

AGENDA

Regular Board Meeting, February 17, 2022, at 6:00 P.M.

- ❖ The following agenda has been prepared and posted at least 72 hours prior to the regular board meeting of the Midway Heights County Water District Board of Directors in accordance with the Ralph M. Brown Act.
- ❖ The chronological order of agenda items does not necessarily mean that each item will be considered in that order. Any listed items may be considered at any time during the meeting, at the discretion of the Board President.
- ❖ The public may address the Board on each agenda item during the Board's consideration of that item. Any members of public present at a meeting will be asked but are not required to state their name to the Board Secretary so that their attendance may be made a matter of public record.
- ❖ The Board is prohibited by law from acting on any matter not appearing on the posted agenda, except in certain cases provided for in the Brown Act.
- ❖ In compliance with the Americans with Disabilities Act, if you are a disabled person and you need a disability-related modification or accommodation to participate in this meeting, please contact Jason Tiffany at (530) 878-8096 (phone) or (530) 878-8096 (fax). Requests must be made as early as possible, and at least one full business day before the start of the meeting.
- ❖ In accordance with Government Code Sec. 54954.2 (a) this notice and agenda were posted at the following locations: MHCWD Office; Meadow Vista Post Office; Meadow Vista Village Center; at the intersection of Placer Hills and Peaceful Valley Roads; and at the intersection of Oak Hill and Hillsdale Roads.

I. CALL TO ORDER

II. ROLL CALL OF DIRECTORS

Establish a quorum and identify for the minutes any other persons attending. Members of the public may remain anonymous if they wish.

III. REVIEW AND APPROVAL OF MINUTES pages 4-6

The minutes from the January 20, 2022, Regular Meeting will be discussed and may be approved.

IV. PUBLIC FORUM

This time is scheduled for comments from members of the public concerning subjects that do not specifically appear as items elsewhere on the agenda. The total time allotted for the public forum session is generally limited to 20 minutes. Discussion on each particular issue is limited to 10 minutes. Individuals are limited to approximately 3 minutes of public comments.

Potential issues or action items raised during the Public Forum will be noted by the Secretary and offered for discussion during the Calendar Review in this session.

V. GENERAL BUSINESS

A. CONSENT CALENDAR

1. Directors Reports
2. Miscellaneous Information and Correspondence

B. DISCUSSION & ACTION RE: AUDIT FOR FISCAL YEAR 2021 pages 7-32

C. DISCUSSION & ACTION RE: END OF YEAR REVIEW BUDGET REVIEW FOR FISCAL YEAR 2021 AND SIX-MONTH BUDGET REVIEW FOR FISCAL YEAR 2022 pages 33-59

D. APPOINTMENT OF AD-HOC COMMITTEE FOR AMENDMENTS TO DISTRICT CODE SECTIONS GOVERNING CONNECTION POLICIES AND FEES. pages 60

E. DISCUSSION & ACTION RE: STRATEGIC PLANNING pages 61-73

F. FIELD REPORT page 74

Review of the Field Report as provided in the Board Packet.

G. GENERAL MANAGER'S REPORT- IMPROVING COMMUNICATIONS WITH DISTRICT CUSTOMERS DURING WATER EMERGENCIES

Review the Report as provided in the Board Packet and/or as delivered by the GM.

VI. FINANCIAL

A. TREASURER'S REPORT: APPROVAL OF ACCOUNT TRANSFERS AND BILLS PAID pages
75-80

Fund Summaries and Checking Account Reconciliation Registers showing the balances of all the District's funds and bills paid for the prior month will be reviewed, discussed, and acted upon by the Board.

VII. GENERAL DISCUSSION AND CALENDAR REVIEW

The Board and staff may take this opportunity to ask questions; provide or receive information; make requests or provide direction regarding subsequent meeting agendas.

Current list of unscheduled agenda items:

1. Policy re: Consent Calendar.
2. Policy re: Directors Reports.
3. Policy re: Format/content of minutes, inclusion of public comments.
4. Policy re: Board members who share a household.

VIII. ANNOUNCEMENT OF NEXT REGULAR MEETING DATE & TIME

Unless otherwise decided, the next regular meeting will be March 17, 2022, at 6:00 PM

IX. ADJOURNMENT

MIDWAY HEIGHTS COUNTY WATER DISTRICT

Regular Board Meeting Minutes

January 20, 2022, 6:00 P.M. at District Office
16733 Placer Hills Road, Meadow Vista CA. 95722

I. CALL TO ORDER

President Goodwin called the meeting to order at approximately 6:00 PM.

II. ROLL CALL

DIRECTORS PRESENT: Richard Goodwin, President
Don Rushton, Vice-President
Jim Mehl, District Treasurer
Pauline Nevins, CSDA Representative
Craig Stone, ACWA/JPIA Representative

DIRECTORS ABSENT: None.

OTHERS PRESENT: Jason Tiffany, General Manager and Board Secretary

MEMBERS OF THE PUBLIC: None

III. REVIEW AND APPROVAL OF MINUTES

M/S Jim Mehl/ Richard Goodwin to accept the December 16, 2021 minutes as written.

Richard Goodwin	Aye	X	Nay		Absent		Abstain	
Jim Mehl	Aye	X	Nay		Absent		Abstain	
Pauline Nevins	Aye	X	Nay		Absent		Abstain	
Donald Rushton	Aye	X	Nay		Absent		Abstain	
Craig Stone	Aye		Nay		Absent		Abstain	X

Board Totals	Aye	4	Nay		Absent		Abstain	1
--------------	-----	---	-----	--	--------	--	---------	---

Passed Unanimously: Yes

IV. PUBLIC FORUM - None

V. GENERAL BUSINESS

A. CONSENT CALENDAR

1. DIRECTORS REPORTS - none.
2. MISCELLANEOUS INFORMATION AND CORRESPONDENCE - none.

B. BRIEFINGS RE: JPIA AND CSDA CURRENT EVENTS

The Board decided to move this item to Directors Reports, item V, A-1 in the future.

C. DISCUSSION & ACTION RE: AMENDMENTS TO DISTRICT CODE SECTIONS GOVERNING CONNECTION AND RECONNECTION FEES.

The Board reviewed the material in the Board packet, and it was decided that an Ad-Hoc committee would be the best way to handle this item due to the complexity of this issue. President Goodwin said he would appoint the committee at the next meeting.

D. DISCUSSION AND ACTION RE: STRATEGIC PLANNING

The Board reviewed the material in the Board packet. Presentation of the Draft Request for Proposals (RFP) will be made at the February Board meeting.

E. DISCUSSION & ACTION RE: NEW WEBSITE

The Board complimented staff on the new website and asked that the transition be made to the new site.

F. FIELD REPORT

The Board reviewed the report and asked questions about the listed activities.

G. GENERAL MANAGERS REPORT

The General manager presented an overview of actions taken during the recent storm that saw the loss of water and power to the District from its power supplier, PG&E, it's treated water supplier, Weimar Water Company and its irrigation water supplier, PCWA.

Actions taken included:

1. Communicating with suppliers.
2. Coordinating efforts to restore power and water with the Placer County Office Of Emergency services.
3. Contacting the Board of Directors.
4. Sending out mass emails to alert the customers.
5. Patrolling the District for damage to facilities, customers' service lines and homes.
6. Using the generator to provide backup power to the emergency treated pump for filling the Coyote Hill Estates treated water tank.
7. Using the District radio read metering system to identify District usage and to locate three customer leaks that were using about 35,000 gallons of water a day.

During the storm crisis the District used approximately 350,000 gallons of water out of its storage tanks to keep the treated system pressurized.

VI. FINANCIAL

A. TREASURER'S REPORT - APPROVAL OF ACCOUNT TRANSFERS AND BILLS PAID

Board Treasurer Mehl reported that all looked to be in order.

M/S Don Rushton/Craig Stone to accept the report.

Richard Goodwin	Aye	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>
Jim Mehl	Aye	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>
Pauline Nevins	Aye	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>
Donald Rushton	Aye	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>
Craig Stone	Aye	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>
Board Totals	Aye	<input type="text" value="5"/>	Nay	<input type="text"/>	Absent	<input type="text"/>	Abstain	<input type="text"/>

Passed Unanimously: Yes

B. FY 2023 BUDGET AD HOC COMMITTEE (AHC)

The Board and staff reviewed the timeline for the committee meetings. The first draft of the FY 2023 is anticipated to be available for review during the March 17, 2022, meeting.

VII. GENERAL DISCUSSION AND CALENDAR REVIEW

That the General Manager would provide an update on how to better communicate with customers during emergency events.

VII. ANNOUNCEMENT OF NEXT REGULAR MEETING DATE & TIME

The next regular meeting date is set for February 17, 2022, at 6 P.M.

IX. ADJOURNMENT

President Goodwin adjourned the meeting at 7:49 P.M.

Respectfully Submitted,

Approved,

 Jason Tiffany
 Secretary to the Board
 Midway Heights County Water District

 Richard Goodwin
 President of the Board

Dated: _____

Midway Heights County Water District
 All Attachments, Ordinances, Resolutions, Policies, etc. are on file with Midway Heights County Water District.
 Copies are available upon request.

Midway Heights County Water District
Management Report
June 30, 2021

LARRY BAIN, CPA

An Accounting Corporation

2148 Frascati Drive, El Dorado Hills, CA 95762 / 916.601-8894

lpbain@sbcglobal.net

COMMUNICATION OF SIGNIFICANT DEFICIENCIES AND MATERIAL WEAKNESS

Board of Directors,

We have audited the financial statements of the Midway Heights County Water District as of and for the fiscal year ended June 30, 2021, and have issued our report thereon dated February 8, 2022. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

Internal Control over Financial Reporting

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

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 material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and, therefore, there can be no assurance that all such deficiencies have been identified. We consider finding 2021-001 in the schedule of findings to be a deficiency in internal control that we consider to be a material weakness.

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. We consider finding 2021-002 and 2021-003 in the schedule of findings following this report to be significant deficiencies in the District's internal control.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal controls over financial reporting and the result of that testing, and not to provide an opinion on the effectiveness of the District's internal control. This report is an integral part of an audit performed in accordance with auditing standards generally accepted in the United States of America in considering the District's internal control over financial reporting accordingly this report is not suitable for any other purpose.

This communication is intended solely for the information and use of the Board of Directors and management and is not intended to be and should not be used by anyone other than these specified parties.

Larry Bain, CPA
An Accounting Corporation
February 8, 2022

Significant Deficiency Deemed To Be a Material Weakness

FS 2021-001: Other Than Pension Post Retirement Benefits (OPEB)

The District offers its general manager post-retirement health benefits whereas if the general manager remains with the District for 25 years and retires from the or voluntarily terminates his employment as general manager thereafter, the District will provide the general manager and the spouse with District-paid healthcare coverage provided through CalPERS until the general manager becomes eligible for Medicare, currently age 65. District-paid healthcare coverage shall terminate during periods in which the general manager is eligible to receive healthcare coverage through another employer.

This benefit is required to be report in accordance with Governmental Accounting Standards Board Statement No. 75, and as such, an actuarial report should be prepared to determine the amount of the OPEB liability, deferred inflows and deferred outflows created from the benefit. As of June 30, 2021 no such actuarial report has been prepared and these financial statements do not reflect the required financial statement activity or the required note disclosure.

Recommendation: We recommend the District obtain an actuarial report for the OPEB and include the required OPEB information and note disclosure in the financial statements.

Significant Deficiencies not Deemed Material Weaknesses

FS 2021-002: Segregation of Duties

We noted, due to the small size of the District and limited number of personnel involved in the accounting function, the District had a lack of segregation of duties, as one person is capable of handling all aspects of processing transactions from beginning to end. A lack of segregation of duties increases the risk of potential errors or irregularities; however, due to a limited number of personnel an adequate segregation of duties is not possible without incurring additional costs. Because of this condition, the Board of Directors has taken a more active role in reviewing/reconciling financial transactions, signing checks, reviewing the bank statement and other elements of internal controls. We have noted this finding in prior audits as this is a common condition for a District of this size.

FS 2021-003: The District relies on the external auditor to ensure its financial statements are in accordance with GAAP. In addition, the District relies on the external auditor to ensure that all necessary disclosures are included in the notes to the financial statements. The District does not employ a staff member with the necessary knowledge and training to prepare governmental financial statements. In accordance with Statement of Auditing Standards No. 122, AU 265 external auditors cannot be part of an entity's internal controls over preparation of the financial statements and are prohibited from auditing their own work, which would impair their independence.

Recommendation: The District should consider training staff in preparing GAAP financial statements or hire an external qualified accountant to prepare the GAAP financial statements. The District could opt to take no action if it considers the cost will outweigh the benefit.

LARRY BAIN, CPA

An Accounting Corporation

2148 Frascati Drive, El Dorado Hills, CA 95762 / 916.601-8894
lpbain@sbcglobal.net

February 8, 2022

Midway Height County Water District

We have audited the financial statements of the business-type activities of Midway Heights County Water District for the year ended June 30, 2021, and have issued our report thereon dated February 8, 2022. Professional standards require that we provide you with the following information related to our audit.

Our responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated July 1, 2019, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

Planned Scope and Timing of the Audit

Fieldwork and report issuance were slightly delayed from that communicated on July 1, 2019 to accommodate scheduling with the District.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by Midway Heights County Water District are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the June 30, 2021 fiscal year. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. We noted no prior period adjustments recorded to the June 30, 2021 financial statements.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate(s) affecting the financial statements was (were):

Management's estimate of the useful lives of assets for calculating depreciation expense is based on GFOA recommended useful lives. We evaluated the key factors and assumptions used to develop the useful life estimates in determining that it is reasonable in relation to the financial statements taken as a whole.

Difficulties Encountered in performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. We proposed entries to correct all known material misstatements for the fiscal year 2021. This included adjusting accounts payable \$27,393 to correct the SWRCB debt activity, reclassifying \$22,965 from accounts payable to accrued payroll and recording the GASB 68 pension adjustment.

Disagreements with Management

For purpose of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significance to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated February 8, 2022.

Management Consultation with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occur in the normal course of our professional relationship and our responses were not a condition to our retention.

The District continues to do a very good job in preparing for the audit, performing year-end closing procedures and maintaining organized accounting records which enhances efficient/effective record keeping and audit.

This information is intended solely for the use of the Board of Directors and management of Midway Heights County Water District and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Larry Bain, CPA,
An Accounting Corporation

MIDWAY HEIGHTS COUNTY WATER DISTRICT
FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

MIDWAY HEIGHTS COUNTY WATER DISTRICT**TABLE OF CONTENTS**

Independent Auditor's Report.....	1
Basic Financial Statements	
Statement of Net Position.....	3
Statement of Revenues, Expenses and Changes in Net Position.....	4
Statement of Cash Flows.....	5
Notes to the Financial Statements.....	6
Required Supplementary Information:	
Schedule of the Plan's Proportionate Share of the Net Pension Liability.....	18
Schedule of District's Pension Contribution.....	19

LARRY BAIN, CPA

An Accounting Corporation

2148 Frascati Drive, El Dorado Hills, CA 95762 / 916.601-8894
lpbain@sbcglobal.net

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Midway Heights County Water District
Meadow Vista, California

We have audited the accompanying financial statements of the Midway Heights County Water District as of and for the fiscal 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.

Auditors' Responsibility

Our Responsibility is to express an opinion 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit includes 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 District'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 District'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 financial statement presentation.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects the financial position of the business-type activities of the Midway Heights County Water District as of June 30, 2021, and the changes in financial position and the results of its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the financial statements of Midway Heights County Water District for the year ended June 30, 2020, and we expressed an unmodified audit opinion on that financial statement in our report dated April 5, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Required Supplementary Information

Midway Height County Water District has not presented the Management Discussion and Analysis, that accounting principles generally accepted in the United States has determined are necessary to supplement, although not required to be part of, the basic financial statements.

Accounting principles generally accepted in the United States of America require that the supplementary information other than MD&A, as listed in the table of contents on page 18 as the Schedule of the Pension Plan's Proportionate Share of the Net Pension Liability and page 19 the Schedule of District Pension Contributions, 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 (GASB), 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.

Larry Bain, CPA,
An Accounting Corporation
February 8, 2022

Assets

	2021	2020
Current Assets		
Cash	\$ 288,725	\$ 36,257
Investments	399,189	430,496
Accounts receivable	138,303	107,410
Grant receivable	7,478	2,971
Current assessments receivable	1,671	921
Inventory	25,802	26,648
Prepaid expense	6,189	6,186
Total current assets	<u>867,357</u>	<u>610,889</u>
Noncurrent Assets		
Restricted cash and investments	38,402	241,374
Capital assets		
Nondepreciable capital assets		
Construction in progress	32,756	32,756
Depreciable capital assets		
Improvements	65,673	65,673
Equipment	221,032	229,592
Transmission and distribution	3,718,928	3,718,928
General	20,352	20,352
Less accumulated depreciation	<u>(1,957,876)</u>	<u>(1,845,428)</u>
Total depreciable capital assets	<u>2,068,109</u>	<u>2,189,117</u>
Total capital assets (net of accumulated depreciation)	<u>2,100,865</u>	<u>2,221,873</u>
Total noncurrent assets	<u>2,139,267</u>	<u>2,463,247</u>
Total assets	<u>3,006,624</u>	<u>3,074,136</u>
Deferred Outflows of Resources		
Deferred outflow-pension	62,534	56,711
Total deferred outflows of resources	<u>62,534</u>	<u>56,711</u>
Liabilities		
Current Liabilities		
Accounts payable	23,123	23,578
Accrued payroll	22,965	20,662
Accrued interest payable	1,421	1,873
Total current liabilities	<u>47,509</u>	<u>46,113</u>
Long-Term Liabilities		
Due within one year	65,422	69,038
Due in more than one year	752,349	793,179
Total long-term liabilities	<u>817,771</u>	<u>862,217</u>
Total liabilities	<u>865,280</u>	<u>908,330</u>
Deferred Inflows of Resources		
Deferred inflow-pension	647	1,387
Total deferred inflows of resources	<u>647</u>	<u>1,387</u>
Net Position		
Net investment in capital assets	1,529,325	1,609,420
Restricted for debt service	38,402	259,562
Unrestricted	635,504	352,148
Total net position	<u>\$ 2,203,231</u>	<u>\$ 2,221,130</u>

	2021	2020
Operating revenue		
Water sales	\$ 706,988	\$ 598,775
Total operating revenues	<u>706,988</u>	<u>598,775</u>
Operating expenses		
Water purchases	168,207	149,884
Personnel services	332,972	329,340
Services and supplies	41,563	29,685
Administration and general	105,259	110,231
Depreciation	119,794	122,933
Total operating expenses	<u>767,795</u>	<u>742,073</u>
Operating income (loss)	<u>(60,807)</u>	<u>(143,298)</u>
Nonoperating revenue (expenses)		
Property taxes	51,113	49,870
Interest income	2,626	10,822
Bond assessments interest	1,185	649
Grant revenue	4,506	9,884
Gain on sale of assets	1,386	-
Interest expense	(17,908)	(21,869)
Nonoperating revenues (expenses)	<u>42,908</u>	<u>49,356</u>
Increase (decrease) in net position	(17,899)	(93,942)
Net position, beginning	<u>2,221,130</u>	<u>2,315,072</u>
Net position, ending	<u>\$ 2,203,231</u>	<u>\$ 2,221,130</u>

	2021	2020
Cash flows from operating activities:		
Cash receipts from customers	\$ 676,095	\$ 592,938
Cash payments to suppliers for goods and services	(314,644)	(293,600)
Cash payments to employees for services	(317,558)	(320,231)
Net cash provided by (used in) operating activities	<u>43,893</u>	<u>(20,893)</u>
Cash flows from noncapital and related financing activities:		
Proceeds from property tax and assessments	51,113	49,870
Proceeds from grants		20,051
Net cash provided by noncapital financing activities	<u>51,113</u>	<u>69,921</u>
Cash flows from capital and related financing activities:		
Additions to capital assets		
Sale of assets	2,600	
Principal payment for debt	(64,118)	(210,608)
Interest paid on debt	(18,360)	(23,538)
Property assessment for debt service	435	84,060
Net cash used in capital and related financing activities	<u>(79,443)</u>	<u>(150,086)</u>
Cash flows from investing activities:		
Interest received on investments	2,626	10,821
Net increase (decrease) in cash and cash equivalents	18,189	(90,237)
Cash and cash equivalents, beginning of year	708,127	798,364
Cash and cash equivalents, end of year	<u>\$ 726,316</u>	<u>\$ 708,127</u>
Reconciliation of cash and cash equivalents to the balance sheet:		
Cash	\$ 288,725	\$ 36,257
Investments	399,189	430,496
Restricted cash and investments	38,402	241,374
Cash and cash equivalents, June 30	<u>\$ 726,316</u>	<u>\$ 708,127</u>
Reconciliation of operating income (loss) to net cash provided by operating activities		
Operating Income (Loss)	\$ (60,807)	\$ (143,298)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Depreciation	119,794	122,933
Changes in assets and liabilities:		
Accounts receivable	(30,893)	(2,143)
Inventory	846	1,089
Prepaid expenses	(3)	(1,674)
Accounts payables	(458)	(3,215)
Accrued payroll	2,303	1,655
GASB 68 pension adjustments	4,977	4,386
Deposit liability		(3,694)
Compensated absences	8,134	3,068
Net cash provided by (used in) operating activities	<u>\$ 43,893</u>	<u>\$ (20,893)</u>

Note 1: Summary of Significant Accounting Policies

The Midway Heights County Water District was established in November 1954 in Placer County. The District was formed under Division 12 of the California Water Code to provide water to the District's residents. The District encompasses 4.1 square miles and has 766 active customer connections. The District is governed by five Board of Directors elected by the District's residents. The basic operating revenues of the District are charges for delivered water services.

A. Reporting Entity

The District has defined its reporting entity in accordance with generally accepted accounting principles, which provides guidance for determining which governmental activities, organizations, and functions should be included in the reporting entity. In evaluating how to define the District for financial reporting purposes, management has considered all potential component units. The primary criterion for including a potential component unit within the reporting entity is the governing body's financial accountability. A primary governmental entity is financially accountable if it appoints a voting majority of a component unit's governing body and it is able to impose its will on the component unit, or if there is a potential for the component unit to provide specific financial benefits to, or impose specific financial burdens on, the primary government. A primary government may also be financially accountable if a component unit is fiscally dependent on the primary governmental entity regardless of whether the component unit has a separately elected governing board, a governing board appointed by a higher level of government, or a jointly appointed board.

No operations of other entities met the aforementioned oversight criteria for inclusion or exclusion from the accompanying financial statements in accordance with Governmental Accounting Standards Board Statement No. 61.

B. Fund Accounting

The accounting records of the District are organized on the generally accepted basis of accounting for an enterprise fund.

Enterprise Fund – An Enterprise fund is used to account for the District's water operations that is financed and operated in a manner similar to a private business enterprise, where the intent of the Board of Directors is that the costs (expenses, including depreciation) of providing services to the general public on a continuing basis be financed or recovered primarily through user charges.

C. Basis of Accounting

The accompanying financial statements have been prepared on the full accrual basis of accounting. This is a basis of accounting that conforms to accounting principles generally accepted in the United States of America.

U.S. generally accepted accounting principles require all proprietary funds to use the accrual basis of accounting. The revenues are recognized when they are earned. Expenses are recognized under the accrual basis of accounting when the related fund liability is incurred.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operation of the fund. All other revenues are reported as nonoperating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as nonoperating expenses.

Note 1: Summary of Significant Accounting Policies (Continued)

D. Prepaid Expenses

Accounts for prepaid insurance, dues and other expenses.

E. Property Taxes

The District receives property taxes from the County of Placer, which has been assigned the responsibility for assessment, collections, and apportionment of property taxes for all taxing jurisdictions within the County. Secured property taxes are levied on January 1 for the following fiscal year and on which date it becomes a lien on real property. Secured property taxes are due in two installments on November 1 and February 1 and are delinquent after December 10 and April 10, respectively, for the secured roll. Based on a policy by the County called the Teeter Plan, 100% of the allocated taxes are transmitted by the County to the District, eliminating the need for an allowance for uncollectible. The County, in return, receives all penalties and interest. Property taxes on the unsecured roll are due on the January 1 lien date and become delinquent if unpaid by August 31. Property tax revenues are recognized in the fiscal year they are received.

F. Fixed Assets

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Contributed capital assets are recorded at fair value at the date of donation. The District's policy is to capitalize all capital assets with costs exceeding \$1,000.

The purpose of depreciation is to spread the cost of capital assets equitably among all users over the life of these assets. The amount charged to depreciation expense each fiscal year represents that year's pro rata share of the cost of capital assets. GASB Statement No. 34 requires that all capital assets with limited useful lives be depreciated over their estimated useful lives. Depreciation is provided using the straight line method which means the costs of the capital asset is divided by its expected useful life in years and the result is charged to expense each year until the capital asset is fully depreciated. The District has assigned the useful lives listed below to capital assets:

Structures	20-30 years
Improvements and infrastructure	50-75 years
Distribution and field equipment	5-10 years
Office furniture and equipment	3-5 years

G. Cash Equivalents

For purpose of the statement of cash flows, the District considers cash and cash equivalents as short term, highly liquid investments that are both readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. This includes bank accounts and deposits with Placer County Pooled Funds.

H. Accrued Unbilled Revenue

During the year, metered water connections are read and bills are rendered after the period of usage. Revenue for water distributed but not yet billed is accrued at fiscal year-end to match revenues with related expenses.

Note 1: Summary of Significant Accounting Policies (Continued)

I. Budgetary Reporting

The District prepares an annual operating and capital budget, which is approved and adopted by the Board of Directors. The budget serves as an approved plan to facilitate financial control and operational evaluation. California State law does not require formal adoption of appropriated budgets for enterprise funds.

J. Inventory

Inventory consists of water and irrigation system parts and supplies. Inventory is valued at cost using the first-in, first-out method of accounting.

K. Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

L. Net Position

Net position comprises the various net earnings from operating income, non-operating revenues and expenses and capital contributions. Net position is classified in the following three components:

Net investment in capital assets-This component of net position consists of 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. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of invested in capital assets, net of related debt. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

Restricted-This component of net position consists of constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position-This component of net position consists of net position that do not meet the definition of "restricted" or "net investment in capital assets."

When both restricted and unrestricted net position are available, unrestricted resources are used only after the restricted resources are depleted.

M. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the District's California Public Employees' Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans' 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.

Note 2: Cash and Investments

Cash and investments at June 30, 2021, consisted of the following:

Cash	\$ 48,529
Investments	437,591
Restricted investments	240,196
Total cash and investments	\$ 726,316
General checking	\$ 48,329
Savings	39,342
Petty cash/change fund	200
County cash	638,445
Total cash and investments	\$ 726,316

A. Investments Authorized by the California Government Code and the Entity's Investment Policy

The table below identifies the **investment types** that are authorized for the Midway Heights County Water District (District) by the California Government Code (or the District's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the District's investment policy, where more restrictive) that address **interest rate risk**, **credit risk** and **concentration of credit risk**. This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the District, rather than the general provisions of the California Government Code or the District investment policy.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local agency bonds	5 years	None	None
U.S. treasury obligations	5 years	None	None
State of California obligations	5 years	None	None
U.S. agency securities	5 years	None	None
Banker's acceptances	180 days	40%	30%
Commercial paper	270 days	40%	10%
Negotiable CDs	5 years	30%	None
Repurchase agreements	1 years	None	None
Reverse repurchase agreements	92 days	20%	None
Medium term notes	5 years	30%	None
Mutual/money market funds	5 years *	20%	10%
Collateralized bank deposits	5 years	None	None
Mortgage pass-through securities	5 years	20%	15%
Time deposits	5 Years	None	None
Local Agency Investment Fund (LAIF)	5 years *	None	None

* The five year maximum maturity can be extended by the Board of Directors. Also, the maximum maturity can be extended if the funds are reserved for bond, COP or note payments to coincide with the required repayments.

Note 2: Cash and Investments (Continued)

B. Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of and investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the District's investment by maturity:

Investment Type	Totals	Remaining Maturity (in Months)	
		12 Months or Less	13-48 Months
Placer County pooled funds*	\$ 638,445	\$ 638,445	\$ -
Totals	\$ 638,445	\$ 638,445	\$ -

*Not subject to categorization

C. Concentrations of Credit Risk

The investment policy of the District contains limitations on the amount that can be invested in any one issuer. There are no investments to one issuer exceeding those limits.

D. Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposit or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment of collateral securities that are in the possession of another party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits; The California Government Code requires that a financial institution secured deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the government unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure the District's deposits by pledging first deed mortgage notes having a value of 150% of the secured public deposits.

At June 30, 2021, the District's deposits balance was \$89,969 and the carrying amount was \$87,571. The difference between the bank balance and the carrying amount was due to normal outstanding checks and deposits in transit. Of the bank balance, all was covered by the Federal Depository Insurance Corporation and the remainder (if any) was covered by collateral held in the pledging bank's trust department in the District's name.

Note 2: Cash and Investments (Continued)

E. Investment in Placer County Investment Pool

The District maintains certain cash and investments with the Placer County Treasurer in an investment pool. The District's funds are managed in accordance with the investment policy of the County Treasury. On a quarterly basis the Treasurer allocates interest to participants based upon their average daily balances. Required disclosure information regarding the categorization of investments and investment risk can be found in the County's financial statements. The Placer County's financial statements may be obtained online at the following link: www.placer.ca.gov/2131/Financial-Reports. Required disclosures for the District's investment in the Placer County Investment Pool at June 30, 2021 are as follows:

Credit risk:	Not rated
Custodial risk:	Not applicable
Concentration of credit risk:	Not applicable
Interest rate risk:	Not available

Note 3: Capital Assets

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

	Balance 7/1/2020	Additions	Retirements	Balance 6/30/2021
Capital assets, not being depreciated				
Construction in progress	\$ 32,756	\$ -	\$ -	\$ 32,756
Capital assets, being depreciated				
Improvements	65,673			65,673
Equipment	229,592		(8,560)	221,032
Transmission and distribution	3,718,928			3,718,928
General	20,352			20,352
Total capital assets, being depreciated	4,034,545		(8,560)	4,025,985
Less accumulated depreciation:	(1,845,428)	(119,794)	7,346	(1,957,876)
 Total capital assets, being depreciated, net	 2,189,117	 (119,794)	 (1,214)	 2,068,109
 Total capital assets, net	 \$ 2,221,873	 \$ (119,794)	 \$ (1,214)	 \$ 2,100,865

Depreciation expense for the fiscal year ended June 30, 2021 was \$119,794.

Note 4: Long-Term Liabilities

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

	Balance 7/1/2020	Additions	Retirements	Balance 6/30/2021	Due Within One Year
Compensated Absences	\$ 28,784	\$ 8,134	\$ -	\$ 36,918	\$ -
Net Pension Liability	79,284	11,538		90,822	
State Revolving Fund Loan	652,439		(39,986)	612,453	40,447
Note Payable-West Am	101,710		(24,132)	77,578	24,975
Total	<u>\$ 862,217</u>	<u>\$ 19,672</u>	<u>\$ (64,118)</u>	<u>\$ 817,771</u>	<u>\$ 65,422</u>

Long-term obligations consisted of the following:

Compensated Absences

District employees accumulate earned but unused vacation benefits that can be converted to cash at termination or retirement from employment. District employees earn and accrue vacation time based on years of service. Employees may not accumulate more than two years of vacation accrual at any time.

Long-Term Debt

Note Payable-West America Bank.

The District entered into a note payable with the West America Bank which was used for purchasing three utility trucks. The original loan amount was \$125,025. Payments of \$27,691 are due annually on December 21 including interest at 3.5% per annum. Future annual payments to amortize the note payable as of June 30, 2021 are as follows:

June 30,	Principal	Interest	Total
2022	\$ 24,975	\$ 2,716	\$ 27,691
2023	25,850	1,841	27,691
2024	26,753	937	27,690
Totals	<u>\$ 77,578</u>	<u>\$ 5,494</u>	<u>\$ 83,072</u>

Note 4: Long-Term Liabilities (Continued)

State Revolving Fund Loan

The District has a Safe Drinking Water State Revolving Fund Loan with the California Department of Public Health which was used for construction of the treated water tank and improvements at the existing tank site. The loan commitment is for \$892,400 of which \$874,057 was advanced. The future semi-annually payment of principle and interest at 2.304% per annum is required over 20 years. Future annual payments to amortize the SRF Loan as of June 30, 2021 are as follows:

Fiscal Year June 30,	Principal	Interest	Total
2021	\$ 39,987	\$ 14,800	\$ 54,787
2022	40,913	13,874	54,787
2023	41,861	12,926	54,787
2024	42,831	11,956	54,787
2025	43,823	10,964	54,787
Thereafter	443,022	50,043	493,066
Totals	<u>\$ 652,438</u>	<u>\$ 114,563</u>	<u>\$ 767,001</u>

Note 5: Defined Benefit Pension Cost-Sharing Employer Plan

A. General Information about the Pension Plans

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

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 with statutorily reduced benefits. 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. The Plans’ provisions and benefits in effect at June 30, 2021, are summarized as follows:

	Miscellaneous	
	Prior to January 1, 2013	On or after January 1, 2013
Hire date	<u>2.0% @ 60</u>	<u>2.0% @ 62</u>
Benefit formula	5 years service	5 years service
Benefit vesting schedule	monthly for life	monthly for life
Benefit payments	55-60	52 - 67
Retirement age	1.5% to 2.0%	1.0% to 2.0%
Monthly benefits , as a % of eligible compensation	7.00%	7.50%
Required employee contribution rates	10.136%	8.239%
Required employer contribution rates		

Note 5: Defined Benefit Pension Cost-Sharing Employer 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 the 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.

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

Contributions-employer	\$	27,691
------------------------	----	--------

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

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

	Proportionate share of Net pension liability
Miscellaneous Plan	\$ <u>90,822</u>

The District’s net pension liability for each Plan is measured as the proportionate share of the net pension liability. The net pension liability of each of the Plans is measured as of June 30, 2020, and the total pension liability for each 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 plans relative to the projected contributions of all participating employers, actuarially determined.

The District’s proportionate share of the net pension liability as of reporting dates June 30, 2020 and 2021 was as follows:

Proportion - June 30, 2020	0.00198%
Proportion - June 30, 2021	0.00215%
Change - Increase (Decrease)	0.00017%

For the year ended June 30, 2021, the District recognized pension expense of \$37,634. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Note 5: Defined Benefit Pension Cost-Sharing Employer Plan (Continued)

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 4,680	\$ -
Changes of assumptions		(648)
Net difference between projected and actual earnings on pension plan investments	2,698	
Changes in proportion	5,490	
Changes in proportionate share of contributions	18,610	
District contributions subsequent to the measurement date	31,057	
Total	<u>\$ 62,535</u>	<u>\$ (648)</u>

\$31,057 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:

Measurement Period	
Ended June 30:	
2022	\$ (12,494)
2023	(10,893)
2024	(6,150)
2025	(1,293)
2026	-
Thereafter	

Actuarial Assumptions – The total pension liabilities 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
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Payroll Growth	3.00%
Projected Salary Increase	3.3% - 14.2% (1)
Investment Rate of Return	7.15%

Discount Rate – The discount rate used to measure the total pension liability was 7.15% for each Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.15 percent discount rate is adequate and the use of the

Note 5: Defined Benefit Pension Cost-Sharing Employer Plan (Continued):

municipal bond rate calculation is not necessary. The long term expected discount rate of 7.15 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of 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 returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 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 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 equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

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>New Strategic Allocation</u>	<u>Real Return Years 1-10 (1)</u>	<u>Real Return Years 11+ (2)</u>
Global Equity	50.0%	4.80%	5.98%
Fixed Income	28%	1.00%	2.62%
Inflation Assets	0%	0.77%	1.81%
Private Equity	8%	6.30%	7.23%
Real Estate	13%	3.75%	4.93%
Liquidity	1%	0.00%	-0.92%

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

(2) 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 Plan, 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>Discount Rate -1%</u> <u>(6.15%)</u>	<u>Current Discount</u> <u>Rate (7.15%)</u>	<u>Discount Rate +1%</u> <u>(8.15%)</u>
Miscellaneous Plan	\$ 145,035	\$ 90,822	\$ 46,027

Note 6: Revenue Limitations Imposed by California Proposition 218

Proposition 218, which was approved by the voters in November 1996, regulates the District's ability to impose, increase, and extend taxes and assessments. Any new increase or extended taxes and assessments subject to the provisions of Proposition 218, requires voter approval before they can be implemented. Additionally, Proposition 218 provides that these taxes and assessments are subject to voter initiative and may be rescinded in the future years by the voters.

Note 7: 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 joined together with other agencies in the State to form ACWA Joint Powers Insurance Authority (JPIA), a public entity risk pool currently operating as a common risk management and insurance program for member agencies. The District pays an annual premium to JPIA for its insurance coverage. The Agreement for Formation of the JPIA provides that JPIA will be self-sustaining through member premiums and will reinsure through commercial companies for general and automobile liability and workers' compensation coverage.

Note 8: Commitments and Contingent Liabilities

Contingent Liabilities

In the normal course of business, the District is subject to various lawsuits. Defense of lawsuits is typically handled by the District's insurance carrier and losses, if any, are expected to be covered by insurance.

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

COVID 19

In December 2019, a novel strain of coronavirus has spread around the world resulting in business and social disruption. The coronavirus was declared a Public Health Emergency of International Concern by the World Health Organization on January 30, 2020. The operations and business results of Midway Heights County Water District could potentially be adversely affected by this global pandemic. The extent to which the coronavirus may impact business activity or investment results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions required to contain the coronavirus. The District has not included any contingencies in the financial statements specific to this issue.

<u>Reporting Date</u>	<u>District's proportion of the net pension liability (asset)</u>	<u>District's proportionate share of the net pension liability (asset)</u>	<u>District's covered-employee payroll</u>	<u>District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll</u>	<u>Plan fiduciary net position as a percentage of the total pension liability</u>
6/30/2015	0.00224%	\$55,325	\$141,656	39.06%	55.84%
6/30/2016	0.00202%	\$55,370	\$173,896	31.84%	69.64%
6/30/2017	0.00187%	\$64,884	\$193,677	33.50%	73.68%
6/30/2018	0.00196%	\$77,269	\$211,308	36.57%	72.63%
6/30/2019	0.00191%	\$71,928	\$202,405	35.54%	77.11%
6/30/2020	0.00198%	\$79,283	\$207,848	38.14%	77.26%
6/30/2021	0.00215%	\$90,822	\$229,283	39.61%	80.01%

* The amounts presented for each fiscal year were determined as of the fiscal year-end

The schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, only information for those years for which information is available is presented.

<u>Reporting Date</u>	<u>Contractually required contribution</u>	<u>Contributions in relation to the contractually required contribution</u>	<u>Contribution deficiency (excess)</u>	<u>District's covered employee payroll</u>	<u>Contribution as a percentage of covered-employee payroll</u>
6/30/2015	\$18,606	(\$18,606)	\$0	\$141,656	13.13%
6/30/2016	\$18,357	(\$18,357)	\$0	\$173,896	10.56%
6/30/2017	\$20,507	(\$20,507)	\$0	\$193,677	10.59%
6/30/2018	\$21,698	(\$21,698)	\$0	\$211,308	10.27%
6/30/2019	\$24,274	(\$24,274)	\$0	\$202,405	11.99%
6/30/2020	\$27,691	(\$27,691)	\$0	\$207,848	13.32%
6/30/2021	\$31,057	(\$31,057)	\$0	\$229,283	13.55%

* The amounts presented for each fiscal year were determined as of the fiscal year-end

The schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, only information for those years for which information is available is presented.

**MIDWAY HEIGHTS
COUNTY WATER DISTRICT**

**Budget
2021 Fiscal Year**

**End of Year Review
February 17, 2021**

Midway Heights County Water District
Budget Fiscal Year 2021-End of Year Review

Budget..... 1-6
Fund Balances..... 7
Detail..... 8-11

MHCWD BUDGET FISCAL YEAR 2021

END OF YEAR REVIEW

July 1, 2020 to June 30, 2021

SALES, FEES AND REIMBURSEMENTS

	FY 2021 TOTAL Approved	FY 2021 IRRIGATION	FY 2021 TREATED
1) Irrigation Water Resale	<u>\$234,691</u>	<u>\$234,691</u>	<u>\$0</u>
a) Miners Inch Service	\$142,024	\$142,024	\$0
b) Metered Service Charge	\$72,435	\$72,435	\$0
c) Metered Water Usage	\$20,232	\$20,232	\$0
2) Treated Water Resale	<u>\$442,081</u>	<u>\$0</u>	<u>\$442,081</u>
a) Service Charges	\$307,585		\$307,585
b) Metered Water Usage	\$134,495		\$134,495
3) Late Charges/Returned Check Fees	<u>\$156</u>	<u>\$78</u>	<u>\$78</u>
a) Late charges/ code violations	\$0	\$0	\$0
b) Returned check fees	\$156	\$78	\$78
4) Irrigation Reconnection Fees	<u>\$600</u>	<u>\$600</u>	<u>\$0</u>
5) Treated Reconnection Fees	<u>\$125</u>	<u>\$0</u>	<u>\$125</u>
6) Installations-Irrigation (Reimbursed Expenditures)	<u>\$4,000</u>	<u>\$4,000</u>	<u>\$0</u>
7) Installations-Treated (Reimbursed Expenditures)	<u>\$4,000</u>	<u>\$0</u>	<u>\$4,000</u>
TOTAL-SALES, FEES AND REIMBURSEMENTS:	<u>\$685,653</u>	<u>\$239,369</u>	<u>\$446,284</u>

FY 2021 TOTAL End of Year review	FY 2021 IRRIGATION	FY 2021 TREATED	percent of budget
<u>\$239,717</u>	<u>\$239,717</u>	<u>\$0</u>	<u>102%</u>
\$145,181	\$145,181	\$0	102%
\$71,178	\$71,178	\$0	98%
\$23,358	\$23,358	\$0	115%
<u>\$453,541</u>	<u>\$0</u>	<u>\$453,541</u>	<u>103%</u>
\$308,767		\$308,767	100%
\$144,773		\$144,773	108%
<u>\$76</u>	<u>\$13</u>	<u>\$63</u>	<u>49%</u>
\$50	\$0	\$50	plus 100%
\$26	\$13	\$13	17%
<u>\$1,600</u>	<u>\$1,600</u>	<u>\$0</u>	<u>267%</u>
<u>\$50</u>	<u>\$0</u>	<u>\$50</u>	<u>0%</u>
<u>\$2,996</u>	<u>\$2,996</u>	<u>\$0</u>	<u>75%</u>
<u>\$4,084</u>	<u>\$0</u>	<u>\$4,084</u>	<u>102%</u>
<u>\$702,064</u>	<u>\$244,326</u>	<u>\$457,738</u>	<u>102%</u>

Operational Expenditures

	FY 2021 TOTAL Approved	FY 2021 IRRIGATION	FY 2021 TREATED
1) Irrigation Water Purchase	<u>\$26,234</u>	<u>\$26,234</u>	<u>\$0</u>
2) Treated Water Purchase	<u>\$125,722</u>	<u>\$0</u>	<u>\$125,722</u>
3) Payroll	<u>\$298,049</u>	<u>\$122,418</u>	<u>\$175,631</u>
a) Administration/Office	\$95,513	\$42,437	\$53,076
b) Administration/Office salaries reimbursed	\$500	\$250	\$250
c) Field salaries	\$147,810	\$55,429	\$92,381
d) Field salaries reimbursed	\$3,760	\$1,880	\$1,880
e) Health Benefits	\$50,466	\$22,422	\$28,044
4) Employer Payroll Liabilities	<u>\$34,141</u>	<u>\$16,388</u>	<u>\$17,753</u>
S.S./ PERS RET/ Medicare/CA Emp train			
5) Professional Services	<u>\$39,400</u>	<u>\$15,573</u>	<u>\$23,827</u>
a) Legal	\$6,000	\$2,666	\$3,334
b) Engineering	\$2,000	\$889	\$1,111
c) Accounting/Audit/Payroll	\$11,690	\$5,194	\$6,496
d) Laboratory Analysis	\$4,350	\$0	\$4,350
e) Software and Software Support	\$15,360	\$6,825	\$8,535
6) Contract Field Work	<u>\$5,240</u>	<u>\$2,564</u>	<u>\$2,676</u>
a) Contract Irrigation Repairs/Maintenance	\$2,000	\$2,000	\$0
b) Irrigation Installations (reimbursed)	\$0	\$0	\$0
c) Contract Treated Repairs/Maintenance	\$2,000	\$0	\$2,000
d) Treated Installations (reimbursed)	\$0	\$0	\$0
e) Backfill Material	\$1,000	\$444	\$556
f) Backfill Material (reimbursed)	\$240	\$120	\$120

	FY 2021 TOTAL End of Year review	FY 2021 IRRIGATION	FY 2021 TREATED	percent of budget
	<u>\$34,150</u>	<u>\$34,150</u>	<u>\$0</u>	<u>130%</u>
	<u>\$134,057</u>	<u>\$0</u>	<u>\$134,057</u>	<u>107%</u>
	<u>\$297,431</u>	<u>\$136,263</u>	<u>\$161,168</u>	<u>100%</u>
	\$103,616	\$45,763	\$57,853	108%
	\$453	\$174	\$279	91%
	\$143,366	\$68,601	\$74,765	97%
	\$2,526	\$759	\$1,767	67%
	\$47,471	\$20,966	\$26,505	94%
	<u>\$36,474</u>	<u>\$17,507</u>	<u>\$18,966</u>	<u>107%</u>
	<u>\$36,952</u>	<u>\$14,480</u>	<u>\$22,471</u>	<u>94%</u>
	\$9,407	\$4,155	\$5,252	157%
	\$6,129	\$2,707	\$3,422	306%
	\$9,546	\$4,216	\$5,330	82%
	\$4,165	\$0	\$4,165	96%
	\$7,704	\$3,403	\$4,302	50%
	<u>\$8,534</u>	<u>\$0</u>	<u>\$8,534</u>	<u>163%</u>
	\$0	\$0	\$0	0%
	\$0	\$0	\$0	
	\$8,259	\$0	\$8,259	413%
	\$0	\$0	\$0	
	\$275	\$0	\$275	27%
	\$0	\$0	\$0	0%

Operational Expenditures

	FY 2021 TOTAL Approved	FY 2021 IRRIGATION	FY 2021 TREATED	FY 2021 TOTAL End of Year review	FY 2021 IRRIGATION	FY 2021 TREATED	percent of budget
7) Office	<u>\$9,150</u>	<u>\$4,065</u>	<u>\$5,085</u>	<u>\$4,225</u>	<u>\$1,866</u>	<u>\$2,359</u>	<u>46%</u>
a) Supplies	\$4,400	\$1,955	\$2,445	\$3,431	\$1,515	\$1,916	78%
b) Maintenance/Repairs/Replacement	\$4,750	\$2,110	\$2,640	\$794	\$351	\$443	17%
8) Postage	<u>\$2,803</u>	<u>\$1,245</u>	<u>\$1,557</u>	<u>\$2,121</u>	<u>\$937</u>	<u>\$1,184</u>	<u>76%</u>
9) Telephone, Pagers & Alarms	<u>\$7,581</u>	<u>\$3,368</u>	<u>\$4,213</u>	<u>\$7,719</u>	<u>\$3,409</u>	<u>\$4,310</u>	<u>102%</u>
10) Utilities (Electric & Telemetry)	<u>\$3,735</u>	<u>\$2,510</u>	<u>\$1,225</u>	<u>\$5,704</u>	<u>\$2,519</u>	<u>\$3,185</u>	<u>153%</u>
11) Publications/Dues/Fees	<u>\$7,244</u>	<u>\$3,099</u>	<u>\$4,145</u>	<u>\$6,800</u>	<u>\$2,941</u>	<u>\$3,858</u>	<u>94%</u>
a) Publications & Publishing	\$70	\$31	\$39	\$86	\$38	\$48	123%
b) Licenses Fees	\$270	\$0	\$270	\$140	\$0	\$140	52%
c) Dues and Subscriptions	\$6,904	\$3,067	\$3,837	\$6,574	\$2,903	\$3,671	95%
12) Election Expense	<u>\$893</u>	<u>\$397</u>	<u>\$496</u>	<u>\$1,834</u>	<u>\$810</u>	<u>\$1,024</u>	<u>205%</u>
13) Director's Fees	<u>\$9,229</u>	<u>\$4,101</u>	<u>\$5,129</u>	<u>\$4,052</u>	<u>\$1,790</u>	<u>\$2,262</u>	<u>44%</u>
14) Insurance	<u>\$23,586</u>	<u>\$10,479</u>	<u>\$13,107</u>	<u>\$15,635</u>	<u>\$6,905</u>	<u>\$8,730</u>	<u>66%</u>
a) Liability & Property	\$12,615	\$5,605	\$7,010	\$6,455	\$2,851	\$3,604	51%
b) Workers Comp. Insurance	\$10,971	\$4,875	\$6,097	\$9,180	\$4,054	\$5,126	84%
15) Operation & Maintenance Materials	<u>\$21,550</u>	<u>\$13,300</u>	<u>\$8,250</u>	<u>\$9,969</u>	<u>\$2,614</u>	<u>\$7,355</u>	<u>46%</u>
a) Irrigation - maintenance expense	\$11,550	\$11,550	\$0	\$551	\$551	\$0	5%
b) Irrigation - installation expense (reimbursed to District)	\$1,750	\$1,750	\$0	\$2,063	\$2,063	\$0	118%
c) Treated - maintenance expense	\$6,500	\$0	\$6,500	\$5,017	\$0	\$5,017	77%
d) Treated - installation expense (reimbursed to District)	\$1,750	\$0	\$1,750	\$2,338	\$0	\$2,338	134%

Operational Expenditures

	FY 2021 TOTAL Approved	FY 2021 IRRIGATION	FY 2021 TREATED
17) Travel, Meetings & Training	<u>\$3,000</u>	<u>\$1,333</u>	<u>\$1,667</u>
18) Safety Equipment	<u>\$3,000</u>	<u>\$1,333</u>	<u>\$1,667</u>
19) Water Boards System Fee	<u>\$2,897</u>	<u>\$0</u>	<u>\$2,897</u>
20) Vehicle/Mobile Equip. Maint. & Op.	<u>\$12,600</u>	<u>\$5,598</u>	<u>\$7,002</u>
a) fuel	\$6,000	\$2,666	\$3,334
b) maintenance	\$6,600	\$2,932	\$3,668
21) Rentals	<u>\$9,009</u>	<u>\$4,003</u>	<u>\$5,006</u>
a) Office Rental	\$5,388	\$2,394	\$2,994
b) Field Equipment Rental	\$2,000	\$889	\$1,111
c) Portable Toilet	\$1,621	\$720	\$901
22) Bank Charges	<u>\$1,400</u>	<u>\$622</u>	<u>\$778</u>
23) Admin. Fees (includes LAFCO fees)	<u>\$1,405</u>	<u>\$624</u>	<u>\$781</u>
TOTAL-OPERATING EXPENDITURES	<u>\$647,869</u>	<u>\$239,254</u>	<u>\$408,615</u>
NET REVENUE-OPERATIONAL	<u>\$37,784</u>	<u>\$115</u>	<u>\$37,668</u>

FY 2021 TOTAL End of Year review	FY 2021 IRRIGATION	FY 2021 TREATED	percent of budget
<u>\$1,416</u>	<u>\$625</u>	<u>\$791</u>	<u>47%</u>
<u>\$1,991</u>	<u>\$879</u>	<u>\$1,111</u>	<u>66%</u>
<u>\$2,891</u>	<u>\$0</u>	<u>\$2,891</u>	<u>100%</u>
<u>\$14,219</u>	<u>\$6,280</u>	<u>\$7,939</u>	<u>113%</u>
\$9,499	\$4,195	\$5,304	<u>158%</u>
\$4,720	\$2,085	\$2,635	<u>72%</u>
<u>\$7,736</u>	<u>\$3,417</u>	<u>\$4,320</u>	<u>86%</u>
\$6,078	\$2,684	\$3,394	113%
\$0	\$0	\$0	0%
\$1,658	\$732	\$926	102%
<u>\$1,664</u>	<u>\$735</u>	<u>\$929</u>	<u>119%</u>
<u>\$1,987</u>	<u>\$878</u>	<u>\$1,110</u>	<u>141%</u>
\$637,559	\$239,005	\$398,554	98%
\$64,505	\$5,321	\$59,184	171%

OTHER REVENUE

	FY 2021 TOTAL Approved	FY 2021 IRRIGATION	FY 2021 TREATED
1) Treated Water Connections	\$5,000	\$0	\$5,000
2) Taxes	\$48,900	\$21,726	\$27,174
3) Non-Dedicated Interest from Investments	\$10,900	\$4,843	\$6,057
4) Miscellaneous income (sale of truck)	\$3,600	\$0	\$0
5) Grants	\$30,900	\$15,328	\$19,172
TOTAL-OTHER REVENUE:	\$99,300	\$41,898	\$57,402

FY 2021 TOTAL End of Year review	FY 2021 IRRIGATION	FY 2021 TREATED	percent of budget
\$4,911	\$0	\$4,911	98%
\$51,113	\$22,574	\$28,538	105%
\$1,324	\$585	\$739	12%
\$2,600	\$1,148	\$1,452	72%
\$4,506	\$1,990	\$2,516	15%
\$64,454	\$26,298	\$38,157	65%

Funding Of Contingencies & Reserves

	FY 2021 TOTAL Approved	FY 2021 IRRIGATION	FY 2021 TREATED
1) Treated Water Capital Facilities above item funded by treated connection charges	\$5,000	\$0	\$5,000
2) Rehabilitation And Replacement Reserve Fund above item funded by iwater charges	\$33,052	\$33,052	\$0
TOTAL-OTHER EXPENDITURES	\$38,052	\$33,052	\$5,000
NET REVENUE-OTHER	\$61,248	\$8,846	\$52,402

FY 2021 TOTAL End of Year review	FY 2021 IRRIGATION	FY 2021 TREATED	percent of budget
\$4,911	\$0	\$4,911	98%
\$44,683	\$25,254	\$19,429	135%
\$49,594	\$25,254	\$24,340	130%
\$14,860	\$1,044	\$13,817	24%

TOTAL-NET REVENUE	\$99,032	\$8,961	\$90,071
--------------------------	-----------------	----------------	-----------------

\$79,365	\$6,365	\$73,000	80%
-----------------	----------------	-----------------	------------

CAPITAL IMPROVEMENT, DEBT SERVICES AND RESERVE FUNDS BUDGET

FUNDING SOURCE	FY 2021 TOTAL Approved	FY 2021 IRRIGATION	FY 2021 TREATED
1) Rehabilitation And Replacement Reserve Fund	<u>\$12,228</u>	<u>\$12,228</u>	<u>\$0</u>
TOTAL-FUNDING SOURCE:	\$12,228	\$12,228	\$0

EXPENDITURES			
1) Capital Expenses	<u>\$114,275</u>	<u>\$21,189</u>	<u>\$93,086</u>
a) Treated tank loan debt services	\$60,584	\$0	\$60,584
b) Loan payment for District trucks	\$27,691	\$12,303	\$15,388
c) Strategic Plan	\$20,000	\$8,886	\$11,114
d) Treated tank maintenance	\$6,000	\$0	\$6,000
TOTAL-Expenditures	\$114,275	\$21,189	\$93,086

NET:CAP IMPR, DEBT SER AND RES FUNDS BUDGET	(\$102,047)	(\$8,961)	(\$93,086)
--	--------------------	------------------	-------------------

NET TOTAL-FISCAL YEAR BUDGET	(\$3,015)	\$0	(\$3,015)
-------------------------------------	------------------	------------	------------------

FY 2021 TOTAL End of Year review	FY 2021 IRRIGATION	FY 2021 TREATED	percent of budget
<u>\$13,278</u>	<u>\$5,864</u>	<u>\$7,414</u>	<u>109%</u>
\$13,278	\$5,864	\$7,414	109%

<u>\$92,643</u>	<u>\$12,230</u>	<u>\$80,413</u>	<u>81%</u>
\$60,759	\$0	\$60,759	100%
\$27,691	\$12,230	\$15,461	100%
\$0	\$0	\$0	0%
\$4,193	\$0	\$4,193	70%
\$92,643	\$12,230	\$80,413	81%

(\$79,365)	(\$6,365)	(\$72,999)	78%
-------------------	------------------	-------------------	------------

\$0	(\$0)	(\$0)	0%
------------	--------------	--------------	-----------

Investment Fund @ Placer County	1/25/2021
Current FY Operation Fund	\$62,392.76
Treated Capital Facilities	\$59,538.43
Irrigation Capital Facilities	\$0.00
Treated R and R	\$111,016.25
Irrigation R and R	\$278,379.83
Emergency Reserve	\$80,000.00
Treated Rate Stabilization	\$31,874.10
Irrigation Rate Stabilization	\$17,962.65
TOTAL	<u>\$641,164.02</u>

Midway Heights County Water District
Fiscal Year 2021 End Of Year Detail

SALES, FEES AND REIMBURSEMENTS: PAGE 1

EXPENDITURES DETAIL: PAGE 2-4

Note: shared item cost were allocated based a percentage of the customer base of irrigation customers (44%) and treated customers (56%).

1. Irrigation Water Purchase

Provides funding for irrigation water purchases from Placer County Water Agency (PCWA).

2. Treated Water Purchase

Provides funding for treated water purchases from Weimar Water Company (WWC).

3. Salaries and Benefits

This category represents direct and indirect costs associated with the funding for personnel employed by the District for administration and field operations. Admin salaries increased due to the General Manager having to spend more time in the office and less in the field.

Administration/ Office

Provides funding for administration salary costs.

Administration/Office salaries reimbursed

Administrative cost reimbursed to the District for events like installing of water services.

Field Salaries

Provides funding for field operations salary costs.

Field Salaries reimbursed

Field cost's reimbursed to the District for events like installing of water services.

Health Benefits

Provides funding for payments related to employee health benefits.

4. Employer Payroll Liabilities

This category represents payments associated with the following employer payroll liabilities: social security, PERS retirement, Medicare and California employee training.

5. Professional Services

Legal

Provides funding for the administrative services of the District's legal counsel. Approximately \$2,000 was spent on Grand Jury issues that had no merit and \$2,000 on a review of a draft resolution to ban spouses from serving on the Board together and making employment related issues regarding the General Manager's. It was determined that the Board cannot make job related issues based on the marital status of the General Manager and that the Board lacks legal authority to determine the qualifications for members of the District's Board of Directors.

Engineering

Provides funding for projects provided by the District's engineering consultants. \$5,000 was used to help the District secure \$415,000 in grants from PCWA.

Accounting/ Audit/ Payroll

Provides funding for the preparation of the District's annual audit and for the District's accountant.

Laboratory Analysis

Provides funding for laboratory services for mandated water quality monitoring of the water supply. This includes routine distribution system monitoring, emergency repair sampling and samples collected and analyzed at customers request. District increased water sampling monitoring of the incoming treated water supply.

Software and Software Support

Provides funding for the District's maintenance and service agreement for the billing system, software upgrades, etc. Increased cost because of online bill payment and other services. Additionally, the District received a \$4,506.41 in a grant to purchase GIS software, computers, and smartphones. \$2,971.32 of Smartphones were purchased in prior fiscal year (FY 2020). Neptune did not require the District to pay for support this year (\$2,500), some of the GIS software was outdated from the time of the grant application to purchase (\$900) and the online payment portal did not require to be renewed (\$2,000). The total savings was \$5,400.

6. Contract Field Work: Based on three year average

Contract Irrigation Repairs/Maintenance

Provides funding for repairs and maintenance associated with the District's irrigation system done by outside contractors.

Irrigation Installations reimbursed

Reimbursements associated with installing customer services.

Contract Treated Repairs/Maintenance

Provides funding for repairs and maintenance associated with the District's treated system done by outside contractors. Two treated repairs were done on Bridal Path Road.

Treated Installations reimbursed

Reimbursements associated with installing customer services.

Backfill material

Provides funding for backfill material for restoration of areas affected by system repairs.

Backfill material reimbursed

Provides funding for backfill material reimbursements for restoration of areas affected by installing water services.

7. Office:

Supplies - Based on three year average

Provides funding for costs associated with the printing of bills, customer correspondence and Board Meeting items as well as all miscellaneous office supplies.

Maintenance/Repairs

Provides funding for costs associated with maintaining and repairing office equipment. \$4,000 is for new computers discussed in item 5 above under Software and Software Support

8. Postage

Provides funding for mailing of all customer bills and District correspondence. Postage cost \$0.05 more per stamp this year

9. Telephone, pagers and alarms:

Provides funding for telephones, cellular phones, pagers and alarms.

10. Utilities:

Provides funding for telemetry and electrical energy costs for the operation of all District facilities. The District moved offices and installed A/C at the District's main tank site to protect the telemetry.

11. Publications/Dues/Fees

Publications and Publishing

Provides funding for District advertising of legal ads and for vacancies that may occur.

Licenses Fees

Provides funding for operator's licenses.

Dues and Subscriptions

Provides funding for professional organization memberships including ACWA, AWWA, CSDA, NRWA, and USA North.

12. Election Expenses

Provides funding for the general election.

13. Director's Fees

Provides funding for the Board of Directors to attend the monthly Board Meeting, standing committee meetings and miscellaneous meetings that may arise. 1.66% COLA.

14. Insurance

Provides funding for insurance premiums due to ACWA/JPIA.

Liability and Property: District received a \$6,007.91 refund due to District history.

Workers Compensation: rates were reduced slightly due to District history.

15. Operation and Maintenance Material

Irrigation- Maintenance Expense

Provides funding for repairs and maintenance associated with the District's irrigation system. No major repairs, knock on wood!

Irrigation- Installation Expense

Provides funding for installation expenses associated with the District's irrigation system.

Treated- Maintenance Expense

Provides funding for repairs and maintenance associated with the District's treated system.

Treated- Installation Expense

Provides funding for installation expenses associated with the District's treated system.

16. Mileage Reimbursement

Provides funding for mileage reimbursement to District employees who use their personal vehicle for District business.

17. Travel, Meetings and Training

Provides funding for meetings and conferences associated with job assignments or related to the conduct of District business. Also provides funds for training materials, programs and fees to attend training sessions for staff to keep current with new laws, technologies and methods of carrying out the mission of the District.

18. Safety Equipment

Provides funding for worksite safety and personal protective equipment.

19. Water Boards System Fee

Provides funding for the State Department of Health Services Drinking Water Program permit.

20. Vehicle/Mobile Equipment M&O:

Provides funding for the maintenance and operation of the District's vehicles and mobile equipment including fuel purchases. Fuel was estimated to be \$3.00 a gallon. Fuel was \$2.65 at start of fiscal year and \$4.30 at the end.

21. Rentals

Office Rental

Provides funding for the new District office space rental located at 16733 Placer Hills Rd. Meadow Vista.

Field equipment rental

Provides funding for field equipment rentals.

Portable Toilet

Provides funding for the rental, maintenance and cleaning of the portable toilet located at the District's maintenance yard.

22. Bank Charges

Provides funding for service charges associated with the District's bank accounts Increased due to online bill pay available to customers.

23. Administration Fees

Provides funding for miscellaneous administrative fees including LAFCO.

OTHER REVENUE, PAGE 5

5. Grants

The District did not spend any of the \$20,000 for the "Strategic Plan" grant. Of the \$10,900 of the "GIS" grant, the District spent \$2,971 in FY 2020 and \$4,506. Part of the grant was for PCWA to spend on its staff to support District staff in launching the GIS program and \$1,400 was not needed for outdated software.

FUNDING OF CONTINGENCIES & RESERVES: PAGE 5- this category accounts for expenditures designated for contingencies and reserves.

1) **Treated Water Connections**-typically from connection fees.

2) **Rehabilitation And Replacement Reserve Fund** -from charges for water service.

CAPITAL FUNDING SOURCE: PAGE 6

1) **Rehabilitation And Replacement Reserve Fund**-funds 50% truck loan payment from reserves.

**MIDWAY HEIGHTS
COUNTY WATER DISTRICT**

**Budget
2022 Fiscal Year**

**Six-month review
February 17, 2022**

Midway Heights County Water District
Budget Fiscal Year 2022-Six-month review

Budget..... 1-6
Fund Balances..... 7
Detail..... 8-12

MHCWD BUDGET FISCAL YEAR 2022

Six month review

July 1, 2021 to June 30, 2022

SALES, FEES AND REIMBURSEMENTS

	FY 2022 TOTAL Approved	FY 2022 IRRIGATION	FY 2022 TREATED
1) Irrigation Water Resale	<u>\$242,587</u>	<u>\$242,587</u>	<u>\$0</u>
a) Miners Inch Service	\$150,081	\$150,081	\$0
b) Metered Service Charge	\$71,280	\$71,280	\$0
c) Metered Water Usage	\$21,227	\$21,227	\$0
2) Treated Water Resale	<u>\$459,658</u>	<u>\$0</u>	<u>\$459,658</u>
a) Service Charges	\$317,483		\$317,483
b) Metered Water Usage	\$142,175		\$142,175
3) Late Charges/Returned Check Fees	<u>\$156</u>	<u>\$78</u>	<u>\$78</u>
a) Late charges	\$0	\$0	\$0
b) Returned check fees	\$156	\$78	\$78
4) Irrigation Reconnection Fees	<u>\$600</u>	<u>\$600</u>	<u>\$0</u>
5) Treated Reconnection Fees	<u>\$125</u>	<u>\$0</u>	<u>\$125</u>
6) Installations-Irrigation (Reimbursed Expenditures)	<u>\$4,000</u>	<u>\$4,000</u>	<u>\$0</u>
7) Installations-Treated (Reimbursed Expenditures)	<u>\$4,000</u>	<u>\$0</u>	<u>\$4,000</u>
TOTAL-SALES, FEES AND REIMBURSEMENTS:	<u>\$711,126</u>	<u>\$247,265</u>	<u>\$463,861</u>

FY 2022 TOTAL 6 month review	FY 2022 IRRIGATION	FY 2022 TREATED	percent of budget
<u>\$125,920</u>	<u>\$125,920</u>	<u>\$0</u>	<u>52%</u>
\$75,766	\$75,766	\$0	50%
\$36,627	\$36,627	\$0	51%
\$13,528	\$13,528	\$0	64%
<u>\$244,260</u>	<u>\$0</u>	<u>\$244,260</u>	<u>53%</u>
\$159,341		\$159,341	50%
\$84,919		\$84,919	60%
<u>\$52</u>	<u>\$26</u>	<u>\$26</u>	<u>33%</u>
\$0	\$0	\$0	0%
\$52	\$26	\$26	33%
<u>\$500</u>	<u>\$500</u>	<u>\$0</u>	<u>83%</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>0%</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>0%</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>0%</u>
<u>\$370,733</u>	<u>\$126,446</u>	<u>\$244,286</u>	<u>52%</u>

Operational Expenditures

	FY 2022 TOTAL Approved	FY 2022 IRRIGATION	FY 2022 TREATED	FY 2022 TOTAL 6 month review	FY 2022 IRRIGATION	FY 2022 TREATED	percent of budget
1) Irrigation Water Purchase	<u>\$34,171</u>	<u>\$34,171</u>	<u>\$0</u>	<u>\$18,576</u>	<u>\$18,576</u>	<u>\$0</u>	<u>54%</u>
2) Treated Water Purchase	<u>\$131,559</u>	<u>\$0</u>	<u>\$131,559</u>	<u>\$65,808</u>	<u>\$0</u>	<u>\$65,808</u>	<u>50%</u>
3) Payroll	<u>\$304,736</u>	<u>\$124,337</u>	<u>\$180,398</u>	<u>\$152,235</u>	<u>\$73,855</u>	<u>\$78,380</u>	<u>50%</u>
a) Administration/Office	\$96,620	\$42,820	\$53,800	\$50,699	\$22,462	\$28,237	52%
b) Administration/Office salaries reimbursed	\$500	\$250	\$250	\$0	\$0	\$0	0%
c) Field salaries	\$157,075	\$58,655	\$98,420	\$79,638	\$41,691	\$37,948	51%
d) Field salaries reimbursed	\$3,760	\$1,880	\$1,880	\$0	\$0	\$0	0%
e) Health Benefits	\$46,781	\$20,733	\$26,049	\$21,897	\$9,702	\$12,196	47%
4) Employer Payroll Liabilities	<u>\$35,781</u>	<u>\$14,004</u>	<u>\$21,777</u>	<u>\$21,897</u>	<u>\$9,847</u>	<u>\$12,050</u>	<u>61%</u>
a) CalPERS Pension	\$22,735	\$8,526	\$14,209	\$11,294	\$5,128	\$6,167	50%
b) CalPERS Pension-Unfunded Liabilities	\$8,591	\$3,807	\$4,784	\$8,591	\$3,806	\$4,785	100%
c) Social Security and Medicare	\$4,455	\$1,671	\$2,784	\$2,012	\$913	\$1,098	45%
5) Professional Services	<u>\$42,095</u>	<u>\$16,462</u>	<u>\$25,633</u>	<u>\$8,179</u>	<u>\$2,428</u>	<u>\$5,752</u>	<u>19%</u>
a) Legal	\$10,000	\$4,432	\$5,568	\$3,835	\$1,699	\$2,136	38%
b) Engineering	\$6,000	\$2,659	\$3,341	\$0	\$0	\$0	0%
c) Accounting/Audit/Payroll	\$12,050	\$5,340	\$6,710	\$984	\$436	\$548	8%
d) Laboratory Analysis	\$4,950	\$0	\$4,950	\$2,700	\$0	\$2,700	55%
e) Software and Software Support	\$9,095	\$4,031	\$5,064	\$660	\$292	\$368	7%
6) Contract Field Work	<u>\$5,240</u>	<u>\$2,563</u>	<u>\$2,677</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>0%</u>
a) Contract Irrigation Repairs/Maintenance	\$2,000	\$2,000	\$0	\$0	\$0	\$0	0%
b) Irrigation Installations (reimbursed)	\$0	\$0	\$0	\$0	\$0	\$0	0%
c) Contract Treated Repairs/Maintenance	\$2,000	\$0	\$2,000	\$0	\$0	\$0	0%
d) Treated Installations (reimbursed)	\$0	\$0	\$0	\$0	\$0	\$0	0%
e) Backfill Material	\$1,000	\$443	\$557	\$0	\$0	\$0	0%
f) Backfill Material (reimbursed)	\$240	\$120	\$120	\$0	\$0	\$0	0%

Operational Expenditures

	FY 2022 TOTAL Approved	FY 2022 IRRIGATION	FY 2022 TREATED	FY 2022 TOTAL 6 month review	FY 2022 IRRIGATION	FY 2022 TREATED	percent of budget
7) Office	<u>\$5,400</u>	<u>\$2,393</u>	<u>\$3,007</u>	<u>\$1,809</u>	<u>\$801</u>	<u>\$1,007</u>	<u>33%</u>
a) Supplies	\$4,400	\$1,950	\$2,450	\$919	\$407	\$512	21%
b) Maintenance/Repairs/Replacement	\$1,000	\$443	\$557	\$889	\$394	\$495	89%
8) Postage	<u>\$2,803</u>	<u>\$1,242</u>	<u>\$1,560</u>	<u>\$1,229</u>	<u>\$544</u>	<u>\$684</u>	<u>44%</u>
9) Telephone & Alarms	<u>\$6,911</u>	<u>\$3,063</u>	<u>\$3,848</u>	<u>\$2,810</u>	<u>\$1,245</u>	<u>\$1,565</u>	<u>41%</u>
10) Utilities (Electric & Telemetry)	<u>\$4,777</u>	<u>\$2,326</u>	<u>\$2,452</u>	<u>\$3,545</u>	<u>\$2,326</u>	<u>\$2,452</u>	<u>74%</u>
11) Publications/Dues/Fees	<u>\$7,624</u>	<u>\$3,281</u>	<u>\$4,343</u>	<u>\$947</u>	<u>\$393</u>	<u>\$554</u>	<u>12%</u>
a) Publications & Publishing	\$70	\$31	\$39	\$688	\$305	\$383	983%
b) Licenses Fees	\$220	\$0	\$220	\$60	\$0	\$60	27%
c) Dues and Subscriptions	\$7,334	\$3,250	\$4,084	\$199	\$88	\$111	3%
12) Election Expense	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>N/A</u>
13) Director's Fees	<u>\$9,341</u>	<u>\$4,140</u>	<u>\$5,201</u>	<u>\$1,595</u>	<u>\$707</u>	<u>\$888</u>	<u>17%</u>
14) Insurance	<u>\$21,886</u>	<u>\$9,699</u>	<u>\$12,186</u>	<u>\$16,929</u>	<u>\$7,501</u>	<u>\$9,429</u>	<u>77%</u>
a) Liability & Property	\$12,100	\$5,363	\$6,738	\$13,187	\$5,843	\$7,345	109%
b) Workers Comp. Insurance	\$9,786	\$4,337	\$5,449	\$3,742	\$1,658	\$2,084	38%
15) Operation & Maintenance Materials	<u>\$14,800</u>	<u>\$6,550</u>	<u>\$8,250</u>	<u>\$3,417</u>	<u>\$2,434</u>	<u>\$983</u>	<u>23%</u>
a) Irrigation - maintenance expense	\$4,800	\$4,800	\$0	\$2,434	\$2,434	\$0	51%
b) Irrigation - installation expense (reimbursed to District)	\$1,750	\$1,750	\$0	\$0	\$0	\$0	0%
c) Treated - maintenance expense	\$6,500	\$0	\$6,500	\$983	\$0	\$983	15%
d) Treated - installation expense (reimbursed to District)	\$1,750	\$0	\$1,750	\$0	\$0	\$0	0%

Operational Expenditures

	FY 2022 TOTAL Approved	FY 2022 IRRIGATION	FY 2022 TREATED
16) Mileage Reimbursement	<u>\$500</u>	<u>\$222</u>	<u>\$278</u>
17) Travel, Meetings & Training	<u>\$3,000</u>	<u>\$1,330</u>	<u>\$1,670</u>
18) Safety Equipment	<u>\$3,000</u>	<u>\$1,330</u>	<u>\$1,670</u>
19) Water Board System Fee	<u>\$2,911</u>	<u>\$0</u>	<u>\$2,911</u>
20) Vehicle/Mobile Equip. Maint. & Op.	<u>\$13,439</u>	<u>\$5,956</u>	<u>\$7,483</u>
a) maintenance	\$3,000	\$1,330	\$1,670
b) fuel	\$10,439	\$4,626	\$5,812
21) Rentals	<u>\$11,672</u>	<u>\$5,173</u>	<u>\$6,499</u>
a) Office Rental	\$7,932	\$3,515	\$4,417
b) Field Equipment Rental	\$2,000	\$886	\$1,114
c) Portable Toilet	\$1,740	\$771	\$969
22) Bank Charges	<u>\$1,440</u>	<u>\$638</u>	<u>\$802</u>
23) Admin. Fees (includes LAFCO fees)	<u>\$1,405</u>	<u>\$623</u>	<u>\$782</u>
TOTAL-OPERATING EXPENDITURES	<u>\$664,490</u>	<u>\$239,502</u>	<u>\$424,988</u>
NET REVENUE-OPERATIONAL	<u>\$46,636</u>	<u>\$7,763</u>	<u>\$38,873</u>

FY 2022 TOTAL 6 month review	FY 2022 IRRIGATION	FY 2022 TREATED	percent of budget
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>0%</u>
<u>\$600</u>	<u>\$266</u>	<u>\$334</u>	<u>20%</u>
<u>\$794</u>	<u>\$352</u>	<u>\$442</u>	<u>26%</u>
<u>\$3,695</u>	<u>\$0</u>	<u>\$3,695</u>	<u>127%</u>
<u>\$4,874</u>	<u>\$2,160</u>	<u>\$2,715</u>	<u>36%</u>
\$342	\$151	\$190	11%
\$4,533	\$2,008	\$2,524	43%
<u>\$4,827</u>	<u>\$2,139</u>	<u>\$2,688</u>	<u>41%</u>
\$3,906	\$1,731	\$2,175	49%
\$0	\$0	\$0	0%
\$921	\$408	\$513	53%
<u>\$1,008</u>	<u>\$447</u>	<u>\$562</u>	70%
<u>\$1,942</u>	<u>\$861</u>	<u>\$1,082</u>	138%
<u>\$316,716</u>	<u>\$126,880</u>	<u>\$191,068</u>	48%
<u>\$54,017</u>	<u>(\$433)</u>	<u>\$53,218</u>	116%

OTHER REVENUE

	FY 2022 TOTAL Approved	FY 2022 IRRIGATION	FY 2022 TREATED
1) Treated Water Connections	\$5,000	\$0	\$5,000
2) Taxes	\$50,300	\$22,292	\$28,008
3) Non-Dedicated Interest from Investments	\$3,465	\$1,536	\$1,929
4) Grants-PCWA	\$434,819	\$423,683	\$11,136
5) Miscellaneous income	\$0	\$0	\$0
TOTAL-OTHER REVENUE:	\$493,584	\$447,510	\$46,073

FY 2022 TOTAL 6 month review	FY 2022 IRRIGATION	FY 2022 TREATED	percent of budget
\$0	\$0	\$0	0%
\$29,831	\$13,217	\$16,614	59%
\$480	\$213	\$267	14%
\$0	\$0	\$0	0%
\$0	\$0	\$0	N/A
\$30,311	\$13,429	\$16,881	6%

Funding Of Contingencies & Reserves

	FY 2022 TOTAL Approved	FY 2022 IRRIGATION	FY 2022 TREATED
1) Treated Water Capital Facilities above item funded by treated connection charges	\$5,000	\$0	\$5,000
2) Rehabilitation And Replacement Reserve Fund above item funded by water charges	\$25,402	\$25,203	\$199
3) Vehicle/Mobile Equipment Reserve	\$0	\$0	\$0
TOTAL	\$30,402	\$25,203	\$5,199
NET REVENUE-OTHER	\$463,182	\$422,307	\$40,874

FY 2022 TOTAL 6 month review	FY 2022 IRRIGATION	FY 2022 TREATED	percent of budget
\$0	\$0	\$0	0%
\$0	\$0	\$0	0%
\$0	\$0	\$0	N/A
\$0	\$0	\$0	0%
\$30,311	\$13,429	\$16,881	7%

TOTAL-NET REVENUE	\$509,817	\$430,070	\$79,747
--------------------------	------------------	------------------	-----------------

\$84,328	\$12,996	\$70,100	17%
-----------------	-----------------	-----------------	------------

CAPITAL IMPROVEMENT, DEBT SERVICES AND RESERVE FUNDS BUDGET

<u>FUNDING SOURCE</u>	FY 2022 TOTAL Approved	FY 2022 IRRIGATION	FY 2022 TREATED
1) Rehabilitation And Replacement Reserve Fund	<u>\$116,983</u>	<u>\$116,983</u>	<u>\$0</u>
TOTAL-FUNDING SOURCE:	<u>\$116,983</u>	<u>\$109,590</u>	<u>\$7,393</u>
<u>CAPITAL EXPENDITURES</u>			
1) Capital Expenses	<u>\$626,799</u>	<u>\$539,660</u>	<u>\$87,139</u>
a) Treated tank loan debt services	\$60,584	\$0	\$60,584
b) Loan Payment for District trucks	\$27,691	\$12,272	\$15,419
c) Strategic Plan	\$20,000	\$8,864	\$11,136
d) System improvements	\$518,524	\$518,524	\$0
TOTAL-Expenditures	<u>\$626,799</u>	<u>\$539,660</u>	<u>\$87,139</u>
NET :CAP IMPR, DEBT SER AND RES FUNDS BUDGET	<u>(\$509,816)</u>	<u>(\$430,070)</u>	<u>(\$79,746)</u>
NET TOTAL-FISCAL YEAR BUDGET	<u>0\$</u>	<u>\$0</u>	<u>\$0</u>

FY 2022 TOTAL 6 month review	FY 2022 IRRIGATION	FY 2022 TREATED	percent of budget
<u>\$29,230</u>	<u>\$21,835</u>	<u>\$7,395</u>	<u>25%</u>
<u>\$29,230</u>	<u>\$21,835</u>	<u>\$7,395</u>	<u>25%</u>
<u>\$73,860</u>	<u>\$28,220</u>	<u>\$45,640</u>	<u>12%</u>
\$30,218	\$0	\$30,218	50%
\$27,691	\$12,268	\$15,422	100%
\$0	\$0	\$0	0%
\$15,952	\$15,952	\$0	3%
<u>\$73,860</u>	<u>\$28,220</u>	<u>\$45,640</u>	<u>12%</u>
<u>(\$44,631)</u>	<u>(\$6,385)</u>	<u>(\$38,245)</u>	<u>9%</u>
<u>\$39,695</u>	<u>\$6,610</u>	<u>\$31,853</u>	<u>N/A</u>

Investment Fund @ Placer County	1/25/2021
Current FY Operation Fund	\$62,392.76
Treated Capital Facilities	\$59,538.43
Irrigation Capital Facilities	\$0.00
Treated R and R	\$111,016.25
Irrigation R and R	\$278,379.83
Emergency Reserve	\$80,000.00
Treated Rate Stabilization	\$31,874.10
Irrigation Rate Stabilization	\$17,962.65
TOTAL	<u>\$641,164.02</u>

Midway Heights County Water District
Fiscal Year 2022 six-month review

SALES, FEES AND REIMBURSEMENTS: PAGE 1

EXPENDITURES DETAIL: PAGE 2-4

Note: shared item costs are allocated based a percentage of the customer base of irrigation customers (44%) and treated customers (56%).

1. Irrigation Water Purchase

Provides funding for irrigation water purchases from Placer County Water Agency (PCWA). Increased water purchased above three-year historical average related to increased demand possibly linked to customer fire-safe efforts.

2. Treated Water Purchase

Provides funding for treated water purchases from Weimar Water Company (WWC).

3. Salaries and Benefits

This category represents direct and indirect costs associated with the funding for personnel employed by the District for administration and field operations.

Administration/ Office

Provides funding for administration salary costs.

Administration/Office Salaries Reimbursed

Administrative cost reimbursed to the District for events such as installation of water services.

Field Salaries

Provides funding for field operations salary costs.

Field Salaries Reimbursed

Field costs reimbursed to the District for events such as installation of water services.

Health Benefits

Provides funding for payments related to employee health benefits.

4. Employer Payroll Liabilities

Represents payments associated with employer payroll liabilities: social security, PERS retirement, and Medicare.

5. Professional Services

Legal

Provides funding for administrative services by the District's legal counsel. Normally based on 3 year average.

Engineering

Provides funding for projects provided by the District's engineering consultants. Normally based on 3 year average.

Accounting/ Audit/ Payroll

Provides funding for the preparation of the District's annual audit and for the District's accountant.

Laboratory Analysis

Provides funding for laboratory services for mandated water quality monitoring of the water supply. This includes routine distribution system monitoring, emergency repair sampling and samples collected for analysis at customers request.

Software and Software Support

Provides funding for the District's maintenance and service agreement for the billing system, software upgrades, etc. The bulk of software expenses for licenses will be paid for in last six month of the year.

6. Contract Field Work: Based on three year average

Contract Irrigation Repairs/Maintenance

Provides funding for repairs and maintenance associated with the District's irrigation system done by outside contractors.

Irrigation Installations Reimbursed

Reimbursements associated with installing customer services.

Contract Treated Repairs/Maintenance

Provides funding for repairs and maintenance associated with the District's treated system done by outside contractors.

Treated Installations Reimbursed

Reimbursements associated with installing customer services.

Backfill Material

Provides funding for backfill material for restoration of areas affected by system repairs.

Backfill Material Reimbursed

Provides funding for backfill material reimbursements for restoration of areas affected by installing water services.

7. Office:

Supplies - Based on three year average

Provides funding for costs associated with the printing of bills, customer correspondence and Board Meeting items as well as all miscellaneous office supplies.

Maintenance/Repairs

Provides funding for costs associated with maintaining and repairing office equipment

8. Postage

Provides funding for mailing of all customer bills and District correspondence.

9. Telephone and alarms:

Provides funding for telephones, cellular phones, pagers, and alarms.

10. Utilities:

Provides funding for telemetry and electrical energy costs for the operation of all District facilities. Increased electrical cost includes PG&E rate increase and installation of heat and air unit that protect the electronics that monitor the treated water system at the treated tank site and new office.

11. Publications/Dues/Fees

Publications and Publishing

Provides funding for District advertising of legal ads and for vacancies that may occur. The cost was for the newsletter that the District published.

Licenses Fees

Provides funding for operator's licenses.

Dues and Subscriptions

Provides funding for professional organization memberships including ACWA, AWWA, CSDA, NRWA, and USA North.

12. Election Expenses

Provides funding for the general election.

13. Director's Fees

Provides funding for the Board of Directors to attend the monthly Board Meeting, standing committee meetings and miscellaneous meetings that may arise.

14. Insurance

Provides funding for insurance premiums payable to ACWA/JPIA.

Liability and Property: based on current rates plus 5%.

Workers Compensation: based on current rates

15. Operation and Maintenance Material

Irrigation - Maintenance Expense

Provides funding for repairs and maintenance associated with the District's irrigation system. Based on three-year average.

Irrigation - Installation Expense

Provides funding for installation expenses associated with the District's irrigation system.

Treated - Maintenance Expense

Provides funding for repairs and maintenance associated with the District's treated system. Based on three-year average.

Treated - Installation Expense

Provides funding for installation expenses associated with the District's treated system.

16. Mileage Reimbursement

Provides funding for mileage reimbursement to District employees who use their personal vehicle for District business.

17. Travel, Meetings and Training

Provides funding for meetings and conferences associated with job assignments or related to the conduct of District business. Also provides funds for training materials, programs, and fees to attend training sessions for staff to keep current with new laws, technologies and methods of carrying out the mission of the District.

18. Safety Equipment

Provides funding for worksite safety and personal protective equipment.

19. Water Board System Fee

Provides funding for the State Department of Health Services Drinking Water Program permit.

20. Vehicle/Mobile Equipment M&O:

Provides funding for the maintenance and operation of the District's vehicles and mobile equipment including fuel purchases.

21. RentalsOffice Rental

Provides funding for the District office space rental located at 16733 Placer Hills Rd. Meadow Vista.

Field equipment rental

Provides funding for field equipment rentals.

Portable Toilet

Provides funding for the rental, maintenance and cleaning of the portable toilet located at the District's maintenance yard.

22. Bank Charges

Provides funding for service charges associated with the District's bank accounts. Increased due to online bill pay available to customers.

23. Administration Fees

Provides funding for miscellaneous administrative fees including LAFCO.

OTHER REVENUE, PAGE 5**4. Grants-PCWA**

Grant from PCWA of \$20,000 to do a strategic plan, \$135,200 for improvements at the District's reservoir and \$279,619 for replacement of approximately 1,500 feet of irrigation main with installation of a fire hydrant.

FUNDING OF CONTINGENCIES & RESERVES: PAGE 6

This category accounts for expenditures designated for contingencies and reserves.

1) Treated Water Connections - from connection fees.

2) Rehabilitation And Replacement Reserve Fund - from charges for water service.

3) Vehicle/Mobile Equipment Reserve - funds replacement of vehicles, backhoe, etc.

CAPITAL IMPROVEMENT, DEBT SERVICES AND RESERVE FUNDS BUDGET: PAGE 7

1) Rehabilitation And Replacement Reserve Fund: \$13,278 was used to fund 50% of truck loan payment from reserves and \$15,951.50 has been spent of the irrigation improvements at the District's reservoir.

CAPITAL EXPENDITURES

1) d) System Improvements: \$169,000 for District reservoir improvements plus \$349,524 for replacement of approximately 1,500 feet of irrigation main with installation of a fire hydrant.

AD HOC COMMITTEE SCOPE STATEMENT

Title	Connections Policy Ad-Hoc Committee	
Purpose	Review existing District Code and Policies related to service connections. Propose a draft Ordinance covering appropriate updates for review and approval by the Board.	
Estimated Completion Date: 4/01/2022 Est. Date of Board Action: 4/21/2022	Director Fees Authorized: <input type="checkbox"/> Y <input type="checkbox"/> N Number of Authorized Meetings: ____	
Committee Members <small>(No more than two Directors may serve together.)</small>	Director 1: Don Rushton, Chair Director 2: Jim Mehl Non-Director 1: Jason Tiffany, GM	
Committee Scope	<ul style="list-style-type: none"> • Review of existing Code and Policy & Procedures sections related to service connections, both treated and irrigation. • Consideration of governing law and advice provided by the District's attorney. • Review of current fees for all connection types (new connections, reconnections, reinstatements, primary vs accessory dwelling units, etc.) • Consideration of fairness, reasonableness, and the underlying rationales for current and proposed fees. • Consideration of adjustments to District Code and/or Policy & Procedures to effect needed updates. 	
What is Out of Scope	Matters unrelated to District service connection policies and fees.	
Deliverables	<ol style="list-style-type: none"> 1. Draft Ordinance for consideration by the Board. 2. Draft updates to affected Policy & Procedures sections, if any, for consideration by the Board. 	
Approval	<p style="text-align: center;">_____ _____</p> <p style="text-align: center;">Richard Goodwin, President Date</p>	



REQUEST FOR PROPOSALS

Strategic Planning Services

March 2022

Table of Contents

I. INTRODUCTION3

 A. GENERAL INFORMATION 3

 B. TERM OF ENGAGEMENT 3

 C. PROJECT BUDGET 3

 D. PROPOSAL CONDITIONS..... 3

II. ABOUT MIDWAY HEIGHTS COUNTY WATER DISTRICT3

III. NATURE OF SERVICES REQUIRED4

 A. GENERAL..... 4

 B. SCOPE OF WORK TO BE PERFORMED:..... 4

 C. PROJECT TASKS: 4

 D. FINAL REPORT 5

IV. RFP RESPONSE REQUIREMENTS6

 A. PROPOSED WORK SCHEDULE:..... 6

 B. DOLLAR COST BID: 6

 C. INSURANCE COVERAGE: 6

 D. EXPERIENCE AND REFERENCES: 6

V. MINIMUM PROPOSAL REQUIREMENTS6

VI. PROJECT CONTACT INFORMATION.....8

VII. SELECTION PROCESS8

 A. GENERAL 8

 B. ORAL PRESENTATIONS 8

 C. STAFF INTERVIEWS..... 8

 D. RIGHT TO REJECT PROPOSALS 8

 E. CONTRACT NEGOTIATION..... 9

 F. RATES FOR ADDITIONAL PROFESSIONAL SERVICES..... 9

VIII. PROJECT CALENDAR.....9

EXHIBIT A: AD HOC COMMITTEE SCOPE STATEMENT10

EXHIBIT B: DRAFT STATEMENT OF STRATEGIC GOALS AND SAMPLE OBJECTIVES11

I. INTRODUCTION

A. General Information

The Midway Heights County Water District (the District) requests proposals from experienced business consulting firms to assist in the development of a Strategic Plan for the District.

To be considered, a proposal must be received by the District before the 3:00 PM deadline on May 6, 2022. The District reserves the right to reject any and all proposals submitted.

B. Term of Engagement

Bid proposals are requested for services to be delivered within a Project span of up to six calendar months.

C. Project Budget

The amount budgeted by the District for consulting work described by this Request for Proposals is \$20,000.

D. Proposal Conditions

Submission of a proposal indicates acceptance by the responding firm of the conditions contained in this Request For Proposals, unless clearly and specifically noted in the proposal submitted and confirmed within the contract between the District and the firm selected.

The District reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. The District shall be free to publish interim reports and/or final products as they see fit without obtaining prior permission from the contracting firm.

There is no expressed or implied obligation on the part of the District to reimburse responding firms for any expenses incurred in preparing proposals in response to this request. Such costs should not be included in the proposal.

II. ABOUT MIDWAY HEIGHTS COUNTY WATER DISTRICT

The District was formed in 1954 and serves a four square-mile area in the unincorporated area of northern Meadow Vista and western Weimar, CA. The District provides both irrigation and potable water; irrigation water is purchased from the Placer County Water Agency and treated water is supplied by the Weimar Water Company. Revenues are derived from service charges, property taxes, and investment income.

The District is governed by a five-member Board of Directors elected at large by registered voters who reside within the District. There are three staff members: the General Manager who reports to the Board and two field staff who report to the General Manager.

The District FY-2022 budget, begun on July 1, 2021, provides \$711,000 for general fund operations.

III. NATURE OF SERVICES REQUIRED

A. General

The District is soliciting the services of a qualified business consultant, either an individual or a consulting firm, to assist development of a Strategic Plan. The District is requesting bids for an engagement of up to six-months. The deliverables are to be prepared in accordance with the provisions contained in this Request for Proposals.

The District will provide support for active tasks, such as reasonable workspace, access to a telephone landline, shared use of a printer/copy machine, and access to non-sensitive District records. Scheduling of personnel for interviews will be arranged as promptly as possible. Any additional support needed can be discussed during the Project Kickoff meeting.

B. Scope of Work to be Performed:

The work objective is to provide the District with consulting services that will lead to the completion of an acceptable Strategic Plan for the District. Where appropriate, project work should build upon the District's own efforts to date, as represented by Exhibits A and B.

The District desires a plan that will, at minimum,

- 1) Provide a framework for discussion of District issues with our customers,
- 2) Aid the ongoing prioritization of projects and tasks,
- 3) Support productive dialog between the Board and General Manager,
- 4) Feed into the annual budgeting process, and
- 5) Lend structure to contingency planning.

In that spirit, we require input to be gathered from the Directors, General Manager, District staff, and other Stakeholders, some of whom may be identified during the Project.

Development of the Strategic Plan is to include progress briefings for the District Board at its regular monthly meetings. Once completed, the Plan should be easy to understand, comprehensive in nature, and organized in such a way that it assures full coverage of the strategic needs of the District within a rolling 3-to-5-year window.

C. Project Tasks:

The responding firm's proposed work process for accomplishing the Project tasks, as detailed here, must be clearly articulated. Any division, combination, or other modifications of these Tasks must be specifically explained and justified in the proposal in terms of their benefit to the Project and/or the Plan deliverable.

1. Project Kickoff. Meet with the Strategic Planning Ad Hoc Committee to discuss background, planning approach, work schedule, and key coverage areas for inclusion in the plan. The Ad Hoc committee (see Appendix A),

which is composed of the Committee Chair, the Board President, and the General Manager, will serve as the Steering Committee for the project.

2. Review Draft Goals & Objectives. Review the Draft Statement of Strategic Goals and Sample Objectives (see Appendix B) as a project startup resource.
3. Interview Field Staff. Meet with District field staff to gather their thoughts and perspectives as stakeholders.
4. Interview Other Stakeholders. Identify and meet with other stakeholders, such as customers and key suppliers, to gather their thoughts and perspectives.
5. Interview Directors and GM. Conduct individual interviews with the Directors and the General Manager to bring focus to the planning process from the Board and Management perspectives.
6. Strategic Plan Workshop. Conduct a Strategic Plan workshop during a Special (i.e., single-issue) Board meeting where public attendance and comment is strongly encouraged. The expectation for this workshop is that the purposes and value of each Plan component – Vision, Mission, Values, Goals, Objectives, Strategies, and Tactics – are free of jargon and readily understandable by our customers.
7. Progress Briefings. Produce a brief written progress summary for inclusion with the Board Packet of each regular monthly meeting of the Board. Answer questions at Board meetings; take comments/suggestions under advisement.
8. Steering Committee work sessions. Work with the steering committee to produce progressive drafts of the Strategic Plan, up to and including the final draft for Board review. Charts, photos, or other enhancements typical of a published version should be included only as needed for clarity of the Plan, essential concepts, and context.

D. Final Report

The Final Report shall be in the form of a cover letter over the consultant's signature and will include the proposed Strategic Plan as an attachment. The Final Report will specify the nature and scope of any separate projects needed to successfully implement the Plan, including any recommendations to management.

The Final Report shall be delivered in both hard copy and electronic formats:

- One printed copy (single sided) with signature approval lines;
- One electronic copy in MS Word format;
- One electronic copy in PDF format.

Final Report preparation shall be the responsibility of the Consultant, including, but not limited to, word processing of the Report and production of the Report in the required formats.

Upon receipt, the Final Report will be placed on the next regular Board Agenda as an item for discussion and approval. The Consultant shall attend the Board meeting and address questions posed by the Board and members of the public.

IV. RFP RESPONSE REQUIREMENTS

A. Proposed Work Schedule:

The responding firm shall provide their proposed Work Schedule for the Project, showing the week-to-week focus on, and overlap of, task-related efforts.

B. Dollar Cost Bid:

The responding firm shall specify the costs for its services based on estimated hours and associated rates for each consultant who will participate. The response shall include an estimate of collateral expenses, if any, and the basis of estimation.

Out-of-pocket expenses for firm personnel will be reimbursed at the rates used by the District for its employees. Expense reimbursements will be charged against the total all-inclusive maximum price submitted by the firm. A statement must be included with the Dollar Cost Bid stating that the firm will accept reimbursement for travel at the prevailing District rate for its employees.

C. Insurance Coverage:

The responding firm shall list all relevant insurance policies and coverage amounts carried by the firm. The selected consultant will be required to submit evidence of, and comply with, all insurance requirements deemed necessary by the District.

D. Experience and References:

The responding firm shall describe their qualifications and provide up to three recent, relevant, and like examples of plans completed for public organizations comparable to the District (based on staff size, budget, mission, and/or similar factors.) Demonstrated understanding of California special districts and their associated opportunities and challenges would be of interest.

Provide biographies of consulting staff being offered to conduct the work and their connection with cited work samples.

Name at least one reference for each cited project, their organizational position during that project, and the reference's current contact information.

V. MINIMUM PROPOSAL REQUIREMENTS

Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposals unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the District and the firm selected.

By submitting a proposal, the prospective firm represents that it has thoroughly

examined and become familiar with the services required under this RFP, and that it is capable of delivering quality services to the District in a creative, cost-effective, and service-oriented manner.

All proposals are subject to the following minimum requirements:

1. Title Page showing the Request For Proposal's subject; the firm's name; the name, address, and telephone number of the firm's contact person; and the date of the proposal.
2. Table of Contents.
3. Transmittal Letter.

A signed letter of transmittal briefly stating the proposer's understanding of the work to be done, the commitment to perform the work within the time period, a statement why the firm believes itself to be the best qualified to perform the engagement and that the proposal is a firm and irrevocable offer for the period being bid on.

4. Detailed Proposal.

The purpose of the Detailed Proposal is to demonstrate the qualifications, competence, and capacity of the proposing firm. As such, the substance of proposals will carry more weight than their form or manner of presentation. The Proposal should demonstrate the qualifications of the firm and of the particular staff to be assigned to the engagement.

The Detailed Proposal should be prepared simply and economically, providing a straight-forward, concise description of the proposer's capabilities to satisfy the requirements of the Request For Proposals. While additional data may be presented, the following subjects must be included. They represent the criteria against which the proposal will be evaluated.

- a. Narrative addressing the responding firm's approach to the Scope of Work as detailed under III.B. Project Tasks.
 - b. Proposed Work Schedule as described under IV.A. Proposed Work Schedule.
 - c. Proposed Budget, with a breakdown of project costs as described under IV.B. Dollar Cost Bid.
 - d. Responding firm's insurance coverages as described under IV.C.
 - e. Responding firm's qualifications as described under IV.D. Experience and References.
5. Submission deadline is May 6, 2022, at 3:00 PM. The preferred mode of submission is via email to admin@mhcwd.org, in which case the Letter of Transmittal is to be electronically signed.

Alternatively, signed hard-copy submissions may be sent via registered mail to Jason Tiffany, General Manager, PO Box 596, Meadow Vista, CA 95722, or hand delivered to the District Office at 16733 Placer Hills Road, Meadow Vista, CA. An electronic copy of the submission should also be included with the hard copy. **The deadline for receipt at the District remains the same, regardless of the method of conveyance.**

VI. PROJECT CONTACT INFORMATION

The selected consultant's principal contact with the District regarding contractual matters is:

Jason Tiffany, General Manager
 admin@mhcwd.org
 (530) 878-8096

The selected consultant's principal contact regarding project matters is:

Director Pauline Nevins, Chair
 Strategic Planning Ad-Hoc Committee
 pauline.nevins@mhcwd.org

VII. SELECTION PROCESS

A. General.

The District tentatively seeks to award the contract for consulting services in July of 2022. All responses will be screened, and up to three candidates will be recommended for consideration by the full Board.

The District will evaluate the submitted proposals based on the following factors:**

- Completeness and Comprehensiveness
- Responsiveness to District issues
- Potential benefits to the District
- Appropriate Experience
- Quality of proposed staff

***The order of the list of factors does not reflect priority.*

B. Oral Presentations.

The Committee may, at its discretion, request any or all firms to make oral presentations. Such presentations will provide firms with an opportunity to answer questions regarding their proposal. There is no requirement of the District for it to ask all firms to make such oral presentations.

C. Staff Interviews.

The Committee may, at its discretion, request to interview selected proposed staff prior to finalizing its recommendations for Board consideration. There is no requirement of the District for it interview some or all staff offered by every responding firm.

D. Right to Reject Proposals.

The District reserves the right without prejudice to reject any or all proposals. The District also reserves the right to waive minor irregularities in the proposal, and to accept the proposal it considers most favorable and in the District's best interest.

E. Contract Negotiation.

The District will enter negotiations with the selected responding firm to determine the final contract price and payment terms. Work is expected to begin within two (2) months of a signed agreement.

F. Rates for Additional Professional Services.

If it should become necessary for the District to request that the selected firm render additional services, either to supplement the services defined in this request for proposals or to perform additional work as a result of the specific recommendations included in any report issued on this engagement, then such additional work shall be performed only if set forth in an addendum to the contract between the District and the firm.

Any such additional work agreed to between the District and the firm shall be performed at the same rates as set forth in the schedule of fees and expenses included in the Firm Dollar Cost Bid.

VIII. PROJECT CALENDAR

Board approval of RFP for publication:	February 17, 2022
RFP publication:	March 21, 2022
Deadline for submission of questions:**	April 15, 2022
Published response to questions:	April 22, 2022
Deadline for submission of Proposals:	May 6, 2022, at 3:00 PM
Completion of oral presentations and/or interviews (if any):	June 1, 2022
Board approval of selected firm:	June 16, 2022
Notification of selected firm:	June 22, 2022
Board approval of negotiated contract:	July 21, 2022
Project Start	September 21, 2022
Project Final Report Due	March 27, 2023
Board approval of Final Report	April 16, 2023

** *Please address RFP questions to Pauline Nevins, Chair, Strategic Planning Committee, at pauline.nevins@mhcwd.org.*

EXHIBIT A: Ad Hoc Committee Scope Statement

Title	Strategic Planning Ad-Hoc Committee	
Purpose	Provide focus and direction to the Strategic Planning process.	
Estimated Completion Date: 4/16/2023 Date of Board Action: As necessary	Director Fees Authorized: <input type="checkbox"/> Y <input checked="" type="checkbox"/> N Number of Authorized Meetings: <u>n/a</u>	
Committee Members (No more than two Directors may serve together.)	Director 1: Pauline Nevins, Chair Director 2: Richard Goodwin Non-Director: Jason Tiffany, GM, office support/research	
Committee Scope	<ul style="list-style-type: none"> • Developing a Work Plan to produce the Deliverables as listed. • Analyzing Board efforts to date re: Strategic Planning. • Analyzing Strategic Plans of similar organizations. • Drafting a set of Strategic Goals with sample Objectives. • Identifying and vetting consultants, as appropriate. • Estimating costs to produce a finished Strategic Plan. • Recommending use/timing of Board Special Sessions for workshops. 	
What is Out of Scope	<ul style="list-style-type: none"> • Final selection of consultants or other commitment of funds. 	
Deliverables	<ul style="list-style-type: none"> • Draft letter to PCWA re: adjustments to Grant Agreement. • Monthly discussion/feedback during regular Board sessions. • Draft Statement of Strategic Goals and Sample Objectives. • Ranked recommendations of up to three consultants, as appropriate, with estimated costs. • Advance organization of workshop sessions, if any, for Board and public participation. 	
Approval	<p style="text-align: center;">/s/ Richard J Goodwin</p> <hr style="width: 50%; margin: auto;"/> <p style="text-align: center;">Richard J. Goodwin, President</p>	<p style="text-align: center;">9/22/2021</p> <hr style="width: 50%; margin: auto;"/> <p style="text-align: center;">Date</p>

EXHIBIT B: Draft Statement of Strategic Goals and Sample Objectives

November 2021

INTRODUCTION

This Draft Statement has been prepared by the Strategic Planning Ad Hoc Committee as a key deliverable for discussion by the full Board.

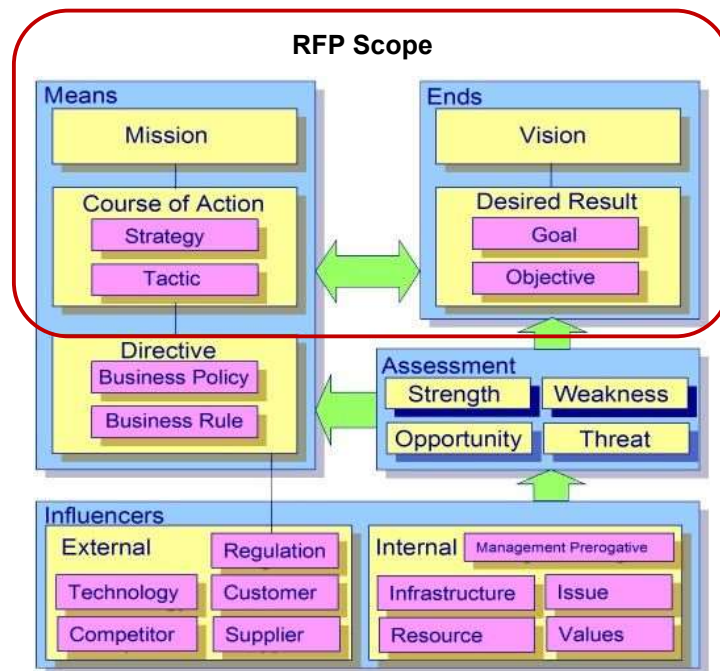
The Goals and Objectives presented here are offered as a “starter set.” The set is derived from committee research drawn on various sources:

- Earlier work products of the Board,
- Comments by current Directors as solicited by former President Wiltsee, and
- RFP’s and finished plans from other public organizations.

After making corrections following Board consideration, the final version of this document will be part of the RFP materials provided to prospective consultants. Final development of the Strategic Plan will take place under the guidance of the chosen consultant.

PROJECT SCOPE

The Business Motivation Model¹ provides a widely recognized standard for structured planning. As indicated by the red box in the Model overview shown below, the RFP Scope includes the “Ends” and much of the “Means,” as well.



Overview of the Business Motivation Model

¹ Object Management Group, <http://www.omg.org/spec/BMM/1.3/>

VISION AND MISSION STATEMENTS

These statements were drafted for Board consideration but were never formally adopted. They were used by the Committee when developing the draft Goals and Objectives and will be replaced during the Plan’s development.

Vision Statement

Continuing our commitment to operate efficiently with the help of emerging technologies, challenging, motivating, and rewarding our employees and offering premium service in all we do.

Mission Statement

We endeavor to deliver a reliable source of irrigation water and clean, safe treated water to Midway Heights District customers.

We strive to provide:

- Excellent customer service
- Reasonable water rates
- Efficient District Operations
- Protection of District Assets
- Transparent District Governance

PROPOSED “STARTER SET” OF STRATEGIC GOALS

The draft set of Goals, listed here, apply only to contract work related to developing the “Ends” (versus the “Means”) portion of the Strategic Plan.

1. Deliver excellent customer service.
2. Foster both fiscal strength and a fair rate structure.
3. Provide transparency in fiscal and governance matters.
4. Ensure water supply reliability and quality.
5. Manage infrastructure lifecycles and buildouts.
6. Optimize staffing, wage/benefit levels, and performance measures.
7. Assure Directors and Staff receive all required/recommended training.

SAMPLE OBJECTIVES FOR EACH DRAFT GOAL

The Objectives listed here are placeholders for eventual versions that will describe a result sought in support of the associated Goal. As presently understood, Objectives should include progress dates or finish dates, and should include measurables used to gauge the degree of success.

1. Deliver excellent customer service.
 - a. Provide timely responses to requests, complaints, and suggestions.
 - b. Maximize self-service access to non-sensitive District documents via the website.
 - c. Assure news-worthy information is disseminated promptly.
 - d. Assist and promote water use efficiency.
 - e. Encourage public participation in Board meetings and committee sessions.

2. Foster both fiscal strength and a fair rate structure.
 - a. Plan long-term fiscal needs.
 - b. Manage reserve funding levels.
 - c. Review rates, fees, and associated policies regularly.
3. Provide transparency in fiscal and governance matters.
 - a. Provide budget planning and tracking information to the public and the Board.
 - b. Provide operations planning and progress information to the public and Board.
 - c. Set readability standards for Agendas, Minutes, Budgets, etc.
4. Ensure water supply reliability and quality.
 - a. Fulfill potable water quality monitoring requirements.
 - b. Maintain a productive dialog with our water suppliers and governing agencies.
 - c. Create plans for drought restrictions and other necessary contingencies.
5. Manage facilities, infrastructure lifecycles, and buildouts.
 - a. Review operations to identify potential cost savings.
 - b. Investigate new technologies for efficiency improvements.
 - c. Establish workplans for rehabilitation/replacement of aging facilities.
 - d. Explore grant/loan funding opportunities for infrastructure projects.
6. Optimize staffing, wage/benefit levels, and performance measures.
 - a. Ensure that staffing levels best meet the district needs.
 - b. Deploy measurable and objective performance metrics in staff reviews.
 - c. Develop and update staffing contingency/succession plans.
7. Assure Directors and Staff receive all required/recommended training.
 - a. Provide safety and professional development training to staff.
 - b. Provide Directors with first-time and periodic training.

MHCWD

Monthly Field Report
February 2022 for the month of January 2022

FLOW RECORDS

Treated Water: 313,788 cubic feet (2.35 million gallons) purchased, for an average service connection usage of 188 gallons per day (based on 445 active service connections).

Irrigation Water: 12.9 million gallons (25.7 Miner's Inches per day) purchased from PCWA, with an estimated demand of 12.1 million gallons (24.3 Miner's Inches per day) and an estimated usage of 1,107 gallons per day per customer (based on 354 active service connections: 174 metered, 180 flat rate). Reservoir level increased by 0.75 million gallons.

FIELD ACTIVITIES

<u>Service Calls:</u>	37.
<u>After Hours Calls:</u>	1.
<u>Line/System Repairs:</u>	1. Treated repair
<u>Service Disconnections:</u>	0.
<u>New Service Connections:</u>	0.
<u>Installations:</u>	0.
<u>Double Check Valves Tested:</u>	21.
<u>Underground service alerts</u>	50.

Miscellaneous: Storm clean up, many emergency USA's for power line repairs/pole replacements. Magnolia Ranch Rd Trt repair, coordinate with customers/notify. Monthly Bac-T samples, start all annual maintenance, check valve testing, trt flushing, irr flushing, trt valve turning, irr valve turning, easement clearing, repairs, and maintenance at all facilities. Regular tractor & truck maintenance.

MIDWAY HEIGHTS COUNTY WATER DISTRICT
FUNDS SUMMARY

January 2022

REGULAR BOARD MEETING
February 2022

OPERATING FUNDS:

Placer County-MHCWD Investment Trust Fund (32005):

Balance as of: (12/31/21) **\$641,164.02**

*(Includes: Current Fiscal Year Operation Fund, Capital Facilities Funds, Emergency Fund, Rehabilitation and Replacement Reserve Funds and Rate Stabilization Funds)

Wells Fargo Bank:

Adjusted Bank Statement Balance (01/31/22--Reconciled to Checking Account #1670 General) ** **\$49,626.91**

CALIFORNIA BANK & Trust:

Adjusted Bank Statement Balance (01/31/22-- Reconciled Money Market Account #6809 Tank Loan) ** **\$46,181.42**

**See the attached Reconciliation Summary and Check Register for detail.

LOAN BALANCES

STATE REVOLVING FUND (0.33 MG tank and improvements, 2014, 20 year loan)

Balance (12/31/21) **\$592,113.42**

WEST AMERICA BANK (loan for three new service trucks, 2018, five year loan)

Balance (12/31/21) **\$52,603.83**

APPROVAL OF ACCOUNT TRANSFERS & BILLS PAID FOR THE MONTH JANUARY 2022

Treasurer of the Board-Jim Mehl

Midway Heights CWD
Reconciliation Summary
10005 - Cash in Checking-1670, Period Ending 01/31/2022

	Jan 31, 22
Beginning Balance	32,843.21
Cleared Transactions	
Checks and Payments - 31 items	-58,852.34
Deposits and Credits - 15 items	76,790.99
Total Cleared Transactions	17,938.65
Cleared Balance	50,781.86
Uncleared Transactions	
Checks and Payments - 3 items	-1,154.95
Total Uncleared Transactions	-1,154.95
Register Balance as of 01/31/2022	49,626.91
New Transactions	
Deposits and Credits - 1 item	11,730.33
Total New Transactions	11,730.33
Ending Balance	61,357.24

02/03/22

Midway Heights CWD
Reconciliation Detail
10005 - Cash in Checking-1670, Period Ending 01/31/2022

Type	Date	Num	Name	Cir	Amount	Balance
Beginning Balance						32,843.21
Cleared Transactions						
Checks and Payments - 31 items						
Bill Pmt -Check	12/16/2021	8904	Omega Commerc...	X	-651.00	-651.00
Bill Pmt -Check	01/03/2022	ACH	Streamline	X	-100.00	-751.00
Bill Pmt -Check	01/05/2022	EFT	Paychex, Inc.	X	-16,503.90	-17,254.90
Bill Pmt -Check	01/05/2022	EFT	Paychex, Inc.	X	-3,866.74	-21,121.64
Check	01/06/2022	ACH	Wells Fargo	X	-1,045.31	-22,166.95
Bill Pmt -Check	01/07/2022	8911	Assoc. of Californi...	X	-4,265.00	-26,431.95
Bill Pmt -Check	01/07/2022	8922	Sauers Engineeri...	X	-3,316.43	-29,748.38
Bill Pmt -Check	01/07/2022	8918	Dawson Oil Comp...	X	-870.79	-30,619.17
Bill Pmt -Check	01/07/2022	8917	Cranmer Analytic...	X	-840.00	-31,459.17
Bill Pmt -Check	01/07/2022	8923	US Bank	X	-801.26	-32,260.43
Bill Pmt -Check	01/07/2022	8914	Backflow Distribut...	X	-440.49	-32,700.92
Bill Pmt -Check	01/07/2022	8910	American Water ...	X	-302.00	-33,002.92
Bill Pmt -Check	01/07/2022	8921	PG&E	X	-294.03	-33,296.95
Bill Pmt -Check	01/07/2022	8919	Ferguson Waterw...	X	-250.12	-33,547.07
Bill Pmt -Check	01/07/2022	8916	Cooks Portable T...	X	-156.08	-33,703.15
Bill Pmt -Check	01/07/2022	8913	AT&T U-verse	X	-108.79	-33,811.94
Bill Pmt -Check	01/07/2022	8920	Frontier Communi...	X	-107.92	-33,919.86
Bill Pmt -Check	01/07/2022	8915	Beam Security Sy...	X	-60.00	-33,979.86
Bill Pmt -Check	01/07/2022	8912	AT & T	X	-23.39	-34,003.25
Check	01/10/2022	ACH	Wells Fargo	X	-281.92	-34,285.17
Bill Pmt -Check	01/10/2022	EFT	Paychex, Inc.	X	-144.94	-34,430.11
Bill Pmt -Check	01/11/2022	EFT	CalPERS Health ...	X	-3,828.27	-38,258.38
Check	01/14/2022	ACH	Wells Fargo	X	-787.64	-39,046.02
Bill Pmt -Check	01/19/2022	8932	Weimar Water Co...	X	-8,506.95	-47,552.97
Bill Pmt -Check	01/19/2022	8925	California Bank & ...	X	-5,039.38	-52,592.35
Bill Pmt -Check	01/19/2022	8926	ESRI	X	-1,900.00	-54,492.35
Bill Pmt -Check	01/19/2022	8928	PCWA	X	-1,880.79	-56,373.14
Bill Pmt -Check	01/19/2022	8929	Sauers Engineeri...	X	-1,320.00	-57,693.14
Bill Pmt -Check	01/19/2022	8924	Bartkiewicz, Kroni...	X	-924.63	-58,617.77
Bill Pmt -Check	01/19/2022	8931	Verizon Wireless	X	-152.07	-58,769.84
Bill Pmt -Check	01/19/2022	8930	Tel-Com	X	-82.50	-58,852.34
Total Checks and Payments					-58,852.34	-58,852.34
Deposits and Credits - 15 items						
Deposit	11/08/2021			X	7,477.73	7,477.73
Deposit	01/04/2022			X	118.64	7,596.37
Deposit	01/06/2022			X	23,363.51	30,959.88
Deposit	01/07/2022			X	2,643.44	33,603.32
Transfer	01/10/2022			X	0.10	33,603.42
Deposit	01/10/2022			X	1,234.35	34,837.77
Deposit	01/13/2022			X	7,010.35	41,848.12
Deposit	01/14/2022			X	1,522.74	43,370.86
Deposit	01/18/2022			X	553.09	43,923.95
Deposit	01/19/2022			X	7,633.35	51,557.30
Deposit	01/19/2022			X	9,423.07	60,980.37
Deposit	01/21/2022			X	5,366.80	66,347.17
Deposit	01/24/2022			X	1,495.96	67,843.13
Deposit	01/27/2022			X	7,696.92	75,540.05
Deposit	01/31/2022			X	1,250.94	76,790.99
Total Deposits and Credits					76,790.99	76,790.99
Total Cleared Transactions					17,938.65	17,938.65
Cleared Balance					17,938.65	50,781.86

Midway Heights CWD Reconciliation Detail

10005 - Cash in Checking-1670, Period Ending 01/31/2022

Type	Date	Num	Name	Clr	Amount	Balance
Uncleared Transactions						
Checks and Payments - 3 items						
Bill Pmt -Check	01/19/2022	8927	Omega Commerc...		-651.00	-651.00
Check	01/19/2022	8933	Miles, Wilma		-425.01	-1,076.01
Check	01/19/2022	8934	Terry Robison		-78.94	-1,154.95
Total Checks and Payments					-1,154.95	-1,154.95
Total Uncleared Transactions					-1,154.95	-1,154.95
Register Balance as of 01/31/2022					16,783.70	49,626.91
New Transactions						
Deposits and Credits - 1 item						
Deposit	02/02/2022				11,730.33	11,730.33
Total Deposits and Credits					11,730.33	11,730.33
Total New Transactions					11,730.33	11,730.33
Ending Balance					28,514.03	61,357.24

Midway Heights CWD
Reconciliation Summary
10009 - Cal Bank and Trust-6809, Period Ending 01/31/2022

	<u>Jan 31, 22</u>
Beginning Balance	41,141.32
Cleared Transactions	
Deposits and Credits - 2 items	<u>5,040.10</u>
Total Cleared Transactions	<u>5,040.10</u>
Cleared Balance	<u>46,181.42</u>
Register Balance as of 01/31/2022	46,181.42
Ending Balance	46,181.42

Midway Heights CWD
Reconciliation Detail
 10009 · Cal Bank and Trust-6809, Period Ending 01/31/2022

Type	Date	Num	Name	Clr	Amount	Balance
Beginning Balance						41,141.32
Cleared Transactions						
Deposits and Credits - 2 items						
Bill	01/07/2022	Janu...	California Bank & ...	X	5,039.38	5,039.38
Deposit	01/31/2022			X	0.72	5,040.10
Total Deposits and Credits					5,040.10	5,040.10
Total Cleared Transactions					5,040.10	5,040.10
Cleared Balance					5,040.10	46,181.42
Register Balance as of 01/31/2022					5,040.10	46,181.42
Ending Balance					5,040.10	46,181.42