLIC COMMENT: None**
- 5. OLD BUSINESS/NEW BUSINESS (Discussion/Action)**
 - a. **Audit RFP Response Review and Recommendation to Board – Discussion**

GM Kelley reviewed the proposals, spreadsheet of proposal components, and rating sheet. Chair McVay and Director Fickes asked questions, reviewed each proposer staffing, schedule, and capabilities.

GM Kelley mentioned he called Valley of Moon Water who had good reports on Harshwal and Co. As well as calling the Buckingham Park water who had good reports on Roman Richardson CPA. Also – asked about an agreement with Mutual opt out clauses – GM Kelley mentioned he asked for and received a copy of the Harshwal agreement with another agency and it include a 10 day opt out for each party.

Committee concluded that both proposals were good, both companies could accomplish the task and after rating each and discussing each – would recommend Harshwal & Company, LLC.

 - *Based on these findings: Understanding and clearly state the schedule to get audits caught up*
 - *Firm has staffing resources to stay on task through challenges*

ADA Related Disabilities:

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- The referrals and experience with CSDs
 - A more thorough, professional, and substantial proposal
 - And would want to make sure agreement has the stated timelines
- This would be taken to board December 18th, 2024, GM Kelley will reach to Harshwal to get an Engagement letter to present to the board by the December 18th meeting.
- b. FY 24 Budget to Actuals – Update – Discussion
 GM Kelley provided copies of the updated report
 Mentioned that most of the coding issues appear to be corrected. Like the UAL amount separated out, but there are other coding issues still to be resolved and items questioned
 And – that there is more to do – like getting the Grant Revenue and Expenses out. As well as the accounting in “expenses” the Non-Op revenue. After that and the other reserves – the “gross profit” is around 60K.
 There are other items that still need to be dealt with – to make it more finalized and looking to do so for January.
- c. FY 25 P&L Update – Discussion
 GM Kelley provided the FY 25 Q1 P&L – its not useful yet since it has the Grant Expenses overwhelming by \$2million the bottom line – without considering the Interest expense and the \$2mil from the RCAC loan.
 It does show some things like higher Distribution O&M costs
 Director Fickes asked about another column with a “Yearly” Budget – since some of these expenses cover a one-time expense (like Dues, or Insurance) and looks well over the quarterly budget amount but within the Yearly budget.
 GM Kelley mentioned looking for a way to show that information.
 Chair McVay asked about the timeline for a ½ year budget to actuals and budget adjustment in Jan/Feb – GM Kelly said that was the goal.
- d. Reserve Policy – Discussion
 GM Kelley shared the final draft. Director Fickes reviewed and mentioned a couple of typos.
 GM Kelley fixed those and mentioned the edits from last time – primarily adding a line to the Backwash Recycle payment account and it holding 1 years of payment as per loan agreement and that the account is restricted.

6. ADJOURN THE MEETING – 5:14pm

Approved: 12/18/24 Meeting

Signed:

Secretary of the Board

General Manager: Paul Kelley

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