

REPRESENTATIVE POLICY BOARD

FINANCE COMMITTEE

MARCH 10, 2025

Vin:

All right. And it is five o'clock and I'm going to call this subcommittee meeting of the Finance Committee of the RPB to order. Let's start with our safety moment. March is Mold Prevention month. Mold is a part of the natural environment. The outdoors, mold breaks down dead organic materials such as fallen leaves and dead trees. But indoor mold, mold spores, can cause health problems such as allergic reactions, asthma attacks and irritating eyes, nose, skins and lungs. To prevent mold, repair your water leaks quickly, and also keep your bills down, clean and repair roof gutters regularly, keep air conditioning drip pans clean, keep indoor humidity low and wipe down condensation that collects around windows and doors. Indoor mold bad, outdoor mold good. Okay, let's move on to item number two. The review of the plan of audit fiscal year 2025. We have CliftonLarsonAllen.

David:

Good afternoon everyone. Can you guys hear me okay?

Committee members:

Yes.

David:

Awesome. Yeah, my name is David Flint. I'm the principal with CliftonLarsonAllen. So I'm just literally going to do a real high level overview of the audit. This is kind of our kickoff for the year, so I'm only going to take up a couple of minutes of your time today. So each of you should have seen our letter to governance. This is one of two required communications to governance from us as your auditors. One comes now at the beginning of the audit and then the second one comes at the completion.

So at a very high level, the letter covers both our responsibilities as your auditors, as well as management's responsibilities as it pertains to the audit. Our objective in completing the audit is to provide reasonable assurance that the financial statements are free from material misstatements. We cannot, of course, provide absolute assurance without reviewing 100% of the transactions that occurred in the year. That's obviously not reasonable. We also provide an opinion on compliance with federal grant requirements. Of course, you guys have federal funding, so we also do a federal single audit, and we also provide an opinion on the internal controls over financial reporting.

For 2025, specifically, we are implementing a new accounting standard, it's GASB statement number 101. If you could believe it or not, we are into the 100ths for GASB standards. So GASB 101 has to do with compensated absences. Basically, an accrual, a liability for sick time, vacation time that people accrue, something like that. But this standard kind of furthers what we need to accrue each year in regards to this. Historically, we were only accruing what we expect people to pay out, but now we have to accrue if people have bank time. Even if that bank time's not paid out, if it's bank time that they could use in the future, we have to kind of estimate how much we expect that to ... expect to be used and then accrue that, as well.

So sick time is probably the biggest one that's going to affect the authority for this year as people have sick time bank accruals, and we'll have to estimate how much of that will be used, and record a liability

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for that. You also have to evaluate things that you know could be occurring, like jury duty or paternity leave, maternity leave, something like that. If you know you're going to have those absences in the coming year, those should be accounted for with this standard, as well. We did have initial discussions with Rochelle about this implemented standard and I feel she's on top of it. Any questions that she has along the way, we're here to walk her through that, as well.

As far as timing of the audit, we do expect to begin the audit around April, that's when we do our preliminary procedures, and we expect to complete around mid-April. This is a very quick turnaround. Being a May year-end, a September issuance is a pretty quick turnaround. So we do expect management to be prepared for us and, as I say, every year, if management's prepared [inaudible 00:05:40] us, I promise you that we will meet that deadline. So, with that, I'll just open it up to you guys to see if you guys have any questions as far as this year's audit goes.

Vin:

All right, does anyone have any questions? Hearing none, I thank you very much for your brief presentation.

David:

Thank you so much guys. Have a great night.

Committee members:

Thank you.

Vin:

Thank you [inaudible 00:06:05] and have a [inaudible 00:06:05]. All right, let's move on to item number three. Approval of the minutes of the February 10, 2025.

Tom:

So moved.

Vin:

Is there a second?

Jamie:

Second.

Vin:

Thank you. Are there any comments? Hearing none. All those in favor?

Committee members:

Aye.

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Vin:

Any opposed? Thank you very much. The ayes still carry it. Thank you for approving those minutes. All right, let's move on to the quarterly report of the RPB approved projects and if everyone could just mute themselves, please. Thank you. Thank you, Rochelle.

Rochelle:

Thank you. I'm not going to read through all the detail, but just on the [inaudible 00:07:13]. So on the first project, the Lake Gaillard Water Treatment Plant Clarifier, Recycle Pump Station, Concrete Restoration, this project is well underway. This is going to be actually a Drinking Water State Revolving Fund funded project, so we are expecting both a low cost loan and a grant. We're actually working with DPHI, getting all the paperwork ready to close on that.

The Lake Gaillard Water Treatment Plant HVAC and Electrical Improvements. This is actually another project that is now underway. This project is actually, for the HVAC portion, is actually one of our congressional directed spending projects, so we're now beginning to process our reimbursements through EPA associated with that. And we're also expecting that some of this project will be funded by DWSRF, as well.

The Lake Whitney Dam and Spillway Improvements Phase 1. So, as you know, this is the first phase, including the design and the permitting in advance of going back to the RPB for the construction portion. So this project is, this design part is very nearing completion. CIS, as you know, we are anticipating to go live in fourth quarter of 2025. The project, given that we're actually in March, is farther along than even at the time it was when it was written at the end of February. So many of these things that are noted here are either already completed, like the bill parallel, or are nearing completion.

For the Derby Wellfield Facility Chemical improvements. This project is also now underway with an anticipated close date of later this fiscal year. And then, the Lake Whitney Water Treatment Plant Chemical Feed Improvements. This project is also ... was advertised for bid. We did get the approval from DPH to award to the low bidder. So the notice of award was done and the contract we expect to be executed in March. This is also a DWSRF project, which is why we need the DPH approval. Any questions?

Vin:

All right. Anyone have any questions? All right, thank you for that Rochelle. Let's move on to item number five, Authority meeting attendance. So Tim, you're going to be covering the March 27th meeting?

Tim:

I am.

Vin:

Thank you for that.

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Tim:

And I will cover it well.

Vin:

I bet you will. And the 24th of April, I will do the same, followed by Jay in May. I did not intend to rhyme that, but it just worked out well. All right. And Tim, if you can have my back at the monthly meeting, I will be in Europe visiting my son in Brussels. He's studying abroad and while I believe I'll be able to attend remotely, just in case there's a snafu with-

Tim:

Yes. I'll be prepared.

Vin:

All right. You can read the minutes. Thank you. Thank you for that backup. All right, is there any new business to come before the body? Hearing none. Our next regular meeting is scheduled for April 7th at 5:00 PM, and we'll be reviewing the fiscal year 2026 budget. If you cannot attend that, there's the other opportunity to do so at the April 17th joint meeting of Consumer Affairs and Land Use. And if you just want to hear it twice, go to both. And is there a motion to adjourn?

Tom:

So move.

Vin:

Is there a second?

Jay:

I'll second.

Vin:

All right. Sorry for the long meeting, but we will stay adjourned at 5:10.