

Tuesday, August 30, 2022  
11:00 a.m.  
Audit and Finance Meeting  
NOTES

**Members Present:** David Couch, Greg Orsini

**Staff Present:** Nicole Alvarado, Pat Kaspari, April Sousa

**Guests Present:** Chris Fisher, Michael Cronan – Willdan Financial

**Meeting Called to Order at 11:00 a.m.**

### **Public Comment**

- None

### **Review McKinleyville CSD Rate Study Report**

Chris Fisher, Vice President, and Michael Cronan, Senior Analyst, from Willdan Financial presented to the Finance Committee a PowerPoint outlining the McKinleyville CSD Rate Study.

- Drought rates were discussed
  - Board must adopt a resolution for stage 3 AND adopt a resolution to implement drought rates.
  - It was noted that there was only one drought rate, not a separate rate for Stages 3, 4, and 5.
  - Rate is based on cost of service only.
- Cash on hand numbers were discussed.
- It was noted that Willdan will send out the notices.
- Director Orsini asked about Tax Initiative 21-0042A1 and how the rates may be impacted.
- Directors and staff discussed minor adjustments to the slides before going to the Board on September 7.
- Discussion was made on the engineer's report and ensuring the language for the report and the presentation coincided with each other.
- Questions were discussed regarding the rates for the Brewery and Restaurant rates.
  - It was noted that this year, better data was received to have more accurate rate numbers.
- Long term debt and reserves impact was discussed.
  - Staff will get more information on how the rates will affect the reserves.
- It was noted that the percent increase is not as high as inflation.

**Adjourn – 12:50 p.m.**