



COMMUNITY SERVICES DISTRICT

Finance Sub-Committee Minutes

Thursday, August 27, 2020 / 11:00 a.m.

On March 4, 2020, Governor Newsome declared a state of emergency due to the threat of COVID -19. In light of the ongoing threat of COVID-19, on March 12, 2020, Governor Newsom issued an Executive Order N-25-20 to temporarily grant state and local agencies certain powers to aid in the implementation of social distancing measures recommended by state and local public health officials. In accordance with Executive Order N-25-20, the Grizzly Ranch Community Services District Finance Sub-Committee meeting scheduled on August 27, 2020 will be conducted remotely. Please refer to the call-in availability information for participation access to this meeting.

Call in is available for this meeting:

<u>User Name</u>	<u>Participant Code</u>	<u>Toll Free Dial-In</u>	<u>Toll/Int Dial-in</u>
Grizzly Ranch CSD	8535951	1-866-906-0040	1-857-288-2640

A. Roll call

Chair Stephen Tange, Director John Reynolds, and Director. John Saefke established a quorum.

GRCSD treasurer Bob Coler, General Manager Aaron Corr and Office Administrator Carol Logan also in attendance.

B. Call to order: 11:00 a.m.

C. Public Comments: None

D. General Business:

1. GRCSD Office Administrator/ Clerk of the Board update:

General Manger Aaron Corr introduced Carol Logan as the new Office Administrator/Clerk of the Board for GRCSD.

2. GRCSD Finance Sub-Committee mission statement review for adoption:

Chair Stephen Tange presented the proposed GRCSD Finance Sub Committee Mission Statement for Review and Adoption. After discussion, it was decided that the mission statement should be tabled to the next FSC meeting. The Committee was asked to submit any recommendations or proposed edits regarding the mission statement to General Manager Aaron Corr by 9/30/2020 via e-mail.

3. FY 19/20 closing budget status report:

General Manager, Aaron Corr reviewed the FY 19/20 Closing Budget, stating it was pre-audit reconciliations and General Journal entries. He stated that projected total expenses for FY19/20 would be about 90% of the approved budget. With a projected negative net revenue due to defaulted revenue. True results will be included in the audit which will be submitted on the GRCSD website.

4. June and July 2020 budget reports review:

General Manager Aaron Corr presented June/July Budget Reports for questions and discussion.

5. Cash flow report:

General Manager Aaron Corr presented a projected operations cash position as of December 31, 2020 to be \$184,271.02. Projected Property Tax Apportionments to be received mid-January 2021 = \$200,000.00 based off 2 yr. trend. General Manager Corr indicated that he would work towards a 12-month cash flow projection for operations.

6. Update on implementation of Live Oak 6-month CDs:

GRCSD Treasurer Bob Coler updated the Finance Committee on the implementation of two 6month CDs at Live Oak Bank. There's a 6-month CD in the amount of \$100,000.00 to assist in interest gains for the GRCSO operational account and a 6-month CD in the amount of \$25,000.00 to assist in interest gains for the GRCSO projects account. GRCSO Treasurer Bob Coler reviewed the current status of both the GRCSO Fidelity Investment operations and projects accounts, explaining that those accounts are currently experiencing very low ROIs as they are affected by the current pandemic situation. This is the reason that the two 6-month CDs were discussed, reviewed and implemented by the financial working group, GRCSO general manager and Treasurer.

It was also discussed the difference between restrictive and non-restrictive accounts currently held by the Grizzly Ranch CSD.

7. GRCSO Investments Report

GRCSD Treasurer Bob Coler indicated that this line item had already been discussed in the budget reports, cash flow reports and implementation of Live Oak CDs.

8. FY 20/21 Budget review/discussion:

GRCSD General Manager Aaron Corr discussed the FY 20/21 budget contingent items/maintenance, based on prior expenses of those items. Contingent line items cover any unexpected operation expenses. General Manager Corr indicated that he would formalize a report showing contingencies as a single line items where they occur for high level maintenance items.

9. GRCSO Working Capital Reserve account discussion:

GRCSD General Manager Aaron Corr already covered this item and will be bringing to the working group for discussion to present to the Finance Sub Committee to make sure that the new parties are familiar with what we have proposed for the reserves and outline to be established.

10. Rate Study discussion:

There was a preliminary rate study discussion covering the processes involved in having a rate study performed as well as the possible affects the rate study can have on the District. Potential vendors and scopes of work were also discussed.

It was suggested that a list of questions and concerns regarding a rate study should be drafted and presented to legal counsel for advice. General Manager Corr will correspond with legal counsel in efforts to present GRCSO inquiries in a meeting.

This sub-committee will advise and update the Board of Directors.

11. Propose future agenda items:

1. Director Training: RCAC/Target Solutions

Motion to adjourn by John Reynolds, seconded by Director John Saefke and passed unanimously by roll call vote.

Adjourned at 12:23pm.