

ACWD General Manager (GM) Report August 2022

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Correspondence

Incoming: Election nomination papers from Sierra County, Notice from the State Dept of Fish & Wildlife that they got the Streambed Alteration notification that is part of the environmental applications for the Ram Spring Project. Notice from the Army Corps of Engineers that they also received an environmental application and notifying us that the cultural resource item was missing. (This was completed by a rep. from the SWRCB probably five years ago. I had to track down the person who did it, and she quickly provided a copy which was submitted to the Army Corp of engineers.)

Outgoing: Library lease extension and conflict of interest code verification mailed to county, environmental docs for Ram Spring project submitted electronically as noted above.

GM REPORT

- **WATER TANK PROBLEM** – As of this writing (8/5) the tank inspection report has not been issued. The analysis of the sealant is holding things up. For some reason it took over a week for the contractor to locate that information, but we finally got it to CRWA today.
- **Leak Detection Assistance** -The California Water Resources Control Board is providing free leak detection assistance to small water districts. ACWD is signed up. A leak detection technician will be here on September 1st for about 4 hours. The offer is for two sections of pipe up to 1,000 feet long each. Edward and Bruce will select which sections to have tested. The assistance is scheduled for August 31st. This will be an opportunity for Edward to learn more about leak detection. He will be working with the CRWA rep.

Notes on specific agenda items

Agenda item 4. b) Policy 102 Changes: A clean copy with the additional change to Procedure 102.4 that was agreed on at last month's meeting is in the meeting packets.

Last month, when I explained that the proposed changes prioritize operating funds over reserve funds, I failed to mention that the proposed changes also protect the reserve funds by putting those monies into a savings account. Currently reserve funds are kept in the checking account that is used to pay all bills.

If bills are being paid and the amount of the bills exceeds our available funds there is nothing in place, other than the bookkeeper's memory and conscience to prevent dipping into the reserve funds.

Last year we DID have to dip into the reserve funds during the month of April, but I notified the board in March that I thought we would have to do that. This was to cover the annual insurance bill, BUT I was pretty sure that we would be “whole” again by the end of April and we were, so no board action was needed.

I also failed to point out last month that operating funds MUST take precedence over reserve funds. Keeping the operation going is the board’s job.

The reserve fund savings account mentioned at the end of the draft Policy 102 could not be opened until after the September regular board meeting at the soonest. A board resolution will have to be adopted to do it.

As of July 31st total operating funds = \$2,743.68 (see treasury report) This doesn’t give us much wiggle room. Hopefully with the new rates in place, a bit of a buffer can be built up to facilitate the opening of the new savings account without having to pull any money from the contingency fund. Dragging our feet might help.

Policy 100 Proposed addition: To ensure that the adoption of the changes to Policy #102 do not result in monthly minimum bank balance fees. I suggest that the procedure below be added to Policy 100 FINANCES. Hopefully we won’t need it, but it will be there just in case.

Procedure 100.8 Checking Account Minimum Balance

If the main checking account balance is expected to fall below \$2,500 due to the payment of operating expenses, an item shall be placed on the next regular board meeting agenda to authorize a transfer from the reserve account to the checking account.

If the timing is not right, and the bookkeeper must pay a bill that will cause the checking account balance to fall below \$2,500 before the next board meeting, the bookkeeper is authorized to transfer sufficient funds from the reserve fund savings account, to keep the checking balance above \$2,500.

If possible, the bookkeeper shall return the funds to the reserve account before the end of the calendar month. If the bookkeeper is not able to restore the reserve fund prior to month’s end, or anticipates not being able to do so in the following month, an item shall be placed on the next regular board meeting agenda to ratify the transfer from the reserve fund savings account to the checking account to cover operating expenses.

Once a transfer is ratified by the board, it is no longer the bookkeeper’s duty to try to return the funds from the checking account to the reserve fund savings account.