

Chester Public Utility District
PO Box 503
251 Chester Airport Rd.
Chester, Ca. 96020
530-258-2171

Minutes of Special Meeting: July 28 2020 at 1:30pm. Located in the Chester Public Utility District conference room: 251 Chester Airport Road.

Directors Present: Steve Graffweg, Steve Voboril, Steve Trotter, and (Joe Waterman by Conf. Call)

Directors Absent: Royce Raker

Guests Present: Rob Dennis CPA plus 1 public member, (none by conference call)

Staff Present: 3 CPUD/CFD employees and volunteers, (none by conference call)

1. **Call to Order:** Director Trotter called the meeting to order at 1:36pm.
 - a. Pledge led by Director Trotter
 - b. Agenda Approval: Director Voboril mad a motion to accept the agenda. Director Graffweg seconded the motion. All in favor, agenda approved.
2. **Public Comment: Agenda Items:** none.
3. **California Regional Water Quality Control Board, Cease and Desist Order:** GM/Chief Layne stated that CRWQCB would rather not have conversations in a Public Forum. They would like to schedule a conference call within 2 weeks with 1 Board Member, Chief Layne, Lead Supervisor Allan Homme and Andy Capella. Director Waterman agreed to be the representative for the Board, all agreed. No action.
4. **2018-2019 Audit review by CPA Rob Dennis:** Mr. Dennis stated overall the audit is rated by him as clean, noted on page 1. Page 6 references to the Assets. Liabilities and Net position. *He fielded 5 questions from the board that were submitted to the CPA before the meeting. Exhibit A.*
 1. Page 3, Omission of required discussion and analysis, why was this omission allowed and how do we fix it? Dennis: This doesn't affect the opinion and CPUD doesn't have a CFO, but if we want one, then Mary Cheek can be asked to create one.
 2. Page 13, Vehicle useful life 7 years should be more for Fire Apparatus and Ambulances? Chief Layne stated that heavy equipment is usually 20 years. Dennis: He will note that for the 19-20 Audit.
 3. Page 16, 500K is FDIC insured, is the rest secured similarly to FDIC? Dennis: each account is insured to 250K through FDIC.
 4. Page 18, Is it common for funds to owe each other? Should this be corrected? Water doesn't pay for streetlights anymore, correct? Dennis: Typically transfers would have been made in a pooled cash/clearing fund called Fund 99. The 1.4 million to be fixed by Mary Cheek if needed. More process for staff when using a pooling system. Cheryl to research the 1.4-million-dollar transfer history. Director Trotter stated that the board agreed in the form of a vote quite a while ago for streetlights to be cleared from the 500 account.
 5. Page 25, OPEB expenses increase every year. PERS medical for retirees is for Life.

More discussion regarding the management letter being a boiler plate and that the board would like to go through it for transparency purposes with Mr. Dennis. Director Graffweg expressed his frustration with such policies being set up forever and that we can't go back and change past board

decisions. Mr. Dennis stated that he expects that some, “haircuts” would probable be in order some time in the near future.

Director Waterman ended his conference call @ 2:25pm.

The board thanked Mr. Dennis. Discussion only.

5. **Temporary Agreement with Retired Annuitant, Andrew Capella: Exhibit B:** Chief Layne explained that he had to expedite the agreement due to the recent COVID-19 scare we had. Mr. Capella has the licenses needed to cover the district should Lead Supervisor Homme be out for any reason. The board thanked Mr. Capella for being willing to help out the district. Information only.
6. **Comments:** Chief Layne asked to confirm quorum for the Budget Workshop August 4th at 10am. The 3 board members in attendance stated they are planning to attend.
7. **Adjournment:** 2:36pm motion made by Director Voboril. Director Graffweg seconded the motion. All ayes, meeting adjourned.

Cheryl E, Johnson, Clerk to the Board
Approval of Minutes 