



McCloud Community Services District

220 West Minnesota Avenue P.O. Box 640

McCloud, California 96057

Phone (530) 964-2017 Fax (530) 964-3175 e-mail mcsd@ci.mccloudcsd.ca.us

REGULAR MEETING OF THE BOARD OF DIRECTORS

SCOUT HALL - 405 E. COLOMBERO DRIVE

October 24, 2022 at 6:00 pm

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 10th, 2022.

4. Announcement of Events: The Halloween Pub Crawl is on Saturday, October 29th at 4:00 pm.

5. Communications:

6. Consent Agenda:

A. Approval of Expenses in the amount of \$25,296.45.

7. Old Business: None.

8. New Business:

A. Discussion/Possible Action regarding settlement of the \$12,206 that was borrowed from the Lights Fund that and is due to the General Fund.

B. Discussion/Possible Action on the acceptance of the 2021 Audit.

C. Discussion/Possible Action regarding the \$17,122 amount for employee health benefits.

D. Discussion/Possible Action regarding Upper to Lower Elk Creek Project Cash Flow.

E. Discussion/Possible Action regarding proposed change to Assistant Fire Chief status on the 2021-2023 Salary Schedule.

F. Discussion/possible action regarding the possibility of canceling the Board Meetings on November 28, 2022 and December 26, 2022 due to the holidays.

G. Discussion/possible action regarding Letter of Commitment for participation in upcoming Siskiyou County Hazard Mitigation Plan.

- 9. 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).

10. Adjourn.

MCSD 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 10, 2022 at 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. Three Directors (Richey, Young, Rorke) were present, R. Zanni and M. Hanson were absent. Also present were General Manager Amos McAbier, Fire Chief Charlie Miller, Finance Officer Mike Quinn and District Secretary Jennifer Brunello.

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, September 26, 2022.

C. Richey made a motion to approve the minutes of the regular meeting of September 26, 2022; seconded by C. Young. Motion passed with 2 ayes (Young, Richey), 1 abstain (Rorke), and 2 absent (Zanni and Hanson.)

4. Announcement of Events: *On October 31, 2022, the McCloud Recreation Council is playing a Halloween movie at the Scout Hall at 7:00 pm and at 5:00 pm there will be haunted gazebos at Hoo-Hoo Park.*

5. Communications: None.

6. Reports:

A. General Manager-*Amos McAbier reported*

B. Finance Officer-*Mike Quinn reported*

C. Fire Chief- *see Charlie Miller's written report.*

D. Directors-

E. Committees-

Finance and Audit reported.

Safety Committee has not met.

Fire Department Committee discussed.

Courthouse Committee discussed and next meeting will be October 27th at 4:00 pm.

Policy Review is having a meeting on October 12th at 3:00 pm.

Public Works is having its next meeting on October 19th at 4:00 pm.

7. Consent Agenda:

A. Approval of Expenses in the amount of \$11,436.82

C. Young made a motion to approve expenses in the amount of \$11,436.82; seconded by M. Rorke. Motion passed with 3 ayes (Young, Richey, Rorke) and 2 absent (Zanni and Hanson.)

8. Old Business:

A. Discussion/possible action regarding Courthouse property.

Courthouse Committee Meeting scheduled for October 27th, 2022 at 4:00 pm. No action taken; Tabled.

9. New Business:

A Discussion/possible action of possible future Annexation of 23 acres on Mill property adjacent to Hoo-Hoo Park intended for high density housing.

Discussed. Tabled. Needs to be brought to Public Works Committee meeting set for October 19th at 4:00 pm.

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 at 6:56 pm.

Catherine Young/President of the Board

Jennifer Brunello/Secretary of the Board

10/19/22
16:17:30

MCCLOUD COMMUNITY SERVICES DISTRICT
Claim Approval List
For the Accounting Period: 10/22

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Report ID: AP100V

* ... Over spent expenditure

Claim/	Check	Vendor #/Name/ Invoice #/Inv Date/Description	Document \$/ Line \$	Disc \$	PO #	Fund Org Acct	Object	Proj	Cash Account
		*** Claim from another period (9/22) ****							
11127		1229 Alisa Glenn	340.00						
	1st Qtr 2022/2023 (7-1-22 - 9-30-22)	FD Points							
	1st Qtr 09/30/22 22/23	FD Points	190.00*			1040 402000	380		101000
	1st Qtr 09/30/22 22/23	FD Points	150.00*			5004 402000	380		101000
		Total for Vendor:	340.00						
		*** Claim from another period (9/22) ****							
11108		1016 ALLSTAR Fire Equipment, Inc.	459.67						
	Wildland Fire Tools: (4) Rhino Tool and 1 Weather Meter								
	242723 09/21/22 (4)Rhino Tools, &Weather Meter		459.67*		0035	1041 403000	400		101000
		Total for Vendor:	459.67						
		*** Claim from another period (9/22) ****							
11132		1132 Bob Masciola	120.00						
	1st Qtr 2022/2023 (7-1-22 - 9-30-22)	FD Points							
	1st Qtr 09/30/22 22/23	FD Points	120.00*			1040 402000	380		101000
		Total for Vendor:	120.00						
		*** Claim from another period (9/22) ****							
11125		1185 Bruce French	780.00						
	1st Qtr 2022/2023 (7-1-22 - 9-30-22)	FD Points							
	1st Qtr 09/30/22 22/23	FD Points	740.00*			1040 402000	380		101000
	1st Qtr 09/03/02 22/23	FD Points	40.00*			5004 402000	380		101000
		Total for Vendor:	780.00						
11111		215 CALIFORNIA SPECIAL DISTRICTS	5,281.00						
	2023 CSDA Membership Renewal								
	2023MemRen 10/01/22 2023 Membrship Renewal-ID5		5,281.00*			1010 402000	370		101000
		Total for Vendor:	5,281.00						
		*** Claim from another period (9/22) ****							
11122		1228 Chandler, Kc	100.00						
	1st Qtr 2022/2023 (7-1-22 - 9-3-22)	FD Points							
	1st Qtr 09/30/22 22/23	FD Points	100.00*			5004 402000	380		101000
		Total for Vendor:	100.00						
		*** Claim from another period (9/22) ****							
11136		1135 Cindy Miller	560.00						
	1st Qtr 2022/2023 (7-1-22 - 9-30-22)	FD Points							
	1st Qtr 09/30/22 22/23	FD Points	410.00*			1040 402000	380		101000
	1st Qtr 09/30/22 22/23	FD Points	60.00*			1040 402000	380	20	101000

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Claim/	Check	Vendor #/Name/ Invoice #/Inv Date/Description	Document \$/ Line \$	Disc \$	PO #	Fund Org Acct	Object	Proj	Cash Account
	1st Qtr 09/30/22 22/23	FD Points	90.00*			5004 402000	380		101000
		Total for Vendor:	560.00						
		*** Claim from another period (9/22) ****							
11124	1140	Daniel Fay	700.00						
1st Qtr 2022/2023 (7-1-22 - 9-30-22)		FD Points							
	1st Qtr 09/30/22 22/23	FD Points	470.00*			1040 402000	380		101000
	1st Qtr 09/30/22 22/23	FD Points	110.00*			1040 402000	380	20	101000
	1st Qtr 09/30/22 22/23	FD Points	120.00*			5004 402000	380		101000
		Total for Vendor:	700.00						
		*** Claim from another period (9/22) ****							
11117	460	DEPT. OF JUSTICE	32.00						
Sept 2022		Fingerprint Apps							
	611650 10/05/22	Sept Fingerprint Apps	32.00*		3770	1010 402000	345		101000
		Total for Vendor:	32.00						
11119	42	DON R ERICKSON OIL	330.82						
		Furnace Oil for Office							
	188443 10/07/22	66 @ \$4.70 Office Heat	330.82*			1010 403000	420		101000
		Total for Vendor:	330.82						
		*** Claim from another period (9/22) ****							
11140	1170	Donna Sager	30.00						
1st Qtr 2022/2023 (7-1-22 - 9-30-22)		FD Points							
	1st Qtr 09/30/22 22/23	FD Points	30.00*			5004 402000	380		101000
		Total for Vendor:	30.00						
		*** Claim from another period (9/22) ****							
11115	71	FIRST BANKCARD - DIRECTORS 2	406.17						
September 2022		Directors 2 Card							
	C.S.D.A. 09/09/22	Board Sec'y Conference	550.00*		AMOS	1010 402000	350		101000
	PrintRunne 09/14/22	250 forms-Purchase Orders	116.87*		JENNIF	1010 403000	400		101000
	CaHoldings 09/20/22	Credit: Cancelled Wanted A	-692.00*		JENNIF	1010 402000	345		101000
	USPS 09/21/22	Stamped Window Box Envelopes	369.20*		JENNIF	1010 403000	411		101000
	USPS 10/03/22	Roll 1st Class Stamps	62.10*		JENNIF	1010 403000	411		101000
	FNBO 10/04/22	\$39 Waived Late Fee	0.00			1010 404000	710		101000
	FNBO 10/04/22	\$36.40 Waived Interest	0.00			1010 404000	710		101000
		Total for Vendor:	406.17						

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Claim/	Check	Vendor #/Name/ Invoice #/Inv Date/Description	Document \$/ Line \$	Disc \$	PO #	Fund Org Acct	Object	Proj	Cash Account
		*** Claim from another period (9/22) ****							
11114		70 FIRST BANKCARD - DISTRICT CARD	362.79						
September 2022		District Credit Card Activity							
		ENPLAN 09/07/22 IT Services	29.00*			1010 402000	396		101000
		Reginato's 09/07/22 Prj. Gas Exp-Upr to Lwr El	103.79*		3760	5005 403000	430		101000
		Microsoft 09/20/22 IT Services	230.00*			1010 402000	396		101000
		FrstBnkcrd 10/04/22 \$39 Late Fee Waived	0.00			1010 405000	710		101000
		FrstBnkcrd 10/04/22 \$22.73 Interest Waived	0.00			1010 405000	710		101000
		Total for Vendor:	362.79						
		*** Claim from another period (9/22) ****							
11116		69 FIRST BANKCARD - FIRE DEPT	3,811.12						
September 2022		(Fire Dept) Credit Card Activity							
		Amazon 09/08/22 6 Battery Protector Bundles	492.12*		3949	1040 403000	530		101000
		Lowe's 09/08/22 Vehicle Parts-Engine 1711	91.63*		3948	1040 403000	530		101000
		GALLS 09/08/22 Uniform (shirts) name tags	223.39*		9/7/22	1040 402000	360		101000
		Amazon 09/09/22 (3) Headlamps	69.58*		3950	1040 403000	400		101000
		Amazon 09/11/22 (3) Headlamp Batteries	27.87*		3950	1040 403000	400		101000
		Amazon 09/10/22 Oracal 651 & VViVid Vinyl	43.51*		3893	1040 403000	530		101000
		BoundTree 09/12/22 Medical Supplies	132.99*		3724	1040 403000	400	20	101000
		Solano's 09/14/22 Station 17 Building Material	147.26*		3941	1040 403000	510		101000
		Solano 09/14/22 Office remodel Supplies	86.39*		9/14/2	1040 403000	510		101000
		AlamedaCty 09/14/22 Chief Officer Class	500.00*		3946	1040 402000	350		101000
		Goodwill 09/15/22 Binders, Labels & Storage	27.04*		3929	1040 403000	410		101000
		Goodwill 09/15/22 Fire fighter Uniform Pants	9.44*		3939	1040 402000	360		101000
		Goodwill 09/15/22 Fire fighter Uniform Pants	14.74*		3942	1040 402000	360		101000
		Costco 09/15/22 Headlamps	77.96*		3943	1040 403000	400		101000
		Lowe's 09/15/22 Station 17 Bldg Repair Supply	35.94*		3931	1040 403000	510		101000
		Lowe's 09/15/22 Bags of Mulch for Station Hous	59.70*		3935	1040 403000	510		101000
		Army/Navy 09/15/22 PPE Bag, O2 Reg'r, Trama sh	146.65*		3938	1040 403000	400		101000
		HomeDepot 09/15/22 Station 17 Maintenance Supp	239.79*		3934	1040 403000	510		101000
		Amazon 09/20/22 PPE Flashlights for Turnouts	235.52*		3936	1040 403000	400		101000
		Amazon 09/22/22 Code Reader for M17	107.20*		3937	1040 403000	530	20	101000
		Amazon 09/23/22 Blood Glucose Monitors	167.04*		3933	1040 403000	400	20	101000
		Amazon 10/03/22 Milwaukee (Lithium) Batteries	67.56*		3927	1040 403000	400		101000
		BatteryUni 10/05/22 Thermo Imager Batteries	607.37*		10-3-2	1040 403000	400		101000
		Amazon 10/05/22 Carbon Monoxied Testing Gas	101.83*		3927	1040 403000	400		101000
		Lowe's 10/05/22 Supplies for office remodel	98.60*		10/05/	1040 403000	510		101000

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Claim/	Check	Vendor #/Name/ Invoice #/Inv Date/Description	Document \$/ Line \$	Disc \$	PO #	Fund Org Acct	Object	Proj	Cash Account
		First 10/04/22 \$39 Late Fee Waived	0.00*			1040 405000	710		101000
		First 10/04/22 \$148.51 Interest Chg Waived	0.00*			1040 405000	710		101000
		Total for Vendor:	3,811.12						
		*** Claim from another period (9/22) ****							
11128		1254 Glenn, Carolyn	10.00						
		1st Qtr 2022/2023 (7-1-22 - 9-30-22) FD Points							
		1st Qtr 09/30/22 20/23 FD Points	10.00*			5004 402000	380		101000
		Total for Vendor:	10.00						
		*** Claim from another period (9/22) ****							
11129		1246 Glenn, Martin	150.00						
		1st Qtr 2022/2023 (7-1-22 - 9-30-22) FD Points							
		1st Qtr 09/30/22 22/23 FD Points	90.00*			1040 402000	380		101000
		1st Qtr 09/30/22 22/23 FD Points	60.00*			5004 402000	380		101000
		Total for Vendor:	150.00						
		*** Claim from another period (9/22) ****							
11141		1232 Imani Thompson	60.00						
		1st Qtr 2022/2023 (7-1-22 - 9-30-22) FD Points							
		1st Qtr 09/30/22 22/23 FD Points	30.00*			1040 402000	380		101000
		1st Qtr 09/30/22 22/23 FD Points	30.00*			5004 402000	380		101000
		Total for Vendor:	60.00						
		*** Claim from another period (9/22) ****							
11131		1215 James Lewis	190.00						
		1st Qtr 2022/2023 (7-1-22 - 9-30-22) FD Points							
		1st Qtr 09/30/22 22/23 FD Points	150.00*			1040 402000	380		101000
		1st Qtr 09/30/22 22/23 FD Points	40.00*			5004 402000	380		101000
		Total for Vendor:	190.00						
		*** Claim from another period (9/22) ****							
11130		1121 Jessie Gray	170.00						
		1st Qtr 2022/2023 (7-1-22 - 9-30-22) FD Points							
		1st Qtr 09/30/22 22/23 FD Points	70.00*			1040 402000	380		101000
		1st Qtr 09/30/22 22/23 FD Points	100.00*			5004 402000	380		101000
		Total for Vendor:	170.00						
		*** Claim from another period (9/22) ****							
11135		1202 Jettus Memmer	540.00						
		1st Qtr 2022/2023 (7-1-22 - 9-30-22) FD Points							
		1st Qtr 09/30/22 22/23 FD Points	490.00*			1040 402000	380		101000
		1st Qtr 09/30/22 22/23 FD Points	50.00*			5004 402000	380		101000
		Total for Vendor:	540.00						

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MCCLOUD COMMUNITY SERVICES DISTRICT
Claim Approval List
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* ... Over spent expenditure

Claim/	Check	Vendor #/Name/ Invoice #/Inv Date/Description	Document \$/ Line \$	Disc \$	PO #	Fund Org Acct	Object	Proj	Cash Account
11112		141 NAPA AUTO PARTS	67.40						
30	Shop Towels								
	840207	10/18/22 30 Shop Towels	67.40*		0047	1010 403000	400		101000
		Total for Vendor:	67.40						
		*** Claim from another period (9/22) ****							
11126		1159 Nate Girard	40.00						
1st Qtr	2022/2023	(7-1-22 - 9/30/22) FD Points							
	1st Qtr	09/30/22 22/23 FD Points	30.00*			1040 402000	380		101000
	1st Qtr	09/30/22 22/23 FD Points	10.00*			5004 402000	380		101000
		Total for Vendor:	40.00						
		*** Claim from another period (9/22) ****							
11133		1203 Nathan Masciola	530.00						
1st Qtr	2022/2023	(7-1-22 - 9-30-22) FD Points							
	1st Qtr	09/30/22 22/23 FD Points	400.00*			1040 402000	380		101000
	1st Qtr	09/30/22 22/23 FD Points	130.00*			5004 402000	380		101000
		Total for Vendor:	530.00						
		*** Claim from another period (9/22) ****							
11105		126 PACIFIC POWER - 007 4 STREET	1,486.79						
Sep 2022	Street Light Power								
	Sep2022	10/03/22 Street Light Power	1,486.79*			1060 403000	450		101000
		Total for Vendor:	1,486.79						
		*** Claim from another period (9/22) ****							
11107		399 POWERPLAN - OIB	597.94						
Field	Repair-Slow	Backhoe Functions (John Deere 410G)							
	2942425	09/30/22 Repair slow Backhoe Functions	144.72*		0039	1050 403000	520		101000
	2942425	09/30/22 Repair Slow Backhoe Functions	144.72*		0039	1090 403000	520		101000
	2942425	09/30/22 Repair Slow Backhoe Fundtions	144.72*		0039	2000 403000	520		101000
	2942425	09/30/22 Repair Slow Backhoe Functions	144.73*		0039	3000 403000	520		101000
	13991623	10/13/22 (3) T23P Pin for Backhoe	4.76*			1050 403000	520		101000
	13991623	10/13/22 (3) T23P Pin for Backhoe	4.76*			1090 403000	520		101000
	13991623	10/13/22 (3) T23P Pin for Backhoe	4.76*			2000 403000	520		101000
	13991623	10/13/22 (3) T23P Pin for Backhoe	4.77*			3000 403000	520		101000
		Total for Vendor:	597.94						

* ... Over spent expenditure

Claim/	Check	Vendor #/Name/ Invoice #/Inv Date/Description	Document \$/ Line \$	Disc \$	PO #	Fund Org Acct	Object	Proj	Cash Account
		*** Claim from another period (9/22) ****							
11143		1161 Trent Vogus	670.80						
	1st Qtr 2022/2023 (7-1-22 - 9/30/22)	FD Points							
	1st Qtr 09/30/22 22/23 (2)	Duty Shifts	67.90*			1040 402000	380		101000
	1st Qtr 09/30/22 22/23	FD Points	210.00*			1040 402000	380		101000
	1st Qtr 09/30/22 22/23	FD Points	100.00*			5004 402000	380		101000
	1st Qtr 09/30/22	Assistant Fire Chief	292.90*			1040 402000	380		101000
		Total for Vendor:	670.80						
		*** Claim from another period (9/22) ****							
11139		1177 ULLIANA ROSEBERRY	60.00						
	1st Qtr 2022/2023 (7-1-22 - 9-30-22)	FD Points							
	1st Qtr 09/30/22 22/23	FD Points	60.00*			1040 402000	380		101000
		Total for Vendor:	60.00						
		*** Claim from another period (9/22) ****							
11080		1240 VALLEY PACIFIC PETROLEUM	1,706.26						
	Vehicle Fuels 9/15/22 - 9/30/22	REISSUED TO REPLACE RETURNED CHECK 2099 Dated 10/10/22							
	CL22543339 09/30/22	Fire DgRam U17 9/16/22 113	98.60*			1040 403000	430		101000
	CL22543339 09/30/22	Fire WTaho 9/24/22 142,707	82.82*			1040 403000	430		101000
	CL22543339 09/30/22	Fire Eng 1700 9/18/22 130,	76.94*			1040 403000	430		101000
	CL22543339 09/30/22	Slvr Svc Trk 9/19/22 84,62	25.73*			1050 403000	430		101000
	CL22543339 09/30/22	Slvr Svc Trk 9/19/22 84,62	25.73*			1090 403000	430		101000
	CL22543339 09/30/22	Slvr Svc Trk 9/19/22 84,62	25.73*			2000 403000	430		101000
	CL22543339 09/30/22	Slvr Svc Trk 9/19/22 84,62	25.73*			3000 403000	430		101000
	CL22543339 09/30/22	F350 Svc Trk 9/21/22 69,94	41.32*			1050 403000	430		101000
	CL22543339 09/30/22	F350 Svc Trk 9/21/22 69,94	41.32*			1090 403000	430		101000
	CL22543339 09/30/22	F350 Svc Trk 9/21/22 69,94	41.32*			2000 403000	430		101000
	CL22543339 09/30/22	F350 Svc Trk 9/21/22 69,94	41.31*			3000 403000	430		101000
	CL22543339 09/30/22	Park Trk 9/23/22 147,967mi	116.20*			1070 403000	430		101000
	CL22543339 09/30/22	Rear Loader 9/20/22 20,129	226.51*			1090 403000	420		101000
	CL22543339 09/30/22	Rear Loader 9/27/22 20,254	154.73*			1090 403000	420		101000
	CL22543339 09/30/22	Side Loader 9/21/22 24,236	164.13*			1090 403000	420		101000
	CL22543339 09/30/22	Side Loader 9/26/22 24,536	215.80*			1090 403000	420		101000
	CL22543339 09/30/22	Fire DgRam U17 9/30/22 114	46.51*			1040 403000	420		101000
	CL22543339 09/30/22	Fire Medic 17 9/24/22 32,0	42.49*			1040 403000	430	20	101000
	CL22543339 09/30/22	Fire Eng 1711 9/23/22 9,60	155.03*			1040 403000	420		101000
	CL22543339 09/30/22	Fire Eng 1740 9/29/22 10,3	58.31*			1040 403000	420		101000

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For the Accounting Period: 10/22

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Report ID: AP100V

* ... Over spent expenditure

Claim/	Check	Vendor #/Name/ Invoice #/Inv Date/Description	Document \$/ Line \$	Disc \$	PO #	Fund Org Acct	Object	Proj	Cash Account
11109		1240 VALLEY PACIFIC PETROLEUM	1,129.64						
		Vehicle Fuel 10/1-10/15/22							
		CL22554637 10/15/22 Fire Eng 1717 10/2/22 41,7	55.62*			1040	403000	420	101000
		CL22554637 10/15/22 Fire WTaho 10/2/22 142,802	66.98*			1040	403000	430	101000
		CL22554637 10/15/22 Fire WTaho 10/13/22 142,97	70.02*			1040	403000	430	101000
		CL22554637 10/15/22 Fire RdTaho 10/13/22 13116	29.54*			1040	403000	430	101000
		CL22554637 10/15/22 Svc Trk 10/4/22 70,139mi 1	44.65*			1050	403000	430	101000
		CL22554637 10/15/22 Svc Trk 10/4/22 70,139mi 1	44.65*			1090	403000	430	101000
		CL22554637 10/15/22 Svc Trk 10/4/22 70,139mi 1	44.65*			2000	403000	430	101000
		CL22554637 10/15/22 Svc Trk 10/4/22 70,139mi 1	44.65*			3000	403000	430	101000
		CL22554637 10/15/22 Slvr Svc Trk 10/13/22 84,8	24.79*			1050	403000	430	101000
		CL22554637 10/15/22 Slvr Svc Trk 10/13/22 84,8	24.79*			1090	403000	430	101000
		CL22554637 10/15/22 Slvr Svc Trk 10/13/22 84,8	24.79*			2000	403000	430	101000
		CL22554637 10/15/22 Slvr Svc Trk 10/13/22 84,8	24.79*			3000	403000	430	101000
		CL22554637 10/15/22 Rear Loader 10/11/22 20,38	198.07*			1090	403000	420	101000
		CL22554637 10/15/22 Side Loader 10/10/22 24,70	256.26*			1090	403000	420	101000
		CL22554637 10/15/22 Fire DgRam U17 10/7/22 147	68.54*			1040	403000	430	101000
		CL22554637 10/15/22 Fire Medic 17 10/10/22 32,	80.56*			1040	403000	420	20 101000
		CL22554637 10/15/22 Fire Eng 1715 10/13/22 11,	26.29*			1040	403000	420	101000
		Total for Vendor:	2,835.90						
		*** Claim from another period (9/22) ****							
11113		255 VERIZON WIRELESS - MCSD	417.88						
		Sep Cell Phone Services							
		9917172250 10/01/22 Sep Cell Phone Services	219.30*			1010	402000	320	101000
		9917172250 10/01/22 PWS, ON CALL, GM PHONE	99.27*			1010	402000	320	101000
		9917172255 10/01/22 Fire Chief Phone	33.09*			1040	402000	320	101000
		9917172255 10/01/22 Ambulance Phone	66.22*			1040	402000	320	20 101000
		Total for Vendor:	417.88						
11106		116 VYVE - FIRE	141.25						
		Sept. 2022 Phone & Internet Services							
		Oct2022 10/03/22 Phone & Internet Service	141.25*			1040	402000	320	101000
		Total for Vendor:	141.25						

10/19/22
16:17:30

MCCLOUD COMMUNITY SERVICES DISTRICT
Claim Approval List
For the Accounting Period: 10/22

Page: 10 of 12
Report ID: AP100V

* ... Over spent expenditure

Claim/	Check	Vendor #/Name/ Invoice #/Inv Date/Description	Document \$/ Line \$	Disc \$	PO #	Fund Org Acct	Object	Proj	Cash Account
*** Claim from another period (9/22) ****									
11144		1126 WORTHINGTON, MICHAEL		63.95					
1st Qtr	2022/2023	(7-1-22 - 9-30-22) FD Points							
	1st Qtr	09/30/22 22/23 FD Duty Shift	33.95*			1040 402000	380		101000
	1st Qtr	09/30/22 22/23 FD Points	10.00*			1040 402000	380		101000
	1st Qtr	09/30/22 22/23 FD Points	20.00*			5004 402000	380		101000
Total for Vendor:			63.95						
# of Claims			43	Total:	25,296.45	# of Vendors	42		

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MCCLOUD COMMUNITY SERVICES DISTRICT
Fund Summary for Claims
For the Accounting Period: 10/22

Page: 11 of 12
Report ID: AP110

Fund/Account	Amount
1010 GENERAL	
101000 Operating Cash	\$6,846.13
1040 FIRE	
101000 Operating Cash	\$10,420.48
1041 FIRE - FSLA	
101000 Operating Cash	\$459.67
1050 ALLEYS	
101000 Operating Cash	\$599.17
1060 LIGHTS	
101000 Operating Cash	\$1,486.79
1070 PARKS	
101000 Operating Cash	\$116.20
1090 REFUSE	
101000 Operating Cash	\$2,183.57
2000 SEWER	
101000 Operating Cash	\$778.99
3000 WATER	
101000 Operating Cash	\$651.66
5004 Safer Grant	
101000 Operating Cash	\$1,650.00
5005 Upper to Lower Elk Springs Project	
101000 Operating Cash	\$103.79
Total:	\$25,296.45

10/19/22
16:17:31

MCCLLOUD COMMUNITY SERVICES DISTRICT
Claim Approval Signature Page
For the Accounting Period: 10 / 22

Page: 12 of 12
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: _____

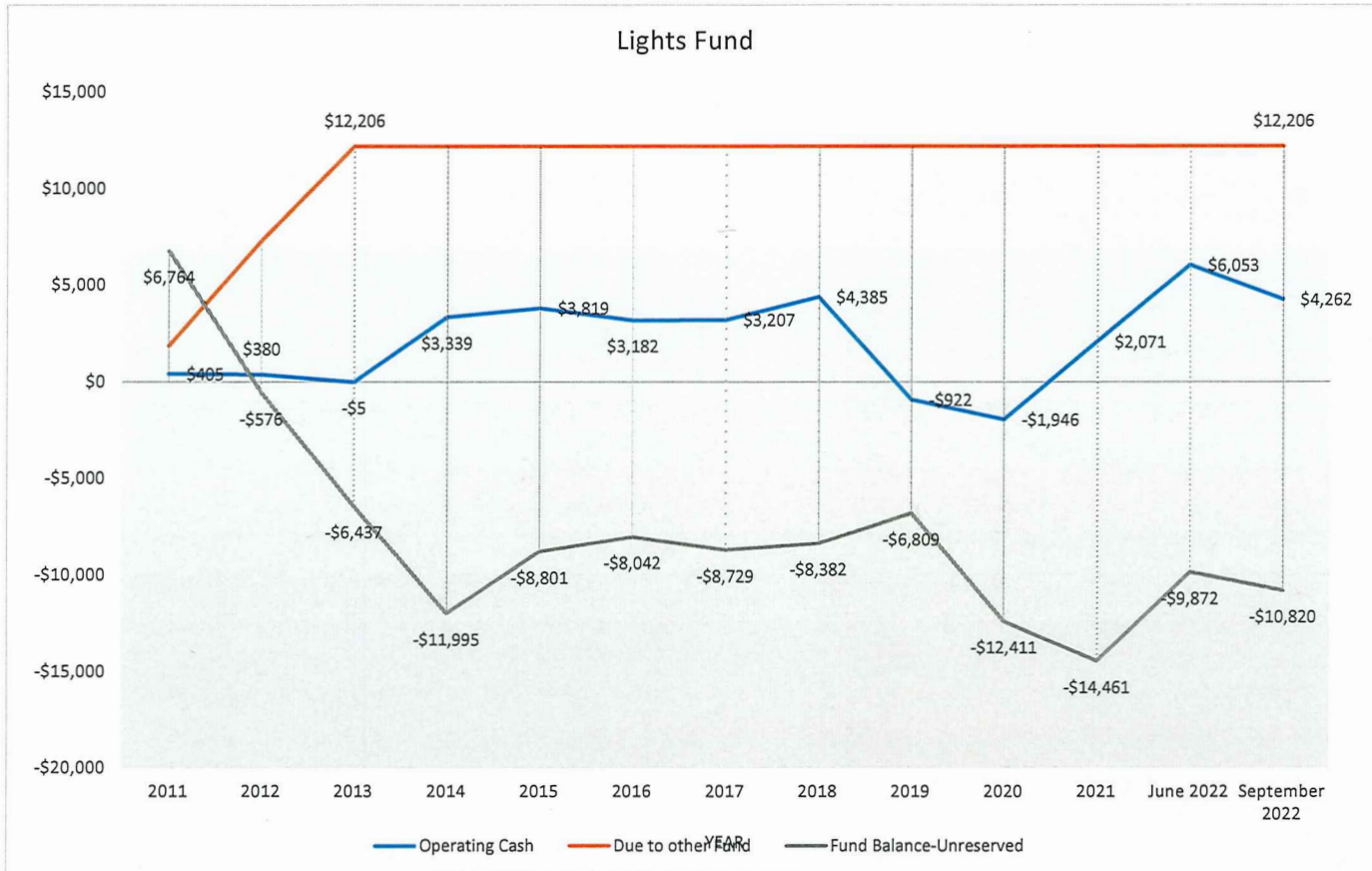
Claims Total: \$25,296.45
Signature #2 _____

Signature #4

Signature #3

Signature #5

Agenda Item 8 A



Lights Fund Accounting Period	Current Assets		Current Liabilities
	Operating Cash	Due to other Fund	Fund Balance-Unreserved
2011	\$405	\$1,853	\$6,764
2012	\$380	\$7,322	-\$576
2013	-\$5	\$12,206	-\$6,437
2014	\$3,339	\$12,206	-\$11,995
2015	\$3,819	\$12,206	-\$8,801
2016	\$3,182	\$12,206	-\$8,042
2017	\$3,207	\$12,206	-\$8,729
2018	\$4,385	\$12,206	-\$8,382
2019	-\$922	\$12,206	-\$6,809
2020	-\$1,946	\$12,206	-\$12,411
2021	\$2,071	\$12,206	-\$14,461
June 2022	\$6,053	\$12,206	-\$9,872
September 2022	\$4,262	\$12,206	-\$10,820

**MCCLLOUD COMMUNITY SERVICES
DISTRICT,
CALIFORNIA**

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**FINANCIAL STATEMENTS
TOGETHER WITH
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED
JUNE 30, 2021**

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MCLOUD COMMUNITY SERVICES DISTRICT
Annual Financial Report
For the Year Ended June 30, 2021

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MC CLOUD COMMUNITY SERVICES DISTRICT
Annual Financial Report
For the Year Ended June 30, 2021

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INTRODUCTORY SECTION

- **List of Officials**

MCLOUD COMMUNITY SERVICES DISTRICT

List of Officials

For the Year Ended June 30, 2021

Board of Directors

Catherine Young	President
Michael “Mick” Hanson	Vice President
Christine Richey	Director
Michael Rorke	Director
Raymond Zanni	Director

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FINANCIAL SECTION

- **Independent Auditor's Report**
- **Management's Discussion and Analysis**
- **Basic Financial Statements**
- **Required Supplementary Information**
- **Combining Nonmajor Fund Financial Statements**

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of McCloud Community Services District, California (District), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of McCloud Community Services District, California as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the District Pension Plan information, District OPEB Plan information and budgetary comparison information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section and combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated XXX, 2022, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the District's internal control over financial reporting and compliance.

Smith & Newell CPAs
Yuba City, California
XXX, 2022

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Basic Financial Statements

- **Government-Wide Financial Statements**

MCCLLOUD COMMUNITY SERVICES DISTRICT
Statement of Net Position
June 30, 2021

	Governmental Activities	Business-Type Activities	Totals
ASSETS			
Cash and investments	\$ 1,306,358	\$ 2,008,023	\$ 3,314,381
Receivables:			
Accounts	16,891	170,252	187,143
Taxes	39,712	-	39,712
Prepaid costs	3,804	322	4,126
Inventory	-	57,321	57,321
Capital assets:			
Non-depreciable	183,822	8,350	192,172
Depreciable, net	426,012	12,798,612	13,224,624
Total capital assets	<u>609,834</u>	<u>12,806,962</u>	<u>13,416,796</u>
Total Assets	<u>1,976,599</u>	<u>15,042,880</u>	<u>17,019,479</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred pension adjustments	61,201	97,193	158,394
Deferred OPEB adjustments	373	839	1,212
Total Deferred Outflows of Resources	<u>61,574</u>	<u>98,032</u>	<u>159,606</u>
LIABILITIES			
Accounts payable	35,375	14,625	50,000
Salaries and benefits payable	6,633	10,594	17,227
Interest payable	-	7,216	7,216
Unearned revenue	-	22,780	22,780
Long-term liabilities:			
Due within one year	15,604	120,881	136,485
Due in more than one year	9,104	810,523	819,627
Net pension liability	249,506	396,239	645,745
Net OPEB liability	439,859	990,763	1,430,622
Total Liabilities	<u>756,081</u>	<u>2,373,621</u>	<u>3,129,702</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred pension adjustments	22,573	35,848	58,421
Deferred OPEB adjustments	193,053	434,844	627,897
Total Deferred Inflows of Resources	<u>215,626</u>	<u>470,692</u>	<u>686,318</u>

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

Continued (Page 1 of 2)

MC CLOUD COMMUNITY SERVICES DISTRICT
Statement of Net Position
June 30, 2021

NET POSITION	Governmental Activities	Business-Type Activities	Totals
Net investment in capital assets	609,834	11,875,558	12,485,392
Restricted for:			
Public safety	506,317	-	506,317
Public works	202,392	-	202,392
Culture and recreation	144,047	-	144,047
Education	12,357	-	12,357
Unrestricted	(408,481)	421,041	12,560
Total Net Position	\$ 1,066,466	\$ 12,296,599	\$ 13,363,065

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

Continued (Page 2 of 2)

MCCLLOUD COMMUNITY SERVICES DISTRICT
Statement of Activities
For the Year Ended June 30, 2021

<u>Functions/Programs:</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Governmental activities:				
General government	\$ 497,336	\$ -	\$ -	\$ -
Public safety	246,600	74,507	15,000	-
Public works	41,165	40,730	-	-
Culture and recreation	7,820	41,692	-	-
Education	22,823	-	-	-
Total Governmental Activities	815,744	156,929	15,000	-
Business-type activities:				
Water	307,666	595,149	-	-
Sewer	453,570	499,838	-	-
Refuse	206,551	388,359	-	-
Total Business-Type Activities	967,787	1,483,346	-	-
Total	\$ 1,783,531	\$ 1,640,275	\$ 15,000	\$ -

General Revenues:

- Taxes:
 - Property taxes
 - Grants and contributions - unrestricted
 - Interest and investment earnings
 - Miscellaneous
- Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position - Beginning

Net Position - Ending

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

**Net (Expense) Revenue and
Changes in Net Position**

Governmental Activities	Business- Type Activities	Totals
\$ (497,336)	\$ -	\$ (497,336)
(157,093)	-	(157,093)
(435)	-	(435)
33,872	-	33,872
(22,823)	-	(22,823)
<u>(643,815)</u>	<u>-</u>	<u>(643,815)</u>
-	287,483	287,483
-	46,268	46,268
-	181,808	181,808
<u>-</u>	<u>515,559</u>	<u>515,559</u>
<u>(643,815)</u>	<u>515,559</u>	<u>(128,256)</u>
199,297	-	199,297
1,231	-	1,231
6,142	8,417	14,559
98,744	1,722	100,466
259,018	(259,018)	-
<u>564,432</u>	<u>(248,879)</u>	<u>315,553</u>
(79,383)	266,680	187,297
<u>1,145,849</u>	<u>12,029,919</u>	<u>13,175,768</u>
<u>\$ 1,066,466</u>	<u>\$ 12,296,599</u>	<u>\$ 13,363,065</u>

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Basic Financial Statements

- **Fund Financial Statements**

MCLOUD COMMUNITY SERVICES DISTRICT
Balance Sheet
Governmental Funds
June 30, 2021

	General Fund	Fire Fund	Other Governmental Funds	Totals
ASSETS				
Cash and investments	\$ 474,632	\$ 485,214	\$ 346,512	\$ 1,306,358
Receivables:				
Accounts	-	8,926	7,965	16,891
Taxes	3,712	24,515	11,485	39,712
Due from other funds	13,474	-	-	13,474
Prepaid costs	2,690	1,114	-	3,804
Total Assets	\$ 494,508	\$ 519,769	\$ 365,962	\$ 1,380,239
LIABILITIES				
Accounts payable	\$ 24,526	\$ 9,167	\$ 1,682	\$ 35,375
Salaries and benefits payable	807	4,285	1,541	6,633
Due to other funds	-	-	13,474	13,474
Total Liabilities	25,333	13,452	16,697	55,482
FUND BALANCES				
Nonspendable	2,690	1,114	-	3,804
Restricted	-	505,203	358,796	863,999
Unassigned	466,485	-	(9,531)	456,954
Total Fund Balances	469,175	506,317	349,265	1,324,757
Total Liabilities and Fund Balances	\$ 494,508	\$ 519,769	\$ 365,962	\$ 1,380,239

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

MC CLOUD COMMUNITY SERVICES DISTRICT
Reconciliation of the Governmental Funds Balance
Sheet to the Government-Wide Statement of
Net Position - Governmental Activities
June 30, 2021

Total Fund Balances - Total Governmental Funds	\$ 1,324,757
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds balance sheet.	609,834
Deferred outflows of resources related to pension and OPEB are not reported in the governmental funds.	61,574
Deferred inflows of resources related to pension and OPEB are not reported in the governmental funds.	(215,626)
Certain liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.	
Compensated absences	(24,708)
Net pension liability	(249,506)
Net OPEB liability	(439,859)
Net Position of Governmental Activities	<u><u>\$ 1,066,466</u></u>

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

MC CLOUD COMMUNITY SERVICES DISTRICT
Statement of Revenues, Expenditures and
Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2021

	General Fund	Fire	Other Governmental Funds	Totals
REVENUES				
Taxes and assessments	\$ 82,707	\$ 110,569	\$ 47,713	\$ 240,989
Use of money	1,783	1,970	2,389	6,142
Intergovernmental	1,231	15,000	-	16,231
Charges for services	-	52,709	62,528	115,237
Other revenues	4,699	135,725	(41,680)	98,744
Total Revenues	90,420	315,973	70,950	477,343
EXPENDITURES				
General government	449,452	-	1,913	451,365
Public protection	-	246,849	-	246,849
Public ways and facilities	-	-	41,195	41,195
Education	-	-	7,904	7,904
Culture and recreation	-	-	22,845	22,845
Capital outlay	15,200	7,400	43,287	65,887
Total Expenditures	464,652	254,249	117,144	836,045
Excess of Revenues Over (Under) Expenditures	(374,232)	61,724	(46,194)	(358,702)
OTHER FINANCING SOURCES (USES)				
Transfers in	350,672	-	785	351,457
Transfers out	-	(43,015)	(49,424)	(92,439)
Total Other Financing Sources (Uses)	350,672	(43,015)	(48,639)	259,018
Net Change in Fund Balances	(23,560)	18,709	(94,833)	(99,684)
Fund Balances - Beginning	492,735	487,608	444,098	1,424,441
Fund Balances - Ending	\$ 469,175	\$ 506,317	\$ 349,265	\$ 1,324,757

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

MCLOUD COMMUNITY SERVICES DISTRICT
Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds to the
Government-Wide Statement of Activities - Governmental Activities
For the Year Ended June 30, 2021

Net Change in Fund Balances - Total Governmental Funds \$ (99,684)

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlay as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Expenditures for capital outlay	65,887
Less current year depreciation	(46,452)

Certain changes in deferred outflows and deferred inflows of resources reported in the Statement of Activities relate to long-term liabilities and are not reported in the governmental funds.

Changes in deferred outflows of resources related to pension and OPEB	(62,451)
Changes in deferred inflows of resources related to pension and OPEB	(26,373)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.

Change in compensated absences	(2,835)
Change in net pension liability	(70,187)
Change in net OPEB liability	162,712

Change in Net Position of Governmental Activities	\$ (79,383)
--	--------------------

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

MC CLOUD COMMUNITY SERVICES DISTRICT
Statement of Net Position
Proprietary Funds
June 30, 2021

	Business-Type Activities - Enterprise Funds			
	Major Funds			
	Water	Sewer	Waste	Totals
ASSETS				
Current Assets:				
Cash and investments	\$ 648,642	\$ 1,263,901	\$ 95,480	\$ 2,008,023
Receivables:				
Accounts	68,582	58,406	43,264	170,252
Prepaid expense	307	15	-	322
Inventory	54,063	3,258	-	57,321
Total Current Assets	771,594	1,325,580	138,744	2,235,918
Noncurrent Assets:				
Capital assets:				
Non-depreciable	3,050	2,500	2,800	8,350
Depreciable, net	3,954,635	8,459,030	384,947	12,798,612
Total capital assets	3,957,685	8,461,530	387,747	12,806,962
Total Noncurrent Assets	3,957,685	8,461,530	387,747	12,806,962
Total Assets	4,729,279	9,787,110	526,491	15,042,880
DEFERRED OUTFLOWS OF RESOURCES				
Deferred pension adjustments	41,092	29,791	26,310	97,193
Deferred OPEB adjustments	391	269	179	839
Total Deferred Outflows of Resources	41,483	30,060	26,489	98,032
LIABILITIES				
Current Liabilities:				
Accounts payable	1,147	5,664	7,814	14,625
Salaries and benefits payable	5,411	2,455	2,728	10,594
Interest payable	-	7,216	-	7,216
Unearned revenue	22,780	-	-	22,780
Loans payable	-	67,369	53,512	120,881
Total Current Liabilities	29,338	82,704	64,054	176,096

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

Continued (Page 1 of 2)

MC CLOUD COMMUNITY SERVICES DISTRICT
Statement of Net Position
Proprietary Funds
June 30, 2021

	Business-Type Activities - Enterprise Funds			
	Major Funds			
	Water	Sewer	Waste	Totals
Noncurrent Liabilities:				
Loans payable	-	631,926	178,597	810,523
Net pension liability	167,525	121,451	107,263	396,239
Net OPEB liability	461,420	318,016	211,327	990,763
Total Noncurrent Liabilities	628,945	1,071,393	497,187	2,197,525
Total Liabilities	658,283	1,154,097	561,241	2,373,621
DEFERRED INFLOWS OF RESOURCES				
Deferred pension adjustments	15,156	10,988	9,704	35,848
Deferred OPEB adjustments	202,516	139,577	92,751	434,844
Total Deferred Inflows of Resources	217,672	150,565	102,455	470,692
NET POSITION				
Net investment in capital assets	3,957,685	7,762,235	155,638	11,875,558
Unrestricted	(62,878)	750,273	(266,354)	421,041
Total Net Position	\$ 3,894,807	\$ 8,512,508	\$ (110,716)	\$ 12,296,599

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

Continued (Page 2 of 2)

MC CLOUD COMMUNITY SERVICES DISTRICT
Statement of Revenues, Expenses and
Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2021

	Business-Type Activities - Enterprise Funds			
	Major Funds			
	Water	Sewer	Waste	Totals
OPERATING REVENUES				
Charges for services	\$ 595,149	\$ 499,838	\$ 388,359	\$ 1,483,346
Other revenue	967	266	489	1,722
Total Operating Revenues	596,116	500,104	388,848	1,485,068
OPERATING EXPENSES				
Salaries and benefits	103,312	90,248	105,459	299,019
Dues and subscriptions	388	314	-	702
Fuel and supplies	166	-	6,449	6,615
General operating	5,480	22,453	45,752	73,685
Insurance	14,832	7,468	7,746	30,046
Office	5,189	1,663	416	7,268
Professional services	9,681	10,542	921	21,144
Repairs and maintenance	801	776	3,588	5,165
Utilities	26	26	-	52
Depreciation	167,791	290,868	24,131	482,790
Total Operating Expenses	307,666	424,358	194,462	926,486
Operating Income (Loss)	288,450	75,746	194,386	558,582
NON-OPERATING REVENUE (EXPENSES)				
Interest income	1,623	6,408	386	8,417
Interest expense	-	(29,212)	(12,089)	(41,301)
Transfers out	(99,356)	(96,792)	(62,870)	(259,018)
Total Non-Operating Revenue (Expenses)	(97,733)	(119,596)	(74,573)	(291,902)
Change in Net Position	190,717	(43,850)	119,813	266,680
Total Net Position - Beginning	3,704,090	8,556,358	(230,529)	12,029,919
Total Net Position - Ending	\$ 3,894,807	\$ 8,512,508	\$ (110,716)	\$ 12,296,599

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

MCLOUD COMMUNITY SERVICES DISTRICT
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2021

	Business-Type Activities - Enterprise Funds			
	Major Funds			
	Water	Sewer	Waste	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 593,726	\$ 497,188	\$ 383,263	\$ 1,474,177
Payments to suppliers	(37,299)	(31,372)	(62,406)	(131,077)
Payments to employees	(184,954)	(143,395)	(117,472)	(445,821)
Net Cash Provided (Used) by Operating Activities	<u>371,473</u>	<u>322,421</u>	<u>203,385</u>	<u>897,279</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers to other funds	(99,356)	(96,792)	(62,870)	(259,018)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(99,356)</u>	<u>(96,792)</u>	<u>(62,870)</u>	<u>(259,018)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	(27,274)	(31,101)	(19,309)	(77,684)
Principal paid on debt	-	(65,093)	(51,086)	(116,179)
Interest paid on debt	-	(29,716)	(12,089)	(41,805)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(27,274)</u>	<u>(125,910)</u>	<u>(82,484)</u>	<u>(235,668)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on investments	1,623	6,408	386	8,417
Net Cash Provided (Used) by Investing Activities	<u>1,623</u>	<u>6,408</u>	<u>386</u>	<u>8,417</u>
Net Increase (Decrease) in Cash and Cash Equivalents	246,466	106,127	58,417	411,010
Balances - Beginning	<u>402,176</u>	<u>1,157,774</u>	<u>37,063</u>	<u>1,597,013</u>
Balances - Ending	<u>\$ 648,642</u>	<u>\$ 1,263,901</u>	<u>\$ 95,480</u>	<u>\$ 2,008,023</u>

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

Continued (Page 1 of 2)

MC CLOUD COMMUNITY SERVICES DISTRICT
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2021

	Business-Type Activities - Enterprise Funds			
	Major Funds			
	Water	Sewer	Waste	Totals
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	\$ 288,450	\$ 75,746	\$ 194,386	\$ 558,582
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	167,791	290,868	24,131	482,790
Decrease (increase) in:				
Accounts receivable	(3,396)	(2,916)	(5,585)	(11,897)
Prepays	(8)	7,029	-	7,021
Deferred outflows - pension adjustments	11,239	6,276	(2,343)	15,172
Deferred outflows - OPEB adjustments	77,383	53,334	35,441	166,158
Increase (decrease) in:				
Accounts payable	(728)	4,841	2,466	6,579
Salaries and benefits payable	1,866	(657)	420	1,629
Unearned revenue	1,006	-	-	1,006
Net pension liability	(20,584)	(8,196)	21,111	(7,669)
Net OPEB liability	(170,688)	(117,640)	(78,172)	(366,500)
Deferred inflows - pension adjustments	(19,776)	(13,087)	(6,294)	(39,157)
Deferred inflows - OPEB adjustments	38,918	26,823	17,824	83,565
Net Cash Provided (Used) by Operating Activities	\$ 371,473	\$ 322,421	\$ 203,385	\$ 897,279

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

Continued (Page 2 of 2)

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Basic Financial Statements

- **Notes to Basic Financial Statements**

MC CLOUD COMMUNITY SERVICES DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

McCloud Community Services District (District) was formed on August 24, 1965 to provide water, sewer, waste, fire, and other necessary services to the community of McCloud. A Board of Directors consisting of five members, including a president who is selected by the Board of Directors, governs the District's operations. An appointed District Manager manages the administrative functions of the District, a designated Finance Officer administers the financial functions, and a designated Public Works Superintendent administers the District's water, sewer, and alleys. Non-management employees are members of a union (Operating Engineers, Local No. 3).

Component Units

Generally accepted accounting principles require government financial statements to include the primary government and its component units. Component units of a governmental entity are legally separate entities for which the primary government is considered to be financially accountable and for which the nature and significance of their relationship with the primary government are such that exclusion would cause the combined financial statements to be misleading. The primary government is considered to be financially accountable if it appoints a majority of an organization's governing body and is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the primary government.

Based on the application of the criteria set forth by the Governmental Accounting Standards Board, management has determined that there are no component units of the District.

B. Basis of Presentation

Government-Wide Financial Statements

The Statement of Net Position and Statement of Activities display information on all of the activities of the District. These statements include the financial activities of the overall government. Eliminations have been made to minimize the double counting of internal activities. Interfund services provided and used are not eliminated in the process of consolidation. These statements distinguish between the governmental and business-type activities of the District. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties.

The Statement of Activities presents a comparison between direct expenses and program revenues for each different identifiable activity of the District's business-type activities and each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and; therefore, are clearly identifiable to a particular function. Program revenues include 1) charges paid by the recipients of goods and services offered by the program, 2) operating grants and contributions, and 3) capital grants and contributions. Taxes and other items not properly included among program revenues are presented instead as general revenues.

MC CLOUD COMMUNITY SERVICES DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

Fund Financial Statements

The fund financial statements provide information about the District's funds. The funds of the District are organized into two major categories: governmental and proprietary. The emphasis is placed on major funds within the governmental and proprietary categories; each is displayed in a separate column. All remaining governmental and enterprise funds are separately aggregated and reported as nonmajor funds.

The District reports the following major governmental funds:

- The General fund is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the District that are not accounted for through other funds.
- The Fire fund is a special revenue fund used to account for most of the public safety operations of the District, including ambulance. Funding comes primarily from taxes and grants.

The District reports the following major proprietary funds:

- The Water fund is an enterprise fund used to account for activity related to providing customers with water and billing for services provided by the District.
- The Sewer fund is an enterprise fund used to account for activity related to providing customers with sewer and billing for services provided by the District.
- The Waste fund is an enterprise fund used to account for activity related to providing customers with solid waste and billing for services provided by the District.

C. Basis of Accounting and Measurement Focus

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property and sales tax, grants, entitlements, and donations. Under the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from sales tax are recognized when the underlying transactions take place. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

MC CLOUD COMMUNITY SERVICES DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting and Measurement Focus (Continued)

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Property and sales taxes, interest, certain state and federal grants and charges for services are considered susceptible to accrual and are accrued when their receipt occurs within 60 days after the end of the fiscal year. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures as well as expenditures related to claims and judgments are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in the various functions of the governmental funds. Proceeds of governmental long-term debt and acquisitions under capital leases are reported as other financing sources.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

D. Non-Current Governmental Assets/Liabilities

Non-current governmental assets and liabilities, such as capital assets and long-term liabilities, are reported in the governmental activities column in the government-wide Statement of Net Position.

E. Cash and Cash Equivalents

For purposes of the accompanying Statement of Cash Flows, the District considers all highly liquid investments with a maturity of three months or less when purchased, including amounts held in the District's investment pool, to be cash and cash equivalents.

F. Investments

The District pools cash and investments of all funds. Each fund's share in this pool is displayed in the accompanying financial statements as cash and investments.

Investment transactions are recorded on the trade date. The fair value of investments is determined annually. Investments in nonparticipating interest-earning investment contracts are reported at cost; short term investments are reported at amortized cost, investments in the State of California Local Agency Investment Fund, an external pool, are reported at amortized cost which approximates fair value, and the fair value of all other investments are obtained by using quotations obtained from independent published sources or by the safekeeping institution. The fair value represents the amount the District could reasonably expect to receive for an investment in a current sale between a willing buyer and seller.

Income from pooled investments is allocated to the individual funds based on the fund or participant's average daily cash balance at quarter end in relation to the total pool investments. Income from non-pooled investments is recorded based on the specific investments held by the fund.

MC CLOUD COMMUNITY SERVICES DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Receivables

Receivables for governmental activities consist mainly of accounts and taxes. Management believes its receivables are fully collectible and, accordingly, no allowance for doubtful accounts is required.

Receivables for business-type activities consist mainly of user fees. Management believes its receivables are fully collectible and, accordingly, no allowance for doubtful accounts is required.

H. Other Assets

Inventory

Inventories are stated at cost (first-in, first-out basis) for proprietary funds. Inventory consists of items purchased for future projects. Proprietary funds inventories are recorded as expenses at the time the inventory is consumed.

Prepaid Items

Payments made for services that will benefit periods beyond June 30, 2021, are recorded as prepaid costs under both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

I. Capital Assets

Capital assets are defined by the District as assets with a cost greater than \$5,000 and a useful life of at least two years. Capital assets are recorded at historical or estimated historical cost if actual historical cost is unavailable. Contributed capital assets are recorded at their fair value at the date of donation.

Capital assets used in operations are depreciated or amortized using the straight-line method over the assets' estimated useful lives in the government-wide financial statements. The range of estimated useful lives by type of asset is as follows:

<u>Depreciable Asset</u>	<u>Estimated Lives</u>
Buildings and improvements	20 to 50 years
Sewer systems	10 to 50 years
Water transmission lines	5 to 50 years
Subsurface lines	3 to 50 years
Machinery and equipment	3 to 15 years

Maintenance and repairs are charged to operations when incurred. Betterments and major improvements which significantly increase values, change capacities or extend useful lives are capitalized. Upon sale or retirement of capital assets, the cost and related accumulated depreciation are removed from the respective accounts and any resulting gain or loss is to be included in the results of operations.

J. Property Tax

Siskiyou County assesses properties, bills, collects, and distributes property taxes to the District. The County remits the entire amount levied and handles all delinquencies, retaining interest and penalties.

MC CLOUD COMMUNITY SERVICES DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Property Tax (Continued)

Property taxes are levied on a fiscal year (July 1 - June 30). The secured property tax assessments are due on November 1 and February 1 and become delinquent after December 10 and April 10, respectively. The unsecured property tax assessments are due on August 1 and become delinquent after August 31. Property taxes become a lien on the property effective January 1 of the preceding year.

The District recognizes property taxes when the individual installments are due provided they are collected within 60 days after year-end.

K. Interfund Transactions

Interfund transactions are reflected as either loans, services provided or used, reimbursements or transfers.

Loans reported as receivables and payables are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans) as appropriate and are subject to elimination upon consolidation. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as “internal balances.” Advances between funds, as reported in the fund financial statements, are offset by a nonspendable fund balance account in applicable governmental funds to indicate that they are not in spendable form.

Services provided or used, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. These services provide information on the net cost of each government function and therefore are not eliminated in the process of preparing the government-wide statement of activities.

Reimbursements occur when the funds responsible for particular expenditures or expenses repay the funds that initially paid for them. Such reimbursements are reflected as expenditures or expenses in the reimbursing fund and reductions to expenditures or expenses in the reimbursed fund.

All other interfund transactions are treated as transfers. Transfers between funds are netted as part of the reconciliation to the government-wide presentation.

L. Compensated Absences

It is the District's policy to permit employees to accumulate a limited amount of earned but unused vacation leave and an unlimited amount of sick leave. In the government-wide financial statements the accrued compensated absences is recorded as an expense and related liability, with the current portion estimated based on historical trends. In the governmental fund financial statements the expenditures and liabilities related to those obligations are recognized only when they mature. The District includes its share of Social Security and Medicare taxes payable on behalf of the employees in the accrual for compensated absences.

MC CLOUD COMMUNITY SERVICES DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Pension

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pension, and pension expense, information about the fiduciary net position of the District's California Public Employees' Retirement System (CalPERS) plan (Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Measurement Period	June 30, 2019 to June 30, 2020

N. Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District's plan (OPEB Plan) and additions to/deductions from the OPEB Plans' fiduciary net position have been determined on the same basis. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date	June 30, 2020
Measurement Date	June 30, 2020
Measurement Period	June 30, 2019 to June 30, 2020

O. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has two items that qualify for reporting in this category. These items relate to the outflows from changes in the net pension liability and net OPEB liability and are reportable on the Statement of Net Position.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has two items which qualify for reporting in this category. These items relate to the inflows from changes in the net pension liability and net OPEB liability and are reportable on the Statement of Net Position.

MCLOUD COMMUNITY SERVICES DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Estimates

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Q. Implementation of Governmental Accounting Standards Board (GASB) Statements

The following Governmental Accounting Standards Board (GASB) Statements have been implemented, if applicable, in the current financial statements.

Statement No. 84, “Fiduciary Activities” The requirements of this statement are effective for periods beginning after December 15, 2019. The District does not have any fiduciary activities to report for the year ended June 30, 2021.

Statement No. 90, “Majority Equity Interest” In September 2018, the GASB issued Statement No. 90, an amendment of GASB Statements No. 14 and No. 61. The requirements of this statement will take effect for financial statement starting with the fiscal year that ends June 30, 2021. The District does not have any majority equity interests to report for the year ended June 30, 2021.

R. Future Accounting Pronouncements

The following GASB Statements will be implemented, if applicable, in future financial statements:

Statement No. 87 “Leases” The requirements of this statement are effective for periods beginning after June 15, 2021. (FY 21/22)

Statement No. 89 “Accounting for Interest Cost Incurred Before the End of a Construction Period” The requirements of this statement are effective for periods beginning after December 15, 2020. (FY 21/22)

Statement No. 91 “Conduit Debt Obligations” The requirements of this statement are effective for periods beginning after December 15, 2021. (FY 22/23)

Statement No. 92 “Omnibus 2020” The requirements of this statement are effective for periods beginning after June 15, 2021. (FY 21/22)

Statement No. 93 “Replacement of Interbank Offered Rates” The requirements of this statement are effective for periods beginning after June 15, 2021. (FY 21/22)

Statement No. 94 “Public-Private and Public-Public Partnerships and Availability Payment Arrangements” The requirements of this statement are effective for periods beginning after June 15, 2022. (FY 22/23)

Statement No. 96 “Subscription-Based Information Technology Arrangements” The requirements of this statement are effective for periods beginning after June 15, 2022. (FY 22/23)

MC CLOUD COMMUNITY SERVICES DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

R. Future Accounting Pronouncements (Continued)

Statement No. 97 “Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans” The requirements of this statement are effective for periods beginning after June 15, 2021. (FY 21/22)

NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Deficit Fund Balance

The following non-major governmental funds had deficit fund balances at June 30, 2021:

Lights	\$	8,057
Payroll Clearing		1,474

Some of these deficits may be eliminated in the future through grant revenues. Certain amounts of these deficits will ultimately become the responsibility of the General fund.

NOTE 3: CASH AND INVESTMENTS

A. Financial Statement Presentation

As of June 30, 2021, the District’s cash and investments are reported in the financial statements as follows:

Governmental activities	\$	1,306,358
Business-type activities		<u>2,008,023</u>
Total Cash and Investments		<u>\$ 3,314,381</u>

As of June 30, 2021, the District’s cash and investments consisted of the following:

Cash:		
Cash on hand	\$	200
Deposits (less outstanding checks)		<u>999,578</u>
Total Cash		<u>999,778</u>
Investments:		
Local Agency Investment Fund (LAIF)		<u>2,314,603</u>
Total Investments		<u>2,314,603</u>
Total Cash and Investments		<u>\$ 3,314,381</u>

B. Cash

At year end, the carrying amount of the District’s cash deposits (including amounts in a checking account) was \$999,578 and the bank balance was \$1,013,622. The difference between the bank balance and the carrying amount represents outstanding checks and deposits in transit. In addition, the District had cash on hand of \$200.

MC CLOUD COMMUNITY SERVICES DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

B. Cash (Continued)

Custodial Credit Risk For Deposits - Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the District will not be able to recover its deposits or collateral securities that are in the possession of an outside party. The District's investment policy requires that deposits in banks must meet the requirements of the California Government Code. Under this code, deposits of more than \$250,000 must be collateralized at 105 percent to 150 percent of the value of the deposit to guarantee the safety of public funds. The first \$250,000 of the District's deposits are insured by the Federal Deposit Insurance Corporation (FDIC). Deposits of more than the \$250,000 insured amount are collateralized.

C. Investments

The District has an investment policy, the purpose of which is to establish guidelines for the prudent investment of the District's funds, and outline the policies for maximizing the efficiency of the District's cash management program. The ultimate goal is to enhance the economic status of the District while protecting its pooled investments.

The investment policy provides the basis for the management of a prudent, conservative investment program. Funds are invested to provide the maximum security of principal with secondary emphasis on achieving the highest return, while meeting daily cash flow needs. All investments are made in accordance with the Government Code and, in general, the investment policy is more restrictive than state law.

Under the provisions of the District's investment policy the District may invest or deposit in the following:

- Bankers' Acceptances
- Commercial Paper
- Local Agency Investment Fund (LAIF)
- Medium Term Notes
- Asset Backed Securities
- Money Market Mutual Funds
- Negotiable Certificates of Deposit
- Repurchase Agreements/Reverse Repurchase Agreements
- Municipal Securities of Local and State Entities within the State of California
- United States Treasury Securities
- United States Government Agency (Direct/Indirect) Securities
- Shares of beneficial interest issued by a joint powers authority organized pursuant to Section 6509.7 that invests in the securities and obligations authorized in subdivision (a) to (o) inclusive
- United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance

MC CLOUD COMMUNITY SERVICES DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

C. Investments (Continued)

Fair Value of Investments - The District measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy as follows:

- Level 1: Quoted prices for identical investments in active markets;
- Level 2: Observable inputs other than quoted market prices; and,
- Level 3: Unobservable inputs

The District's position in external investment pools is in itself regarded as a type of investment and looking through to the underlying investments of the pool is not appropriate. Therefore, the District's investment in external investment pools is not recognized in the three-tiered fair value hierarchy described above.

At June 30, 2021, the District had the following recurring fair value measurements:

Investment Type	Fair Value	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investments by Fair Value Level				
None	\$ -	\$ -	\$ -	\$ -
Total Investments Measured at Fair Value	-	-	-	-
Investments in External Investment Pool				
LAIF	<u>2,314,603</u>			
Total Investments	<u>\$ 2,314,603</u>			

Interest Rate Risk - Interest rate risk is the risk of loss due to the fair value of an investment falling due to interest rates rising. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. To limit the exposure to fair value losses resulting from increases in interest rates, the District's investment policy limits investment maturities to a term appropriate to the need for funds so as to permit the District to meet all projected obligations.

As of June 30, 2021, the District had the following investments, all of which had a maturity of 5 years or less:

Investment Type	Interest Rates	Maturities		Fair Value	Weighted Average Maturity (Years)
		0-1 year	1-5 years		
LAIF	Variable	\$ 2,314,603	\$ -	\$ 2,314,603	-
Total Investments		<u>\$ 2,314,603</u>	<u>\$ -</u>	<u>\$ 2,314,603</u>	<u>-</u>

Credit Risk - Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The District's investment policy sets specific parameters by type of investment to be met at the time of purchase. As of June 30, 2021, the District's investments were all pooled with LAIF which is not rated by a nationally recognized statistical rating organization.

MC CLOUD COMMUNITY SERVICES DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

C. Investments (Continued)

Custodial Credit Risk - Custodial credit risk for investments is the risk that, in the event of the failure of a depository financial institution, the District will not be able to recover its deposits or collateral securities that are in the possession of an outside party. To mitigate the custodial credit risk the District's investment policy requires that all securities owned by the District shall be held in safekeeping by a third party bank trust department.

Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of the District's investment in a single issuer of securities. When investments are concentrated in one issuer, this concentration presents a heightened risk of potential loss. The District's investment policy contains limitations on the amount that can be invested in any one issuer. All investments of the District were pooled with LAIF.

D. Investment in External Investment Pool

The District maintains an investment in the State of California Local Agency Investment Fund (LAIF), managed by the State Treasurer. This fund is not registered with the Securities and Exchange Commission as an investment company, but is required to invest according to California State Code. The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State Statute. At June 30, 2021, the District's investment in LAIF valued at amortized cost was \$2,314,603 and is the same as the value of the pool shares. There are no restrictions on withdrawal of funds. The total amount invested by all public agencies in LAIF on that day was \$193.3 billion. Of that amount, 97.69 percent is invested in non-derivative financial products and 2.31 percent in structured notes and asset-backed securities.

Use Only

MC CLOUD COMMUNITY SERVICES DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

NOTE 4: CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2021, was as follows:

	Balance July 1, 2020	Additions	Retirements	Balance June 30, 2021
Governmental Activities				
Capital Assets, Not Being Depreciated				
Land	\$ 183,822	\$ -	\$ -	\$ 183,822
Total Capital Assets, Not Being Depreciated	183,822	-	-	183,822
Capital Assets, Being Depreciated				
Buildings and improvements	885,140	22,600	-	907,740
Equipment	1,177,035	43,287	-	1,220,322
Total Capital Assets, Being Depreciated	2,062,175	65,887	-	2,128,062
Less Accumulated Depreciation For:				
Buildings and improvements	(584,561)	(20,307)	-	(604,868)
Equipment	(1,071,037)	(26,145)	-	(1,097,182)
Total Accumulated Depreciation	(1,655,598)	(46,452)	-	(1,702,050)
Total Capital Assets, Being Depreciated, Net	406,577	19,435	-	426,012
Governmental Activities Capital Assets, Net	<u>\$ 590,399</u>	<u>\$ 19,435</u>	<u>\$ -</u>	<u>\$ 609,834</u>
Business-Type Activities				
Capital Assets, Not Being Depreciated				
Land	\$ 8,350	\$ -	\$ -	\$ 8,350
Total Capital Assets, Not Being Depreciated	8,350	-	-	8,350
Capital Assets, Being Depreciated				
Improvements	6,568,240	-	-	6,568,240
Buildings and improvements	13,258,094	-	-	13,258,094
Equipment	1,249,987	77,684	-	1,327,671
Total Capital Assets, Being Depreciated	21,076,321	77,684	-	21,154,005
Less Accumulated Depreciation For:				
Improvements	(2,563,533)	(137,320)	-	(2,700,853)
Buildings and improvements	(4,613,319)	(262,109)	-	(4,875,428)
Equipment	(695,751)	(83,361)	-	(779,112)
Total Accumulated Depreciation	(7,872,603)	(482,790)	-	(8,355,393)
Total Capital Assets, Being Depreciated, Net	13,203,718	(405,106)	-	12,798,612
Business-Type Activities Capital Assets, Net	<u>\$ 13,212,068</u>	<u>(\$ 405,106)</u>	<u>\$ -</u>	<u>\$ 12,806,962</u>

MC CLOUD COMMUNITY SERVICES DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

NOTE 4: CAPITAL ASSETS (CONTINUED)

Depreciation

Depreciation expense was charged to governmental activities as follows:

General government	\$ 1,473
Public safety	27,389
Public ways and facilities	286
Culture and recreation	17,303
Education	<u>1</u>
Total Depreciation Expense – Governmental Activities	<u>\$ 46,452</u>

Depreciation expense was charged to business-type activities as follows:

Water	\$ 167,791
Sewer	290,868
Waste	<u>24,131</u>
Total Depreciation Expense – Business-Type Activities	<u>\$ 482,790</u>

NOTE 5: INTERFUND TRANSACTIONS

Due To/From Other Funds

During the course of operations, transactions occur between funds to account for goods received or services rendered. These receivables and payables are classified as due from or due to other funds. In addition, when funds overdraw their share of pooled cash, the receivables and payables are also classified as due from or due to other funds.

The following are due to and due from balances as of June 30, 2021:

	Due From Other Funds	Due To Other Funds
General fund	\$ 13,474	\$ -
Nonmajor governmental funds	<u>-</u>	<u>13,474</u>
Total	<u>\$ 13,474</u>	<u>\$ 13,474</u>

Transfers

Transfers are indicative of funding for capital projects, lease payments or debt service and re-allocations of special revenues. The following are the interfund transfer balances as of June 30, 2021:

	Transfers In	Transfers Out
General fund	\$ 350,672	\$ -
Fire	-	43,015
Nonmajor governmental funds	785	49,424
Water	-	99,356
Sewer	-	96,792
Waste	<u>-</u>	<u>62,870</u>
Total	<u>\$ 351,457</u>	<u>\$ 351,457</u>

MCLOUD COMMUNITY SERVICES DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

NOTE 6: UNEARNED REVENUES

At June 30, 2021, the components of unearned revenue were as follows:

	<u>Unearned</u>
Water	
Services paid in advance	\$ 22,780
Total	\$ 22,780

NOTE 7: LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for the year ended June 30, 2021:

<u>Type of Indebtedness</u>	<u>Balance July 1, 2020</u>	<u>Adjustments/ Additions</u>	<u>Retirements</u>	<u>Balance June 30, 2021</u>	<u>Amounts Due Within One Year</u>
Governmental Activities					
Compensated absences	\$ 21,873	\$ 19,498	(\$ 16,663)	\$ 24,708	\$ 15,604
Total Governmental Activities	\$ 21,873	\$ 19,498	(\$ 16,663)	\$ 24,708	\$ 15,604
Business-Type Activities					
Direct borrowing loans payable	\$ 1,047,583	\$ -	(\$ 116,179)	\$ 931,404	\$ 120,881
Total Business-Type Activities	\$ 1,047,583	\$ -	(\$ 116,179)	\$ 931,404	\$ 120,881

Compensated absences are generally liquidated by the fund where the accrued liability occurred.

Individual issues of debt payable outstanding at June 30, 2021, are as follows:

Business-Type Activities

Loans from Direct Borrowings:

United States Department of Agriculture Loan, dated October 1, 2003, in the amount of \$800,000, payable in annual installments of \$7,000 to \$41,000, with an interest rate of 4.5%, and maturity on October 1, 2042. The loan proceeds were used to finance the sewer replacement project. \$ 599,000

State of California, State Water Resources Control Board Loan, dated April 29, 2002, in the amount of \$811,499, payable in annual installments of \$52,976, with an interest rate of 4.5% and maturity on January 27, 2023. The loan proceeds were used to finance the sewer replacement project. 100,295

Navistar Capital loan, dated July 19, 2018, in the amount of \$214,148, payable in monthly installments of \$2,856, with an interest rate of 4.65% and maturity on August 19, 2025. The loan proceeds were used to purchase a refuse truck. 126,891

Navistar Capital loan, dated June 28, 2019, in the amount of \$172,316, payable in monthly installments of \$2,408, with an interest rate of 4.65% and maturity on June 1, 2025. The loan proceeds were used to purchase a refuse truck. 105,218

Total Loans from Direct Borrowings 931,404

Total Business-Type Activities \$ 931,404

MC CLOUD COMMUNITY SERVICES DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

NOTE 7: LONG-TERM LIABILITIES (CONTINUED)

Following is a schedule of debt payment requirements to maturity for long-term debt, excluding compensated absences that have indefinite maturities.

Business-Type Activities

Year Ended June 30	Loans from Direct Borrowings		
	Principal	Interest	Totals
2022	\$ 120,881	\$ 38,842	\$ 159,723
2023	122,931	36,028	158,959
2024	76,717	29,477	106,194
2025	80,466	25,896	106,362
2026	22,409	23,756	46,165
2027-2031	112,000	102,150	214,150
2032-2036	141,000	73,778	214,778
2037-2041	174,000	38,475	212,475
2042-2043	81,000	3,668	84,668
Total	<u>\$ 931,404</u>	<u>\$ 372,070</u>	<u>\$ 1,303,474</u>

NOTE 8: NET POSITION

The government-wide and proprietary fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

- **Net investment in capital assets** - consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- **Restricted net position** - consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. These principally include restrictions for capital projects, debt service requirements and other special revenue fund purposes.
- **Unrestricted net position** - all other net position that does not meet the definition of “restricted” or “net investment in capital assets”.

Net Position Flow Assumption

When a government funds outlays for a particular purpose from both restricted and unrestricted resources, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted net position are available, it is considered that restricted resources are used first, followed by the unrestricted resources.

MC CLOUD COMMUNITY SERVICES DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

NOTE 9: FUND BALANCES

As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. As of June 30, 2021, fund balance for governmental funds is made up of the following:

- **Nonspendable fund balance** - amounts that cannot be spent because they are either (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example: inventories and prepaid amounts.
- **Restricted fund balance** - amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.
- **Committed fund balance** - amounts that can only be used for the specific purposes determined by formal action of the District’s highest level of decision-making authority. The Board of Directors is the highest level of decision-making authority for the District that can, by Board action, commit fund balance. Once adopted, the limitation imposed remains in place until a similar action is taken to remove or revise the limitation. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.
- **Assigned fund balance** - amounts that are constrained by the District’s intent to be used for specific purposes. The intent can be established at either the highest level of decision-making, or by a body or an official designated for that purpose.
- **Unassigned fund balance** - the residual classification for the District’s General fund that includes all amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

MC CLOUD COMMUNITY SERVICES DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

NOTE 9: FUND BALANCES (CONTINUED)

The fund balances for all major and nonmajor governmental funds as of June 30, 2021, were distributed as follows:

	General Fund	Fire	Other Governmental Funds	Totals
Nonspendable:				
Prepaid costs	\$ 2,690	\$ 1,114	\$ -	\$ 3,804
Subtotal	<u>2,690</u>	<u>1,114</u>	<u>-</u>	<u>3,804</u>
Restricted for:				
Fire	-	505,203	-	505,203
Alleys	-	-	202,392	202,392
Parks	-	-	140,839	140,839
Park Old Court House	-	-	3,208	3,208
Library	-	-	12,357	12,357
Subtotal	<u>-</u>	<u>505,203</u>	<u>358,796</u>	<u>863,999</u>
Unassigned	<u>466,485</u>	<u>-</u>	<u>(9,531)</u>	<u>456,954</u>
Total	<u>\$ 469,175</u>	<u>\$ 506,317</u>	<u>\$ 349,265</u>	<u>\$ 1,324,757</u>

Fund Balance Flow Assumption

When a government funds outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance), a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted fund balance are available, it is considered that restricted fund balance is depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund Balance Policy

The Board of Directors has adopted a fund balance policy for financial statement reporting. The policy establishes procedures for reporting fund balance classifications. The policy also provides for a measure of financial protection for the District against unforeseen circumstances and to comply with GASB Statement No. 54.

MC CLOUD COMMUNITY SERVICES DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

NOTE 10: PENSION PLAN

A. General Information about the Pension Plan

Plan Description

All qualified permanent and probationary employees are eligible to participate in the District’s separate Safety and Miscellaneous (all other) Employee Pension Plan, a cost-sharing multiple employer defined benefit pension plan administered by the California Public Employees’ Retirement System (CalPERS). Benefit provisions under the Plan are established by State statute and District resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Effective January 1, 2013, the District added retirement tiers for the Miscellaneous and Safety Rate Tiers for new employees as required under the Public Employee Pension Reform Act (PEPRA). New employees hired on or after January 1, 2013 will be subject to new, lower pension formulas, caps on pensionable income levels and new definitions of pensionable income. In addition, new employees will be required to contribute half of the total normal cost of the pension benefit unless impaired by an existing Memorandum of Understanding. The cumulative effect of these PEPRA changes will ultimately reduce the District’s retirement costs.

Summary of Rate Tiers and Eligible Participants

Open for New Enrollment		
Miscellaneous PEPRA		Miscellaneous members hired on or after January 1, 2013
Safety		Safety members hired on or after January 1, 2013
Closed to New Enrollment		
Miscellaneous Tier		Miscellaneous members hired before January 1, 2010
Safety		Safety members hired before January 1, 2013

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 (age 52 for Miscellaneous Plan members if membership date is on or after January 1, 2013) with statutorily reduced benefits. Retirement benefits are paid monthly for life. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law.

Each Rate Tier’s specific provisions and benefits in effect at June 30, 2021, are summarized as follows:

	<u>Benefit Formula</u>	<u>Retirement Age</u>	<u>Monthly Benefits as a % of Eligible Compensation</u>
Miscellaneous	2.0% @ 55	50 - 55	1.426% to 2.418%
Miscellaneous PEPRA	2.0% @ 62	52 - 62	1.000% to 2.500%
Safety	0.5% @ 55	50	1.783% to 2.500%

MC CLOUD COMMUNITY SERVICES DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

NOTE 10: PENSION PLAN (CONTINUED)

A. General Information about the Pension Plan (Continued)

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for all Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

	<u>Employer Contribution Rates</u>	<u>Employee Contribution Rates</u>	<u>Employer Paid Member Contribution Rates</u>
Miscellaneous	8.794%	7.000%	0.000%
Miscellaneous PEPRRA	7.732%	6.750%	0.000%
Safety	0.000%	0.000%	0.000%

For the year ended June 30, 2021, the contributions recognized as part of pension expense for the Plan was as follows:

	<u>Contributions-Employer</u>	<u>Contributions-Employee (Paid by Employer)</u>
Miscellaneous	\$ 50,578	\$ -
Safety	1,035	-

B. Pension Liability, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pension

The District's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2020 and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019 rolled forward to June 30, 2020 using standard update procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

The District's proportionate share of the net pension liability for the Plan as of June 30, 2020 and 2021 was as follows:

	<u>Proportion June 30, 2020</u>	<u>Proportion June 30, 2021</u>	<u>Change- Increase (Decrease)</u>
Miscellaneous	0.01448%	0.01522%	0.00074%
Safety	0.00006%	0.00005%	(0.00001%)

MC CLOUD COMMUNITY SERVICES DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

NOTE 10: PENSION PLAN (CONTINUED)

B. Pension Liability, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pension (Continued)

As of June 30, 2021, the District reported a net pension liability for its proportionate share of the net pension liability of the Plan as follows:

	<u>Proportionate Share of Net Pension Liability</u>
Miscellaneous	\$ 642,121
Safety	<u>3,624</u>
Total Net Pension Liability	<u>\$ 645,745</u>

For the year ended June 30, 2021, the District recognized pension expense of \$81,764. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to the measurement date	\$ 61,023	\$ -
Change of assumptions	-	(4,592)
Difference between expected and actual experience	33,371	-
Difference between projected and actual earnings on pension plan investments	19,154	-
Differences between employer contributions and proportionate share of contributions.	1,728	(53,076)
Change in employer's proportions	<u>43,118</u>	<u>(753)</u>
Total	<u>\$ 158,394</u>	<u>(\$ 58,421)</u>

\$61,023 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Year Ended June 30</u>		
2022		\$ 3,516
2023		13,725
2024		12,519
2025		9,188
Thereafter		<u>-</u>
Total		<u>\$ 38,948</u>

MC CLOUD COMMUNITY SERVICES DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

NOTE 10: PENSION PLAN (CONTINUED)

B. Pension Liability, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pension (Continued)

Actuarial Assumptions

The total pension liability in the June 30, 2019 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.15%
Investment Rate of Return	7.15%
Inflation	2.50%
Salary Increases	Varies by entry-age and service
Mortality Rate Table	Derived using CalPERS' membership data for all funds
Post-Retirement Benefit Increase	Contract COLA up to 2.50% until Purchasing Power Protection Allowance Floor on Purchasing Power applies

The mortality table used was developed based on CalPERS-specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90 percent of scale MP 2016. For more details on this table, please refer to the December 2017 Experience Study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website.

Discount Rate

The discount rate used to measure the total pension liability was 7.15 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical and forecasted information for all of the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

MC CLOUD COMMUNITY SERVICES DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

NOTE 10: PENSION PLAN (CONTINUED)

B. Pension Liability, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pension (Continued)

Long-Term Expected Rate of Return (Continued)

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

<u>Asset Class</u>	<u>Assumed Asset Allocation</u>	<u>Real Return Years 1-10(a)</u>	<u>Real Return Years 11+(b)</u>
Global Equity	50.0%	4.80%	5.98%
Fixed Income	28.0%	1.00%	2.62%
Inflation Assets	0.0%	0.77%	1.81%
Private Equity	8.0%	6.30%	7.23%
Real Assets	13.0%	3.75%	4.93%
Liquidity	<u>1.0%</u>	0.00%	-0.92%
Total	<u>100.0%</u>		

(a) An expected inflation of 2.00% used for this period

(b) An expected inflation of 2.92% used for this period

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the net pension liability for each Rate Tier as of the measurement date, calculated using the discount rate for each Plan, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	<u>1% Decrease 6.15%</u>	<u>Discount Rate 7.15%</u>	<u>1% Increase 8.15%</u>
Miscellaneous	\$ 983,289	\$ 642,121	\$ 360,224
Safety	3,624	3,624	3,624

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

MC CLOUD COMMUNITY SERVICES DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

NOTE 11: OTHER POSTEMPLOYMENT BENEFITS (OPEB)

A. General Information about the OPEB Plan

Plan Description

The District's defined benefit OPEB plan (the Plan) provides OPEB for all permanent full-time general and public safety employees of the District. The Plan is an agent multiple-employer defined benefit plan administered by the California Public Employees' Retirement System (CalPERS). The Board of Directors reserves the authority to review and amend the funding policy from time to time, in order to ensure that the funding policy continues to best suit the circumstances of the District.

Benefits Provided

The District reported that medical coverage is available to retirees.

Medical coverage is currently provided through CalPERS as permitted under the Public Employees' Medical and Hospital Care Act (PEMHCA). Access to this coverage requires the employee to satisfy the requirements for retirement under CalPERS, i.e., (a) attainment of age 50 (age 52 for miscellaneous PEPRA employees) with 5 years of State or public agency service or (b) an approved disability retirement.

The employee must begin his or her retirement (pension) benefit within 120 days of terminating employment with the District to be eligible to continue medical coverage through the District and be entitled to the benefits described below. Once eligible, coverage may be continued at the retiree's option for his or her lifetime. A surviving spouse and other eligible dependents may also continue coverage. If an eligible employee is not already enrolled in the medical plan, he or she may enroll within 60 days of retirement, during any future open enrollment period or with a qualifying life event.

Under PEMHCA, the District is required to contribute toward retiree premiums for the retiree's lifetime or until coverage is discontinued.

The District currently maintains two different PEMHCA resolutions which apply to those eligible for coverage (as described above), based on the employee's hire date:

- Retirees hired before February 1, 2018 are covered by an Unequal Contribution resolution. After a lengthy phase in period, this resolution provides for the District to pay 100% of premiums for the retiree and any eligible enrolled dependents; however, the Memoranda of Understanding between the District and its employee groups currently limit the District's contribution to \$17,122 per year.
- Retirees hired on or after February 1, 2018 are covered by a PEMHCA Vesting resolution. Under this resolution, the District's contribution toward retiree medical benefits is determined as the lesser of (a) and (b):
 - a) 100% of the medical plan premiums for the retiree and his or her eligible dependents and
 - b) The maximum monthly benefits (caps) under the vesting formula multiplied by the vesting percent. Cap amounts vary by coverage level and are adjusted annually. In 2019, the caps are \$734 (single), \$1,398 (two-party), and \$1,788 (family). The vesting percent is based on years of CalPERS membership (but at least 5 years with the District).

MCLOUD COMMUNITY SERVICES DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

NOTE 11: OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

A. General Information about the OPEB Plan (Continued)

Benefits Provided (Continued)

The vesting percent applied to the maximum benefit amounts are as follows:

Years of Qualifying Service	Vested Percent	Years of Qualifying Service	Vested Percent
Less than 10	0%	15	75%
10	50%	16	80%
11	55%	17	85%
12	60%	18	90%
13	65%	19	95%
14	70%	20 or more	100%

Employees covered by the PEMHCA vesting resolution who qualify for and take an approved disability retirement are automatically 100% vested, regardless of their years of service.

Unlike retirees hired prior to February 2018, those covered by the vesting resolution who complete at least 20 years of service with the District are entitled to these subsidized medical benefits even if they terminate employment prior to reaching the earliest retirement age permitted under their retirement program.

Current premium rates: The 2019 CalPERS monthly medical plan rates in the Other Northern California Area rate group are shown in the table below. If different rates apply where the member resides outside of this area, those rates are reflected in the valuation, but not listed here. The CalPERS administration fee is assumed to be expensed each year and has not been projected as an OPEB liability in this valuation.

Other Northern California Counties 2019 Health Plan Rates						
Plan	Actives and Pre-Med Retirees			Medicare Eligible Retirees		
	Ee Only	Ee & 1	Ee & 2+	Ee Only	Ee & 1	Ee & 2+
PERS Choice PPO	\$ 866.95	\$ 1,733.90	\$ 2,254.07	\$ 360.41	\$ 720.82	\$ 1,240.99
PERS Select PPO	511.34	1,022.68	1,329.48	360.41	720.82	1,027.62
PERSCare PPO	1,085.83	2,171.66	2,823.16	394.83	789.66	1,441.16
2019 Monthly District-Paid Maximums for Retirees						
Hired before February 1, 2018	\$ 1,427	\$ 1,427	\$ 1,427	\$ 1,427	\$ 1,427	\$ 1,427
Hired on/after February 1, 2018	734	1,398	1,788	734	1,398	1,788

Employees Covered by Benefit Terms

At June 30, 2021 the following plan members were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefits	13
Active plan members	<u>8</u>
Total	<u><u>21</u></u>

MC CLOUD COMMUNITY SERVICES DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

NOTE 11: OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

B. Net OPEB Liability

The District's net OPEB liability of \$1,430,622, was measured as of June 30, 2020, and was determined by an actuarial valuation as of June 30, 2019.

Actuarial Assumptions and Other Inputs

The net OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	June 30, 2019
Measurement Date	Last day of the prior fiscal year (June 30, 2020)
Funding Method	Entry Age Normal Cost, level percent of pay
Asset Valuation Method	Market value of assets
Long Term Return on Assets	6.35% as of June 30, 2019 net of plan investment expenses
Discount Rate	6.35% as of June 30, 2020 and 6.25% as of June 30, 2019
Participants Valued	Only current active employees and retired participants and covered dependents are valued. No future entrants are considered in the valuation.
Salary Increase	3.25% per year; since benefits do not depend on salary, this is used to allocate the cost of benefits between service years
General Inflation Rate	2.5% per year
Healthcare cost trend rates	7.0% for 2020, to an ultimate rate of 5.0% for 2024 and later years
Mortality rates	MacLeod Watts Scale 2018 applied generationally from 2015

Demographic actuarial assumptions used in the June 30, 2019 valuation are based on the 2017 experience study of the California Public Employees Retirement System using data from 1997 to 2015, except for a different basis used to project future mortality improvements.

MC CLOUD COMMUNITY SERVICES DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

NOTE 11: OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

C. Changes in the Net OPEB Liability

The table below shows the changes in the total OPEB liability, the Plan Fiduciary Net Position (i.e., fair value of the Plan assets), and the net OPEB liability during the measurement period ending on June 30, 2021 for the District's proportionate share.

	Increases (Decreases)		
	Total OPEB Liability <u>(a)</u>	Plan Fiduciary Net Position <u>(b)</u>	Net OPEB Liability <u>(a) – (b)</u>
Balances at fiscal year ending June 30, 2020	\$ 2,041,845	\$ 82,011	\$ 1,959,834
Changes during the period:			
Service cost	58,146	-	58,146
Interest cost	127,813	-	127,813
Difference between expected and actual experience	(159,040)	-	(159,040)
Change of assumptions	(281,894)	-	(281,894)
Contributions – employer	-	265,736	(265,736)
Net investment income	(8,588)	-	(8,588)
Benefit payments	(167,736)	(167,736)	-
Administrative expenses	87	-	87
Net Changes	<u>(431,212)</u>	<u>98,000</u>	<u>(529,212)</u>
Balances at fiscal year ending June 30, 2021	<u>\$ 1,610,633</u>	<u>\$ 180,011</u>	<u>\$ 1,430,622</u>

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease <u>(5.35%)</u>	Discount Rate <u>(6.35%)</u>	1% Increase <u>(7.35%)</u>
Net OPEB liability	\$ 1,583,892	\$ 1,430,622	\$ 1,299,604

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Trend Rates

The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage point lower or 1-percentage point higher than the current healthcare cost trend rates:

	Current Trend <u>-1%</u>	Current Trend	Current Trend <u>+1%</u>
Net OPEB Liability	\$ 1,294,471	\$ 1,430,622	\$ 1,591,312

MC CLOUD COMMUNITY SERVICES DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

NOTE 11: OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

D. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2021, the District recognized OPEB expense of (\$144,024). At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ -	(\$ 498,309)
Differences between expected and actual experience	-	(129,588)
Contributions made subsequent to the measurement date	1,212	-
Total	\$ 1,212	(\$ 627,897)

The \$1,212 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the next fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ended June 30	
2022	(\$ 280,192)
2023	(148,441)
2024	(84,041)
2025	(81,352)
2026	(32,659)
Thereafter	-
	(\$ 626,685)

NOTE 12: RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District has joined together with other municipalities to participate in the Special District Risk Authority Management (SDRMA) for general liability, vehicle liability, and errors and omissions purposes. SDRMA is a public entity risk pool which serves as a common risk management and insurance program. The District pays an annual premium to SDRMA for its insurance coverage. The agreements with SDRMA provide that they will be self-sustaining through member premiums and will reinsure through commercial companies for excess coverage.

There is no claims liability to be reported based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

There are no significant reductions in insurance coverage from prior years and there have been no settlements exceeding the insurance coverages for each of the past three fiscal years.

MC CLOUD COMMUNITY SERVICES DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

NOTE 13: OTHER INFORMATION

A. Commitments and Contingencies

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the appreciable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the government expects such amounts, if any, to be immaterial.

B. Subsequent Events

Management has evaluated events subsequent to June 30, 2021 through XXX, 2022, the date on which the financial statements were available for issuance. Management has determined no subsequent events requiring disclosure have occurred.

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**Required Supplementary Information
(Unaudited)**

MC CLOUD COMMUNITY SERVICES DISTRICT
Required Supplementary Information
District Pension Plan
Schedule of Proportionate Share of the Net Pension Liability
For the Year Ended June 30, 2021
Last 10 Years*

Measurement Date	2017/2018	2018/2019	2019/2020	2020/2021
Miscellaneous				
Proportion of the net pension liability	0.01300%	1.36450%	0.01448%	0.01522%
Proportionate share of the net pension liability	\$ 512,471	\$ 514,244	\$ 579,787	\$ 642,121
Covered payroll	268,233	287,916	265,821	-
Proportionate share of the net pension liability as a percentage of covered payroll	191.05%	178.61%	218.11%	#DIV/0!
Plan fiduciary net position as a percentage of the total pension liability	79.89%	79.18%	76.72%	74.95%
Safety				
Proportion of the net pension liability	0.000007%	0.000007%	0.00055%	0.00054%
Proportionate share of the net pension liability	\$ 4,229	\$ (4,856)	\$ (3,440)	\$ (3,624)
Covered payroll	-	-	-	-
Proportionate share of the net pension liability as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	0.00%	0.00%	0.00%	0.00%

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* The District implemented GASB 68 for the fiscal year June 30, 2018, therefore only four years are shown.

MC CLOUD COMMUNITY SERVICES DISTRICT
Required Supplementary Information
District Pension Plan
Schedule of Contributions
For the Year Ended June 30, 2021
Last 10 Years*

Fiscal Year	<u>2017/2018</u>	<u>2018/2019</u>	<u>2019/2020</u>	<u>2020/2021</u>
Miscellaneous				
Contractually required contributions (actuarially determined)	\$ 11,391	\$ 20,393	\$ 28,342	\$ 33,889
Contributions in relation to the actuarially determined contributions	<u>(24,087)</u>	<u>(42,191)</u>	<u>(50,577)</u>	<u>(59,997)</u>
Contribution deficiency (excess)	<u>\$ (12,696)</u>	<u>\$ (21,798)</u>	<u>\$ (22,235)</u>	<u>\$ (26,108)</u>
Covered payroll	\$ 268,233	\$ 287,916	\$ 265,821	\$ -
Contributions as a percentage of covered payroll	4.25%	7.08%	10.66%	#DIV/0!
Safety				
Contractually required contributions (actuarially determined)	\$ 1,045	\$ 1,040	\$ 1,035	\$ 1,026
Contributions in relation to the actuarially determined contributions	<u>(1,045)</u>	<u>(1,040)</u>	<u>(1,035)</u>	<u>(1,026)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ -	\$ -	\$ -	\$ -
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%

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* The District implemented GASB 68 for the fiscal year June 30, 2018, therefore only four years are shown.

MC CLOUD COMMUNITY SERVICES DISTRICT
Required Supplementary Information
District Pension Plan
Notes to District Pension Plan
For the Year Ended June 30, 2021

NOTE 1: SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Summary of Changes of Benefits or Assumptions

Benefit Changes: None

Changes of Assumptions: None

NOTE 2: SCHEDULE OF CONTRIBUTIONS

Methods and assumptions used to determine the contribution rates were as follows:

Valuation Date	June 30, 2019
Actuarial cost method	Individual Entry Age Normal
Amortization method	Level Percentage of Payroll and Direct Rate Smoothing
Remaining amortization period	Differs by employer rate plan but no more than 30 years
Asset valuation method	Fair value
Discount rate	7.00%
Payroll Growth	2.75%
Inflation	2.50%
Salary increases	Varies based on entry age and service
Investment rate of return	7.00%

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MC CLOUD COMMUNITY SERVICES DISTRICT
Required Supplementary Information
District OPEB Plan
Schedule of Changes in the Net OPEB Liability and Related Ratios
For the Year Ended June 30, 2021
Last 10 Years*

	<u>2017/2018</u>	<u>2018/2019</u>	<u>2019/2020</u>	<u>2020/2021</u>
Total OPEB Liability				
Service Cost	\$ 116,926	\$ 102,897	\$ 61,121	\$ 58,146
Interest	84,000	96,813	124,481	127,813
Difference between expected and actual experience	-	-	-	(159,040)
Changes of assumption	(266,200)	(738,374)	(33,405)	(281,894)
Benefit payments	(132,660)	(118,332)	(124,581)	(167,736)
Net Change in Total OPEB Liability	(197,934)	(656,996)	27,616	(422,711)
Total OPEB Liability - Beginning	<u>2,896,775</u>	<u>2,698,841</u>	<u>2,041,845</u>	<u>2,069,461</u>
Total OPEB Liability - Ending (a)	<u>\$ 2,698,841</u>	<u>\$ 2,041,845</u>	<u>\$ 2,069,461</u>	<u>\$ 1,646,750</u>
Plan Fiduciary Net Position				
Contributions - employer	\$ 132,660	\$ 118,332	\$ 234,208	\$ 265,736
Net investment income	-	-	-	8,588
Benefit payments	(132,660)	(118,332)	(124,581)	(167,736)
Administrative expenses	-	-	-	(87)
Net Change in Plan Fiduciary Net Position	-	-	109,627	106,501
Plan Fiduciary Net Position - Beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>109,627</u>
Plan Fiduciary Net Position - Ending (b)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 109,627</u>	<u>\$ 216,128</u>
Net OPEB Liability - Ending (a) - (b)	<u>\$ 2,698,841</u>	<u>\$ 2,041,845</u>	<u>\$ 1,959,834</u>	<u>\$ 1,430,622</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	5.59%	15.11%
Covered-employee payroll	\$ 266,233	\$ 287,916	\$ 324,131	\$ 361,762
Net OPEB liability as a percentage of covered-employee payroll	1013.71%	709.18%	604.64%	395.46%

* The District implemented GASB 75 for the fiscal year June 30, 2018, therefore only four years are shown.

MC CLOUD COMMUNITY SERVICES DISTRICT
Required Supplementary Information
District OPEB Plan
Schedule of Contributions
For the Year Ended June 30, 2021
Last 10 Years*

	<u>2017/2018</u>	<u>2018/2019</u>	<u>2019/2020</u>	<u>2020/2021</u>
Actuarially determined contributions	\$ -	\$ -	\$ 244,167	\$ 125,279
Contributions in relation to the actuarially determined contribution	-	-	(241,136)	(265,736)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,031</u>	<u>\$ (140,457)</u>
Covered-employee payroll	\$ 266,233	\$ 287,916	\$ 324,131	\$ 361,762
Contributions as a percentage of covered-employee payroll	0.00%	0.00%	-74.39%	-73.46%

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* The District implemented GASB 75 for the fiscal year June 30, 2018, therefore only four years are shown.

MC CLOUD COMMUNITY SERVICES DISTRICT
Required Supplementary Information
District OPEB Plan
Notes to District OPEB Plan
For the Year Ended June 30, 2021

NOTE 1: SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS

Discount Rate: For plan accounting purposes, the discount rate was changed from 6.10 percent as of June 30, 2018 to 6.25 percent as of June 30, 2019 reflecting the results of analysis described in GASB 75 paragraphs 36-41.

NOTE 2: SCHEDULE OF CONTRIBUTIONS

The actuarially determined contribution (ADC) developed for the District's fiscal year ending June 30, 2021 was determined and presented in the June 30, 2019 Actuarial Valuation report.

Methods and Assumptions Used to Determine Contributions:

Actuarial cost method	Entry Age Normal
Amortization method	Level dollar, closed 20 years
Amortization period	19 years remain
Asset valuation method	Market value
Inflation	2.75%
Healthcare cost trend rates	7.00% in 2020, to 5.00% by 2024
Salary increases	3.25%
Retirement age	From 50 to 75
Mortality	2017 CalPERS' Experience Study

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MC CLOUD COMMUNITY SERVICES DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2021

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes and assessments	\$ 78,000	\$ 78,000	\$ 82,707	\$ 4,707
Use of money	5,993	5,993	1,783	(4,210)
Intergovernmental	-	-	1,231	1,231
Other revenues	-	-	4,699	4,699
Total Revenues	83,993	83,993	90,420	6,427
EXPENDITURES				
General government	433,961	855,384	449,452	405,932
Capital outlay	18,000	18,000	15,200	2,800
Total Expenditures	451,961	873,384	464,652	408,732
Excess of Revenues Over (Under Expenditures)	(367,968)	(789,391)	(374,232)	415,159
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	350,672	350,672
Total Other Financing Sources (Uses)	-	-	350,672	350,672
Net Change in Fund Balances	(367,968)	(789,391)	(23,560)	765,831
Fund Balances - Beginning	492,735	492,735	492,735	-
Fund Balances - Ending	\$ 124,767	\$ (296,656)	\$ 469,175	\$ 765,831

MC CLOUD COMMUNITY SERVICES DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
FIRE- Major Special Revenue Fund
For the Year Ended June 30, 2021

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes and assessments	\$ 126,829	\$ 123,378	\$ 110,569	\$ (12,809)
Use of money	6,360	6,360	1,970	(4,390)
Intergovernmental	-	-	15,000	15,000
Charges for services	22,000	22,000	52,709	30,709
Other revenues	14,000	14,000	135,725	121,725
Total Revenues	<u>169,189</u>	<u>165,738</u>	<u>315,973</u>	<u>150,235</u>
EXPENDITURES				
Public protection	209,664	210,803	246,849	(36,046)
Capital outlay	15,000	15,000	7,400	7,600
Total Expenditures	<u>224,664</u>	<u>225,803</u>	<u>254,249</u>	<u>(28,446)</u>
Excess of Revenues Over (Under Expenditures)	<u>(55,475)</u>	<u>(60,065)</u>	<u>61,724</u>	<u>121,789</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	-	-	(43,015)	43,015
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(43,015)</u>	<u>43,015</u>
Net Change in Fund Balances	<u>(55,475)</u>	<u>(60,065)</u>	<u>18,709</u>	<u>(78,774)</u>
Fund Balances - Beginning	<u>487,608</u>	<u>487,608</u>	<u>487,608</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 432,133</u>	<u>\$ 427,543</u>	<u>\$ 506,317</u>	<u>\$ (78,774)</u>

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MC CLOUD COMMUNITY SERVICES DISTRICT
Required Supplementary Information
Notes to Budgetary Comparison Schedules
For the Year Ended June 30, 2021

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, 2021, the District incurred expenditures in excess of appropriations as follows:

	<u>Appropriations</u>	<u>Expenditures</u>	Excess of Expenditures Over <u>Appropriations</u>
Fire	\$ 225,803	\$ 254,249	\$ 28,446

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Combining Nonmajor Fund Financial Statements

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Nonmajor Governmental Funds

- **Special Revenue Funds**

MC CLOUD COMMUNITY SERVICES DISTRICT
Combining Balance Sheet
Nonmajor Governmental Funds
Special Revenue Funds
June 30, 2021

	Alleys 1050	Lights 1060	Parks 1070	Park Old Court House 1075
ASSETS				
Cash and investments	\$ 197,798	\$ 2,451	\$ 131,928	\$ 3,208
Receivables:				
Accounts	4,865	3,100	-	-
Taxes	-	-	10,038	-
Total Assets	\$ 202,663	\$ 5,551	\$ 141,966	\$ 3,208
LIABILITIES				
Accounts payable	\$ -	\$ 1,349	\$ 255	\$ -
Salaries and Benefits	271	53	872	-
Due to other funds	-	12,206	-	-
Total Liabilities	271	13,608	1,127	-
FUND BALANCES				
Restricted	202,392	-	140,839	3,208
Unassigned	-	(8,057)	-	-
Total Fund Balances	202,392	(8,057)	140,839	3,208
Total Liabilities and Fund Balances	\$ 202,663	\$ 5,551	\$ 141,966	\$ 3,208

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Library 1080	MASWC Escrow	MASWC	Payroll Clearing	Totals
\$ 11,127	\$ -	\$ -	\$ -	\$ 346,512
-	-	-	-	7,965
1,447	-	-	-	11,485
<u>\$ 12,574</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 365,962</u>
\$ 78	\$ -	\$ -	\$ -	\$ 1,682
139	-	-	206	1,541
-	-	-	1,268	13,474
217	-	-	1,474	16,697
12,357	-	-	-	358,796
-	-	-	(1,474)	(9,531)
12,357	-	-	(1,474)	349,265
<u>\$ 12,574</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 365,962</u>

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MC CLOUD COMMUNITY SERVICES DISTRICT
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Governmental Funds
Special Revenue Funds
For the Year Ended June 30, 2021

	Alleys 1050	Lights 1060	Parks 1070	Park Old Court House 1075
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ 41,692	\$ -
Use of money	572	1	1,799	-
Charges for services	40,730	21,798	-	-
Other revenues	154	-	191	501
Total Revenues	<u>41,456</u>	<u>21,799</u>	<u>43,682</u>	<u>501</u>
EXPENDITURES				
General government	-	-	-	1,749
Public ways and facilities	24,028	17,167	-	-
Culture and recreation	-	-	22,845	-
Education	-	-	-	-
Capital outlay	19,307	-	23,980	-
Total Expenditures	<u>43,335</u>	<u>17,167</u>	<u>46,825</u>	<u>1,749</u>
Excess of Revenues Over (Under Expenditures)	<u>(1,879)</u>	<u>4,632</u>	<u>(3,143)</u>	<u>(1,248)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(9,927)	-	(13,236)	-
Total Other Financing Sources (Uses)	<u>(9,927)</u>	<u>-</u>	<u>(13,236)</u>	<u>-</u>
Net Change in Fund Balances	<u>(11,806)</u>	<u>4,632</u>	<u>(16,379)</u>	<u>(1,248)</u>
Fund Balances - Beginning	<u>214,198</u>	<u>(12,689)</u>	<u>157,218</u>	<u>4,456</u>
Fund Balances - Ending	<u>\$ 202,392</u>	<u>\$ (8,057)</u>	<u>\$ 140,839</u>	<u>\$ 3,208</u>

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<u>Library 1080</u>	<u>MASWC Escrow</u>	<u>MASWC</u>	<u>Payroll Clearing</u>	<u>Totals</u>
\$ 6,021	\$ -	\$ -	\$ -	\$ 47,713
18	-	-	(1)	2,389
-	-	-	-	62,528
<u>2,307</u>	<u>(44,833)</u>	<u>-</u>	<u>-</u>	<u>(41,680)</u>
<u>8,346</u>	<u>(44,833)</u>	<u>-</u>	<u>(1)</u>	<u>70,950</u>
-	-	164	-	1,913
-	-	-	-	41,195
-	-	-	-	22,845
7,904	-	-	-	7,904
-	-	-	-	43,287
<u>7,904</u>	<u>-</u>	<u>164</u>	<u>-</u>	<u>117,144</u>
<u>442</u>	<u>(44,833)</u>	<u>(164)</u>	<u>(1)</u>	<u>(46,194)</u>
-	-	785	-	785
<u>(3,309)</u>	<u>(22,952)</u>	<u>-</u>	<u>-</u>	<u>(49,424)</u>
<u>(3,309)</u>	<u>(22,952)</u>	<u>785</u>	<u>-</u>	<u>(48,639)</u>
<u>(2,867)</u>	<u>(67,785)</u>	<u>621</u>	<u>(1)</u>	<u>(94,833)</u>
<u>15,224</u>	<u>67,785</u>	<u>(621)</u>	<u>(1,473)</u>	<u>444,098</u>
<u>\$ 12,357</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,474)</u>	<u>\$ 349,265</u>

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OTHER REPORT AND SCHEDULES

- **Other Report**
- **Schedule of Findings and Recommendations**
- **Schedule of Prior Year Findings and Recommendations**
- **Management's Corrective Action Plan**

**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, 2021, 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, 2022.

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 have not been 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. (2021-001, 2021-002, and 2021-003)

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

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

The District's responses to the findings identified in our audit are described in the accompanying management's corrective action plan. The District's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

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, 2022

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MC CLOUD COMMUNITY SERVICES DISTRICT
Schedule of Findings and Recommendations
For the Year Ended June 30, 2021

2021-001 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 2020-002.

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.

MC CLOUD COMMUNITY SERVICES DISTRICT
Schedule of Findings and Recommendations
For the Year Ended June 30, 2021

2021-002 Inter-Fund Balance (Significant Deficiency)

Criteria

Inter-fund loans should be considered temporary with the intent to be repaid within one year. Borrowing should occur only when the fund receiving the money will earn sufficient income during the current fiscal year to repay the amount borrowed.

Condition

There is an outstanding inter-fund payable due to the General fund for \$12,206 from the Lights fund (\$12,206) that has been outstanding for more than one year.

Cause

The District does not have a policy that governs inter-fund borrowing.

Effect

Inter-fund borrowing balances have not been analyzed according to an approved policy.

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 2020-003.

Recommendation

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.

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.

MCLOUD COMMUNITY SERVICES DISTRICT
Schedule of Findings and Recommendations
For the Year Ended June 30, 2021

2021-003 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, 2021, we noted that the District incurred expenditures in excess of appropriations of \$28,446 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 \$28,446 in the Fire fund.

Questioned Cost

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

Context

Not applicable.

Repeat Finding

This is not a repeat finding.

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.

MCLOUD COMMUNITY SERVICES DISTRICT
Schedule of Prior Year Findings and Recommendations
For the Year Ended June 30, 2021

<u>Audit Reference</u>	<u>Status of Prior Year Audit Recommendations</u>
2020-001	<p>Prior Period Adjustment</p> <p>Recommendation</p> <p>We recommend that the District maintain accurate and sufficient documentation to comply with reporting and compliance requirements.</p> <p>Status</p> <p>Implemented</p>
2020-002	<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>
2020-003	<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>Not Implemented</p>

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MCLOUD COMMUNITY SERVICES DISTRICT
Management's Corrective Action Plan
For the Year Ended June 30, 2021

Finding 2021-001 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 2021-002 Inter-Fund Balance (Significant Deficiency)

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.

Management's Response:

Responsible Individual:

Corrective Action Plan:

Anticipated Completion Date:

Finding 2021-003 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:

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Agenda Item 8 C

Name	Amount Billed	Annual Amount Billed	Monthly	Annual
Employee 1	\$ 1,402.46	\$ 16,829.52	\$ 1,651.22	\$ 19,814.64
Employee 2	\$ 1,402.46	\$ 16,829.52	\$ 1,651.22	\$ 19,814.64
Employee 3	\$ 1,402.46	\$ 16,829.52	\$ 1,651.22	\$ 19,814.64
Employee 4	\$ 1,402.46	\$ 16,829.52	\$ 1,651.22	\$ 19,814.64
Employee 5	\$ 1,402.46	\$ 16,829.52	\$ 1,651.22	\$ 19,814.64
Employee 6	\$ 1,057.01	\$ 12,684.12	\$ 1,200.12	\$ 14,401.44
Employee 7	\$ 1,057.01	\$ 12,684.12	\$ 1,200.12	\$ 14,401.44

	Calpers			\$17,122 = \$1427/month		
	2022 Rates			2023 Rates		
	Single	Single + 1	Family	Single	Single+1	Family
Platinum	\$ 1,057	\$ 2,114	\$ 2,748	\$ 1,200	\$ 2,400	\$ 3,120
Gold	\$ 701	\$ 1,402	\$ 1,823	\$ 826	\$ 1,651	\$ 2,146
	SDRMA					
Platinum				\$ 1,161	\$ 2,324	\$ 3,019
Gold				\$ 1,085	\$ 2,170	\$ 2,820
Silver				\$ 779	\$ 1,556	\$ 2,021
Bronze				\$ 713	\$ 1,426	\$ 1,851

Agenda Item 8 D

CASH, CAPITAL AND RESERVE BUDGET 2022/2023

	1010 General	1020 Directors	1040 Fire	1050 Alleys	1060 Lights	1070 Park	1080 Library	1090 Refuse	2000 Sewer	3000 Water	TOTAL
EST LAIF BALANCE 6-30-2022	\$ 317,782	\$ -	\$ 351,177	\$ 96,172	\$ 381	\$ 77,301	\$ 3,288	\$ 67,658	\$ 1,032,403	\$ 273,680	\$ 2,219,842
EST OPERATING BALANCE 6-30-2022	\$ 126,702	\$ -	\$ 349,521	\$ 107,177	\$ 3,741	\$ 48,728	\$ 3,069	\$ 108,318	\$ 395,766	\$ 515,964	\$ 1,658,986
EST CERBT BALANCE 6-30-2022	\$ 367,268	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,411	\$ 14,860	\$ 52,241	\$ 438,780
BEGINNING CASH BALANCE 7-1-2022	\$ 811,752	\$ -	\$ 700,698	\$ 203,349	\$ 4,122	\$ 126,029	\$ 6,357	\$ 180,387	\$ 1,443,029	\$ 841,885	\$ 4,317,608
OPERATING BALANCE 7-1-2022	\$ 126,702	\$ -	\$ 349,521	\$ 107,177	\$ 3,741	\$ 48,728	\$ 3,069	\$ 108,318	\$ 395,766	\$ 515,961	\$ 1,658,983
NET INCOME/(LOSS) FROM OPERATIONS	\$ 82,767	\$ -	\$ 57,959	\$ (31,785)	\$ 1,414	\$ (25,650)	\$ (8,682)	\$ 33,136	\$ 62,380	\$ 113,390	\$ 284,928
CAPITAL OUTLAYS	\$ -	\$ -	\$ 53,400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,000	\$ -	\$ 65,400
BALANCE TRANSFERS	\$ 128,000	\$ -	\$ 300,000	\$ 40,000	\$ -	\$ -	\$ -	\$ 100,000	\$ 350,000	\$ 250,000	\$ 1,168,000
RESERVE ASSIGNMENTS	\$ -	\$ -	\$ 217	\$ 977	\$ 232	\$ 47	\$ 15,757	\$ 58,778	\$ 143,231	\$ 219,239	\$ 219,239
Projected Operating Cash Balance 6-30-23	\$ 81,469	\$ -	\$ 54,080	\$ 35,175	\$ 4,178	\$ 22,846	\$ (5,660)	\$ 25,697	\$ 37,368	\$ 236,120	\$ 491,272
CAPITAL OUTLAYS											
Sewer Upgrades- Bio-solid Plan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,000	\$ -	\$ 12,000
								\$ -	\$ -	\$ -	\$ -
								\$ -	\$ -	\$ -	\$ -
Fire Department Safer PPE	\$ -		\$ 28,400								\$ 28,400
Fire Department CFAA Wildland training,PPE			\$ 25,000								\$ 25,000
		\$ -	\$ -								\$ -
TOTAL CAPITAL OUTLAYS	\$ -	\$ -	\$ 53,400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,000	\$ -	\$ 65,400
GAIN/LOSS SALE OF ASSETS											
Book Value	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sale Price	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
NET GAIN/LOSS SALE OF ASSETS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
RESERVE ASSIGNMENT											
Board Restricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,986	\$ 7,136	\$ 21,122
Committed (Board Approved Allocations) fn10	\$ -	\$ -	\$ 15,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,000
Committed (Rate Study Annual Reserve)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,841	\$ 31,757	\$ 121,077	\$ 158,675
Assigned (Operating Reserves) 5 year plan	\$ -	\$ -	\$ -	\$ 217	\$ 977	\$ 232	\$ 47	\$ 9,916	\$ 13,035	\$ 15,018	\$ 39,442
Assigned (Capital Reserves) 5 year plan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unassigned (after all commitments met)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL RESERVE ASSIGNMENTS	\$ -	\$ -	\$ 15,000	\$ 217	\$ 977	\$ 232	\$ 47	\$ 15,757	\$ 58,778	\$ 143,231	\$ 234,239
LAIF ACTIVITY											
Beginning Balance 7-1-2021	\$ 317,782	\$ -	\$ 351,177	\$ 96,172	\$ 381	\$ 77,301	\$ 3,288	\$ 67,658	\$ 1,032,403	\$ 273,680	\$ 2,219,842
Interest	\$ 4,767	\$ -	\$ 5,267	\$ 1,443	\$ 6	\$ 1,160	\$ 49	\$ 1,015	\$ 15,486	\$ 4,105	\$ 33,298
Reserve Assignments	\$ -	\$ -	\$ -	\$ 217	\$ 977	\$ 232	\$ 47	\$ 15,757	\$ 58,778	\$ 143,231	\$ 219,239
Balance Transfers	\$ -	\$ -	\$ 300,000	\$ 40,000	\$ -	\$ -	\$ -	\$ 100,000	\$ 350,000	\$ 250,000	\$ 1,040,000
Withdrawal CERBT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
NET LAIF ACTIVITY	\$ 4,767	\$ -	\$ 305,267	\$ 41,660	\$ 983	\$ 1,392	\$ 96	\$ 116,772	\$ 424,264	\$ 397,336	\$ 1,292,537
PROJECTED LAIF BALANCE 6-30-2023	\$ 322,549	\$ -	\$ 656,444	\$ 137,832	\$ 1,364	\$ 78,693	\$ 3,384	\$ 184,430	\$ 1,456,667	\$ 671,016	\$ 3,512,379
CERBT ACTIVITY											
Beginning Balance	\$ 367,268							4411	14860	52241	\$ 438,780
Deposits	\$ 128,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 128,000
Earnings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Withdrawals	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
NET CERBT ACTIVITY	\$ 128,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 128,000
PROJECTED CERBT BALANCE 6-30-2023	\$ 495,268	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,411	\$ 14,860	\$ 52,241	\$ 566,780
NET CASH 6-30-2023	\$ 899,286	\$ -	\$ 710,524	\$ 173,007	\$ 5,542	\$ 101,539	\$ (2,276)	\$ 214,538	\$ 1,508,895	\$ 959,377	\$ 4,570,431
NET CASH CHANGE IN POSITION	\$ 87,534	\$ -	\$ 9,826	\$ (30,342)	\$ 1,420	\$ (24,490)	\$ (8,633)	\$ 34,151	\$ 65,866	\$ 117,492	\$ 252,823

LETTER OF COMMITMENT
(FOR MULTI-JURISDICTIONAL LOCAL HAZARD MITIGATION PLANS)

<DATE>

County of Siskiyou
1312 Fairlane Rd
Yreka, CA 96097

RE: Letter of Commitment as Participating Jurisdiction in the Siskiyou County Multi-jurisdictional Hazard Mitigation Planning

Dear State Hazard Mitigation Officer:

As the Federal Emergency Management Agency's (FEMA) Local Mitigation Plan requirements under 44 CFR §201.6 specifically identify criteria that allow for multi-jurisdictional mitigation plans and that many issues are better resolved by evaluating hazards more comprehensively by coordinating at the county, regional, or watershed level, the <PARTICIPATING JURISDICTION> is submitting this letter of commitment to confirm that <PARTICIPATING JURISDICTION> has agreed to participate in the <LEAD JURISDICTION> Multi-jurisdictional Hazard Mitigation Planning.

Furthermore, as a condition of participation in the mitigation planning, <PARTICIPATING JURISDICTION>, agrees to meet the requirements for mitigation plans identified in 44 CFR §201.6 and to provide such cooperation as is necessary and in a timely manner to the <LEAD JURISDICTION> to complete the plan in conformance with FEMA requirements.

<PARTICIPATING JURISDICTION> understands that it must engage in the following planning process, as more fully described in [FEMA's Local Mitigation Planning Handbook](#), including, but not limited to:

- Identification of hazards unique to the jurisdiction and not addressed in the master planning document;
- The conduct of a vulnerability analysis and an identification of risks, where they differ from the general planning area;
- The formulation of mitigation goals responsive to public input and development of mitigation actions complementary to those goals. A range of actions must be identified specific for each jurisdiction. ;
- Demonstration that there has been proactively offered an opportunity for participation in the planning process by all community stakeholders (examples of participation include relevant involvement in any planning process, attending meetings, contributing research, data, or other information, commenting on drafts of the plan, etc.); and
- Documentation of an effective process to maintain and implement the plan; and,
- Formal adoption of the Multi-jurisdictional Hazard Mitigation Plan by the jurisdiction's governing body (each jurisdiction must officially adopt the plan).

Therefore, with a full understanding of the obligations incurred by participating in the FEMA hazard mitigation planning process as a participant in a multi-jurisdictional plan; I <NAME OF AUTHORIZED JURISDICTION OFFICIAL>, commit <PARTICIPATING JURISDICTION> to the Siskiyou County Multi-jurisdictional Hazard Mitigation Planning effort.

This document is executed this <DAY OF MONTH> day of <MONTH>, <YEAR>.

Please contact <NAME OF CONTACT> at <PHONE NUMBER & EMAIL> with questions.

Sincerely,

<ADD SIGNATURE HERE OF JURISDICTION OFFICIAL'S SIGNATURE>

<FIRST AND LAST NAME OF JURISDICTION OFFICIAL>

<TITLE>

<PHONE>

<FAX>

<EMAIL>