



## Las Campanas Water Cooperative

SANTA FE, NEW MEXICO

### FINANCE COMMITTEE – RESERVE DISCUSSION

November 16, 2020

#### Attendees:

Committee Members: Shawn McCoy, Stephen Raab, Mike Walsh, Barb Shoemaker

Other Directors: Steven Miller, James Lightfoot

Staff: Kim Visser, Bryan Romero, Jamey Shelton

1. Background of reserves presented in document that summarized reserve policy 2014-present.
2. Wide-ranging discussion surrounding what was needed to update reserve policy to have a consistent methodology and updated documentation of approved uses for reserves.

#### Action items:

- **Follow-up with B&V to understand detail behind the methodology they proposed for determining appropriate reserve levels.**

Mike Walsh will prepare (working with Bryan and Shawn) a memo to outline information needed from B&V. (Note: All Board members can send questions to Mike and Shawn for inclusion in the follow-up)

Bryan Romero to schedule a Zoom Call with B&V representative in early December. Mike, Shawn, Kim, and Barb will attend as well.

Follow-up summary email and recommendations to be provided to Directors by 12/31

- **Revalidate depreciation schedule and original costs.**

Kim to coordinate a meeting in early December with Jamey, Shawn, and Steven to communicate Board focus on updated depreciation schedules and the need for a well-defined process going forward. Jamey to coordinate with Kim/Bryan as needed to request information to prepare a summary document to be presented to Board by Feb 15, 2021.

- **Define Ops Committee requirement (memo) from Jacobs for component detail (asset, asset life, replacement value, etc.) to guide 10-Year CIP spending projections by Dec 31/2020**

Bryan, Kim, Steven, Shawn

- **Prepare 10 Year CIP projection with required detail by 3/31/2021**

Bryan, Kim, Jacobs, Ops Committee to review and approve with recommendations to Finance)