



McCloud Community Services District

220 West Minnesota Avenue P.O. Box 640

McCloud, California 96057

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REGULAR MEETING OF THE BOARD OF DIRECTORS

SCOUT HALL - 405 E. COLOMBERO DRIVE

November 13th, 2023 at 6pm

AGENDA

The McCloud Community Services District welcomes you to this meeting. This agenda contains brief general descriptions of each item to be considered at this meeting by the Board of Directors. If you wish to speak on an item on the agenda, you will be provided the opportunity to do so prior to consideration of the item by the Board. If you wish to speak on an item that is not on the agenda, you are welcome to do so during the Public Comment portion of the meeting. Persons addressing the Board will be asked to step up to the podium and will be limited to three minutes or depending on the number of persons wishing to speak, it may be reduced to allow all members of the public the opportunity to address the Board. When addressing the Board, please state your name for the record prior to providing your comments. Please address the board as a whole through the President. Comments to individual Board members or staff are not permitted.

All documentation supporting the items on this agenda are available for public review in the District office, 220 W. Minnesota Avenue, McCloud CA 96057, during normal business hours of 9:00 a.m. to 12noon and 1:00 pm to 4:00 p.m. Monday through Friday.

In compliance with the Americans with Disabilities Act, those requiring accommodations for this meeting should notify the District office 48 hours prior to the meeting at (530) 964-2017.

1. Call to Order

2. Pledge of Allegiance

3. Approval of Minutes: Discussion/action regarding approval of the minutes of the Regular Meeting of October 23rd, 2023.

4. Announcement of Events:

5. Communications:

6. Reports:

- A. General Manager-None.
- B. Finance Officer-See Written Report.
- C. Fire Chief-See Written Report.
- D. Public Works Superintendent-None.
- E. Directors
- F. Committees

7. Consent Agenda:

- A. Approval of Expenses in the amount of \$15,858.33

8. Old Business: None.

9. New Business:

- A. Discussion/possible action regarding the possibility of canceling the Board Meetings on November 27, 2023, and December 25, 2023 due to the holidays.

B. Discussion/possible action of approval of the 2021-22 Audit Draft.

C. Discussion/possible action regarding the \$100,000 CD that has matured from paying off the Sewer Series B loan and whether to invest in another CD at 5% interest rate.

D. Discussion/possible action regarding a new credit card for fire department employees to be used for traveling out of town to fight fires.

10. Public Comment: This time is provided to receive information from the public regarding issues that **do not** appear on the agenda (persons addressing the Board will be asked to step up to the podium and will be limited to three minutes or depending on the number of persons wishing to speak, it may be reduced to allow all members of the public the opportunity to address the Board).

11 Adjourn

MCS D Mission Statement

McCloud Community Services District will strive to provide the full range of municipal services, at a reasonable cost applied consistently to all customers, while maintaining a healthy infrastructure and environmental integrity.

**MINUTES OF A
REGULAR MEETING OF THE BOARD OF DIRECTORS
October 23, 2023 6:00 pm**

A regular meeting of the Board of Directors of the McCloud Community Services District was called to order at 6:00 p.m. at the Scout Hall. Four Directors (Richey, Hanson, Mullins, Trent,) Rorke was absent. Also present were General Manager Amos McAbier, District Secretary Sarah Roberts and Finance Officer Jennifer Brunello, and Eli Jones Public Works Superintendent, Fire Chief Charlie Miller was absent.

1. Call to Order

2. Pledge of Allegiance.

3. Approval of Minutes:

A. Discussion/action regarding approval of the minutes of the Regular Meeting of October 9th, 2023.

C. Richey made a motion to approve the minutes of the regular Meeting on October 9th, 2023; motion seconded by J. Mullins; Motion passed with 4 Ayes. (Richey, Hanson, Trent, Mullins.) and 1 abstain (Rorke).

4. Announcement of Events: *Jim Mullins Birthday today, Mt. Shasta Ski Park open house free event November 10th 2023 at 5pm*

5. Communications: *None*

6. Reports:

A. General Manager-*None.*

B. Finance Officer- *None.*

C. Fire Chief- Charlie Miller *verbal report.*

D. Public Works Superintendent-*None.*

E. Directors-*None.*

F. Committees-*None.*

7. Consent Agenda:

A. Approval of Expenses in the amount of \$31,095.72.

C. Richey made a motion to approve expenses in the amount of \$31,095.72; motion seconded by M. Trent. Motion passed with 5 Ayes. (Richey, Hanson, Mullins, Trent, Rorke).

8. Old Business:

A. Discussion/possible action regarding the second reading of Policy No. 2010 Employee Compensation, Hours of Work and Overtime.

C. Richey made a motion to approve the second reading of Policy No. 2010 Employee Compensation, Hours of Work and Overtime; motion seconded by M. Rorke. Motion passed with 5 Ayes. (Richey, Hanson, Mullins, Trent, Rorke).

9. New Business:

A. Discussion/action regarding approval of waving the rental fee for Scout Hall November 16, 2023 for Caltrans to host town meeting regarding future of possible roundabout on intersection of Broadway and Highway 89.

C. Richey made a motion to approve waving the rental fee for Scout Hall November 16, 2023 for Caltrans to host town meeting regarding future of possible roundabout on intersection of Broadway and High

10. Public Comment: This time is provided to receive information from the public regarding issues that **do not** appear on the agenda (persons addressing the Board will be asked to step up to the podium and will be limited to three minutes or depending on the number of persons wishing to speak, it may be reduced to allow all members of the public the opportunity to address the Board).

11. Public Comment: This Time is provided to receive information from the public regarding issues that **do** appear on the closed session agenda.

12. Adjourn open session.

13. Convene a Closed Session with legal counsel:

A: Pursuant to California Government Code §54956.9(d)(1): Rorke v. McCloud CSD

14. Reconvene open session and announce any action taken.

Announce that the Board has given our attorney advice on which way to go.

15. Adjourn 7:47pm.

Michael Hanson/President of the Board

Sarah Roberts/Secretary of the Board

MCSO BOARD OF DIRECTORS
Finance Officer's Report
November 13, 2023

AGENDA SUPPORTING DOCUMENT
Agenda Item No. 6 B

Cannot believe how fast time is flying by! Already it's getting close to Christmas & the New Year. I have been very busy working with Keith on Black Mountain Software issues and working on preparing things before the next 2022-23 Audit, in order to not be scrambling when it is time to turn in documents to the Auditors. Hopefully, this will alleviate the craziness and confusion that occurs during Audit time!

Looking forward to a few different training webinars I will be doing. One is in December from Black Mountain Software and it will teach me how to process the W-2's. Another one is an RCAC webinar on rate setting. In March I will be doing an advanced FLSA course on calculating the regular rate for Firefighters & First Responders, which will help me during next year's fire season payrolls.

We did make it through the fire season without using the line of credit for the fire fund, which is great. The District has paid off the Sewer Series B loan as of this month and now there is one less debt we have. This also freed up \$100,000 CD that has matured and now is worth \$100,499.87. The LAIF account has earned \$10,591.99 in interest for the month of October and earned \$10,278.35 in the month of September.

I have been doing research on new software options available and hope to bring all the information to the Board in the next couple of months. The software we have been using creates so much extra work, is very outdated, inefficient, and needs to be replaced in the near future.

McCloud Fire Department Monthly Fire Chiefs Report

October 2023



INCIDENT TYPE	# INCIDENTS
150 - Outside rubbish fire, other	1
311 - Medical assist, assist EMS crew	1
320 - Emergency medical service, other	1
321 - EMS call, excluding vehicle accident with injury	9
322 - Motor vehicle accident with injuries	1
324 - Motor vehicle accident with no injuries.	1
600 - Good intent call, other	1
611 - Dispatched & cancelled en route	2
651 - Smoke scare, odor of smoke	1
Total Incidents	18

Fires

Total Fires: 1 Type: Structure: 0 Vegetation: 0 Vehicle: 0 Nuisance: 1
 In town: 1 Mutual Aid: 0 Z.I.B. Area: 0

Fire Notes: One small rubbish fire in the 200 Block of Shasta Avenue.

EMS Calls

Total Medical Aid Calls: 13 (includes traffic collisions) BLS:1 ALS: 11
 Transported by Medic 17: 9 Paramedic Intercept: 0 Transported by MSAS: 0 Non-Transport: 2
 Traffic Collisions: 2 Non-Injury: 1
 In town: 10 Mutual Aid: 0 Z.I.B. Area: 3

EMS Call Notes: No extraordinary calls this month.

Miscellaneous Calls

HAZMAT: 0 Lift Assist: 0 Public Assist (other): 5 Gas Leak: 0
 Rescue Calls: 0 Smoke Check: 1 Alarm Sounding: 0
 In Town: 0 Mutual Aid/Auto Aid: 0 Z.I.B. Area: 4

Miscellaneous call notes: Nothing to report.

Total ZIB Contract Calls this calendar year: 48

Total Calls for service this calendar year: 217

McCloud Fire Department Monthly Fire Chiefs Report

October 2023



PERSONNEL

FIRE CHIEF

CHARLIE MILLER EMT-P

ASSISTANT CHIEF (FIRE) 1701

Trenton Vogus EMT-1

ASSISTANT CHIEF (EMS) 1702

Kirk Thomsen EMT-P

Paid Staff

Sean Prouty EMT-P (Captain) Richard Harrison EMT-P (Lieutenant) Linda Edwards EMT-P (pending)

DIVISION CHIEF (TRAINING) NATE

GIRARD EMT-1

CAPTAIN (Fire)

STEPHEN RICHARDSON 1st Responder

LIEUTENANT (FIRE) 1708

NATE MASCIOLA EMR/Engine Driver

LIEUTENANT (EMS) 1709

DAN FAY EMT-1/ Engine Driver

FIREFIGHTERS

Jettus Memmer EMT-1
(Amb/Engine Operator)

Alisa Glenn EMT-1
(Wildland FF)

Cindy Miller EMT-1
Engine Driver

Parker Girard EMR
Wildland FF

Joe Dewitt EMR
Engine Operator

Mike Worthington EMT-P
Engine Operator

James Lewis
Amb/Engine Operator (Trainee)

Alex Bolado
Ambulance Driver

Scott Oliver
Wildland FF & Engine Driver

Corey Teschner
Wildland FF

Nicole Feterhoff
Ambulance Driver

AUXILIARY/NON-FIREFIGHTERS, DRIVERS & SUPPORT STAFF

Peter Tolosano
Battalion Chief

Donna Sager
Battalion Chief

Bruce French
Ambulance Driver

Jessie Gray
Wildland FF & Ambulance Driver

Bob Masciola
Ambulance Driver

Martin Glenn
Ambulance Driver

Derrick Hanvey
Recruit

Chris Farley
Recruit

Merlin Huddleston
Administrative

Scott Cassel
Recruit

SHIFT FIREFIGHTERS

Mike Mullet
EMT 1 Captain

Justen Richardson
Captain

Bill Lachenmyer
Wildland FF/EMT/Ambulance Driver

Joel Lukenbill
Rope Rescue Technician/FF

CJ Palmer
Dunsmuir FD

Daniel Torres
Fire Academy Student

McCloud Fire Department Monthly Fire Chiefs Report

October 2023



STATION

STATION 17 (LEATHERMAN HALL): Breathing air compressor issue was fixed under warranty. Downstairs office and TV room project has begun.

APPARATUS

1700 (Dodge Ram): Good Condition, nothing to report.

1701 (White Tahoe): Good Condition, nothing to report.

1705 (Red Tahoe): Good Condition, nothing to report.

Medic 17: Good Condition, nothing to report.

Engine 1711: Good Condition, nothing to report.

Engine 1712: Good Condition, nothing to report.

Engine 1715: Good Condition, nothing to report. Stored in Mt Shasta Forest Building.

Engine 1717: In Sacramento for repairs to the Transfer Case. Estimated 1 week.

Squad 1740: Good Condition, nothing to report.

Engine 1776: Not in service yet.

Fire Department Drills

#1 Fire: (Thursday 6-10 pm) Date: 10/5/23 Topic: Pumping

#2 Fire: (Thursday 6-10 pm) Date: 10/12/23 Topic: Structure Fire Responses

#3 Fire: (Thursday 6-10 pm) Date: 10/19/23 Topic: Ladders.

#4 Fire: (Thursday 6-10 pm) Date: 10/26/23 Topic: Air monitor usage. SCBAs.

Training Notes: Nothing of note.

McCloud Fire Department Monthly Fire Chiefs Report



October 2023

Billing

EF Recovery (Fire/Rescue Responses only)

Billed This month: \$233.70. (FY 22/23): \$203.64 Received (FY 22/23): \$459.51

October 2023 Claims	Count	Value
Created	1	\$233.70
Submitted	0	\$0.00
Closed	15	\$5,457.17
Cancelled	0	\$0.00
Amount we billed for you		\$459.51
Amount we recovered for you		\$0.00

Ambulance Billing

Fiscal Year 23/24 Wittman Enterprises Billing Report

	CHARGES	MCARE WRITE DOWNS	MCAL WRITE DOWNS	OTHER CONTRACTUAL WRITE DOWNS	NET CHARGES	PAYMENTS	REFUNDS	COLL ADJ	NET PAYMENTS	BAD DEBT WRITE OFFS	ADJUSTMENTS	NEW A/R BALANCE
JULY '23	\$ 22,526.15	\$ 11,938.68	\$ 1,235.80	\$ -	\$ 9,351.67	\$ 6,209.03	\$ -	\$ -	\$ 6,209.03	\$ -	\$ -	\$ 89,785.00
AUGUST '23	\$ 43,815.45	\$ 9,661.69	\$ 10,759.59	\$ 1,756.49	\$ 21,637.68	\$ 9,229.47	\$ -	\$ -	\$ 9,229.47	\$ -	\$ -	\$ 102,193.21
SEPTEMBER '23	\$ 9,740.35	\$ 2,089.44	\$ (109.48)	\$ -	\$ 7,760.39	\$ 9,395.67	\$ -	\$ -	\$ 9,395.67	\$ -	\$ -	\$ 100,557.93
OCTOBER '23	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
NOVEMBER '23	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
DECEMBER '23	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
JANUARY '24	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FEBRUARY '24	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MARCH '24	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
APRIL '24	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MAY '24	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
JUNE '24	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
YEAR TO DATE TOTALS	\$ 76,081.95	\$ 23,689.81	\$ 11,885.91	\$ 1,756.49	\$ 38,749.74	\$ 24,834.17	\$ -	\$ -	\$ 24,834.17	\$ -	\$ -	\$ -

(Fiscal year 22/23) Avg. Net Payments/Revenue: \$8,278.06

Projected FY: \$99,336.67

(Fiscal year 22/23) Avg. Net Charges: \$12,916.58 Projected FY: \$112,220.04

Outstanding Whitman Accounts Receivable as of 10/31/23: \$100,557.93

Fiscal Year 22/23 Wittman Enterprises Billing Report for comparison

	CHARGES	MCARE WRITE DOWNS	MCAL WRITE DOWNS	OTHER CONTRACTUAL WRITE DOWNS	NET CHARGES	PAYMENTS	REFUNDS	COLL ADJ	NET PAYMENTS	BAD DEBT WRITE OFFS	ADJUSTMENTS	NEW A/R BALANCE
JULY '22	\$ 49,776.70	\$ 20,291.68	\$ 10,287.43	\$ 2,479.64	\$ 16,717.95	\$ 12,815.05	\$ -	\$ -	\$ 12,815.05	\$ -	\$ -	\$ 79,201.05
AUGUST '22	\$ 18,065.05	\$ 7,131.25	\$ 10,610.58	\$ -	\$ 323.22	\$ 17,082.33	\$ -	\$ -	\$ 17,082.33	\$ -	\$ -	\$ 62,441.94
SEPTEMBER '22	\$ 36,989.65	\$ 6,695.02	\$ 10,732.03	\$ -	\$ 19,562.60	\$ 10,875.34	\$ -	\$ -	\$ 10,875.34	\$ -	\$ -	\$ 71,129.20
OCTOBER '22	\$ 2,422.45	\$ 1,083.91	\$ 2,126.92	\$ -	\$ (788.38)	\$ 6,805.53	\$ -	\$ -	\$ 6,805.53	\$ -	\$ -	\$ 63,535.29
NOVEMBER '22	\$ 36,905.30	\$ 15,231.79	\$ 2,317.11	\$ (506.10)	\$ 19,862.50	\$ 4,796.60	\$ -	\$ -	\$ 4,796.60	\$ -	\$ -	\$ 78,601.19
DECEMBER '22	\$ 12,838.35	\$ 10,586.17	\$ 5,624.92	\$ -	\$ (3,372.74)	\$ 7,844.55	\$ 1,661.83	\$ -	\$ 6,182.72	\$ -	\$ -	\$ 69,045.73
JANUARY '23	\$ 12,132.25	\$ 7,941.88	\$ 1,772.41	\$ -	\$ 2,417.96	\$ 4,423.45	\$ -	\$ -	\$ 4,423.45	\$ -	\$ -	\$ 67,040.24
FEBRUARY '23	\$ 11,592.65	\$ 3,015.20	\$ 170.25	\$ -	\$ 8,407.20	\$ 5,699.75	\$ -	\$ -	\$ 5,699.75	\$ -	\$ -	\$ 69,747.69
MARCH '23	\$ 22,991.80	\$ 8,990.66	\$ (6.92)	\$ -	\$ 14,008.06	\$ 12,463.18	\$ 546.65	\$ -	\$ 11,916.53	\$ -	\$ (91.57)	\$ 71,747.65
APRIL '23	\$ 20,283.57	\$ 10,082.65	\$ 1,550.53	\$ -	\$ 8,650.39	\$ 7,130.50	\$ 154.15	\$ -	\$ 6,976.35	\$ -	\$ -	\$ 73,421.69
MAY '23	\$ 11,890.90	\$ 977.39	\$ 2,078.57	\$ -	\$ 8,834.94	\$ 9,445.45	\$ -	\$ -	\$ 9,445.45	\$ -	\$ -	\$ 72,811.18
JUNE '23	\$ 31,270.55	\$ 10,094.34	\$ 2,592.72	\$ -	\$ 18,583.49	\$ 4,752.31	\$ -	\$ -	\$ 4,752.31	\$ -	\$ -	\$ 86,642.36
YEAR TO DATE TOTALS	\$ 267,159.22	\$ 102,121.94	\$ 49,856.55	\$ 1,973.54	\$ 113,207.19	\$ 104,134.04	\$ 2,362.63	\$ -	\$ 101,771.41	\$ -	\$ (91.57)	\$ -

(Fiscal year 22 / 23) Avg. Net Payments/Revenue: \$8,480.95 22/23 FY: 101,771.41

(Fiscal year 22 / 23) Avg. Net Charges: \$9,433.9 22/23 FY: \$113,207.19

Billing Notes: EF Recovery and Wittman Enterprises have been billing and recovering monies owed to us. We will continue to work with them to bill for all additional revenue.

McCloud Fire Department Monthly Fire Chiefs Report

October 2023



Major occurrences this month:

- **Engine 1717 repairs are going well in West Sacramento. The transfer case has been rebuilt and should be installed any day now.**
- **The department supported the McCloud Fireman's Association's Fireman's Ball on October 7, 2023. The event was a huge success, and the association raised well over \$30,000.00 during the event and another 10,000.00 has been raised for the Rod Ives Memorial Fund that will assist the department in reaching our goals.**
 - **The association is already planning for next year's event. It will be the 1st Saturday in October 2024 at the McCloud Dance Hall.**
- **We welcome a new Shift Firefighter to our ranks. Daniel Torres is enrolled in the College of the Siskiyou's Fire Academy and will be working shifts during his days off from the academy when possible.**
- **Volunteers Nate and Parker Girard will be transitioning to the Shift Program as they are in the process of relocating to Mt Shasta due to schooling issues for their family. Parker will also be attending the COS Fire Academy this year. Parker will be joining Daniel Torres in working shifts in their time off from the academy.**
- **We have been advised that the Insurance Safety Office Surveyor will be completing the ISO survey for 2023-2028 time period next month. We will be preparing for the meetings by making sure all of our reporting, apparatus, and hydrant system paperwork is in order.**
 - **This rating system is used by the insurance industry to set commercial insurance rates. The better your fire department and hydrant system are, the less citizens pay for insurance. Departments are rated from 1 (Best) to 10 (No fire protection).**
 - **As of 2018, the ISO rating for McCloud is a 3 (in town) and X (in the surrounding sphere of influence).**
 - **We hope to keep the rating the same in town and increase to a Y in the areas outside of town that we respond to.**
- **We continue to work towards hiring the second of our trial period Paramedics. Casey Edwards has accepted an offer of employment and is working on the required background and physical process. We hope that she begins working on C-Shift on 11/14/2023.**
- **We are working with CA OES to submit all documents from CFAA (out of area wildfire) responses to the new online system. The hopes are that OES will pay much earlier than in the past.**
 - **All department personnel are back from out of area assignments.**
 - **No calls have been missed in town or the Z.I.B. due to members being deployed away from town since the program began.**

* ... Over spent expenditure

Claim/	Check	Invoice #/Inv Date/Description	Vendor #/Name/	Document #/	Disc \$	PO #	Fund	Org	Acct	Object	Proj	Cash
				Line #								Account
11990		10 BAXTER AUTO PARTS			4.82							
	Shop Supplies - Window Cleaner											
	1567423994	10/26/23 Window Cleaner		1.19		4080	1050		403000	530		101000
	1567423994	10/26/23 Window Cleaner		1.21		4080	1090		403000	530		101000
	1567423994	10/26/23 Window Cleaner		1.21		4080	2000		403000	530		101000
	1567423994	10/26/23 Window Cleaner		1.21		4080	3000		403000	530		101000
		Total for Vendor:		4.82								
		*** Claim from another period (10/23) ****										
11982		277 CROSS PETROLEUM			958.29							
	Library Heating Kerosene 43.5 @ 4.988											
	1499519-IN	10/26/23 Library Heat Kero 43.5 @ \$		232.75		1080	1080		403000	440		101000
	1499518-IN	10/26/23 ScoutHall Heat135.6 @4.98		580.43		1070	1070		403000	440		101000
	1499518-IN	10/26/23 ScoutHall Heat 135.6 @ 4.		145.11		1010	1010		403000	440		101000
		Total for Vendor:		958.29								
		*** Claim from another period (10/23) ****										
11977		42 DON R ERICKSON OIL			812.62							
	Dyed Diesel for District Equipment											
	195005	10/10/23 Dyed Diesel 158 @ \$4.79		203.14		1050	1050		403000	420		101000
	195005	10/10/23 Dyed Diesel 158 @ \$4.79		203.16		1090	1090		403000	420		101000
	195005	10/10/23 Dyed Diesel 158 @ \$4.79		203.16		2000	2000		403000	420		101000
	195005	10/10/23 Dyed Diesel 158 @ \$4.79		203.16		3000	3000		403000	420		101000
		Total for Vendor:		812.62								
		*** Claim from another period (10/23) ****										
11991		42 DON R ERICKSON OIL			453.65							
	Office dyed diesel											
	194877	10/25/23 office dyed diesel 90 @ \$4.69		113.42		1050	1050		403000	420		101000
	194877	10/25/23 office dyed diesel 90 @ \$4.69		113.41		1090	1090		403000	420		101000
	194877	10/25/23 office dyed diesel 90 @ \$4.69		113.41		2000	2000		403000	420		101000
	194877	10/25/23 office dyed diesel 90 @ \$4.69		113.41		3000	3000		403000	420		101000
		Total for Vendor:		1,266.27								
		*** Claim from another period (10/23) ****										
12002		1279 GARLAND TECH, INC.			718.75							
	Oct 2023 IT Services											
	005266	11/01/23 Oct 2023 IT Services		718.75		1010	1010		402000	396		101000
		Total for Vendor:		718.75								

* ... Over spent expenditure

Claim/	Check	Invoice #/Inv Date/Description	Vendor #/Name/	Document \$/ Line \$	Disc \$	PO #	Fund	Org	Acct	Object	Proj	Cash
11998		1074 Jerry Glynn		10.14	****							
		Reimburse IN-N-OUT Lunch incurred while taking garbage truck to Redding for repair		10.14	****							
				Total for Vendor:								
12006		1278 Lithia Motors, Inc Support		1,419.39	****							
		Ambulance Maintenance ('05 Cheve)										
		488742 10/04/23 Ambulance Maintenance		1,419.39*								
				Total for Vendor:								
11993		1007 MCCLOUD FIREMAN'S ASSOCIATION		356.36	****							
		1/2 of \$712.73T-Shirt Order from Custom Designs as per agreed.										
		1185-23 08/31/23 1/2 CstmDsgns T-shirt order		118.79								
		1185-23 08/31/23 1/2 CstmDsgns T-Shirt order		118.79*								
		1185-23 08/31/23 1/2 CstmDsgns t-Shirt order		118.78								
				Total for Vendor:								
				356.36	****							
11983		1302 MT SHASTA RADIOLOGY INC		46.00	****							
		Two views of Supervisor's Shoulder										
		113980 10/23/23 Two views EE Shoulder		46.00								
				Total for Vendor:								
				46.00								
11974		141 NAPA AUTO PARTS		165.41	****							
		Garbage Truck Hydro Fluid, Shop Grease & Window Cleaner										
		856712 10/20/23 Garbage Truck Hydro Fluid		51.59								
		856712 10/20/23 Shop Grease & Window Cleaner		28.46*								
		856712 10/20/23 Shop Grease & Window Cleaner		28.46								
		856712 10/20/23 Shop Grease & Window Cleaner		28.46								
		856712 10/20/23 Shop Grease & Window Cleaner		28.44								
				Total for Vendor:								
				165.41								
12011		126 PACIFIC POWER - 007 4 STREET		1,674.13								
		streetlights november bill										
		november 11/01/23 November Streetlights power		1,674.13								
				Total for Vendor:								
				1,674.13								

* ... Over spent expenditure

Claim/	Check	Invoice #	Vendor #/Name/ Tnv Date/Description	Document #/ Line \$	Disc \$	PO #	Fund	Org	Acct	Object	Proj	Cash Account
11992			1040 Petty Cash - MCSD Petty Cash Purchases for ME 10/31/23 McCloudMkt 09/28/23 Food Grade lube for live t McCloudMkt 10/24/23 Black Tape	14.33 4.95 9.38	****		1010 1010	403000 403000		415 415		101000 101000
			Total for Vendor:	14.33								
11980			399 POWERPLAN - OIB Backorder fill for Document 14853324: Repair Parts for John Deere 410G 14853343 10/18/23 Repair Parts for JD 410G 14853343 10/18/23 Repair Parts for JD 410G 14853343 10/18/23 Repair Parts for JD 410G 14853343 10/18/23 Repair Parts for JD 410G	204.38 51.10 51.10* 51.10 51.08	****	3977 3977 3977 3977	1050 1090 2000 3000	403000 403000 403000 403000		520 520 520 520		101000 101000 101000 101000
			Total for Vendor:	204.38								
11985			1038 SCOTT VALLEY RESPIRATORY HOME Balance owed on 7/23 purchase of Oxygen for M-17 AcctBalanc 07/06/23 E0441 02 Gas for Ambulance	20.00	****	3894	1040	403000		400	20	101000
			Total for Vendor:	20.00								
12001			1062 Sierra-Sacramento Valley EMS 142 e Patient Care Report Fees July 1,2022 through June 30,2023 2023-108 08/01/23 142 ePCR's 7/1/22-6-30-23	142.00 142.00	****	110602	1040	402000		392	20	101000
			Total for Vendor:	142.00								
12005			148 SISKIYOU COUNTY GENERAL SERVICES BBTS102023 11/02/23 Oct2023 Dump Fees	4,760.80	****		1090	405000		710		101000
			Total for Vendor:	4,760.80								
11989			150 SISKIYOU COUNTY TAX COLLECTOR 2023-2024 Property Charge (Description: Solid Waste -Land Fill - DIRECT CHARGE) 049112010 11/01/23 Fire Hall 049244030 11/01/23 MCSD Office 049244040 11/01/23 MCSD Shop 049161010 11/01/23 Scout Hall 028530080 11/01/23 Hoo Hoo Park	284.14 63.00 63.00 63.00 63.00 32.14	****		1040 1010 1010 1070 1070	405000 405000 405000 405000 405000		740 740 740 740 740		101000 101000 101000 101000 101000
			Total for Vendor:	284.14								

* ... Over spent expenditure

Claim/	Check	Invoice #/Inv Date/Description	Vendor #/Name/	Document #/	Disc \$	PO #	Fund Org Acct	Object	Proj	Cash
				Line \$						Account
11976		151 SISKIYOU FIRE EQUIPMENT Annual Fire Extinguisher Service-McCloud Fire Department 20952 10/10/23 Ann'l Fire Dept Exting'r Svc		261.00 261.00	**** ****	102423	1040 402000	392		101000
		Total for Vendor:		261.00						
11988		169 SOLANOS HOME IMPROVEMENT CNTR Electrical Parts for Building 324250 10/26/23 Electrical Parts for Bldg		186.23	****	4081	1010 403000	510		101000
11997		169 SOLANOS HOME IMPROVEMENT CNTR 4" x2" Handy Box, Flat Cover, Cap Connector 324439 10/30/23 Handy Box, Cover, Connector		11.73	****	3979	1010 403000	510		101000
12003		169 SOLANOS HOME IMPROVEMENT CNTR 5Pk 4" Jigsaw Blad, 2x4x8 cedar (Supplies for Water Fund) 265785 11/07/23 5Pk 4" Jigsaw Blad 2x4x8 cedar		34.46	****	4082	3000 403000	400		101000
		324889 11/07/23 Discount if Pd by 12/10/23		0.34		4082	3000 403000	400		101000
		324889 11/07/23 Hitch Ball		4.90		3981	1050 403000	520		101000
		324889 11/07/23 Hitch Ball		4.90*		3981	1090 403000	520		101000
		324889 11/07/23 Hitch Ball		4.90		3981	2000 403000	520		101000
		324889 11/07/23 Hitch Ball		4.88		3981	3000 403000	520		101000
		324889 11/07/23 Discount if Pd by 12/10/23		-0.20		3981	1050 403000	520		101000
		Total for Vendor:		252.14						
11978		156 STAPLES Office Supplies		293.99	****					
		354957023 10/12/23 Kleenex, Staples, Stapler		52.85			1010 403000	410		101000
		8071991652 10/18/23 Auto focus Webcam w/mic		36.38			1010 403000	410		101000
		8072010286 10/20/23 W2 Envelopes (50 pack)		17.51			1010 403000	410		101000
		8072044902 10/21/23 #9 Win Bus Envelope		187.25			1010 403000	410		101000
		Total for Vendor:		293.99						
12000		345 US BANK EQUIPMENT FINANCE Monthly Richo Coper Lease		729.84	****					
		513722280 10/21/23 Richo Copier 10/14/23-11/14		422.67			1010 403000	410		101000
		513722280 10/21/23 Sales&Use Tax 10/14/23		30.65			1010 403000	410		101000

* ... Over spent expenditure

Claim/	Check	Invoice #	Vendor #/Name/	Invoice Date/Description	Document \$/ Line \$	Disc \$	PO #	Fund	Org	Acct	Object	Proj	Cash Account
	513722280	10/21/23	8/14/23-9/14/23	Overage	152.74			1010	403000	410	410		101000
	513722280	10/21/23	Sales&Use Tax	08/14/23	11.07			1010	403000	410	410		101000
	513722280	10/21/23	9/14/23-10/14/23	Overage	105.09			1010	403000	410	410		101000
	513722280	10/21/23	Sales&Use Tax	9/14/23	7.62			1010	403000	410	410		101000
			Total for Vendor:		729.84								
12009			165 USDA FOREST SERVICE		899.31								
	bf051461ae012:	Annual (1/1/24-12/31/24)	Permits -	Special Use Water Line Use ,									
	and Sewage	Transmission Line	Special Uses										
	BF05146	11/01/23	Annual Spec Use Water Permit		745.11		0123	3000	405000	710	710		101000
	BF05146	11/01/23	Ann'l Swg Trns Line Permit		154.20*		0123	2000	405000	710	710		101000
			Total for Vendor:		899.31								
			*** Claim from another period (10/23) ****										
11999			1240 VALLEY PACIFIC PETROLEUM		1,972.59								
	Vehicle Fuel	10/16 thru	10/31/23										
	CL23693057	10/31/23	Fire WtTaho	10/25/23 154,3	133.50			1040	403000	430	430		101000
	CL23693057	10/31/23	Fire WtTaho	10/27/23 154,6	127.08			1040	403000	430	430		101000
	CL23693057	10/31/23	Fire WtTaho	10/20/23 153,5	79.23			1040	403000	430	430		101000
	CL23693057	10/31/23	Fire WtTaho	10/22/23 153,8	107.53			1040	403000	430	430		101000
	CL23693057	10/31/23	Fire WtTaho	10/23/23 153,7	41.33			1040	403000	430	430		101000
	CL23693057	10/31/23	F350	10/23/23 73,182mi 1/4	36.34			1050	403000	430	430		101000
	CL23693057	10/31/23	F350	10/23/23 73,182mi 1/4	36.34			1090	403000	430	430		101000
	CL23693057	10/31/23	F350	10/23/23 73,182mi 1/4	36.34			2000	403000	430	430		101000
	CL26393057	10/31/23	F350	10/23/23 73,182mi 1/4	36.34			3000	403000	430	430		101000
	CL23693057	10/31/23	SlvrFord	10/23/23 92,739 1	26.29			1050	403000	430	430		101000
	CL23693057	10/31/23	SlvrFord	10/23/23 92,739 1	26.29			1090	403000	430	430		101000
	CL23693057	10/31/23	SlvrFord	10/23/23 92,739 1	26.29			2000	403000	430	430		101000
	CL23693057	10/31/23	SlvrFord	10/23/23 92,739 1	26.27			3000	403000	430	430		101000
	CL23693057	10/25/23	Gas Can	10/25/23 10.72	18.18			1090	403000	430	430		101000
	CL23693057	10/31/23	SlvrFord	10/30/23 92,907 1	20.58			1050	403000	430	430		101000
	CL23693057	10/31/23	SlvrFord	10/30/23 92,907 1	20.58			1090	403000	430	430		101000
	CL23693057	10/31/23	SlvrFord	10/30/23 92,907 1	20.58			2000	403000	430	430		101000
	CL23693057	10/31/23	SlvrFord	10/30/23 92,907 1	20.56			3000	403000	430	430		101000
	CL23693057	10/31/23	Rear Loader	10/17/23 24,20	201.12			1090	403000	420	420		101000
	CL23693057	10/31/23	Rear Loader	10/31/23 24,34	53.71			1090	403000	420	420		101000
	CL23693057	10/31/23	Side Loader	10/16/23 29,47	189.53			1090	403000	420	420		101000
	CL23693057	10/31/23	Side Loader	10/24/23 29,62	206.32			1090	403000	420	420		101000

* ... Over spent expenditure

Claim/	Check	Invoice #/Inv Date/Description	Vendor #/Name/	Document \$/	Disc \$	PO #	Fund Org Acct	Object	Proj	Cash
				Line \$						Account
	CL23693057	10/31/23 Side Loader 10/31/23 29,71		107.22			1090 403000	420		101000
	CL23693057	10/20/23 Medic 17 10/20/23 37,408mi		84.03			1040 403000	420	20	101000
	CL23693057	10/31/23 Medic 17 10/28/23 37,475mi		27.40			1040 403000	420	20	101000
	CL23693057	10/31/23 Fire Eng 1715 10/29/23 23,		108.41			1040 403000	420		101000
	CL23693057	10/31/23 Fire Eng 1715 10/29/23		155.20			1040 403000	420		101000
		Total for Vendor:		1,972.59						
		*** Claim from another period (10/23) ****		95.92						
12007		1299 WESTERN BUYERS LLC								
	Bal Due-Flashlight Search; 9" Diamond Cutoff Discs									
	1116646 09/28/23 Bal. Due-Flashlight Search			5.95*		0122	1050 403000	400		101000
	1116646 09/28/23 Bal. Due-Flashlight Search			5.95		0122	1090 403000	400		101000
	1116646 09/28/23 Bal. Due-Flashlight Search			5.95		0122	2000 403000	400		101000
	1116646 09/28/23 Bal. Due-Flashlight Search			5.95		0122	3000 403000	400		101000
	1117759 10/16/23 9" Diamond Cut Off Discs			17.89*		0122	1050 403000	400		101000
	1117759 10/16/23 9" Diamond Cut Off Discs			17.91		0122	1090 403000	400		101000
	1117759 10/16/23 9" Diamond Cut Off Discs			17.91		0122	2000 403000	400		101000
	1117759 10/16/23 9" Diamond Cut Off Discs			17.91		0122	3000 403000	400		101000
	S319831 10/31/23 Svc Chg-Flash Light Search			0.50*		0122	1050 403000	400		101000
	Total for Vendor:			95.92						
	*** Claim from another period (9/23) ****			751.65						
12004		170 WITTMAN ENTERPRISES, LLC								
	Sep 2023 Billing Service for Ambulance									
	2309028 11/07/23 Sep 2023 Billing Service			751.65		110701	1040 402000	394	20	101000
	Total for Vendor:			751.65						
	# of Claims			27					# of Vendors	24
	Total:			17,301.65						

11/09/23
12:43:22

MCCLOUD COMMUNITY SERVICES DISTRICT
Claim Approval Signature Page
For the Accounting Period: 11 / 23

Page: 8 of 8
Report ID: AP100A

The foregoing claims are approved for payment in the manner provided by Resolution #3, dated November 8, 1965."

Prepared by: Keith Anderson
Reviewed by: _____

Claims Total: \$15,858.33 Paper Checks
Signature #2

Signature #4

Signature #3 _____

Signature #5 _____

October 17, 2023

McCloud Community Services District
Attn: Amos McAbier and Jennifer Brunello
220 W Minnesota Ave
McCloud, Calif. 96057

Enclosed is a revised draft copy of McCloud Community Services District's Annual Financial Report, proposed journal entries, and management representation letter for the year ended June 30, 2022. Please print the management representation letter onto the District's letterhead, have signed, and return to our office.

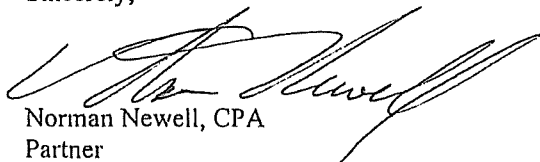
We have also enclosed a copy of the completed disclosure checklist that you can use to document your compliance with the requirements of SAS 115, which require that you review, approve, and accept responsibility for the financial statements and related notes.

We will date and run the report in final once we receive the following:

- Signed Management Representation Letter
- Signed Disclosure Checklist
- Management's Corrective Action Plan for the 2 comments:
 - Management's Response (concur or does not concur with finding)
 - Responsible Individual(s)
 - Corrective Action Plan
 - Anticipated Completion Date

Thanks for your help in completing the audit.

Sincerely,



Norman Newell, CPA
Partner

McCloud Community Services District

Audit Journal Entries

July 1, 2021 - June 30, 2022

15 7/15/22
MM

Ref.	Description	Client Account	Debit	Credit
Adjusting Journal Entries				
1	(To reconcile fund balance for CERBT contributions)	Fund # 1010		
	Restricted Cash	101140		367,267.88
	Difference	299999	261,267.88	
	General Government	-	106,000.00	
2	(To reclassify intergovernmental revenue)	Fund # 1041		
	Other Revenues	304110	674,963.54	
	Intergovernmental	New		674,963.54
3	(To reconcile net position)	Fund # 1090		
	Restricted Cash	101140		4,411.00
	Difference	299999	4,411.00	
4	(To record current year activity)	Fund # 1090		
	Deferred Outflow - pension	104000	419.27	
	Pension Liability	214000	69,933.02	
	Deferred Inflows - Pension	214001		27,371.42
	Salaries and Benefits	401100.230		42,980.87
5	(To record current year activity)	Fund # 1090		
	Deferred Outflows - OPEB	104000		13,149.91
	Net OPEB obligation	204000	89,328.54	
	Deferred Inflows - OPEB	204001	56,781.61	
	Salaries and Benefits	401100.230		132,960.24
6	(To reconcile net position)	Fund # 2000		
	Restricted Cash	101140		14,860.00
	Difference	299999	14,860.00	
7	(To record current year activity)	Fund # 2000		
	Deferred Outflow - pension	104000		15,919.28
	Pension Liability	214000	83,936.44	
	Deferred Inflows - Pension	214001		26,270.75
	Salaries and Benefits	401100.230		41,746.41
8	(To record current year activity)	Fund # 2000		
	Deferred Outflows - OPEB	104000		313.93
	Net OPEB obligation	204000	195,415.94	
	Deferred Inflows - OPEB	204001	103,429.86	
	Salaries and Benefits	401100.230		298,531.87
9	(To reconcile net position)	Fund # 3000		
	Restricted Cash	101140		52,241.00
	Difference	299999	52,241.00	
10	(To record current year activity)	Fund # 3000		
	Deferred Outflow - pension	104000		20,895.47
	Pension Liability	214000	107,222.05	
	Deferred Inflows - Pension	214001		44,735.70
	Salaries and Benefits	401100.230		41,590.88
11	(To record current year activity)	Fund # 3000		
	Deferred Outflows - OPEB	104000	1,638.53	
	Net OPEB obligation	204000	264,344.05	
	Deferred Inflows - OPEB	204001	144,411.47	
	Salaries and Benefits	401100.230		410,394.05

McCloud Community Services District

Audit Journal Entries

July 1, 2021 - June 30, 2022

AB 9/5/23
K

Ref.	Description	Fund #	Client Account	Debit	Credit
12	(To reclassify due to other funds) Due From Other Funds Due To Other Funds	7910	101301 201011	1,267.53	1,267.53
13	(To reclassify Intergovt revenues) Difference Intergovernmental	5007	5007.209000 New	253,053.50	253,053.50
14	(To reclassify debt proceeds) Loans Payable - L/T Debt Proceeds	5003	2003.201220 New	51,000.00	51,000.00
15	(To reclassify current portion) Loans Payable - L/T Loans Payable	Refuse	SN Only SN Only	55,905.21	55,905.21
16	(To reclassify current portion) Loans Payable - L/T Loans Payable	Sewer	SN Only SN Only	82,149.79	82,149.79
17	(To adjust cash deficit for FS presentation) DFOF - Cash Deficit Cash & Investments	1040	New 1040.101000	55,785.08	55,785.08
18	(To adjust cash deficit for FS presentation) Cash & Investments DFOF - Cash Deficit	5004	5004.101000 New	55,785.08	55,785.08
19	(To adjust balance to actual) Accumulated Depreciation Depreciation	1090	101599 407000.850	37,092.12	37,092.12
20	(To adjust balance to actual) Accumulated Depreciation Depreciation	2000	101599 407000.850	542,760.19	542,760.19
21	(To adjust balance to actual) Accumulated Depreciation Depreciation	3000	101599 407000.850	409,687.84	409,687.84
22	(To remove int payable from fund FS) Interest Payable Debt Service - Interest	5003	201270 404000.615	133.87	133.87
				<u>3,775,224.41</u>	<u>3,775,224.41</u>
			Report Totals	<u>3,775,224.41</u>	<u>3,775,224.41</u>

Journal Entry count = 22

Smith & Newell
Certified Public Accountants
950 Tharp Road, Suite 502
Yuba City, CA 95993

This representation letter is provided in connection with your audit of the financial statements of McCloud Community Services District (District), which comprise the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows for the year then ended, and the disclosures (collectively, the "financial statements"), for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of the date of this, letter the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
- 7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.
- 8) We are in agreement with the adjusting journal entries you have proposed, and they have been posted to the accounts.
- 9) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.

10) Guarantees, whether written or oral, under which the District is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

11) We have provided you with:

- a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records (including information obtained from outside of the general and subsidiary ledgers), documentation, and other matters and all audit or relevant monitoring reports, if any, received from funding sources.
- b) Additional information that you have requested from us for the purpose of the audit.
- c) Unrestricted access to persons within the District from whom you determined it necessary to obtain audit evidence.
- d) Minutes of the meetings of Board of Directors or summaries of actions of recent meetings for which minutes have not yet been prepared.

12) All material transactions have been recorded in the accounting records and are reflected in the financial statements.

13) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

14) We have no knowledge of any fraud or suspected fraud that affects the District and involves—

- Management,
- Employees who have significant roles in internal control, or
- Others where the fraud could have a material effect on the financial statements.

15) We have no knowledge of any allegations of fraud or suspected fraud affecting the District's financial statements communicated by employees, former employees, regulators, or others.

16) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or waste or abuse, whose effects should be considered when preparing financial statements.

17) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.

18) We have disclosed to you the names of the District's related parties and all the related party relationships and transactions, including any side agreements.

Government-specific

19) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.

20) We have a process to track the status of audit findings and recommendations.

21) We have identified to you any previous audits, attestation engagements, and other studies related to the objectives of the audit and whether related recommendations have been implemented.

22) We have identified to you any investigations or legal proceedings that have been initiated with respect to the period under audit.

- 23) We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.
- 24) The District has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.
- 25) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.
- 26) We have appropriately disclosed all information for conduit debt obligations in accordance with GASBS No. 91.
- 27) We have identified and disclosed to you all instances of identified and suspected fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we believe have a material effect on the financial statements.
- 28) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 29) As part of your audit, you assisted with preparation of the financial statements and disclosures. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and disclosures.
- 30) The District has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 31) The District has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 32) The financial statements include all component units, appropriately present majority equity interests in legally separate organizations and joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
- 33) The financial statements include all fiduciary activities required by GASBS No. 84, as amended.
- 34) The financial statements properly classify all funds and activities in accordance with GASBS No. 34, as amended.
- 35) All funds that meet the quantitative criteria in GASBS Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- 36) Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
- 37) Investments, derivative instrument transactions, and land and other real estate held by endowments are properly valued.
- 38) Provisions for uncollectible receivables have been properly identified and recorded.
- 39) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 40) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.

- 41) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 42) Deposits and investment securities and derivative instrument transactions are properly classified as to risk and are properly disclosed.
- 43) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated or amortized.
- 44) We have appropriately disclosed the District's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 45) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
- 46) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
- 47) With respect to the supplementary information as identified in the Table of Contents on which an in-relation-to opinion is issued (e.g., combining statements, individual fund statements).
 - a) We acknowledge our responsibility for presenting the supplementary information in accordance with accounting principles generally accepted in the United States of America, and we believe the supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the supplementary information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
 - b) If the supplementary information is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.

Signature: _____

Signature: _____

Title: _____

Title: _____

Date: _____

MCCLLOUD COMMUNITY SERVICES DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Taxes and assessments	\$ 78,000	\$ 78,000	\$ 92,138	\$ 14,138
Use of money	942	942	908	(34)
Intergovernmental	-	-	1,170	1,170
Other revenues	-	-	6,479	6,479
Total Revenues	<u>78,942</u>	<u>78,942</u>	<u>100,695</u>	<u>21,753</u>
EXPENDITURES				
General government	<u>820,987</u>	<u>821,987</u>	<u>458,397</u>	<u>363,590</u>
Total Expenditures	<u>820,987</u>	<u>821,987</u>	<u>458,397</u>	<u>363,590</u>
Excess of Revenues Over (Under Expenditures)	<u>(742,045)</u>	<u>(743,045)</u>	<u>(357,702)</u>	<u>385,343</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>820,987</u>	<u>821,987</u>	<u>340,047</u>	<u>(481,940)</u>
Total Other Financing Sources (Uses)	<u>820,987</u>	<u>821,987</u>	<u>340,047</u>	<u>(481,940)</u>
Net Change in Fund Balances	<u>78,942</u>	<u>78,942</u>	<u>(17,655)</u>	<u>(96,597)</u>
Fund Balances - Beginning	<u>467,701</u>	<u>467,701</u>	<u>467,701</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 546,643</u>	<u>\$ 546,643</u>	<u>\$ 450,046</u>	<u>\$ (96,597)</u>

The notes to the basic financial statements are an integral part of this statement.

MC CLOUD COMMUNITY SERVICES DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
Fire- Major Special Revenue Fund
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes and assessments	\$ 123,378	\$ 123,378	\$ 124,991	\$ 1,613
Use of money	1,041	1,041	987	(54)
Intergovernmental	-	63,357	674,964	611,607
Charges for services	50,000	85,000	93,497	8,497
Other revenues	79,300	765,464	81,277	(684,187)
Total Revenues	<u>253,719</u>	<u>1,038,240</u>	<u>975,716</u>	<u>(62,524)</u>
EXPENDITURES				
Public protection	127,271	676,450	676,151	299
Capital outlay	-	-	57,961	(57,961)
Total Expenditures	<u>127,271</u>	<u>676,450</u>	<u>734,112</u>	<u>(57,662)</u>
Excess of Revenues Over (Under Expenditures)	<u>126,448</u>	<u>361,790</u>	<u>241,604</u>	<u>(120,186)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	143,005	143,005
Transfers out	(106,728)	(106,858)	(187,212)	(80,354)
Total Other Financing Sources (Uses)	<u>(106,728)</u>	<u>(106,858)</u>	<u>(44,207)</u>	<u>62,651</u>
Net Change in Fund Balances	<u>19,720</u>	<u>254,932</u>	<u>197,397</u>	<u>57,535</u>
Fund Balances - Beginning	<u>506,317</u>	<u>506,317</u>	<u>506,317</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 526,037</u>	<u>\$ 761,249</u>	<u>\$ 703,714</u>	<u>\$ 57,535</u>

The notes to the basic financial statements are an integral part of this statement.

MCCLLOUD COMMUNITY SERVICES DISTRICT
Required Supplementary Information
Notes to Budgetary Comparison Schedules
For the Year Ended June 30, 2022

NOTE 1: BUDGETARY BASIS OF ACCOUNTING

Formal budgetary integration is employed as a management control device during the year. The District presents a comparison of annual budget to actual results for the General fund and major special revenue fund. The amounts reported on the budgetary basis are generally on a basis consistent with accounting principles generally accepted in the United States of America (GAAP).

The following procedures are performed by the District in establishing the budgetary data reflected in the financial statements:

- (1) The Board of Directors reviews the recommended budget at regularly scheduled meetings, which are open to the public. The Board also conducts a public hearing on the recommended budget to obtain comments from interested persons.
- (2) Prior to July 1, the budget is adopted through the passage of a resolution.
- (3) From the effective date of the budget, the amounts stated therein, as recommended expenditures become appropriations. The Board of Directors may amend the budget by motion during the fiscal year.

The District does not use encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation.

NOTE 2: EXPENDITURES IN EXCESS OF APPROPRIATIONS

For the fiscal year ended June 30, 2022, the District incurred expenditures in excess of appropriations as follows:

	<u>Appropriations</u>	<u>Expenditures</u>	<u>Excess of Expenditures Over Appropriations</u>
Fire	\$ 676,450	\$ 734,112	\$ 57,662

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Board of Directors
McCloud Community Services District
McCloud, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of McCloud Community Services District, McCloud, California (District), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated XXX, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control described in the accompanying schedule of findings and recommendations, that we consider to be significant deficiencies. (2022-001 and 2022-002)

To the Board of Directors
McCloud Community Services District
McCloud, California

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

District's Responses to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the District's responses to the findings identified in our audit and described in the accompanying management's corrective action plan. The District's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Smith & Newell CPAs
Yuba City, California
XXX, 2023

Use Only

MCCLLOUD COMMUNITY SERVICES DISTRICT
Schedule of Findings and Recommendations
For the Year Ended June 30, 2022

2022-001 Audit Adjustments (Significant Deficiency)

Criteria

Government auditing standards require independent auditors to evaluate all unadjusted misstatements of financial statements. Also, producing timely audited financial statements is more difficult when adjustments are not recorded prior to the start of the annual audit.

Condition

At the time of our audit, we noted that the financial statements as presented to us for audit contained misstatements in accounts receivable, capital assets, and related accumulated depreciation, salaries and benefits payable, revenues, and expenses that required adjustment.

Cause

The District had not reconciled and adjusted all accounts on the general ledger prior to audit fieldwork.

Effect

The financial statements as presented to us contained misstatements and required adjustments.

Questioned Cost

No questioned costs were identified as a result of our procedures.

Context

Not applicable.

Repeat Finding

This is a repeat of prior year finding 2021-001.

Recommendation

We recommend that the District reconcile all accounts so that required adjustments can be recorded prior to the start of the annual audit.

Views of Responsible Officials and Planned Corrective Action

Refer to separate Management's Corrective Action Plan for views of responsible officials and management's responses.

MCCLLOUD COMMUNITY SERVICES DISTRICT
Schedule of Findings and Recommendations
For the Year Ended June 30, 2022

2022-002 Budget (Significant Deficiency)

Criteria

General Accepted Accounting Principles require that an annual budget be prepared and amended as needed for the General and special revenue funds, and that expenditures not exceed the approved budget.

Condition

For the year ended June 30, 2022, we noted that the District incurred expenditures in excess of appropriations of \$57,662 in the Fire fund.

Cause

The District did not amend its budget for changes in the estimate of expenditures for the Fire fund during the fiscal year.

Effect

Expenditures exceeded appropriations by \$57,662 in the Fire fund.

Questioned Cost

No questioned costs were identified as a result of our procedures.

Context

Not applicable.

Repeat Finding

This is a repeat of prior year finding 2021-003.

Recommendation

We recommend that the District control and monitor expenditures so that they do not exceed the approved budget. If budget revisions are required, we recommend that the District take appropriate action to amend the budget.

Views of Responsible Officials and Planned Corrective Action

Refer to separate Management's Corrective Action Plan for views of responsible officials and management's responses.

MCCLLOUD COMMUNITY SERVICES DISTRICT
Schedule of Prior Year Findings and Recommendations
For the Year Ended June 30, 2022

<u>Audit Reference</u>	<u>Status of Prior Year Audit Recommendations</u>
2021-001	<p>Audit Adjustments</p> <p>Recommendation</p> <p>We recommend that the District reconcile all accounts so that required adjustments can be recorded prior to the start of the annual audit.</p> <p>Status</p> <p>Not Implemented</p>
2021-002	<p>Inter-Fund Balance</p> <p>Recommendation</p> <p>We recommend that the District adopt a policy governing inter-fund borrowings stating the reasons inter-fund loans can be made, the maximum length of time for repayment, and repayment terms that may include interest.</p> <p>Status</p> <p>Implemented</p>
2021-003	<p>Budget</p> <p>Recommendation</p> <p>We recommend that the District control and monitor expenditures so that they do not exceed the approved budget. If budget revisions are required, we recommend that the District take appropriate action to amend the budget.</p> <p>Status</p> <p>Not Implemented</p>

Draft Report
For Internal Use Only

MCLOUD COMMUNITY SERVICES DISTRICT
Management's Corrective Action Plan
For the Year Ended June 30, 2022

Finding 2022-001 Audit Adjustments (Significant Deficiency)

We recommend that the District reconcile all accounts so that required adjustments can be recorded prior to the start of the annual audit.

Management's Response:

Responsible Individual:

Corrective Action Plan:

Anticipated Completion Date:

Finding 2022-002 Budget (Significant Deficiency)

We recommend that the District control and monitor expenditures so that they do not exceed the approved budget. If budget revisions are required, we recommend that the District take appropriate action to amend the budget.

Management's Response:

Responsible Individual:

Corrective Action Plan:

Anticipated Completion Date:

Draft Report
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Use Only

MCCLLOUD COMMUNITY SERVICES DISTRICT
Management's Corrective Action Plan
For the Year Ended June 30, 2022

Finding 2022-001 Audit Adjustments (Significant Deficiency)

We recommend that the District reconcile all accounts so that required adjustments can be recorded prior to the start of the annual audit.

Management's Response:

Responsible Individual:

Corrective Action Plan:

Anticipated Completion Date:

Finding 2022-002 Budget (Significant Deficiency)

We recommend that the District control and monitor expenditures so that they do not exceed the approved budget. If budget revisions are required, we recommend that the District take appropriate action to amend the budget.

Management's Response: The District concurs with the finding.

Responsible Individual: Jennifer Brunello, Chief Financial Officer

Corrective Action Plan: The District will review the 2022-23 budget.

Anticipated Completion Date: June 30, 2023

McCloud Community Services District

Management's Corrective Action Plan

For Year Ended June 30, 2022

Significant Deficiency 1: Audit Adjustments.

Recommended that the District reconcile all accounts so that required adjustments can be recorded prior to the start of the annual audit.

Management's Response: Keith and I have been working diligently all year on doing this. We have been fixing many issues within the accounting software system. We plan to prepare all adjustments necessary prior to the Auditors coming to the office.

Responsible Individual: Jennifer Brunello, CFO

Corrective Action Plan: We have been reconciling all accounts. The plan is to prepare all the requested documents ready, record adjustments needed, and to have accounts reconciled prior to the 2022-23 Audit.

Anticipated Completion Date: TBA

Significant Deficiency 2: Budget

Recommended that the District control and monitor expenditures so that they do not exceed the approved budget. If budget revisions are required, it is recommended that the District take appropriate action to amend the budget. Appropriations: \$676,450 Expenditures: \$734,112 Excess of expenditures over appropriations: \$57,662.

Management's Response:

Responsible Individual: Jennifer Brunello, CFO

Corrective Action Plan: The District will carefully monitor the budget vs. actual numbers throughout the year to make sure that the expenditures do not exceed appropriations. The District will also enter the 2022-23 and following year's budget numbers into the accounting software program so that the budget amounts show on accounting reports next to the actual numbers for comparison.

Anticipated Completion Date: 2022-23 audit year.

CD Options				
Option	Amount	Interest Rate	Time to Maturity	Possible Growth
CD 1	\$ 100,499.87	5%	24 months	\$ 9,826.80
CD 2	\$ 100,499.87	4.50%	12 months	4431.84
CD 3	\$ 100,499.87	4.25%	6 months	2095.14
MM/LAIF	\$ 100,499.87	4%	none (1 yr.)	3948.12

CSDA COMMERCIAL CARD



Umpqua Bank is proud to be selected as the CSDA's Commercial Card Program provider. CSDA's specialized card program offers one powerful business tool to manage purchasing, travel, fleet and expense management – all in one card. It's also backed by Visa® and designed for your business, so you can securely manage your expenses and payables while giving your employees flexibility without sacrificing control.

Key features

Advanced online reporting tools

- Analyze company spend trends
- Manage payables and vendors
- Create spend reports to negotiate preferred pricing with suppliers
- Integrated online expense approval system
- Competitive rebate

Expense controls

- Greater security and control over employee spending through use of customized limits
- Controlled spend guidelines by card type, employee, purchase type or department level
- Fleet management, providing clear oversight of fuel and vehicle maintenance expenses
- Customized billing and payment options
- Select the statement cycle and due date that's right for your organization
- Choose central or individual billing preferences to suit your company's needs

Complimentary benefits

- Travel accident insurance
- Lost luggage reimbursement
- Auto rental collision damage waiver
- Worldwide emergency card replacement and emergency cash
- Visa® liability waiver program
- 24/7 customer support

Products and services are subject to program qualifications and, in some cases, credit approval. Fees may apply.

Key benefits

Streamline processes

- Streamline accounts payable and reduce administrative costs
- Manage card portfolio with online company administrator tool
- Integrate with third-party accounting and expense management software

Realize efficiencies

- Improve expense reporting with detailed reports, downloads and automated extracts
- Support accounting and reconciliation with enhanced data for cost allocation, regulatory reporting, budget reporting and reconciliation of cardholder activity

Gain cost savings

- Save on expenses by converting checks to card payments
- Control unauthorized spending by leveraging security features
- Negotiate discounts with preferred vendors

Become more productive and streamline your business processes with the CSDA Commercial Card from Umpqua Bank. For more information contact:

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916-774-3923

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VP/Commercial Card Consultant
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