

April 19, 2024

FINANCIALS

Item 11 C



Sewer- Recreation & Fire Protection

Spalding Community Services District

502-907 Mahogany Way Susanville, CA 96130 • (530) 825-3258

Date: April 19, 2024

To: Board of Directors

From: Kari Graton, Interim General Manager

Subject: Agenda Item # 11(c) Financials; Current Invoices: Under \$2500 paid, Payables due over \$2500 for Board approval.

Recommendation: Approve the payments for services rendered, acquired goods and supplies. Many are past due and beyond the General Managers \$2500 threshold, requiring your approval. If your Board prefers to take a different strategy as to the timeliness of payment, direct staff how you wish to proceed.

Discussion: Upon taking office at the last regular meeting of the Board, it quickly became evident through emails, billings and telephone calls that the District has received many services and goods over the past several months for which payment has not been tendered. Presented is a listing of the invoices, some of which were paid under the authorization of amounts under \$2500 to the General Manager's sole signature. Those paid are presented to your Board to keep you advised of the expenditures as you have requested in past meetings throughout the years. Many invoices remain unpaid, particularly those over \$2500 which require the authorization of your Board. As of April 15th, 2024 those outstanding invoices now cumulatively total in the amount of \$57,680.91 for a combination of goods, services and supplies. In particular, the amount currently owed to Stradling Attorneys for various professional service fees exceeds \$42,000.00. \$27,000 of that amount appears to be for services performed related to delinquency foreclosures. Staff is currently attempting to contact Stradling for a full explanation of those charges to ascertain if they are immediately due and payable.

Other Agency involvement: N/A

Financial Considerations: Note: The Districts current liquid cash balance in the Sewer account is \$59,004.70. Complete and immediate payment of these charges will leave the Sewer checking account overdrawn.

Results: Payments of accounts payable are necessary to maintain positive business relations with the Districts providers. Nevertheless, the District may want to consider taking a measured approach to payment of the Stradling Law firms bill over an agreed upon time to avoid over drafting the Sewer account and risking a loss of legal services.

SUMMARY

Current Payables

04/15/24

Sewer under \$2500.00	\$ 2,985.61
Fire under \$2500.00	\$ 401.29
Sewer over \$2500.00	\$45,071.91
Fire over \$2500.00	\$ 8,551.10
Rec	\$ 671.00
SUBTOTAL	\$57,680.91
Pending Stradling invoices re: Delinquent foreclosures under review	\$26,959.38
TOTAL	\$84,640.29

Payables Under \$2500.00 Paid 04/04/24

\$ 12,354.94