Olivehurst Public Utility District

Agenda Item Staff Report

Meeting Date: November 17, 2022

Item description/summary:

**2021-22 capital reserve and depreciation funding.**
The District’s reserve policy specifies that capital reserves will be accumulated to fund depreciation, facility and equipment replacement, and infrastructure projects. The Board annually approves the amounts to fund depreciation and capital outlay reserves. The attached Treasurer’s Report shows the District’s cash basis as of June 30, 2022 and staff recommendations for reserve funding.

**Fiscal Analysis:**
Cash is invested with Yuba County, with the exception of CFD 2002-1’s Bond Reserve account with US Bank. The District’s cash position with Yuba County increased by $6.9 million from $50.1 million June 2021 to $57.7 million June 2022. The increases are primarily due to OPUD’s growing customer base in both water and wastewater departments and collection of capacity fees and park fees. Measure K funding for 2019-2022 added approximately $700,000 to the fire department’s cash accounts. Staff recommends to fund equipment reserves and annual short-term depreciation as follows:

![Fiscal Analysis Table]

**Sample Motion:**

*Approve/do not approve funding of Board-Committed Reserves*

Prepared by:

Karin Helvey – Financial Manager