



COMMUNITY SERVICES DISTRICT

GRCSD Board Meeting Minutes

December 20, 2022, 9:00 a.m.

The Outpost, 300 Club House Drive, Portola, CA 96122

- A. Roll call:** Vice President Kathy Roberts and Director Saefke were in attendance. President Jim Miller, Director John Reynolds, and Director Stephen Tange, attended remotely via Zoom. A quorum was established after a roll call vote. GRCSD Treasurer Bill Desjardin, attended remotely via Zoom. General Manager Larry Smith and Business Manager Carol Logan were also in attendance.
- B. Call to order:** 9:00 a. m. President Miller asked Vice President Roberts to facilitate the meeting.
- C. Approval of GRCSD Current Agenda:** Vice President asked for any additions or changes to the current agenda. There were none. She called for a motion to approve the current agenda. The motion was made by Director Saefke and seconded by Director Reynolds and passed unanimously.
- D. Approval of minutes from last meeting (s)** Vice President Roberts presented the GRCSD BOD minutes from September 20, 2022. She called for comments and questions. There were none. She called for a motion to approve the September 20, 2022 GRCSD BOD minutes. The motion was made by Director Reynolds and seconded by Director Saefke. The motion passed unanimously.
- E. Public Comments: NONE**
- F. CONSENT CALENDAR** – *Items listed on the consent calendar are considered routine in nature and may be enacted by one motion. If discussion is required, that particular item will be removed from the consent calendar and will be considered separately.*
- 1. September, October, November 2022 Financial Reports for approval:** Business Manager Carol Logan reported out on these reports. She highlighted that GRCSD received the final catch up tax assessment check from Plumas County for FY 2022 for \$106,388.17. She indicated that there were some defaulted payments from before Quickbooks was implemented in 2017 and per auditors' recommendation those funds are now posted in miscellaneous income. She called for questions or comments. There were none. Vice President Roberts called for a motion to approve the September, October, November 2022 Financial Reports. Director Saefke made the motion and it was seconded by Director Reynolds and passed unanimously.
- G. General Business:**
- 1. GRCSD Finance Committee August 16, 2022 Meeting Minutes Submittal:** Vice President Roberts presented the August 16, 2022 Finance Committee minutes and called for questions and comments. Having no questions or comments the minutes were accepted and filed.
 - 2. GRCSD Finance Committee Meeting November 15 2022 report out:** Director Stephen Tange reported out on the GRCSD Finance Committee meeting on November 15, 2022.
 - He noted the receipt of the Plumas County Check that was deposited in Fidelity Account #0848 on 11/10/2022.
 - The GRCSD FY 2022 audit went well. Final reports will be presented to GRCSD BOD at December 20, 2022 BOD regular meeting.
 - He noted that the water volume invoices are current.
 - He gave an update on discussion of the Farr West Engineering Study.

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3. **GRCS D Treasurer's Report:** GRCS D Treasurer Bill Desjardin reported on the Investment accounts. He reported on the balances of the Fidelity account and Cash Flows. He indicated that he was going to reach out to the GRCS D auditors to discuss account #1152-02 HTM Unrealized Gain/Loss ADJUSTMENT.
 4. **GRCS D Election of Officers, President, Vice President:** Vice President Roberts called for nominations for GRCS D Officer of President. One comment from President Miller stating there could be a rotation. He also indicated that his role would be disconnected at a later date. Director Saefke nominated Jim Miller. The nomination was seconded by Vice President Roberts. Vice President Roberts asked for any other nominations. There were none. Jim Miller accepted the nomination. The election of Jim Miller for President was passed unanimously by a roll call vote. Vice President Roberts called for nominations for Vice President. Director Saefke nominated Kathy Roberts. Vice President Roberts asked for any other nominations. There were none. Kathy Roberts accepted the nomination. The nomination was seconded by Director Reynolds the nomination and the election of Kathy Roberts for Vice President was passed unanimously by a roll call vote.
 5. **GRCS D Johnson Accountancy FY 2022 Audit Summary for approval:** General Manager Larry Smith reported on the recommendation from the GRCS D Audit Report on Accounting Controls. Discussion was held. GRCS D Treasurer Bill Desjardin is going to reach out to the GRCS D auditors as to his concern regarding the recommendation to discontinue the financial reporting or move the reporting of unrealized investment gains and losses to the profit and loss statement.

The second recommendation to establish a reserve account for the restricted connection fees was discussed by the board members. Business Manager Carol Logan will reach out to the auditors to determine if the current spreadsheet of restricted income and expense will suffice and how would the accounting in Quickbooks be processed if there is a new GL account in the #4000 series established. Since these two items are only recommendations Director Reynolds made a motion to approve the GRCS D Johnson Accountancy FY 2022 Audit and defer the recommendations to the next regular GRCS D board meeting in March 2023 to made decisions on the recommendations. The motion was seconded by Director Saefke and passed unanimously by a roll call vote.

6. **GRCS D/ HOA, Upgrade in Digital Path 8 G Internet:** General Manager Larry Smith reported that Digital Path offered a new Gen 8 plan that was only \$18.00 more per month The new service has been doing really well with 250 GB capacity. He decided not to go with Starlink. This internet is shared with HOA for Grizzly Ranch Real Estate Sales and they pay 50%.
7. **GRCS D 5-year Budget Projection:** General Manager Larry Smith reported on this and indicated that in the future there will be a line item for Bad Debt, (default accounts) so that there will be a more accurate Total for Revenue. Discussion was held. It was decided that the inflation value should be 4% instead of 2% based on current trends. There was also discussion on line item #34 regarding hook up charges and the values will be researched and corrected as needed. He called for any further questions or comments. There were none.
8. **GRCS D Policy # 3180 Disposal of Surplus Property for adoption:** General Manager Larry Smith presented the GRCS D Policy #3180 Disposal of Surplus Property to be adopted. Discussion was held. He discussed the surplus filter tanks that were not being used and taking up space that is needed to be utilized for office space. Instead of having an emergency BOD meeting if the sale amount is over \$1000.00, this item is being tabled until the next regular BOD meeting in March of 2023. He called for any further questions or comments. There were none. Vice President Roberts called for a motion to approve the GRCS D Policy #3180 Disposal of

Surplus Property. Director Reynolds made the motion and it was seconded by Director Saefke. The motion passed unanimously.

H. Professional Rate/Engineering Study update: General Manager Larry Smith presented the newest update which Farr West provided to him this week. He will send out copies to all for their review. Discussion was held. His recommendation at this time before the final study and recommendations from Farr West were:

- Water: Alternative #2 CPI Increase; No Depreciation; No Short-Lived Assets
- Sewer: Alternative #4: Manual Increase; No Depreciation; No Short-Lived Assets

Further discussion was held regarding Depreciation and Capital Improvement Funds. General Manager Larry Smith asked for any other comments or questions. There were none.

I. Administration, Water & Waste Water Reports: General Manager Larry Smith reported out on:

- **Administration:** Hours for staff staying consistent. Electrician laid off for winter season. GRCSO considering possible Administrative Assistant, for all administrative duties to share with BFPD. Alliance for Workforce is being considered as a resource. This is a budget item for FY 2023.
- **Water and Waste Water:** Current period Water Reports; Sub-Surface Well Soundings; Wastewater operations; completed projects; WW leak; projects upcoming. Discussion was held as to the separation of the homeowners' responsibilities and the GRCSO responsibilities related to what property owner maintains and what GRCSO maintains. He called for further questions or comments. There were none.

J. Report out on Meetings Attended by Staff/Board Members: NONE

K. Propose future agenda items:

- **Audit Recommendations:** Unrealized gains/Losses Adjustment; Fund account for restricted connection fees.
- **Sale of Surplus Equipment:** Filter Tanks
- **Farr West Update**
- **Notice to be given homeowners regarding the responsibilities of sewer connections**
- **Yarrow Pond update/MOU**

L. Adjournment: Vice President Roberts called for motion to adjourn the meeting. The motion was made by Director Reynolds. It was seconded by Director Saefke and passed unanimously. **The meeting adjourned at 10:38 a. m.**



VICE PRESIDENT AS APPROVED

3-21-23

DATE



CLERK OF THE BOARD AS SUBMITTED

3-21-23

DATE