



Hidden Valley Lake Community Services District

Regular Board Meeting

DATE: Tuesday December 19, 2017
TIME: 7:00 p.m.
PLACE: Hidden Valley Lake CSD
Administration Office, Boardroom
19400 Hartmann Road
Hidden Valley Lake, CA

- 1) CALL TO ORDER
- 2) PLEDGE OF ALLEGIANCE
- 3) ROLL CALL
- 4) APPROVAL OF AGENDA
- 5) EMPLOYEE RECOGNITION
- 6) PRESENTATIONS
Jeanine Burnett Milers Club
- 7) CONSENT CALENDAR
 - A. MINUTES: Approval of the Finance Committee Meeting minutes for November 20, 2017
 - B. MINUTES: Approval of the Board of Directors Regular Board Meeting minutes for November 21, 2017
 - C. MINUTES: Approval of the Personnel Committee Meeting minutes for December 5, 2017
 - D. MINUTES: Approval of the Finance Committee Meeting minutes for December 11, 2017
 - E. DISBURSEMENTS: Check # 34996 - # 35056 including drafts and payroll for a total of \$220,307.79.
- 8) BOARD COMMITTEE REPORTS
(for information only, no action anticipated)

Personnel Committee
Finance Committee
Emergency Preparedness Committee
Lake Water Use Agreement-Ad Hoc Committee
Valley Oaks Project Sub Committee

9) BOARD MEMBER ATTENDANCE AT OTHER MEETINGS
(for information only, no action anticipated)

ACWA Region 1
Other meetings attended

10) STAFF REPORTS
(for information only, no action anticipated)

ACWA State Legislative Committee
Financial Report
Administration/Customer Service Report
Field Operations Report
General Manager's Report

11) DISCUSSION AND POSSIBLE ACTION: Discuss the Smith & Newell 2016-17 audit findings.

12) DISCUSSION AND POSSIBLE ACTION: Discuss and approve the General Manager to extend the existing RGS contract.

13) DISCUSSION: Discuss financial numbers provided by Schneider Electric for the AMI project if utility rates were not increased during the life of the project.

14) PUBLIC COMMENT

15) BOARD MEMBER COMMENT

16) CLOSED SESSION: Case review of potential litigation.

17) ADJOURNMENT

Public records are available upon request. Board Packets are posted on our website at www.hvlcsd.org/meetings

In compliance to the Americans with Disabilities Act, if you need special accommodations to participate in or attend the meeting please contact the District Office at 987-9201 at least 48 hours prior to the scheduled meeting.

Public shall be given the opportunity to comment on each agenda item before the Governing Board acts on that item, G.C. 54953.3. All other comments will be taken under Public Comment.



**HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
FINANCE COMMITTEE REPORT
MEETING DATE: November 20, 2017**

The Hidden Valley Lake Community Services District Finance Committee met at the District office located at 19400 Hartmann Road, in Hidden Valley Lake, California.

Present were:

Director Graham
Director Mirbegian
General Manager, Kirk Cloyd
Full Charge Bookkeeper, Trish Wilkinson

Water Resource Specialist, Alyssa Gordon
Administrative Assistant, Penny Cuadras
Civic Spark Fellow, Marina Deligiannis

CALL TO ORDER

The meeting was called to order at 12:03 PM by Director Mirbegian.

APPROVAL OF AGENDA

The Committee unanimously approved the agenda.

**REVIEW AND DISCUSS A RECOMMENDATION TO THE BOARD FOR SEWER SYSTEM FLOW METER
EXPENDITURES FOR THE I&I STUDY**

Following a brief overview of the GHD report and State Water Resource Control Board requirements, the Committee moved to make a recommendation to approve funding from Fund 313 not to exceed \$18,000.00.

\$12,063.00	Rental of Flowmeters
\$ 3,000.00	Manhole Lid Replacement
\$ 2,937.00	GHD Report

REVIEW AND DISCUSS BEST ACCOUNTING PRACTICES

Staff and Mr. Spillman are currently working on Policy and Procedures that will follow the Best Accounting Practice guidelines. Staff plan to bring the initial policies before the Committee for review, prior to a Regular Board Meeting.

**REVIEW AND DISCUSS PROPOSAL TO THE BOARD OF DIRECTORS FOR MAKING RECONCILIATION
REVIEW A PART OF THE FINANCE COMMITTEE DUTIES**

Finance Committee members and staff will work together to amend the Finance Committee Charter. Amendment of the Finance Committee Charter will go before the Board of Directors for review and possible approval.

PUBLIC COMMENT

There were no public comments.

ADJOURNMENT

On a motion made by Director Graham and second by Director Mirbegian the Committee voted unanimously to adjourn the meeting. The Finance Committee Meeting was adjourned at 12:52 PM.



**HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS MEETING MINUTES
MEETING DATE: November 21, 2017**

The Hidden Valley Lake Community Services District Board of Directors met this evening at the District office located at 19400 Hartmann Road, in Hidden Valley Lake, California.

Present were:

Director Jim Lieberman, President
Director Carolyn Graham, Vice President
Director Linda Herndon
Director Jim Freeman
Kirk Cloyd, General Manager
Penny Cuadras, Administrative Assistant

Absent: Director Judy Mirbegian

CALL TO ORDER

The meeting was called to order at 7:01 p.m. by President Lieberman.

APPROVAL OF AGENDA

On a motion made by Director Graham and second by Director Herndon the Board unanimously approved the agenda.

EMPLOYEE RECOGNITION

Alyssa Gordon was recognized for her work with the Civic Spark Interns and the I&I Study. Alyssa worked diligently with FEMA to help the District recover \$405,000.00 due to the damage from the January and February winter storms. This is the first time the District has been awarded FEMA funds.

PRESENTATIONS

The General Manager and members of the Board provided a brief overview of the Board Self Evaluation Workshop presented by Dennis Timoney with SDRMA.

CONSENT CALENDAR

On a motion made by Director Herndon and second by Director Freeman the Board unanimously approved the following Consent Calendar items:

- (A) MINUTES: Approval of the Board of Directors Regular Board Meeting minutes for October 17, 2017.
- (B) MINUTES: Approval of the Finance Committee Meeting minutes for October 17, 2017.
- (C) MINUTES: Approval of the Emergency Preparedness Committee Meeting minutes for November 9, 2017.
- (D) MINUTES: Approval of the Board of Directors Special Meeting minutes for November 9, 2017.

(E) MINUTES: Approval of the Board Workshop Meeting minutes for November 15, 2017.

(F) DISBURSEMENTS: Check # 34926- #34995 including drafts and payroll for a total of \$213,798.86.

BOARD COMMITTEE REPORTS

Personnel Committee: To be scheduled.

Finance Committee: Director Graham provided a brief update.

Emergency Preparedness Program Committee: Overview provided by the General Manager.

Lake Water Use Agreement-Ad Hoc Committee: No meeting held.

BOARD MEMBER ATTENDANCE AT OTHER MEETINGS

ACWA Region 1 Board: No meeting attended.

County OES: No meeting attended.

STAFF REPORTS

Financial Report: Staff will email members of the Board an explanation of variances in the budget.

Administration/Customer Services Report: No discussion.

Field Operation Report: Increased service calls due to age of infrastructure and leak detection.

ACWA State Legislative Committee: No meetings attended.

General Manager's Report: The General Manager discussed items in his report, and responded to all inquiries.

DISCUSSION AND POSSIBLE ACTION:

Discuss recent updates for the Valley Oaks Project and the development of a possible Sub Committee

President Lieberman approved staff recommendation to create a sub-committee for the Valley Oaks Project. A Sub-Committee appointed consisting of Director Herndon and General Manager Kirk Cloyd as committee members.

A Sub-Committee meeting is to be scheduled prior to the December Regular Board Meeting.

DISCUSSION AND POSSIBLE ACTION:

Discuss and approve the General Manager to enter into an agreement for the Sewer System Flow Meter Expenditures for the I&I Study and Workplan Deliverables: Rental of Flow Meters for the winter season Manhole Lid Replacement

On motion by Director Herndon and second by Director Freeman the Board approved the General Manager to enter into an agreement with Clipper Control and to proceed with Sewer System Flow Meter Expenditures as recommended by the Finance Committee, not to exceed \$18,000.00.

Roll call vote:

AYES (4): Directors Lieberman, Graham, Herndon and Freeman

NAYS (0):

ABSTAIN (0):

ABSENT (1): Director Mirbegian

PUBLIC COMMENT

Eleven members of the public were present and ten commented on the proposed Verizon Cell Tower Lease Agreement. The majority of the residents voiced concerns of health and safety issues as well as concerns for a decrease in property value. Questions and concerns were addressed by

the General Manager and were encouraged to refer to the HVLCSD website to confirm the Verizon Cell Tower Lease will be on the December Regular Board Meeting Agenda. Residents' thanked the Board and Staff for hearing their concerns.

A resident reminded everyone to be fire wise and make sure holiday decorations are safe and to have a pleasant Holiday.

BOARD MEMBER COMMENT

Members of the Board thanked the Public for attending and appreciate their concerns. Director Herndon informed the Board President and staff she will be absent for the December Regular Board Meeting. Members of the Board continue to work towards the SDRMA District of Distinction Award.

ADJOURNMENT

On a motion made by Director Graham and second by Director Herndon the Board voted unanimously to adjourn the meeting. The meeting was adjourned at 8:25 p.m.

 Jim Lieberman Date
 President of the Board

 Kirk Cloyd Date
 General Manager/Secretary to the Board



**HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
PERSONNEL COMMITTEE REPORT
MEETING DATE: December 5, 2017**

The Hidden Valley Lake Community Services District Personnel Committee met at the District office located at 19400 Hartmann Road, in Hidden Valley Lake, California.
Present were:

Director Herndon
General Manager Kirk Cloyd

Administrative Assistant Penny Cuadras

Absent: Director Freeman

CALL TO ORDER

The meeting was called to order at 12:17 pm by Director Herndon.

APPROVAL OF AGENDA

The Committee unanimously approved the agenda.

DISCUSS AND REVIEW REVISED EMPLOYEE HANDBOOK

The Committee recommended to continue to review and make necessary edits to the Employee Handbook. Draft to be brought back before the Committee for final review prior to the January Regular Board Meeting.

DISCUSS AND REVIEW COMPENSATION POLICY

Staff to make necessary revisions of content and format. Draft to be provided to the Committee for final review prior to the January Regular Board Meeting.

DISCUSS AND REVIEW NEW CALIFORNIA EMPLOYMENT LAWS

Staff to post Notices as mandated by State and Federal Regulation.

PUBLIC COMMENT

There were no public comments.

ADJOURNMENT

The meeting was adjourned at 2:04 pm on a motion by Director Herndon.



**HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
FINANCE COMMITTEE REPORT
MEETING DATE: December 11, 2017**

The Hidden Valley Lake Community Services District Finance Committee met at the District office located at 19400 Hartmann Road, in Hidden Valley Lake, California.

Present were:

Director Graham
Director Mirbegian
General Manager, Kirk Cloyd
Full Charge Bookkeeper, Trish Wilkinson

Administrative Assistant, Penny Cuadras
Senior Finance Advisor, David Spilman

CALL TO ORDER

The meeting was called to order at 12:03 PM by Director Mirbegian.

APPROVAL OF AGENDA

The Committee unanimously approved the agenda.

REVIEW 2016-20107 AUDIT

Norm Newell from Smith and Newell Auditing Firm reviewed the following areas of the 2016-2017 Audit Report with committee members:

- Statement of Net Position – review of liabilities and Net Position balances.
- Statement of Revenues, Expenses, and changes in Net Position
- Schedule of Findings and Recommendations

The committee discussed possible accounting improvements by creating a Financial Workplan and Standard Operating Procedures.

After discussion, it was agreed the committee would recommend the Board to accept the 2016-2017 Audit reports at the December 19, 2017 Board of Directors meeting.

DISCUSS AND MAKE RECOMMENDATION TO EXTEND RGS CONTRACT

After discussion, it was agreed the Committee would recommend the Board to extend the RGS Contract at the December Board of Directors Meeting.

REVIEW THE PROPOSED FINANCIAL WORKPLAN

After discussion and review, it was agreed the Committee would recommend the Board approve the proposed financial workplan as supporting evidence for extending the RGS Contract.

PUBLIC COMMENT

Director Mirbegian noted the North Coast region received nearly \$25 Million in Prop 1 funding for wastewater system upgrades.

ADJOURNMENT

On a motion made by Director Graham and second by Director Mirbegian the Committee voted unanimously to adjourn the meeting. The Finance Committee Meeting was adjourned at 1:04 PM.

VENDOR SET: 01 Hidden Valley Lake

D I S B U R S E M E N T R E P O R T

BANK: ALL

VENDOR CLASS(ES): ALL CLASSES

REPORTING FUND NO#: 120 SEWER ENTERPRISE FUN

SORTED BY FUND

VENDOR	NAME	NO# INVOICES	TOTAL AMOUNT	1099	G/L ACCT NO#	G/L NAME	G/L AMOUNT
01-1002	PETTY CASH REIMBURSEMENT			N		FUND TOTAL FOR VENDOR	84.51
01-1023	HACH COMPANY			N		FUND TOTAL FOR VENDOR	358.80
01-11	STATE OF CALIFORNIA EDD			N		FUND TOTAL FOR VENDOR	1,126.74
01-111	JAMES DAY CONSTRUCTION, I			N		FUND TOTAL FOR VENDOR	1,078.00
01-1122	PARKSON CORPORATION			N		FUND TOTAL FOR VENDOR	21,394.20
01-122	LAKE COUNTY RECORD BEE			N		FUND TOTAL FOR VENDOR	266.85
01-1392	MEDIACOM			N		FUND TOTAL FOR VENDOR	213.46
01-1579	SOUTH LAKE REFUSE COMPANY			N		FUND TOTAL FOR VENDOR	186.19
01-1621	POWER INDUSTRIES, INC			N		FUND TOTAL FOR VENDOR	103.37
01-1705	SPECIAL DISTRICT RISK MAN			N		FUND TOTAL FOR VENDOR	12,737.00
01-1722	US DEPARTMENT OF THE TREA			N		FUND TOTAL FOR VENDOR	4,029.17
01-1751	USA BLUE BOOK			N		FUND TOTAL FOR VENDOR	408.08
01-1961	ACWA/JPIA			N		FUND TOTAL FOR VENDOR	442.96
01-2057	BARTLEY PUMP, INC.			N		FUND TOTAL FOR VENDOR	1,196.25
01-21	CALIFORNIA PUBLIC EMPLOYE			N		FUND TOTAL FOR VENDOR	4,538.49
01-2111	DATAPROSE			N		FUND TOTAL FOR VENDOR	1,381.53
01-2195	TELSTAR INSTRUMENTS, INC			N		FUND TOTAL FOR VENDOR	22,642.48
01-2538	HARDESTER'S MARKETS & HAR			N		FUND TOTAL FOR VENDOR	67.95
01-2541	MENDO MILL CLEARLAKE			N		FUND TOTAL FOR VENDOR	35.53
01-2585	TYLER TECHNOLOGY			N		FUND TOTAL FOR VENDOR	60.50
01-2598	VERIZON WIRELESS			N		FUND TOTAL FOR VENDOR	688.25
01-2636	ACTION SANITARY, INC.			N		FUND TOTAL FOR VENDOR	700.00
01-2648	B & G TIRES OF MIDDLETOWN			N		FUND TOTAL FOR VENDOR	140.00
01-2684	OFFICE DEPOT			N		FUND TOTAL FOR VENDOR	98.04
01-2699	MICHELLE HAMILTON			N		FUND TOTAL FOR VENDOR	312.50
01-2700	REDFORD SERVICES			N		FUND TOTAL FOR VENDOR	950.00
01-2736	SIERRA CHEMICAL CO.			N		FUND TOTAL FOR VENDOR	2,399.53

VENDOR SET: 01 Hidden Valley Lake

D I S B U R S E M E N T R E P O R T

BANK: ALL

VENDOR CLASS(ES): ALL CLASSES

REPORTING FUND NO#: 120 SEWER ENTERPRISE FUN

SORTED BY FUND

VENDOR	NAME	NO# INVOICES	TOTAL AMOUNT	1099	G/L ACCT NO#	G/L NAME	G/L AMOUNT
01-2740	WATERSOLVE, LLC			N		FUND TOTAL FOR VENDOR	8,043.75
01-2749	NAPA AUTO PARTS			N		FUND TOTAL FOR VENDOR	248.57
01-2788	GHD			N		FUND TOTAL FOR VENDOR	8,254.75
01-2816	CARDMEMBER SERVICE			N		FUND TOTAL FOR VENDOR	719.76
01-2820	ALPHA ANALYTICAL LABORATO			N		FUND TOTAL FOR VENDOR	2,642.00
01-2823	GARDENS BY JILLIAN			N		FUND TOTAL FOR VENDOR	100.00
01-2824	CALIFORNIA PUBLIC EMPLOYE			N		FUND TOTAL FOR VENDOR	4,152.46
01-2825	NATIONWIDE RETIREMENT SOL			N		FUND TOTAL FOR VENDOR	957.50
01-2842	COASTLAND CIVIL ENGINEERI			N		FUND TOTAL FOR VENDOR	6,396.95
01-2876	BOLD POLISNER MADDOW NELS			N		FUND TOTAL FOR VENDOR	652.50
01-2909	STREAMLINE			N		FUND TOTAL FOR VENDOR	100.00
01-2911	CONSUMERINFO.COM			N		FUND TOTAL FOR VENDOR	127.38
01-2917	AT&T MOBILITY			N		FUND TOTAL FOR VENDOR	34.66
01-2919	REGIONAL GOVERNMENT SERVI			N		FUND TOTAL FOR VENDOR	2,293.23
01-2922	AMAZON CAPITAL SERVICES,			N		FUND TOTAL FOR VENDOR	32.62
01-8	AT&T			N		FUND TOTAL FOR VENDOR	284.13
01-9	PACIFIC GAS & ELECTRIC CO			N		FUND TOTAL FOR VENDOR	3,151.67

*** FUND TOTALS ***

115,832.31

VENDOR SET: 01 Hidden Valley Lake

D I S B U R S E M E N T R E P O R T

BANK: ALL

VENDOR CLASS(ES): ALL CLASSES

REPORTING FUND NO#: 130 WATER ENTERPRISE FUN

SORTED BY FUND

VENDOR	NAME	NO# INVOICES	TOTAL AMOUNT	1099	G/L ACCT NO#	G/L NAME	G/L AMOUNT
01-1	MISCELLANEOUS VENDOR			N		FUND TOTAL FOR VENDOR	576.95
01-1002	PETTY CASH REIMBURSEMENT			N		FUND TOTAL FOR VENDOR	84.49
01-11	STATE OF CALIFORNIA EDD			N		FUND TOTAL FOR VENDOR	1,306.47
01-122	LAKE COUNTY RECORD BEE			N		FUND TOTAL FOR VENDOR	266.85
01-1392	MEDIACOM			N		FUND TOTAL FOR VENDOR	213.46
01-1579	SOUTH LAKE REFUSE COMPANY			N		FUND TOTAL FOR VENDOR	186.17
01-1621	POWER INDUSTRIES, INC			N		FUND TOTAL FOR VENDOR	103.37
01-1705	SPECIAL DISTRICT RISK MAN			N		FUND TOTAL FOR VENDOR	12,737.00
01-1722	US DEPARTMENT OF THE TREA			N		FUND TOTAL FOR VENDOR	4,612.12
01-1751	USA BLUE BOOK			N		FUND TOTAL FOR VENDOR	285.93
01-1961	ACWA/JPIA			N		FUND TOTAL FOR VENDOR	442.95
01-21	CALIFORNIA PUBLIC EMPLOYE			N		FUND TOTAL FOR VENDOR	5,114.06
01-2111	DATAPROSE			N		FUND TOTAL FOR VENDOR	1,381.53
01-2538	HARDESTER'S MARKETS & HAR			N		FUND TOTAL FOR VENDOR	107.92
01-2541	MENDO MILL CLEARLAKE			N		FUND TOTAL FOR VENDOR	35.51
01-2585	TYLER TECHNOLOGY			N		FUND TOTAL FOR VENDOR	60.50
01-2598	VERIZON WIRELESS			N		FUND TOTAL FOR VENDOR	688.24
01-2648	B & G TIRES OF MIDDLETOWN			N		FUND TOTAL FOR VENDOR	139.99
01-2684	OFFICE DEPOT			N		FUND TOTAL FOR VENDOR	98.00
01-2699	MICHELLE HAMILTON			N		FUND TOTAL FOR VENDOR	312.50
01-2702	PACE SUPPLY CORP			N		FUND TOTAL FOR VENDOR	568.47
01-2736	SIERRA CHEMICAL CO.			N		FUND TOTAL FOR VENDOR	1,047.58
01-2749	NAPA AUTO PARTS			N		FUND TOTAL FOR VENDOR	305.38
01-2816	CARDMEMBER SERVICE			N		FUND TOTAL FOR VENDOR	1,136.59
01-2820	ALPHA ANALYTICAL LABORATO			N		FUND TOTAL FOR VENDOR	1,120.00
01-2823	GARDENS BY JILLIAN			N		FUND TOTAL FOR VENDOR	100.00
01-2824	CALIFORNIA PUBLIC EMPLOYE			N		FUND TOTAL FOR VENDOR	4,152.45

VENDOR SET: 01 Hidden Valley Lake

D I S B U R S E M E N T R E P O R T

BANK: ALL

VENDOR CLASS(ES): ALL CLASSES

REPORTING FUND NO#: 130 WATER ENTERPRISE FUN

SORTED BY FUND

VENDOR	NAME	NO# INVOICES	TOTAL AMOUNT	1099	G/L ACCT NO#	G/L NAME	G/L AMOUNT
01-2825	NATIONWIDE RETIREMENT SOL			N		FUND TOTAL FOR VENDOR	1,342.50
01-2830	CUMMINS PACIFIC LLC			N		FUND TOTAL FOR VENDOR	2,215.34
01-2876	BOLD POLISNER MADDOW NELS			N		FUND TOTAL FOR VENDOR	652.50
01-2878	BADGER METER			N		FUND TOTAL FOR VENDOR	102.00
01-2909	STREAMLINE			N		FUND TOTAL FOR VENDOR	100.00
01-2911	CONSUMERINFO.COM			N		FUND TOTAL FOR VENDOR	127.38
01-2917	AT&T MOBILITY			N		FUND TOTAL FOR VENDOR	34.65
01-2919	REGIONAL GOVERNMENT SERVI			N		FUND TOTAL FOR VENDOR	2,293.22
01-2922	AMAZON CAPITAL SERVICES,			N		FUND TOTAL FOR VENDOR	32.61
01-8	AT&T			N		FUND TOTAL FOR VENDOR	284.12
01-9	PACIFIC GAS & ELECTRIC CO			N		FUND TOTAL FOR VENDOR	11,510.99
*** FUND TOTALS ***							55,879.79

VENDOR SET: 01 Hidden Valley Lake

D I S B U R S E M E N T R E P O R T

BANK: ALL

VENDOR CLASS(ES): ALL CLASSES

REPORTING FUND NO#: 140 FLOOD ENTERPRISE FUN

SORTED BY FUND

VENDOR	NAME	NO# INVOICES	TOTAL AMOUNT	1099 ACCT NO#	G/L NAME	G/L AMOUNT
01-9	PACIFIC GAS & ELECTRIC CO			N	FUND TOTAL FOR VENDOR	88.37
*** FUND TOTALS ***						88.37
*** REPORT TOTALS ***			171,800.47			171,800.47

G / L EXPENSE DISTRIBUTION

ACCOUNT NUMBER	ACCOUNT NAME	AMOUNT
120 2088	SURVIVOR BENEFITS - PERS	10.61
120 2090	PERS PAYABLE	2,076.79
120 2091	FIT PAYABLE	3,148.76
120 2092	CIT PAYABLE	905.09
120 2093	SOCIAL SECURITY PAYABLE	8.99
120 2094	MEDICARE PAYABLE	431.18
120 2095	S D I PAYABLE	215.99
120 2099	DEFERRED COMP - 457 PLAN	957.50
120 5-00-5025	RETIREE HEALTH BENEFITS	1,649.50
120 5-00-5061	VEHICLE MAINT	145.47
120 5-00-5062	TAXES & LIC	5.93
120 5-00-5080	MEMBERSHIP & SUBSCRIPTIONS	227.38
120 5-00-5092	POSTAGE & SHIPPING	902.12
120 5-00-5121	LEGAL SERVICES	652.50
120 5-00-5122	ENGINEERING SERVICES	493.00
120 5-00-5123	OTHER PROFESSIONAL SERVICES	2,293.23
120 5-00-5130	PRINTING & PUBLICATION	748.01
120 5-00-5148	OPERATING SUPPLIES	3,082.11
120 5-00-5150	REPAIR & REPLACE	3,541.94
120 5-00-5155	MAINT BLDG & GROUNDS	100.00
120 5-00-5156	CUSTODIAL SERVICES	1,262.50
120 5-00-5160	SLUDGE DISPOSAL	8,043.75
120 5-00-5191	TELEPHONE	1,220.50
120 5-00-5192	ELECTRICITY	3,151.67
120 5-00-5193	OTHER UTILITIES	186.19
120 5-00-5194	IT SERVICES	655.50
120 5-00-5195	ENV/MONITORING	2,642.00
120 5-00-5315	SAFETY EQUIPMENT	108.28
120 5-00-5545	RECORDING FEES	14.50

VENDOR SET: 01 Hidden Valley Lake

D I S B U R S E M E N T R E P O R T

BANK: ALL

VENDOR CLASS(ES): ALL CLASSES

REPORTING FUND NO#: 140 FLOOD ENTERPRISE FUN

SORTED BY FUND

G/L EXPENSE DISTRIBUTION

ACCOUNT NUMBER	ACCOUNT NAME	AMOUNT
120 5-10-5010	SALARIES & WAGES	257.33
120 5-10-5020	EMPLOYEE BENEFITS	5,418.71
120 5-10-5021	RETIREMENT BENEFITS	3,592.49
120 5-10-5090	OFFICE SUPPLIES	151.03
120 5-10-5175	EDUCATION / SEMINARS	257.08CR
120 5-30-5010	SALARIES & WAGES	171.81
120 5-30-5020	EMPLOYEE BENEFITS	3,051.75
120 5-30-5021	RETIREMENT BENEFITS	3,011.06
120 5-30-5170	TRAVEL MILEAGE	27.07
120 5-30-5175	EDUCATION / SEMINARS	203.76
120 5-40-5010	DIRECTORS COMPENSATION	11.10
120 5-40-5020	DIRECTOR BENEFITS	5.66
120 5-40-5030	DIRECTOR HEALTH BENEFITS	3,060.00
120 5-40-5170	TRAVEL MILEAGE	51.25
120 5-60-6006	PW LKHVF83	58,195.38
	** FUND TOTAL **	115,832.31
130 1052	ACCTS REC WATER USE	576.95
130 2088	SURVIVOR BENEFITS - PERS	11.71
130 2090	PERS PAYABLE	2,330.64
130 2091	FIT PAYABLE	3,633.77
130 2092	CIT PAYABLE	1,054.44
130 2093	SOCIAL SECURITY PAYABLE	9.61
130 2094	MEDICARE PAYABLE	479.60
130 2095	S D I PAYABLE	245.99
130 2099	DEFERRED COMP - PLAN 457 PAYAB	1,342.50
130 5-00-5025	RETIREE HEALTH BENEFITS	1,649.50
130 5-00-5061	VEHICLE MAINT	2,360.80
130 5-00-5062	TAXES & LIC	5.93
130 5-00-5080	MEMBERSHIP & SUBSCRIPTIONS	227.38
130 5-00-5092	POSTAGE & SHIPPING	902.12
130 5-00-5121	LEGAL SERVICES	652.50
130 5-00-5123	OTHER PROFESSIONAL SERVICES	2,293.22
130 5-00-5130	PRINTING & PUBLICATION	748.01
130 5-00-5148	OPERATING SUPPLIES	1,249.21
130 5-00-5150	REPAIR & REPLACE	1,591.37
130 5-00-5155	MAINT BLDG & GROUNDS	100.00
130 5-00-5156	CUSTODIAL SERVICES	312.50
130 5-00-5191	TELEPHONE	1,220.47
130 5-00-5192	ELECTRICITY	11,510.99
130 5-00-5193	OTHER UTILITIES	186.17
130 5-00-5194	IT SERVICES	757.50
130 5-00-5195	ENV/MONITORING	1,120.00
130 5-00-5315	SAFETY EQUIPMENT	108.27
130 5-00-5505	WATER CONSERVATION	262.14
130 5-00-5545	RECORDING FEES	14.50
130 5-10-5010	SALARIES & WAGES	257.31

VENDOR SET: 01 Hidden Valley Lake

D I S B U R S E M E N T R E P O R T

BANK: ALL

VENDOR CLASS(ES): ALL CLASSES

REPORTING FUND NO#: 140 FLOOD ENTERPRISE FUN

SORTED BY FUND

G/L EXPENSE DISTRIBUTION

ACCOUNT NUMBER	ACCOUNT NAME	AMOUNT
130 5-10-5020	EMPLOYEE BENEFITS	5,418.70
130 5-10-5021	RETIREMENT BENEFITS	3,592.41
130 5-10-5090	OFFICE SUPPLIES	150.97
130 5-10-5175	EDUCATION / SEMINARS	257.07CR
130 5-30-5010	SALARIES & WAGES	219.98
130 5-30-5020	EMPLOYEE BENEFITS	3,051.75
130 5-30-5021	RETIREMENT BENEFITS	3,331.75
130 5-30-5170	TRAVEL MILEAGE	27.07
130 5-40-5010	DIRECTORS COMPENSATION	11.85
130 5-40-5020	DIRECTOR BENEFITS	6.04
130 5-40-5030	DIRECTOR HEALTH BENEFITS	3,060.00
130 5-40-5170	TRAVEL MILEAGE	51.24
	** FUND TOTAL **	55,879.79
140 5-00-5192	ELECTRICITY	88.37
	** FUND TOTAL **	88.37

** TOTAL ** 171,800.47

NO ERRORS

SELECTION CRITERIA

VENDOR SET: 01 Hidden Valley Lake
VENDOR: ALL
BANK: ALL
VENDOR CLASS(ES): ALL CLASSES

TRANSACTION SELECTION

REPORTING: PAID ITEMS ,G/L DIST

=====PAYMENT DATES===== =====ITEM DATES===== =====POSTING DATES=====
PAID ITEMS DATES : 11/01/2017 THRU 11/30/2017 0/00/0000 THRU 99/99/9999 0/00/0000 THRU 99/99/9999

PRINT OPTIONS

REPORT SEQUENCE: FUND
G/L EXPENSE DISTRIBUTION: YES
CHECK RANGE: 000000 THRU 999999

HIDDEN VALLEY LAKE CSD
 REVENUE & EXPENSE REPORT (UNAUDITED)
 AS OF: NOVEMBER 30TH, 2017

120-SEWER ENTERPRISE FUND
 FINANCIAL SUMMARY

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
REVENUE SUMMARY					
ALL REVENUE	1,279,509.00	89,172.99	555,867.95	723,641.05	43.44
TOTAL REVENUES	1,279,509.00	89,172.99	555,867.95	723,641.05	43.44
EXPENDITURE SUMMARY					
NON-DEPARTMENTAL	520,588.00	31,553.27	191,639.77	328,948.23	36.81
ADMINISTRATION	447,486.00	26,908.09	156,463.35	291,022.65	34.96
OFFICE	0.00	0.00	0.00	0.00	0.00
FIELD	262,904.80	18,313.60	106,577.93	156,326.87	40.54
DIRECTORS	43,356.00	3,273.01	19,601.62	23,754.38	45.21
TOTAL EXPENDITURES	1,274,334.80	80,047.97	474,282.67	800,052.13	37.22
REVENUES OVER/(UNDER) EXPENDITURES	5,174.20	9,125.02	81,585.28	(76,411.08)	1,576.77

HIDDEN VALLEY LAKE CSD
 REVENUE & EXPENSE REPORT (UNAUDITED)
 AS OF: NOVEMBER 30TH, 2017

120-SEWER ENTERPRISE FUND
 REVENUES

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
120-4020 INSPECTION FEES	500.00	0.00	600.00 (	100.00)	120.00
120-4036 DEVELOPER SEWER FEES	0.00	0.00	0.00	0.00	0.00
120-4040 Lien Recording Fee	0.00	0.00	0.00	0.00	0.00
120-4045 AVAILABILITY FEES	7,000.00	0.00	0.00	7,000.00	0.00
120-4050 SALES OF RECLAIMED WATER	90,000.00	1,278.06	90,000.32 (	0.32)	100.00
120-4111 COMM SEWER USE	26,868.00	2,459.80	14,474.22	12,393.78	53.87
120-4112 GOV'T SEWER USE	590.00	58.77	346.97	243.03	58.81
120-4116 SEWER USE CHARGES	1,153,051.00	85,368.51	426,834.58	726,216.42	37.02
120-4210 LATE FEE	0.00	0.00	50.20 (	50.20)	0.00
120-4300 MISC INCOME	1,000.00	5.00	522.44	477.56	52.24
120-4310 OTHER INCOME	0.00	0.00	0.00	0.00	0.00
120-4320 FEMA/CalOES Grants	0.00	0.00	0.00	0.00	0.00
120-4505 LEASE INCOME	0.00	0.00	0.00	0.00	0.00
120-4550 INTEREST INCOME	500.00	2.85	200.02	299.98	40.00
120-4580 TRANSFERS IN	0.00	0.00	22,839.20 (	22,839.20)	0.00
120-4591 INCOME APPLICABLE TO PRIOR YRS	0.00	0.00	0.00	0.00	0.00
120-4955 Gain/Loss	0.00	0.00	0.00	0.00	0.00
TOTAL REVENUES	1,279,509.00	89,172.99	555,867.95	723,641.05	43.44
	=====	=====	=====	=====	=====

REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: NOVEMBER 30TH, 2017

120-SEWER ENTERPRISE FUND

NON-DEPARTMENTAL

EXPENDITURES

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
120-5-00-5010 SALARY & WAGES	0.00	0.00	0.00	0.00	0.00
120-5-00-5020 EMPLOYEE BENEFITS	0.00	0.00	0.00	0.00	0.00
120-5-00-5021 RETIREMENT BENEFITS	0.00	0.00	16.86 (	16.86)	0.00
120-5-00-5024 WORKERS' COMP INSURANCE	9,500.00	0.00	11,103.95 (	1,603.95)	116.88
120-5-00-5025 RETIREE HEALTH BENEFITS	10,500.00	776.62	4,092.97	6,407.03	38.98
120-5-00-5026 COBRA Health & Dental	0.00	0.00 (	33.72)	33.72	0.00
120-5-00-5040 ELECTION EXPENSE	0.00	0.00	0.00	0.00	0.00
120-5-00-5050 DEPRECIATION	0.00	0.00	0.00	0.00	0.00
120-5-00-5060 GASOLINE, OIL & FUEL	8,000.00	0.00	2,892.79	5,107.21	36.16
120-5-00-5061 VEHICLE MAINT	7,500.00	145.47	6,924.34	575.66	92.32
120-5-00-5062 TAXES & LIC	500.00	5.93	304.73	195.27	60.95
120-5-00-5074 INSURANCE	18,000.00	0.00	20,611.40 (	2,611.40)	114.51
120-5-00-5075 BANK FEES	13,400.00	1,300.07	5,574.74	7,825.26	41.60
120-5-00-5080 MEMBERSHIP & SUBSCRIPTIONS	5,000.00	227.38	1,482.81	3,517.19	29.66
120-5-00-5092 POSTAGE & SHIPPING	5,000.00	902.12	2,654.06	2,345.94	53.08
120-5-00-5110 CONTRACTUAL SERVICES	0.00	0.00	0.00	0.00	0.00
120-5-00-5121 LEGAL SERVICES	10,000.00	652.50	1,800.00	8,200.00	18.00
120-5-00-5122 ENGINEERING SERVICES	27,000.00	493.00	2,647.73	24,352.27	9.81
120-5-00-5123 OTHER PROFESSIONAL SERVICE	90,000.00	2,293.23	10,138.23	79,861.77	11.26
120-5-00-5126 AUDIT SERVICES	7,500.00	0.00	0.00	7,500.00	0.00
120-5-00-5130 PRINTING & PUBLICATION	5,000.00	748.01	1,558.77	3,441.23	31.18
120-5-00-5135 NEWSLETTER	500.00	0.00	0.00	500.00	0.00
120-5-00-5140 RENTS & LEASES	0.00	0.00	0.00	0.00	0.00
120-5-00-5145 EQUIPMENT RENTAL	5,000.00	0.00	1,032.72	3,967.28	20.65
120-5-00-5148 OPERATING SUPPLIES	18,000.00	3,082.11	8,442.48	9,557.52	46.90
120-5-00-5150 REPAIR & REPLACE	100,000.00	3,541.94	27,347.88	72,652.12	27.35
120-5-00-5155 MAINT BLDG & GROUNDS	10,000.00	100.00	980.61	9,019.39	9.81
120-5-00-5156 CUSTODIAL SERVICES	15,150.00	1,262.50	5,050.00	10,100.00	33.33
120-5-00-5157 SECURITY	5,000.00	0.00	264.00	4,736.00	5.28
120-5-00-5160 SLUDGE DISPOSAL	26,000.00	8,043.75	16,087.50	9,912.50	61.88
120-5-00-5180 UNCOLLECTABLE ACCOUNTS	0.00	0.00	0.00	0.00	0.00
120-5-00-5191 TELEPHONE	8,500.00	1,220.50	4,967.02	3,532.98	58.44
120-5-00-5192 ELECTRICITY	37,888.00	3,151.67	10,691.51	27,196.49	28.22
120-5-00-5193 OTHER UTILITIES	2,600.00	186.19	743.52	1,856.48	28.60
120-5-00-5194 IT SERVICES	24,500.00	655.50	25,476.76 (	976.76)	103.99
120-5-00-5195 ENV/MONITORING	32,000.00	2,642.00	12,204.70	19,795.30	38.14
120-5-00-5196 RISK MANAGEMENT	0.00	0.00	0.00	0.00	0.00
120-5-00-5198 ANNUAL OPERATING FEES	2,000.00	0.00	0.00	2,000.00	0.00
120-5-00-5310 EQUIPMENT - FIELD	1,500.00	0.00	47.73	1,452.27	3.18
120-5-00-5311 EQUIPMENT - OFFICE	1,300.00	0.00	148.13	1,151.87	11.39
120-5-00-5312 TOOLS - FIELD	1,000.00	0.00	0.00	1,000.00	0.00
120-5-00-5315 SAFETY EQUIPMENT	2,500.00	108.28	2,328.05	171.95	93.12
120-5-00-5510 SEWER OUTREACH	0.00	0.00	0.00	0.00	0.00
120-5-00-5545 RECORDING FEES	250.00	14.50	57.50	192.50	23.00
120-5-00-5580 TRANSFERS OUT	0.00	0.00	4,000.00 (	4,000.00)	0.00
120-5-00-5590 NON-OPERATING OTHER	0.00	0.00	0.00	0.00	0.00
120-5-00-5591 EXPENSES APPLICABLE TO PRI	0.00	0.00	0.00	0.00	0.00
120-5-00-5600 CONTINGENCY	10,000.00	0.00	0.00	10,000.00	0.00
120-5-00-5650 OPERATING RESERVES	0.00	0.00	0.00	0.00	0.00

HIDDEN VALLEY LAKE CSD
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: NOVEMBER 30TH, 2017

120-SEWER ENTERPRISE FUND
NON-DEPARTMENTAL
EXPENDITURES

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
120-5-00-5700 OVER / SHORT	0.00	0.00	0.00	0.00	0.00
TOTAL NON-DEPARTMENTAL	520,588.00	31,553.27	191,639.77	328,948.23	36.81

HIDDEN VALLEY LAKE CSD
 REVENUE & EXPENSE REPORT (UNAUDITED)
 AS OF: NOVEMBER 30TH, 2017

120-SEWER ENTERPRISE FUND
 ADMINISTRATION
 EXPENDITURES

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
120-5-10-5010 SALARIES & WAGES	311,436.00	17,841.40	100,100.76	211,335.24	32.14
120-5-10-5020 EMPLOYEE BENEFITS	74,000.00	5,580.25	34,322.82	39,677.18	46.38
120-5-10-5021 RETIREMENT BENEFITS	51,500.00	3,592.49	19,697.40	31,802.60	38.25
120-5-10-5063 CERTIFICATIONS	0.00	0.00	0.00	0.00	0.00
120-5-10-5090 OFFICE SUPPLIES	4,000.00	151.03	1,590.52	2,409.48	39.76
120-5-10-5170 TRAVEL MILEAGE	1,200.00	0.00	168.14	1,031.86	14.01
120-5-10-5175 EDUCATION / SEMINARS	5,000.00 (	257.08)	530.01	4,469.99	10.60
120-5-10-5179 ADM MISC EXPENSES	350.00	0.00	53.70	296.30	15.34
TOTAL ADMINISTRATION	447,486.00	26,908.09	156,463.35	291,022.65	34.96

HIDDEN VALLEY LAKE CSD
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: NOVEMBER 30TH, 2017

120-SEWER ENTERPRISE FUND
OFFICE
EXPENDITURES

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
120-5-20-5010 SALARIES & WAGES	0.00	0.00	0.00	0.00	0.00
120-5-20-5020 EMPLOYEE BENEFITS	0.00	0.00	0.00	0.00	0.00
TOTAL OFFICE	0.00	0.00	0.00	0.00	0.00

HIDDEN VALLEY LAKE CSD
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: NOVEMBER 30TH, 2017

120-SEWER ENTERPRISE FUND
FIELD
EXPENDITURES

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
120-5-30-5010 SALARIES & WAGES	170,302.80	12,019.96	67,541.90	102,760.90	39.66
120-5-30-5020 EMPLOYEE BENEFITS	48,304.00	3,051.75	18,900.93	29,403.07	39.13
120-5-30-5021 RETIREMENT BENEFITS	35,498.00	3,011.06	15,998.76	19,499.24	45.07
120-5-30-5022 CLOTHING ALLOWANCE	1,800.00	0.00	1,227.86	572.14	68.21
120-5-30-5063 CERTIFICATIONS	1,500.00	0.00	435.00	1,065.00	29.00
120-5-30-5090 OFFICE SUPPLIES	2,000.00	0.00	47.12	1,952.88	2.36
120-5-30-5170 TRAVEL MILEAGE	500.00	27.07	501.36 (	1.36)	100.27
120-5-30-5175 EDUCATION / SEMINARS	3,000.00	203.76	1,925.00	1,075.00	64.17
TOTAL FIELD	262,904.80	18,313.60	106,577.93	156,326.87	40.54

HIDDEN VALLEY LAKE CSD
 REVENUE & EXPENSE REPORT (UNAUDITED)
 AS OF: NOVEMBER 30TH, 2017

120-SEWER ENTERPRISE FUND
 DIRECTORS
 EXPENDITURES

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
120-5-40-5010 DIRECTORS COMPENSATION	3,000.00	156.10	780.50	2,219.50	26.02
120-5-40-5020 DIRECTOR BENEFITS	100.00	5.66	28.49	71.51	28.49
120-5-40-5030 DIRECTOR HEALTH BENEFITS	38,556.00	3,060.00	18,360.00	20,196.00	47.62
120-5-40-5170 TRAVEL MILEAGE	200.00	51.25	132.63	67.37	66.32
120-5-40-5175 EDUCATION / SEMINARS	0.00	0.00	0.00	0.00	0.00
120-5-40-5176 DIRECTOR TRAINING	1,500.00	0.00	300.00	1,200.00	20.00
TOTAL DIRECTORS	43,356.00	3,273.01	19,601.62	23,754.38	45.21
TOTAL EXPENDITURES	1,274,334.80	80,047.97	474,282.67	800,052.13	37.22
REVENUES OVER/(UNDER) EXPENDITURES	5,174.20	9,125.02	81,585.28	(76,411.08)	1,576.77

*** END OF REPORT ***

HIDDEN VALLEY LAKE CSD
 REVENUE & EXPENSE REPORT (UNAUDITED)
 AS OF: NOVEMBER 30TH, 2017

130-WATER ENTERPRISE FUND
 FINANCIAL SUMMARY

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
REVENUE SUMMARY					
ALL REVENUE	1,677,221.00	111,673.95	646,580.88	1,030,640.12	38.55
TOTAL REVENUES	1,677,221.00	111,673.95	646,580.88	1,030,640.12	38.55
EXPENDITURE SUMMARY					
NON-DEPARTMENTAL	762,170.00	27,699.81	252,080.89	510,089.11	33.07
ADMINISTRATION	298,266.40	26,908.00	155,359.43	142,906.97	52.09
OFFICE	0.00	0.00	0.00	0.00	0.00
FIELD	304,030.80	21,801.13	124,306.61	179,724.19	40.89
DIRECTORS	43,656.00	3,284.13	19,656.87	23,999.13	45.03
TOTAL EXPENDITURES	1,408,123.20	79,693.07	551,403.80	856,719.40	39.16
REVENUES OVER/(UNDER) EXPENDITURES	269,097.80	31,980.88	95,177.08	173,920.72	35.37

HIDDEN VALLEY LAKE CSD
 REVENUE & EXPENSE REPORT (UNAUDITED)
 AS OF: NOVEMBER 30TH, 2017

130-WATER ENTERPRISE FUND
 REVENUES

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
130-4035 RECONNECT FEE	13,000.00	2,070.00	5,625.00	7,375.00	43.27
130-4038 COMM WATER METER INSTALL	0.00	0.00	0.00	0.00	0.00
130-4039 WATER METER INST	1,000.00	0.00	340.00	660.00	34.00
130-4040 RECORDING FEE	100.00	74.67	158.93	(58.93)	158.93
130-4045 AVAILABILITY FEES	25,000.00	0.00	0.00	25,000.00	0.00
130-4110 COMM WATER USE	84,081.00	5,252.24	50,333.02	33,747.98	59.86
130-4112 GOV'T WATER USE	6,101.00	370.81	2,480.90	3,620.10	40.66
130-4115 WATER USE	1,516,739.00	101,292.68	572,207.78	944,531.22	37.73
130-4117 WATER OVERAGE FEE	0.00	0.00	0.00	0.00	0.00
130-4118 WATER OVERAGE COMM	0.00	0.00	0.00	0.00	0.00
130-4119 WATER OVERAGE GOV	0.00	0.00	0.00	0.00	0.00
130-4210 LATE FEE	28,000.00	2,456.93	13,875.64	14,124.36	49.56
130-4215 RETURNED CHECK FEE	1,200.00	150.00	350.00	850.00	29.17
130-4300 MISC INCOME	1,500.00	5.00	927.47	572.53	61.83
130-4310 OTHER INCOME	0.00	0.00	0.00	0.00	0.00
130-4505 LEASE INCOME	0.00	0.00	0.00	0.00	0.00
130-4550 INTEREST INCOME	500.00	1.62	282.14	217.86	56.43
130-4580 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
130-4591 INCOME APPLICABLE TO PRIOR YRS	0.00	0.00	0.00	0.00	0.00
130-4955 Gain/Loss	0.00	0.00	0.00	0.00	0.00
TOTAL REVENUES	1,677,221.00	111,673.95	646,580.88	1,030,640.12	38.55
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REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: NOVEMBER 30TH, 2017

130-WATER ENTERPRISE FUND

NON-DEPARTMENTAL

EXPENDITURES

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
130-5-00-5010 SALARY & WAGES	0.00	0.00	0.00	0.00	0.00
130-5-00-5020 EMPLOYEE BENEFITS	0.00	0.00	0.00	0.00	0.00
130-5-00-5021 RETIREMENT BENEFITS	0.00	0.00	16.86 (	16.86)	0.00
130-5-00-5024 WORKERS' COMP INSURANCE	9,500.00	0.00	11,103.94 (	1,603.94)	116.88
130-5-00-5025 RETIREE HEALTH BENEFITS	10,400.00	776.65	7,426.38	2,973.62	71.41
130-5-00-5026 COBRA Health & Dental	0.00	0.00 (	33.72)	33.72	0.00
130-5-00-5040 ELECTION EXPENSE	0.00	0.00	0.00	0.00	0.00
130-5-00-5050 DEPRECIATION	0.00	0.00	0.00	0.00	0.00
130-5-00-5060 GASOLINE, OIL & FUEL	6,000.00	0.00	1,879.16	4,120.84	31.32
130-5-00-5061 VEHICLE MAINT	7,500.00	2,360.80	6,740.06	759.94	89.87
130-5-00-5062 TAXES & LIC	1,200.00	5.93	304.73	895.27	25.39
130-5-00-5074 INSURANCE	25,000.00	0.00	20,611.41	4,388.59	82.45
130-5-00-5075 BANK FEES	13,400.00	1,300.08	5,574.67	7,825.33	41.60
130-5-00-5080 MEMBERSHIP & SUBSCRIPTIONS	21,000.00	227.38	13,735.80	7,264.20	65.41
130-5-00-5092 POSTAGE & SHIPPING	6,000.00	902.12	2,654.04	3,345.96	44.23
130-5-00-5110 CONTRACTUAL SERVICES	0.00	0.00	0.00	0.00	0.00
130-5-00-5121 LEGAL SERVICES	10,000.00	652.50	1,800.00	8,200.00	18.00
130-5-00-5122 ENGINEERING SERVICES	60,000.00	0.00	297.50	59,702.50	0.50
130-5-00-5123 OTHER PROFESSIONAL SERVICE	35,000.00	2,293.22	10,138.22	24,861.78	28.97
130-5-00-5124 WATER RIGHTS	70,000.00	0.00	1,237.50	68,762.50	1.77
130-5-00-5126 AUDIT SERVICES	7,500.00	0.00	0.00	7,500.00	0.00
130-5-00-5130 PRINTING & PUBLICATION	7,750.00	748.01	1,558.75	6,191.25	20.11
130-5-00-5135 NEWSLETTER	500.00	0.00	0.00	500.00	0.00
130-5-00-5140 RENT & LEASES	0.00	0.00	0.00	0.00	0.00
130-5-00-5145 EQUIPMENT RENTAL	17,500.00	0.00	1,032.67	16,467.33	5.90
130-5-00-5148 OPERATING SUPPLIES	1,400.00	1,249.21	1,996.06 (	596.06)	142.58
130-5-00-5150 REPAIR & REPLACE	185,000.00	1,591.37	58,207.32	126,792.68	31.46
130-5-00-5155 MAINT BLDG & GROUNDS	8,509.00	100.00	9,720.31 (	1,211.31)	114.24
130-5-00-5156 CUSTODIAL SERVICES	3,750.00	312.50	1,250.00	2,500.00	33.33
130-5-00-5157 SECURITY	5,000.00	0.00	264.00	4,736.00	5.28
130-5-00-5180 UNCOLLECTABLE ACCOUNTS	0.00	0.00	0.00	0.00	0.00
130-5-00-5191 TELEPHONE	9,100.00	1,220.47	4,966.92	4,133.08	54.58
130-5-00-5192 ELECTRICITY	107,711.00	11,510.99	54,259.53	53,451.47	50.38
130-5-00-5193 OTHER UTILITIES	2,200.00	186.17	743.70	1,456.30	33.80
130-5-00-5194 IT SERVICES	24,500.00	757.50	25,668.71 (	1,168.71)	104.77
130-5-00-5195 ENV/MONITORING	15,000.00	1,120.00	3,898.44	11,101.56	25.99
130-5-00-5196 RISK MANAGEMENT	0.00	0.00	0.00	0.00	0.00
130-5-00-5198 ANNUAL OPERATING FEES	30,000.00	0.00	0.00	30,000.00	0.00
130-5-00-5310 EQUIPMENT - FIELD	2,000.00	0.00	47.73	1,952.27	2.39
130-5-00-5311 EQUIPMENT - OFFICE	1,000.00	0.00	0.00	1,000.00	0.00
130-5-00-5312 TOOLS - FIELD	2,000.00	0.00	0.00	2,000.00	0.00
130-5-00-5315 SAFETY EQUIPMENT	2,500.00	108.27	1,122.54	1,377.46	44.90
130-5-00-5505 WATER CONSERVATION	9,000.00	262.14	3,800.16	5,199.84	42.22
130-5-00-5545 RECORDING FEES	250.00	14.50	57.50	192.50	23.00
130-5-00-5580 TRANSFERS OUT	0.00	0.00	0.00	0.00	0.00
130-5-00-5590 NON-OPERATING OTHER	0.00	0.00	0.00	0.00	0.00
130-5-00-5591 EXPENSES APPLICABLE TO PRI	0.00	0.00	0.00	0.00	0.00
130-5-00-5600 CONTINGENCY	45,000.00	0.00	0.00	45,000.00	0.00
130-5-00-5650 OPERATING RESERVES	0.00	0.00	0.00	0.00	0.00

HIDDEN VALLEY LAKE CSD
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: NOVEMBER 30TH, 2017

130-WATER ENTERPRISE FUND
NON-DEPARTMENTAL
EXPENDITURES

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
TOTAL NON-DEPARTMENTAL	762,170.00	27,699.81	252,080.89	510,089.11	33.07

HIDDEN VALLEY LAKE CSD
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: NOVEMBER 30TH, 2017

130-WATER ENTERPRISE FUND
ADMINISTRATION
EXPENDITURES

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
130-5-10-5010 SALARIES & WAGES	166,418.40	17,841.47	99,601.92	66,816.48	59.85
130-5-10-5020 EMPLOYEE BENEFITS	70,000.00	5,580.22	33,838.63	36,161.37	48.34
130-5-10-5021 RETIREMENT BENEFITS	40,498.00	3,592.41	19,129.69	21,368.31	47.24
130-5-10-5063 CERTIFICATIONS	0.00	0.00	0.00	0.00	0.00
130-5-10-5090 OFFICE SUPPLIES	4,000.00	150.97	1,537.39	2,462.61	38.43
130-5-10-5170 TRAVEL MILEAGE	3,000.00	0.00	168.12	2,831.88	5.60
130-5-10-5175 EDUCATION / SEMINARS	5,000.00 (	257.07)	1,030.01	3,969.99	20.60
130-5-10-5179 ADM MISC EXPENSES	350.00	0.00	53.67	296.33	15.33
130-5-10-5505 WATER CONSERVATION	9,000.00	0.00	0.00	9,000.00	0.00
TOTAL ADMINISTRATION	298,266.40	26,908.00	155,359.43	142,906.97	52.09

HIDDEN VALLEY LAKE CSD
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: NOVEMBER 30TH, 2017130-WATER ENTERPRISE FUND
OFFICE
EXPENDITURES

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
130-5-20-5010 SALARIES & WAGES	0.00	0.00	0.00	0.00	0.00
130-5-20-5020 EMPLOYEE BENEFITS	0.00	0.00	0.00	0.00	0.00
TOTAL OFFICE	0.00	0.00	0.00	0.00	0.00

HIDDEN VALLEY LAKE CSD
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: NOVEMBER 30TH, 2017130-WATER ENTERPRISE FUND
FIELD
EXPENDITURES

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
130-5-30-5010 SALARIES & WAGES	211,538.80	15,390.56	85,817.44	125,721.36	40.57
130-5-30-5020 EMPLOYEE BENEFITS	39,094.00	3,051.75	18,900.88	20,193.12	48.35
130-5-30-5021 RETIREMENT BENEFITS	46,498.00	3,331.75	17,947.50	28,550.50	38.60
130-5-30-5022 CLOTHING ALLOWANCE	1,800.00	0.00	1,227.83	572.17	68.21
130-5-30-5063 CERTIFICATIONS	600.00	0.00	85.00	515.00	14.17
130-5-30-5090 OFFICE SUPPLIES	1,000.00	0.00	47.11	952.89	4.71
130-5-30-5170 TRAVEL MILEAGE	500.00	27.07	163.38	336.62	32.68
130-5-30-5175 EDUCATION / SEMINARS	3,000.00	0.00	117.47	2,882.53	3.92
TOTAL FIELD	304,030.80	21,801.13	124,306.61	179,724.19	40.89

HIDDEN VALLEY LAKE CSD
 REVENUE & EXPENSE REPORT (UNAUDITED)
 AS OF: NOVEMBER 30TH, 2017

130-WATER ENTERPRISE FUND

DIRECTORS

EXPENDITURES

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
130-5-40-5010 DIRECTORS COMPENSATION	3,000.00	166.85	834.25	2,165.75	27.81
130-5-40-5020 DIRECTOR BENEFITS	100.00	6.04	30.01	69.99	30.01
130-5-40-5030 DIRECTOR HEALTH BENEFITS	38,556.00	3,060.00	18,360.00	20,196.00	47.62
130-5-40-5080 MEMBERSHIP & SUBSCRIPTION	0.00	0.00	0.00	0.00	0.00
130-5-40-5170 TRAVEL MILEAGE	500.00	51.24	132.61	367.39	26.52
130-5-40-5175 EDUCATION / SEMINARS	0.00	0.00	0.00	0.00	0.00
130-5-40-5176 DIRECTOR TRAINING	1,500.00	0.00	300.00	1,200.00	20.00
TOTAL DIRECTORS	43,656.00	3,284.13	19,656.87	23,999.13	45.03
TOTAL EXPENDITURES	1,408,123.20	79,693.07	551,403.80	856,719.40	39.16
REVENUES OVER/(UNDER) EXPENDITURES	269,097.80	31,980.88	95,177.08	173,920.72	35.37

*** END OF REPORT ***



HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT

**November, 2017
FINANCIAL REPORT
POOLED CASH**

AS OF November 30, 2017

Beginning Balance	805,288.22
Cash Receipts	
Deposit	259,689.26
Transfers	0.00
Total Receipts	259,689.26
Cash Disbursements	
Accounts Payable + Bank Draft	171,800.47
Payroll	45,907.17
Bank Fees	2,600.15
Total Disbursements	220,307.79
Ending Balance	844,669.69

TEMPORARY INVESTMENTS

AS OF November 30, 2017

Fund		LAIF	Money Mkt	Total	G/L Bal
120	Sewer Operating Fund	68,015.63	48,549.11	116,564.74	116,564.74
130	Water Operating Fund	101,363.09	34,270.22	135,633.31	135,633.31
215	1995-2 Redemption	61,506.56	103,334.37	164,840.93	164,840.93
218	CIEDB Redemption	11,637.07	17,777.99	29,415.06	29,415.06
219	USDARUS Solar Loan (Sewer)	828.21	87,401.05	88,229.26	88,229.26
313	Wastewater Cap Fac Reserved	261,490.78	76,039.35	337,530.13	337,530.13
314	Wastewater Cap Fac Unrestricted	264,180.14	180,921.38	445,101.52	445,101.52
319	Solar Reserve	-	35,349.16	35,349.16	35,349.16
320	Water Capital Fund	-	-	-	-
350	CIEDB Loan Reserve	173,046.23	(24,530.00)	148,516.23	148,516.23
711	Bond Administration	27,446.57	14,441.44	41,888.01	41,888.01
TOTAL		969,514.28	573,554.07	1,543,068.35	1,543,068.35

COMPANY: 999 - POOLED CASH FUND
 ACCOUNT: 1010 CASH - POOLED
 TYPE: All
 STATUS: All
 FOLIO: All

CHECK DATE: 11/01/2017 THRU 11/30/2017
 CLEAR DATE: 0/00/0000 THRU 99/99/9999
 STATEMENT: 0/00/0000 THRU 99/99/9999
 VOIDED DATE: 0/00/0000 THRU 99/99/9999
 AMOUNT: 0.00 THRU 999,999,999.99
 CHECK NUMBER: 000000 THRU 999999

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT---	STATUS	FOLIO	CLEAR DATE
BANK DRAFT:								
1010	11/09/2017	BANK-DRAFT	000124	CALIFORNIA PUBLIC EMPLOYEES RE	4,824.98CR	CLEARED	A	11/10/2017
1010	11/09/2017	BANK-DRAFT	000125	NATIONWIDE RETIREMENT SOLUTION	1,150.00CR	CLEARED	A	11/09/2017
1010	11/09/2017	BANK-DRAFT	000126	STATE OF CALIFORNIA EDD	1,222.98CR	CLEARED	A	11/09/2017
1010	11/09/2017	BANK-DRAFT	000127	US DEPARTMENT OF THE TREASURY	4,323.36CR	CLEARED	A	11/09/2017
1010	11/22/2017	BANK-DRAFT	000128	CALIFORNIA PUBLIC EMPLOYEES RE	4,827.57CR	CLEARED	A	11/24/2017
1010	11/22/2017	BANK-DRAFT	000129	NATIONWIDE RETIREMENT SOLUTION	1,150.00CR	CLEARED	A	11/22/2017
1010	11/22/2017	BANK-DRAFT	000130	STATE OF CALIFORNIA EDD	1,210.23CR	CLEARED	A	11/22/2017
1010	11/22/2017	BANK-DRAFT	000131	US DEPARTMENT OF THE TREASURY	4,317.93CR	CLEARED	A	11/22/2017
CHECK:								
1010	11/03/2017	CHECK	034996	ACTION SANITARY, INC.	700.00CR	CLEARED	A	11/08/2017
1010	11/03/2017	CHECK	034997	ALPHA ANALYTICAL LABORATORIES	565.00CR	CLEARED	A	11/08/2017
1010	11/03/2017	CHECK	034998	AMAZON CAPITAL SERVICES, INC.	31.63CR	CLEARED	A	11/07/2017
1010	11/03/2017	CHECK	034999	AT&T MOBILITY	69.31CR	CLEARED	A	11/08/2017
1010	11/03/2017	CHECK	035000	COASTLAND CIVIL ENGINEERING, I	6,396.95CR	CLEARED	A	11/07/2017
1010	11/03/2017	CHECK	035001	CONSUMERINFO.COM	254.76CR	CLEARED	A	11/07/2017
1010	11/03/2017	CHECK	035002	CUMMINS PACIFIC LLC	2,215.34CR	CLEARED	A	11/06/2017
1010	11/03/2017	CHECK	035003	GHD	8,254.75CR	CLEARED	A	11/08/2017
1010	11/03/2017	CHECK	035004	JAMES DAY CONSTRUCTION, INC.	1,078.00CR	CLEARED	A	11/09/2017
1010	11/03/2017	CHECK	035005	MEDIACOM	426.92CR	CLEARED	A	11/09/2017
1010	11/03/2017	CHECK	035006	MICHELLE HAMILTON	625.00CR	CLEARED	A	11/10/2017
1010	11/03/2017	CHECK	035007	OFFICE DEPOT	56.28CR	CLEARED	A	11/10/2017
1010	11/03/2017	CHECK	035008	PACE SUPPLY CORP	393.44CR	CLEARED	A	11/07/2017
1010	11/03/2017	CHECK	035009	PACIFIC GAS & ELECTRIC COMPANY	14,751.03CR	CLEARED	A	11/07/2017
1010	11/03/2017	CHECK	035010	REDFORD SERVICES	950.00CR	CLEARED	A	11/10/2017
1010	11/03/2017	CHECK	035011	REGIONAL GOVERNMENT SERVICES	4,586.45CR	CLEARED	A	11/07/2017
1010	11/03/2017	CHECK	035012	TYLER TECHNOLOGY	121.00CR	CLEARED	A	11/09/2017
1010	11/03/2017	CHECK	035013	WATERSOLVE, LLC	8,043.75CR	CLEARED	A	11/07/2017
1010	11/03/2017	CHECK	035014	CAREY, ROBERT	133.96CR	OUTSTND	A	0/00/0000
1010	11/03/2017	CHECK	035015	ROBERT, JACOBS	60.37CR	OUTSTND	A	0/00/0000
1010	11/03/2017	CHECK	035016	WOODARD, JON M	25.50CR	CLEARED	A	11/20/2017
1010	11/09/2017	CHECK	035017	ACWA/JPIA	885.91CR	CLEARED	A	11/16/2017
1010	11/09/2017	CHECK	035018	ALPHA ANALYTICAL LABORATORIES	1,879.00CR	CLEARED	A	11/17/2017
1010	11/09/2017	CHECK	035019	VOID CHECK	0.00	CLEARED	A	11/09/2017
1010	11/09/2017	CHECK	035020	AMAZON CAPITAL SERVICES, INC.	33.60CR	CLEARED	A	11/17/2017
1010	11/09/2017	CHECK	035021	BADGER METER	102.00CR	CLEARED	A	11/24/2017
1010	11/09/2017	CHECK	035022	BARTLEY PUMP, INC.	1,196.25CR	CLEARED	A	11/21/2017
1010	11/09/2017	CHECK	035023	BOLD POLISNER MADDOW NELSON &	1,305.00CR	CLEARED	A	11/20/2017
1010	11/09/2017	CHECK	035024	CALIFORNIA PUBLIC EMPLOYEES FI	8,304.91CR	CLEARED	A	11/16/2017
1010	11/09/2017	CHECK	035025	DATAPROSE	2,763.06CR	CLEARED	A	11/21/2017
1010	11/09/2017	CHECK	035026	HACH COMPANY	253.97CR	CLEARED	A	11/17/2017
1010	11/09/2017	CHECK	035027	HARDESTER'S MARKETS & HARDWARE	175.87CR	CLEARED	A	11/20/2017
1010	11/09/2017	CHECK	035028	VOID CHECK	0.00	CLEARED	A	11/09/2017
1010	11/09/2017	CHECK	035029	GARDENS BY JILLIAN	200.00CR	CLEARED	A	12/01/2017

COMPANY: 999 - POOLED CASH FUND
 ACCOUNT: 1010 CASH - POOLED
 TYPE: All
 STATUS: All
 FOLIO: All

CHECK DATE: 11/01/2017 THRU 11/30/2017
 CLEAR DATE: 0/00/0000 THRU 99/99/9999
 STATEMENT: 0/00/0000 THRU 99/99/9999
 VOIDED DATE: 0/00/0000 THRU 99/99/9999
 AMOUNT: 0.00 THRU 999,999,999.99
 CHECK NUMBER: 000000 THRU 999999

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT---	STATUS	FOLIO	CLEAR DATE
CHECK: -----								
1010	11/09/2017	CHECK	035030	LAKE COUNTY RECORD BEE	533.70CR	CLEARED	A	11/16/2017
1010	11/09/2017	CHECK	035031	MENDO MILL CLEARLAKE	71.04CR	CLEARED	A	11/16/2017
1010	11/09/2017	CHECK	035032	NAPA AUTO PARTS	553.95CR	CLEARED	A	11/17/2017
1010	11/09/2017	CHECK	035033	OFFICE DEPOT	57.02CR	CLEARED	A	11/28/2017
1010	11/09/2017	CHECK	035034	PACE SUPPLY CORP	175.03CR	CLEARED	A	11/16/2017
1010	11/09/2017	CHECK	035035	SIERRA CHEMICAL CO.	3,447.11CR	CLEARED	A	11/17/2017
1010	11/09/2017	CHECK	035036	SOUTH LAKE REFUSE COMPANY	372.36CR	CLEARED	A	11/15/2017
1010	11/09/2017	CHECK	035037	SPECIAL DISTRICT RISK MANAGEME	25,474.00CR	CLEARED	A	11/17/2017
1010	11/09/2017	CHECK	035038	STREAMLINE	200.00CR	CLEARED	A	11/17/2017
1010	11/09/2017	CHECK	035039	WALKER, ELYN	33.12CR	OUTSTND	A	0/00/0000
1010	11/09/2017	CHECK	035040	HARTFORD, DENISE	57.75CR	CLEARED	A	11/21/2017
1010	11/17/2017	CHECK	035041	ALPHA ANALYTICAL LABORATORIES	1,318.00CR	CLEARED	A	11/22/2017
1010	11/17/2017	CHECK	035042	AT&T	568.25CR	CLEARED	A	11/22/2017
1010	11/17/2017	CHECK	035043	B & G TIRES OF MIDDLETOWN	279.99CR	CLEARED	A	11/29/2017
1010	11/17/2017	CHECK	035044	CARDMEMBER SERVICE	1,856.35CR	CLEARED	A	11/24/2017
1010	11/17/2017	CHECK	035045	HACH COMPANY	104.83CR	CLEARED	A	11/22/2017
1010	11/17/2017	CHECK	035046	OFFICE DEPOT	82.74CR	CLEARED	A	11/28/2017
1010	11/17/2017	CHECK	035047	PARKSON CORPORATION	21,394.20CR	CLEARED	A	11/21/2017
1010	11/17/2017	CHECK	035048	PETTY CASH REIMBURSEMENT	169.00CR	CLEARED	A	11/17/2017
1010	11/17/2017	CHECK	035049	POWER INDUSTRIES, INC	206.74CR	CLEARED	A	11/21/2017
1010	11/17/2017	CHECK	035050	TELSTAR INSTRUMENTS, INC	22,642.48CR	CLEARED	A	11/21/2017
1010	11/17/2017	CHECK	035051	USA BLUE BOOK	694.01CR	CLEARED	A	11/22/2017
1010	11/17/2017	CHECK	035052	VERIZON WIRELESS	1,376.49CR	CLEARED	A	11/22/2017
1010	11/17/2017	CHECK	035053	COUNSIL, JOHN R	83.21CR	CLEARED	A	11/21/2017
1010	11/17/2017	CHECK	035054	MIELKE, JEFFREY & LE	107.90CR	OUTSTND	A	0/00/0000
1010	11/17/2017	CHECK	035055	CURTIN, ROBERT	9.97CR	OUTSTND	A	0/00/0000
1010	11/17/2017	CHECK	035056	COUNSIL, JOHN R	65.17CR	CLEARED	A	11/21/2017
DEPOSIT: -----								
1010	11/01/2017	DEPOSIT		CREDIT CARD 11/01/2017	1,944.58	CLEARED	C	11/03/2017
1010	11/01/2017	DEPOSIT	000001	CREDIT CARD 11/01/2017	2,772.15	CLEARED	C	11/06/2017
1010	11/01/2017	DEPOSIT	000002	REGULAR DAILY POST 11/01/2017	1,479.27	CLEARED	C	11/02/2017
1010	11/02/2017	DEPOSIT		CREDIT CARD 11/02/2017	2,794.77	CLEARED	C	11/06/2017
1010	11/02/2017	DEPOSIT	000001	CREDIT CARD 11/02/2017	687.59	CLEARED	C	11/06/2017
1010	11/02/2017	DEPOSIT	000002	REGULAR DAILY POST 11/02/2017	2,326.46	CLEARED	C	11/03/2017
1010	11/03/2017	DEPOSIT		CREDIT CARD 11/03/2017	989.05	CLEARED	C	11/06/2017
1010	11/03/2017	DEPOSIT	000001	CREDIT CARD 11/03/2017	4,307.18	CLEARED	C	11/06/2017
1010	11/03/2017	DEPOSIT	000002	REGULAR DAILY POST 11/03/2017	5,179.48	CLEARED	C	11/06/2017
1010	11/06/2017	DEPOSIT		CREDIT CARD 11/06/2017	2,725.24	CLEARED	C	11/06/2017
1010	11/06/2017	DEPOSIT	000001	CREDIT CARD 11/06/2017	1,400.92	CLEARED	C	11/07/2017
1010	11/06/2017	DEPOSIT	000002	CREDIT CARD 11/06/2017	1,204.82	CLEARED	C	11/08/2017
1010	11/06/2017	DEPOSIT	000003	CREDIT CARD 11/06/2017	4,733.27	CLEARED	C	11/09/2017
1010	11/06/2017	DEPOSIT	000004	REGULAR DAILY POST 11/06/2017	11,335.77	CLEARED	C	11/07/2017
1010	11/07/2017	DEPOSIT		CREDIT CARD 11/07/2017	1,569.15	CLEARED	C	11/09/2017

COMPANY: 999 - POOLED CASH FUND
 ACCOUNT: 1010 CASH - POOLED
 TYPE: All
 STATUS: All
 FOLIO: All

CHECK DATE: 11/01/2017 THRU 11/30/2017
 CLEAR DATE: 0/00/0000 THRU 99/99/9999
 STATEMENT: 0/00/0000 THRU 99/99/9999
 VOIDED DATE: 0/00/0000 THRU 99/99/9999
 AMOUNT: 0.00 THRU 999,999,999.99
 CHECK NUMBER: 000000 THRU 999999

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT---	STATUS	FOLIO	CLEAR DATE
DEPOSIT:								
1010	11/07/2017	DEPOSIT	000001	CREDIT CARD 11/07/2017	370.95	CLEARED	C	11/10/2017
1010	11/07/2017	DEPOSIT	000002	CREDIT CARD 11/07/2017	5,048.87	CLEARED	C	11/10/2017
1010	11/07/2017	DEPOSIT	000003	REGULAR DAILY POST 11/07/2017	4,099.45	CLEARED	C	11/08/2017
1010	11/08/2017	DEPOSIT		CREDIT CARD 11/08/2017	3,319.12	CLEARED	C	11/10/2017
1010	11/08/2017	DEPOSIT	000001	CREDIT CARD 11/08/2017	1,835.56	CLEARED	C	11/13/2017
1010	11/08/2017	DEPOSIT	000002	CREDIT CARD 11/08/2017	9,154.91	CLEARED	C	11/13/2017
1010	11/08/2017	DEPOSIT	000003	REGULAR DAILY POST 11/08/2017	15,132.09	CLEARED	C	11/09/2017
1010	11/09/2017	DEPOSIT		CREDIT CARD 11/09/2017	663.10	CLEARED	C	11/13/2017
1010	11/09/2017	DEPOSIT	000001	CREDIT CARD 11/09/2017	3,569.40	CLEARED	C	11/13/2017
1010	11/09/2017	DEPOSIT	000002	REGULAR DAILY POST 11/09/2017	6,375.13	CLEARED	C	11/13/2017
1010	11/13/2017	DEPOSIT		CREDIT CARD 11/13/2017	1,394.23	CLEARED	C	11/13/2017
1010	11/13/2017	DEPOSIT	000001	CREDIT CARD 11/13/2017	1,653.10	CLEARED	C	11/13/2017
1010	11/13/2017	DEPOSIT	000002	CREDIT CARD 11/13/2017	1,256.75	CLEARED	C	11/14/2017
1010	11/13/2017	DEPOSIT	000003	CREDIT CARD 11/13/2017	526.14	CLEARED	C	11/15/2017
1010	11/13/2017	DEPOSIT	000004	CREDIT CARD 11/13/2017	1,218.93	CLEARED	C	11/16/2017
1010	11/13/2017	DEPOSIT	000005	REGULAR DAILY POST 11/13/2017	21,320.29	CLEARED	C	11/14/2017
1010	11/14/2017	DEPOSIT		CREDIT CARD 11/14/2017	1,089.36	CLEARED	C	11/16/2017
1010	11/14/2017	DEPOSIT	000001	CREDIT CARD 11/14/2017	1,146.44	CLEARED	C	11/17/2017
1010	11/14/2017	DEPOSIT	000002	REGULAR DAILY POST 11/14/2017	2,190.80	CLEARED	C	11/15/2017
1010	11/15/2017	DEPOSIT		CREDIT CARD 11/15/2017	735.95	CLEARED	C	11/17/2017
1010	11/15/2017	DEPOSIT	000001	CREDIT CARD 11/15/2017	1,919.38	CLEARED	C	11/20/2017
1010	11/15/2017	DEPOSIT	000002	REGULAR DAILY POST 11/15/2017	4,883.11	CLEARED	C	11/16/2017
1010	11/15/2017	DEPOSIT	000003	DRAFT POSTING	124.84	CLEARED	U	11/16/2017
1010	11/15/2017	DEPOSIT	000004	DRAFT POSTING	10,936.73	CLEARED	U	11/16/2017
1010	11/15/2017	DEPOSIT	000005	CC DRAFT POSTING	16,481.88	CLEARED	U	11/17/2017
1010	11/16/2017	DEPOSIT		CREDIT CARD 11/16/2017	1,738.37	CLEARED	C	11/20/2017
1010	11/16/2017	DEPOSIT	000001	DAILY PAYMENT POSTING - ADJ	118.90CR	CLEARED	U	11/15/2017
1010	11/16/2017	DEPOSIT	000002	CREDIT CARD 11/16/2017	3,621.14	CLEARED	C	11/20/2017
1010	11/16/2017	DEPOSIT	000003	REGULAR DAILY POST 11/16/2017	4,791.82	CLEARED	C	11/17/2017
1010	11/17/2017	DEPOSIT		CREDIT CARD 11/17/2017	1,527.83	CLEARED	C	11/20/2017
1010	11/17/2017	DEPOSIT	000001	CREDIT CARD 11/17/2017	1,983.17	CLEARED	C	11/20/2017
1010	11/17/2017	DEPOSIT	000002	REGULAR DAILY POST 11/17/2017	8,259.33	CLEARED	C	11/20/2017
1010	11/20/2017	DEPOSIT		CREDIT CARD 11/20/2017	2,505.59	CLEARED	C	11/20/2017
1010	11/20/2017	DEPOSIT	000001	CREDIT CARD 11/20/2017	1,713.43	CLEARED	C	11/21/2017
1010	11/20/2017	DEPOSIT	000002	CREDIT CARD 11/20/2017	2,198.56	CLEARED	C	11/22/2017
1010	11/20/2017	DEPOSIT	000003	DAILY PAYMENT POSTING - ADJ	367.43CR	CLEARED	U	11/20/2017
1010	11/20/2017	DEPOSIT	000004	CREDIT CARD 11/20/2017	3,442.32	CLEARED	C	11/24/2017
1010	11/20/2017	DEPOSIT	000005	CREDIT CARD 11/20/2017	5,375.15	CLEARED	C	11/24/2017
1010	11/20/2017	DEPOSIT	000006	REGULAR DAILY POST 11/20/2017	20,351.03	CLEARED	C	11/21/2017
1010	11/21/2017	DEPOSIT		CREDIT CARD 11/21/2017	2,011.97	CLEARED	C	11/24/2017
1010	11/21/2017	DEPOSIT	000001	DAILY PAYMENT POSTING - ADJ	92.08CR	CLEARED	U	11/24/2017
1010	11/21/2017	DEPOSIT	000002	CREDIT CARD 11/21/2017	1,410.12	CLEARED	C	11/27/2017
1010	11/21/2017	DEPOSIT	000003	REGULAR DAILY POST 11/21/2017	1,988.44	CLEARED	C	11/22/2017
1010	11/22/2017	DEPOSIT		CREDIT CARD 11/22/2017	1,708.98	CLEARED	C	11/27/2017

COMPANY: 999 - POOLED CASH FUND
 ACCOUNT: 1010 CASH - POOLED
 TYPE: All
 STATUS: All
 FOLIO: All

CHECK DATE: 11/01/2017 THRU 11/30/2017
 CLEAR DATE: 0/00/0000 THRU 99/99/9999
 STATEMENT: 0/00/0000 THRU 99/99/9999
 VOIDED DATE: 0/00/0000 THRU 99/99/9999
 AMOUNT: 0.00 THRU 999,999,999.99
 CHECK NUMBER: 000000 THRU 999999

ACCOUNT	--DATE--	--TYPE--	NUMBER	-----DESCRIPTION-----	----AMOUNT---	STATUS	FOLIO	CLEAR DATE
DEPOSIT:								
1010	11/22/2017	DEPOSIT	000001	CREDIT CARD 11/22/2017	697.19	CLEARED	C	11/27/2017
1010	11/22/2017	DEPOSIT	000002	REGULAR DAILY POST 11/22/2017	1,125.60	CLEARED	C	11/27/2017
1010	11/27/2017	DEPOSIT		CREDIT CARD 11/27/2017	293.74	CLEARED	C	11/27/2017
1010	11/27/2017	DEPOSIT	000001	CREDIT CARD 11/27/2017	314.68	CLEARED	C	11/27/2017
1010	11/27/2017	DEPOSIT	000002	CREDIT CARD 11/27/2017	632.27	CLEARED	C	11/27/2017
1010	11/27/2017	DEPOSIT	000003	CREDIT CARD 11/27/2017	279.09	CLEARED	C	11/28/2017
1010	11/27/2017	DEPOSIT	000004	CREDIT CARD 11/27/2017	215.68	CLEARED	C	11/29/2017
1010	11/27/2017	DEPOSIT	000005	DAILY PAYMENT POSTING	92.08	CLEARED	U	11/24/2017
1010	11/27/2017	DEPOSIT	000006	CREDIT CARD 11/27/2017	1,302.67	CLEARED	C	11/30/2017
1010	11/27/2017	DEPOSIT	000007	REGULAR DAILY POST 11/27/2017	3,618.58	CLEARED	C	11/28/2017
1010	11/28/2017	DEPOSIT		CREDIT CARD 11/28/2017	563.95	CLEARED	C	11/30/2017
1010	11/28/2017	DEPOSIT	000001	CREDIT CARD 11/28/2017	384.20	CLEARED	C	12/01/2017
1010	11/28/2017	DEPOSIT	000002	REGULAR DAILY POST 11/28/2017	1,111.67	CLEARED	C	11/29/2017
1010	11/29/2017	DEPOSIT		CREDIT CARD 11/29/2017	75.55	CLEARED	C	12/01/2017
1010	11/29/2017	DEPOSIT	000001	CREDIT CARD 11/29/2017	2,029.24	CLEARED	C	12/04/2017
1010	11/29/2017	DEPOSIT	000002	REGULAR DAILY POST 11/29/2017	726.66	CLEARED	C	11/30/2017
1010	11/30/2017	DEPOSIT		CREDIT CARD 11/30/2017	472.98	CLEARED	C	12/04/2017
1010	11/30/2017	DEPOSIT	000001	CREDIT CARD 11/30/2017	1,243.32	CLEARED	C	12/04/2017
1010	11/30/2017	DEPOSIT	000002	REGULAR DAILY POST 11/30/2017	18,565.06	CLEARED	C	12/01/2017
MISCELLANEOUS:								
1010	11/09/2017	MISC.		PAYROLL DIRECT DEPOSIT	22,883.12CR	CLEARED	P	11/09/2017
1010	11/22/2017	MISC.		PAYROLL DIRECT DEPOSIT	23,024.05CR	CLEARED	P	11/22/2017
SERVICE CHARGE:								
1010	11/02/2017	SERV-CHG		ETS Fees October 2017	1,048.85CR	CLEARED	G	11/02/2017
1010	11/02/2017	SERV-CHG	000001	ETS-05 Fees October 2017	776.78CR	CLEARED	G	11/02/2017
1010	11/02/2017	SERV-CHG	000002	ETS-9 Fees October 2017	421.94CR	CLEARED	G	11/02/2017
1010	11/15/2017	SERV-CHG		Analysis Fee 11/15/2017	352.58CR	CLEARED	G	11/15/2017
TOTALS FOR ACCOUNT 1010				CHECK	TOTAL:	148,773.42CR		
				DEPOSIT	TOTAL:	259,689.26		
				INTEREST	TOTAL:	0.00		
				MISCELLANEOUS	TOTAL:	45,907.17CR		
				SERVICE CHARGE	TOTAL:	2,600.15CR		
				EFT	TOTAL:	0.00		
				BANK-DRAFT	TOTAL:	23,027.05CR		
TOTALS FOR POOLED CASH FUND				CHECK	TOTAL:	148,773.42CR		
				DEPOSIT	TOTAL:	259,689.26		
				INTEREST	TOTAL:	0.00		
				MISCELLANEOUS	TOTAL:	45,907.17CR		
				SERVICE CHARGE	TOTAL:	2,600.15CR		
				EFT	TOTAL:	0.00		
				BANK-DRAFT	TOTAL:	23,027.05CR		



HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
November 2017
FINANCIAL REPORT

CAPITAL EXPENDITURES
 2017 - 2018 BUDGET

Sewer	Budget	Yr to Date Actual
Repair Sewer Lateral Leaks	40,000.00	
Preliminary Design-Chlorine Disinfection Facility	45,000.00	
Install Security Fencing at Lift Station 1 & 4	10,000.00	
Chlorine Tank Auto shut-off	32,000.00	
Total	127,000.00	-

Water	Revenue	Yr to Date Actual
FUND 320 Water Use Capital (7% Water Use Revenue)	106,000	50,987
Total	106,000	50,987

MEMO

To: Board of Directors
From: Marty Rodriguez
Date: 12/11/2017
RE: Senior Account Representative's Monthly Report

Monthly Billing 11/30/2017

Mailed statements: 2,149
Electronic statements: 432

The statement "SPECIAL MESSAGE"
Reflected on this bill, the FY 2017/2018 rates apply. The new volumetric rate is \$.0230 per cubic foot as listed on the reverse side of this bill. The District office will be closed from 12pm – 1pm on the 3rd Wednesday of each month.

Delinquent Billing 11/20/2017

Delinquent statements for October bills:
Mailed statements: 437
Electronic statements: 81

Courtesy Notification 12/05/2017

Courtesy notices delivered to the customer's property for delinquent October bill: 199
Electronic notices: 34

Phone Notification 12/06/2017

Phone notifications: 112
The phone notification was sent out around 10:30 am resulting in 77 payments received by the office staff during business hours.

Lock Offs 12/07/2017

35 Customers were in the Lock Off Process at 5:00 pm on 12/06/2017.
16 payments were made before service orders went out in the field at 9:00 am on 12/07/2017.

A total of 19 customers were Locked Off for nonpayment.
Throughout Lock off day 13 payments were collected and meters unlocked.
At the time of this report only 4 meters remain locked.



Hidden Valley Lake Community Services District

November 2017 Report

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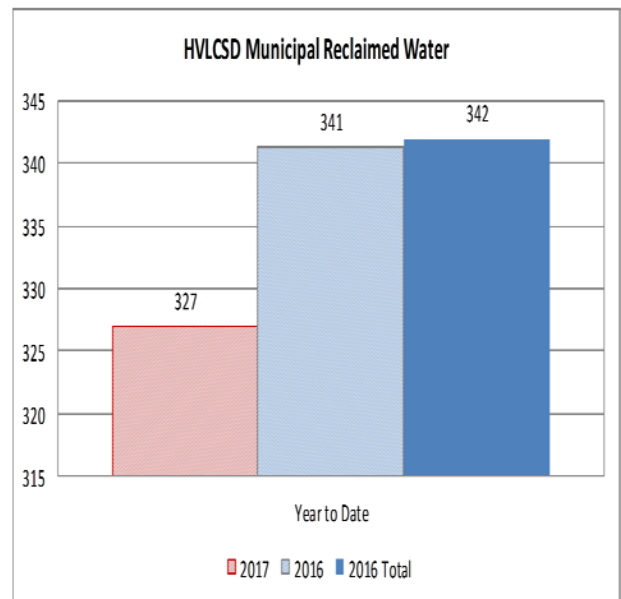
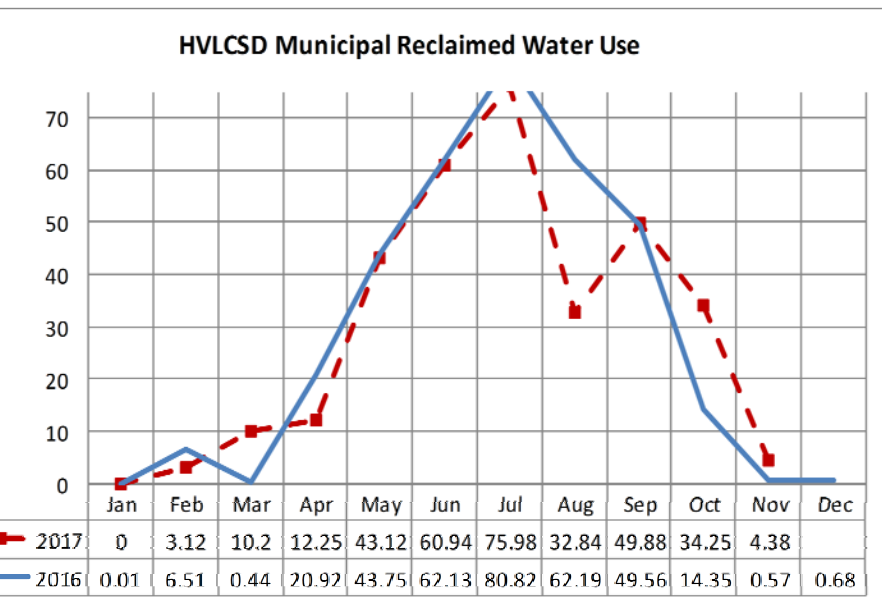
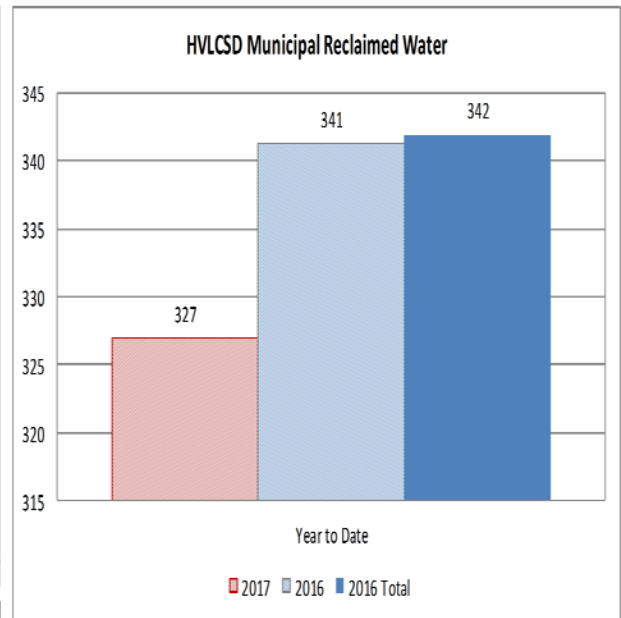
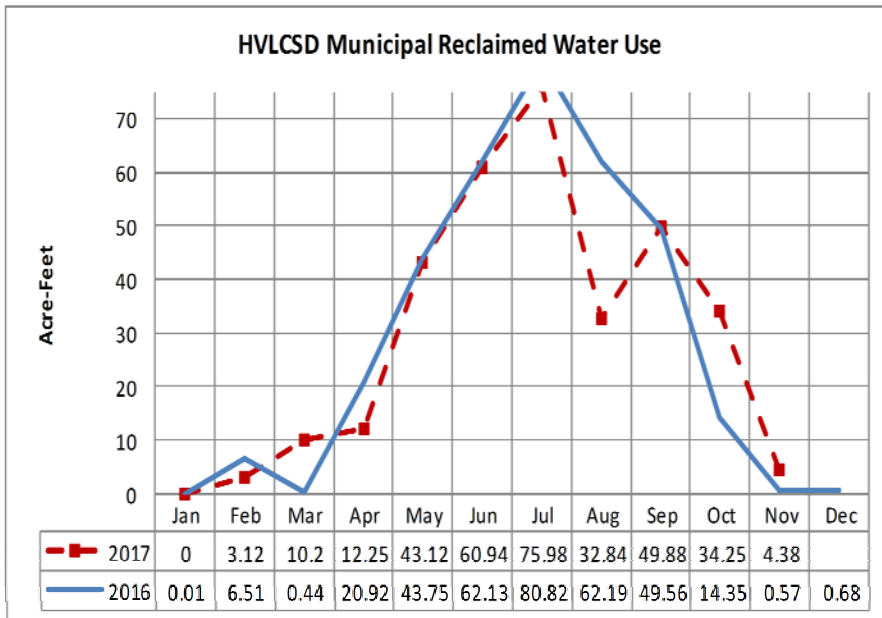
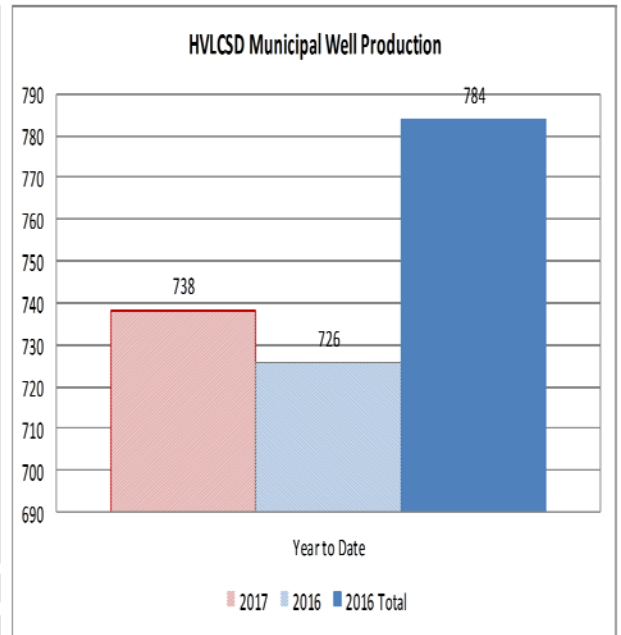
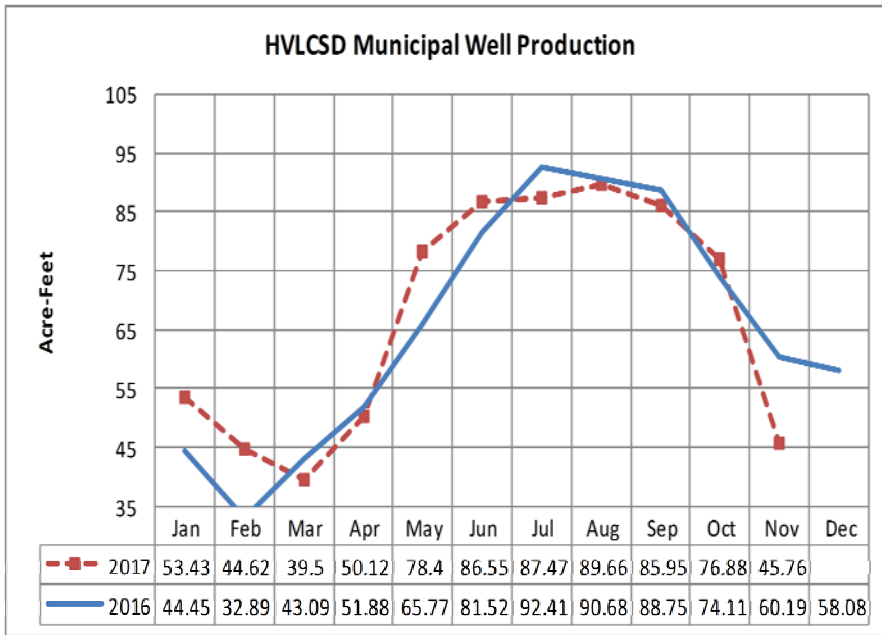
Water Connections:		Sewer Connections:	
New (November)	1	New (November)	1
Residential (October)	2439	Residential (October)	1466
Commercial & Govt (October)	39	Commercial & Govt (October)	15
Total (November) :	2479		1481

Rainfall		
<i>This month</i>	<i>Last year</i>	<i>Historical</i>
5.43	3.35	

Groundwater Elevation			
<i>Monitoring Wells</i>	<i>This month</i>	<i>Last year</i>	<i>Historical</i>
Prod Wells	919.78	930.23	923.89
AG	931.62	931.54	924.15
TP Wells	948.16	953.72	949.08
Grange Rd	937.05	936.67	935.42
American Rock	968.64	952.81	969.09
Spyglass	963.95	964.95	949.62
Luchetti	921.81	922.06	921.06
18th T	937.44	941.44	940.46

Completed Service Orders		
<i>This month</i>	<i>YTD</i>	<i>Last Year</i>
68	1144	1230
Overtime Hours	21.5	\$817.19

November 2017 Field Report



November 2017 Field Report

Water Operations and Maintenance Highlights

- 11/7,11/9 Courtesy notices, lockoffs
- 11/27-11/30 Meter reads
- Routine operations and maintenance

FEMA Update

- PW LKHVB82 Obligation letter received \$5,084.
- I/I Workplan
 - Nighttime reconnaissance results uploaded and catalogued
 - Manhole mapping correlated to engineer design docs
 - Began sewer cleanout sub-project
 - Temporary flow meters delivered
- Road & Levee Repair
 - Notice of Award delivered to Gregg Simpson trucking
 - Received signed contract agreement from Gregg Simpson trucking
- Revised Water Balance Report
 - Completion deadline extended to 12/15/2017
 - Delivered Flow meter data to GHD

Wastewater Operations and Maintenance Highlights

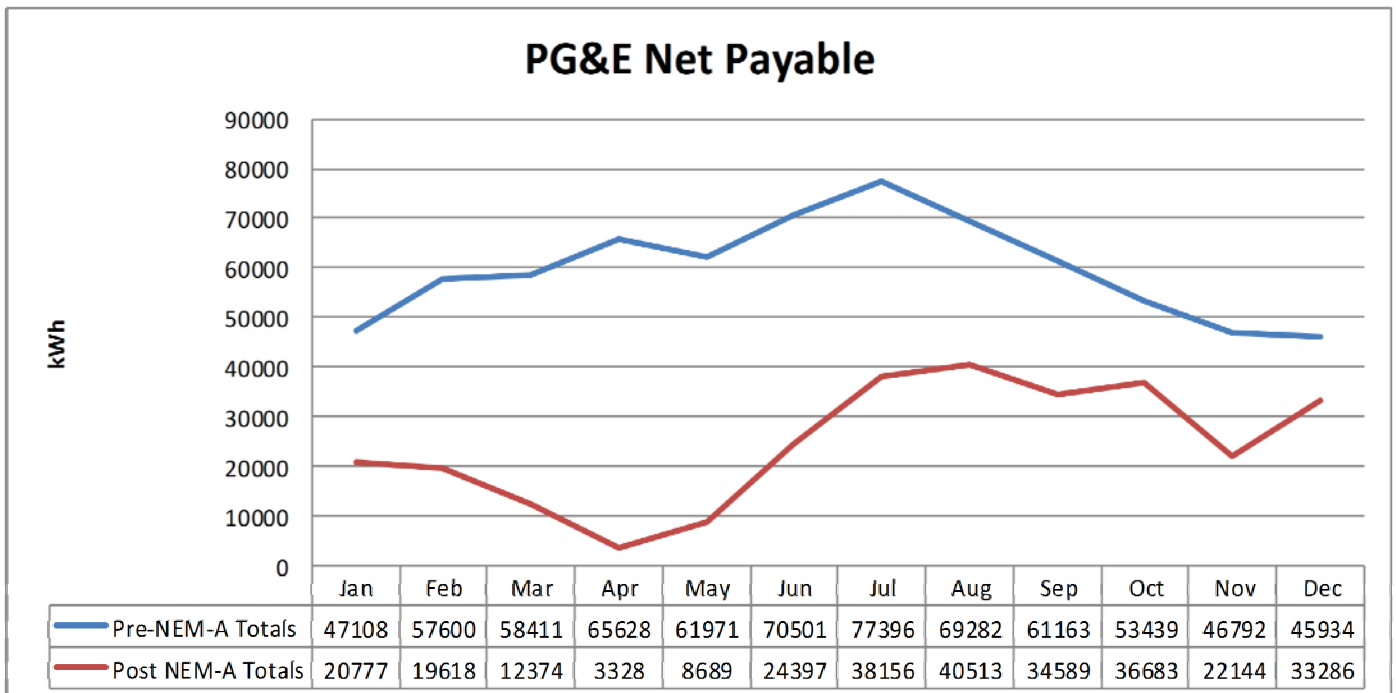
- 11/7,11/9 Courtesy notices, lockoffs
- 11/1, 11/7 Geotube maintenance
- 11/6 Filtration sand replacement
- 11/6 Turbidimeter maintenance
- Troubleshooting CL2 Analyzer
- Troubleshooting LS3 P2
- Troubleshooting LS6 pump cycling
- Lift station 801 pump valve replacement
- Lift station 701 pump rebuild
- 11/27-11/30 Meter reads

November 2017 Field Report

Vehicle Mileage	
Vehicle	Mileage
Truck 1	140
Truck 3	451
Truck 4	435
Truck 6	1044
Truck 7	2758
Truck 8	1298
Dump Truck	154
Backhoe	23.7

Fuel Tank Use		
	Gasoline	Diesel
Tank Meter	95493.1	20932.4
Fuel Log	317.2	55.7
November		
Tank Level	342.39	347.93
October		
Tank Level	155.96	423.91

Vehicle Maintenance		
Vehicle	Type of activity	Time
None		





Hidden Valley Lake Community Services District

19400 Hartmann Road
Hidden Valley Lake, CA 95467
707.987.9201
707.987.3237 fax
www.hvicsd.org

MEMO

To: Board of Directors
From: Kirk Cloyd
Date: December 19, 2017
RE: General Manager's Monthly Report

Good evening. The following report discusses items Hidden Valley Lake CSD completed over the past month and is intended to provide the Board and the public with an update on the progression of projects.

The G. M.'s computer went down the week of Dec. 11th. Updates that were stored in Microsoft Outlook and unavailable at the time of this report will be added to next month's report. Directors have been kept apprised of all major occurrences via e-mail from the G.M.'s phone.

Water

1. Moratorium update: The Regional Water Quality Control Board, Santa Rosa office, is focused on water and wastewater systems that were destroyed or damaged during the recent wildland fires, placing HVLCSD's permit renewal (and moratorium update) on hold. Once they return to the permit review, we will notify the Board.

Sanitary Sewer

1. The General Manager contacted Lars Ewing of Lake County to discuss the status of repairs for the RWRP access road. The County has contracted with Chernoh of Lower Lake and will start work once Greg Simpson Trucking is complete on Dec. 22nd. Chernoh is tasked with:
 - A. Mobilization of equipment.
 - B. Excavate and remove existing R.C. P. culvert section.
 - C. Excavate approximately 80 sf area 2' deep of failed R.C. P. culvert subgrade.
 - D. Install stabilization fabric in 80 sf over excavated area.
 - E. Import, place and compact light weight granular fill to re-establish failed sub grade.
 - F. Re-install section of R.C.P. concrete culvert.
 - G. Pour concrete encasement over joint area on R.C.P. culvert to further stabilize connection.
 - H. Perform light grading of existing roadway to protect existing stabilization fabric.
 - I. Import, moisture condition, place and compact 200 tons of base rock on roadway.



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2. Due to the failure of the current solar contractor to perform adequately, the District is coordinating with another contractor that will provide the necessary equipment to get the facility operational. The District has also directed the new contractor to locate a different enclosure so District staff can change the air filters inhouse instead of a contractor thus prolonging the life of the equipment and saving the District maintenance costs. Finally, the District is looking at alternatives for the third-party monitoring of the system with alarms that will notify the District of such failures.

Stormwater

No update.

Human Resources

1. CPS HR Consulting has submitted a draft salary survey to HVLCSD. This data has been forwarded to the Directors. HVLCSD staff, administration and Board Members are encouraged to review the comparable only (not the monetary amounts) to ensure HVLCSD job descriptions are matched to other agencies as the foundation of the study. Please identify any concerns to a Personnel Committee member. Once finalized, CPS HR will confirm the hourly and salary benchmarks which will be presented to the Finance Committee for review and discussion. Both committees will be asked to present their findings at a Board meeting prior to a Board decision.

Facilities

No update

Vehicles & Equipment

1. Unit #8 (Construction truck) transmission & crane failure. Mileage: Approx. 200K
May request replacement at mid-year budget review as a contractor must be used to pull all sewer lift station pumps until this unit is replaced.

General Information

1. HVLCSD placed a lien on the following account for failure to pay past due utility fees:

Acct	Default Bal	Recorded Date
12-1580-01	\$546.99	11/29/2017

HVLCSD release the liens on the following accounts as they have been brought current:



Hidden Valley Lake Community Services District

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Acct	Collected	Date Collected
13-0480-00	\$1,923.92	10/4/2017
02-0010-00	\$1,780.57	11/21/2017
08-390-01	\$906.86	8/28/2017

2. A meeting occurred between Hidden Valley Lake Association (represented by their General Manager and consultant Rod Wood) and HVLCSD (represented by the Board President and G.M.) to discuss future projects. The Association discussed the potential to seek reimbursement from the HVLCSD for levee repairs during the 2017 storm events. The Board will be kept apprised of all such action.
3. Verizon Wireless (dba Epic Wireless) Update: Verizon has responded the District's contract modifications to the land lease agreement. District staff and council still have some concerns that are under review. It is not believed that this will come before the Board prior to the regular meeting in Feb. 2018.

Emergency Preparedness

1. The General Manager attended the monthly South Lake County Fire Protection District meeting in Middletown.
2. The Konocti Conservation Crew #27 began winter services to down, cut, buck and stack trees that were killed in the 2015 Valley Fire on Dallas Ct. While the Konocti Crews are in Southern California fighting wildland fires, HVLCSD obtained a burn permit to dispose of leaves, twigs and small branches from the downed trees. Scheduled controlled burns of this material will be conducted and managed by the Konocti Conservation Crew #27 under CalFire's oversight. HVLCSD will coordinate these activities with HVLA Security and place a notice on the District Website to notify the public as best as possible when burn activities are to take place.

**ACTION OF
HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT**

DATE: December 19, 2017

AGENDA ITEM: Discuss and Accept: 2016-2017 Audit Report

RECOMMENDATIONS:

Hear presentation by representatives of Smith & Newell Certified Public Accountants and the recommendations of the Board’s Finance Committee, and accept 2016-2017 HVLCS D Audit Report prepared by Smith & Newell Certified Public Accountants as drafted or with any amendments deemed appropriate by the Board.

FINANCIAL IMPACT:

None

BACKGROUND:

Smith & Newell Certified Public Accountants have completed the annual independent audit of the District’s financial records and prepared the 2016-2017 HVLCS D Audit Report. Staff and the Board’s Finance Committee have reviewed the report. Representatives of Smith & Newell and the Board’s Finance Committee will brief the Board on their respective findings and recommendations.

APPROVED
AS RECOMMENDED

OTHER
(SEE BELOW)

Modification to recommendation and/or other actions:

I, Kirk Cloyd, Secretary to the Board, do hereby certify that the foregoing action was regularly introduced, passed, and adopted by said Board of Directors at a regular board meeting thereof held on December 19, 2017 by the following vote:

Ayes:

Noes:

Abstain:

Absent

Secretary to the Board

**HIDDEN VALLEY LAKE
COMMUNITY SERVICES DISTRICT,
CALIFORNIA**

**FINANCIAL STATEMENTS
TOGETHER WITH
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED
JUNE 30, 2017**

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HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT

**Annual Financial Report
For the Year Ended June 30, 2017**

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INTRODUCTORY SECTION

- **List of Officials**

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HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT

List of Officials

For the Year Ended June 30, 2017

Board of Directors

Jim Lieberman. President

Carolyn Graham. Vice President

Linda Herndon. Director

Jim Freeman. Director

Judy Mirbegian. Director

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FINANCIAL SECTION

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

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INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Hidden Valley Lake Community Services District
Hidden Valley Lake, California

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and each major fund of the Hidden Valley Lake Community Services District, California (District), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and each major fund of the District as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note 10 to the financial statements, in 2016-17, the District implemented, if applicable, Governmental Accounting Standards Board (GASB) Statement Nos. 74, 77, 78, 80 and 82. Our opinion is not modified with respect to these matters.

As described in Note 8B, the net pension liability is measured as of June 30, 2016, and the pension expense is for the measurement period of 2015-16. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

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

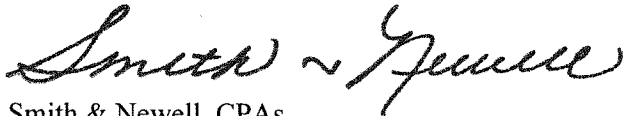
The combining fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of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

The Board of Directors
Hidden Valley Lake Community Services District
Hidden Valley Lake, California

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated November 9, 2017 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the District's internal control over financial reporting and compliance.



Smith & Newell, CPAs
Yuba City, California
November 9, 2017

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**Management's Discussion and Analysis
(Unaudited)**

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**HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2017**

Introduction

This section of the Annual Financial Report contains a narrative overview and analysis of the Hidden Valley Lake Community Services District (District) financial activities for the year ended June 30, 2017.

The Management's Discussion and Analysis (MD&A) is a required section of the District's Annual Financial Report, as shown in the overview below. The purpose of the MD&A is to present a discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2017. This report will (1) focus on significant financial issues, (2) provide an overview of the District's financial activity, (3) identify changes in the District's financial position, (4) identify any individual fund issues or concerns, and (5) provide descriptions of significant asset and debt activity. Readers are encouraged to consider the information presented here in conjunction with the Annual Financial Statements.

This information, presented in conjunction with the annual Basic Financial Statements, is intended to provide a comprehensive understanding of the District's operations and financial standing. The annual report consists of a series of basic financial statements and notes to those statements. These statements are organized so the reader can understand the District as an entire operating entity. The statements provide an increasingly detailed look at specific financial activities.

Financial Highlights

Key financial highlights for the fiscal year ended June 30, 2017 were as follows:

- The Statement of Net Position indicates that total assets and deferred outflows of resources exceeded total liabilities and deferred inflows of resources by \$2,015,842. Unrestricted net position represents (\$78,808), and net investment in capital assets was at \$981,176. The remaining restricted amounts were \$810,391 for debt service and \$303,083 for capital facilities.
- Total net position decreased (\$408,094) (17%) in fiscal year 2016/17 compared to a decrease of (\$1,440,018) (37%) in fiscal year 2015/16.
- Total assets decreased 4% from \$10,618,219 in fiscal year 2015/16 to \$10,236,745 in fiscal year 2016/17.
- Total liabilities increased 5% from \$8,085,670 in fiscal year 2015/16 to \$8,508,004 in fiscal year 2016/17.
- The District recorded deferred outflows of resources of \$434,880, an increase of \$249,862 and deferred inflows of resources of \$147,779, a decrease of (\$145,852), in order to record the different components required by GASB 68 for pension accounting and reporting. Deferred outflows of resources are technically not assets but increase net position similar to an asset and deferred inflows of resources are technically not liabilities but decrease net position similar to liabilities. See Note 1M in the notes to financial statements for a definition of deferred inflows and outflows of resources.
- Total program and general revenues increased by \$706,273 (22%) mainly due to an increase of \$695,868 in 2017 Storm Emergency funding.
- Total expenses decreased (\$325,651) (7%) from prior year. The decrease was due to (\$1,039,952) in Sewer and Water operating and maintenance expenses, and an increase of \$714,301 in response expenses related to the 2017 Storm Emergency.

Overview of the Financial Statements

The financial section of this report consists of five parts.

- Independent Auditor's Report
- Management Discussion and Analysis (Unaudited)
- Basic Financial Statements, which include: Government-Wide Financial Statements and Fund Financial Statements
- Notes to Basic Financial Statements
- Required Supplementary Information (Unaudited)
- Supplementary Information, which includes Combining Fund Statements

The Statement of Net Position and Statement of Revenues, Expenses and Changes in Net Position provide information about the activities of the District, presenting an aggregate view of the District's finances. The basic financial statements also include notes explaining pertinent information in the financial statements and provide more detailed data.

The Basic Financial Statements for the District are presented as "Government-Wide" and Proprietary or Enterprise fund financial statements. The chart below provides an overview of the major features of the financial statements.

Chart A Major Features of Hidden Valley Lake Community Services District Government-wide and Fund Financial Statements		
	Government-wide Statements	Fund Statements Proprietary Funds
Scope	Entire District government	Activities the District water and wastewater systems operated similar to private businesses.
Required financial statements	Statement of net position Statement of activities	Statement of net position Statement of revenues expenses, and changes in net position Statement of cash flows
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both financial and capital, and short-term and long-term
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	All revenues and expenses during year, regardless of when cash is received or paid

Financial Statements and Notes

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private sector business.

A "fund" is a group of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District has two proprietary funds: Sewer Operations and Water Operations. Proprietary funds distinguish operating revenues and expenses from non-operating items.

The notes provide additional information that is essential to fully understanding the data provided in the financial statements. Below are summaries and comparisons of the fund financial statements.

Table 1
Summary of Net Position
 June 30, 2017 and 2016

	Business Type Activities			
	2017	2016	Dollar Change	Percent Change
Assets				
Current and other assets	\$ 3,242,806	\$ 2,495,236	\$ 747,570	30%
Non current assets	6,993,939	8,122,983	(1,129,044)	-14%
Total Assets	10,236,745	10,618,219	(381,474)	-4%
Deferred outflows of resources				
Deferred Pension adjustments	434,880	185,018	249,862	135%
Liabilities				
Current liabilities	915,283	491,501	423,782	86%
Non current liabilities	7,592,721	7,594,169	(1,448)	0%
Total Liabilities	8,508,004	8,085,670	422,334	5%
Deferred inflows of resources				
Deferred Pension adjustments	147,779	293,631	(145,852)	-50%
Net Position				
Net Investment in capital assets	981,176	1,846,969	(865,793)	-47%
Restricted				
Debt Service	810,391	757,329	53,062	7%
Capital Facilities	303,083	270,383	32,700	12%
Unrestricted	(78,808)	(450,745)	371,937	-83%
Total Net Position	\$ 2,015,842	\$ 2,423,936	\$ (408,094)	-17%

Net position decreased by (\$408,094) to \$2,015,842 from FY 2015/16 to FY 2016/17 as described below:

Total assets and deferred inflows decreased by (\$131,612). Current assets increased by \$747,570, mainly due to an increase in the intergovernmental receivables of \$695,868 for reimbursement of storm emergency costs. Capital assets decreased by (\$1,129,044) due to depreciation.

Current liabilities (obligations due within 12 months) increased by \$423,782. The net increase was due primarily to an increase in accounts payable of \$431,351 for related storm emergency costs owed to the County in FY 2016/17.

Non-current (long-term) liabilities decreased by (\$1,448) as a result of an FY 2016/17 increase in net pension liability of \$211,342 and decrease debt principal of (\$263,251). Long-term liabilities are reduced each year as each series on the outstanding debt principal amounts are paid back to the bondholders. Additional information on the District's non-current liabilities can be found in Note 6 Long-Term Liabilities.

The largest portion of the District's net position reflects its investment in capital assets (e.g. land, sewer & water lines and improvements, buildings, machinery, equipment, and vehicles) net of outstanding debt. The District uses these capital assets to provide services for the residents and businesses in its service area. Although the District's investment in its capital assets is reported net of debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used or sold to liquidate District liabilities. The remaining balance of the unrestricted net position may be used to meet the District's ongoing obligations to its customers and creditors. The net position also included restricted assets required by various debt agreements restricting revenues pledged to repay debt and restricted assets for capital facilities.

Revenues, Expenses, and Change in Net Position Statement Analysis

Table 2
Summary of Changes in Net Position
Statement of Revenues, Expenses, and Changes in Net Position
 For the Fiscal Years Ended June 30, 2017 and 2016

	Business Type Activities			
	2017	2016	Dollar Change	Percent Change
Operating Revenues				
Charges for Services	\$ 2,779,431	\$ 2,480,604	\$ 298,827	12%
Assessments	247,437	328,591	(81,154)	-25%
Permits and Inspections	39,023	56,800	(17,777)	-31%
Miscellaneous	154,065	350,684	(196,619)	-56%
Total Operating Revenues	3,219,956	3,216,679	3,277	0%
Operating Expenses				
Sewer	2,013,504	2,393,707	(380,203)	-16%
Water	1,404,399	1,751,371	(346,972)	-20%
Total Operating Expenses	3,417,903	4,145,078	(727,175)	-18%
Operating Income (Loss)	(197,947)	(928,399)	730,452	-79%
Non-Operating Revenues (Expenses)				
Use of Money	11,411	4,283	7,128	166%
Debt Interest	(203,125)	(257,263)	54,138	-21%
Other Non-Operating Expenses	-	(258,639)	258,639	-100%
Total Non-Operating Revenues (Expenses)	(191,714)	(511,619)	319,905	-63%
Change in Net Position before Special Items & Transfers	(389,661)	(1,440,018)	1,050,357	-73%
Proceeds for 2017 Storms Emergency Response & Repairs	695,868	-	695,868	100%
Expenses for 2017 Storms Emergency Response & Repairs	(714,301)	-	(714,301)	-100%
Net Transfers	-	-	-	0%
Change in Net Position	(408,094)	(1,440,018)	1,031,924	-72%
Net Position - Beginning of Year	2,423,936	3,863,954	(1,440,018)	-37%
Net Position - End of Year	\$ 2,015,842	\$ 2,423,936	\$ (408,094)	-17%

The statement of revenues, expenses, and changes in net position reflects the District's operating and non-operating revenues by major sources, operating and non-operating expenses by categories and capital contributions.

The District's (\$408,094) change in net position during FY 2016/17 was as follows:

- Total operating revenues increased by \$3,277. Total service charges and sewer assessments increased by a net of \$217,673 as a result of a scheduled increase in the sewer and water service charges. Total non-operating revenues and special items increased by \$301,472 mainly due to reimbursements for storm emergency costs.
- Operating expenses decreased by (\$727,175). The most significant changes in expenses from FY 2015/16 to FY 2016/17 were decreases in operating and maintenance expenses from salaries and benefits, professional services and depreciation.
- The Special Items relate to the 2017 Storms emergency response costs of \$714,301. An estimated 97% of the costs will be reimbursed by the Federal and State FEMA/OES programs. Applications for reimbursement have been submitted and reviewed by FEMA/OES representatives and are in the process of funding. The \$695,868 requested has been recorded as a receivable.

Capital Asset Administration

Table 3

Capital Assets (Net of Depreciation)

June 30, 2017 and 2016

	Business Type Activities			
	2017	2016	Dollar Change	Percent Change
Land (not depreciated)	\$ 607,918	\$ 607,918	\$ -	0%
Structures and improvements	2,402,757	2,524,042	(121,285)	-5%
Equipment, vehicles and machinery	293,811	366,638	(72,827)	-20%
Infrastructure	3,689,453	4,624,385	(934,932)	-20%
Total	\$ 6,993,939	\$ 8,122,983	\$ (1,129,044)	-14%

The District's net capital assets decreased from \$8,122,983 to \$6,993,939 for the year ended June 30, 2017. The total decrease was (\$1,129,044) including additions and adjustments to capital assets of \$125,661 and additions to accumulated depreciation of \$1,254,705. Details of the capital asset transactions can be found on page 24, Note 4.

Debt Administration

Table 4

Outstanding Long-Term Liabilities and Debt (net of debt discounts/premiums)

June 30, 2017 and 2016

	Business Type Activities			
	2017	2016	Dollar Change	Percent Change
Liabilities				
Compensated Absences	\$ 40,436	\$ 24,521	\$ 15,915	65%
Total Liabilities	40,436	24,521	15,915	65%
Debt				
Bonds	3,533,953	3,686,215	(152,262)	-4%
Loans	1,913,810	2,009,799	(95,989)	-5%
Certificates of Participation	565,000	580,000	(15,000)	-3%
Total Debt	6,012,763	6,276,014	(263,251)	-4%
Total Long-Term Liabilities and Debt	\$ 6,053,199	\$ 6,300,535	\$ (247,336)	-4%

The District's long-term debt was for the infrastructure of water lines, sewer lines, pump stations and processing plant. At year end June 30, 2017, the long-term debt decreased from \$6,300,535 to \$6,053,199 due to payments and changes in compensated absences. The increase in compensated absences is due to adjustments made in calculation of the liability and current and long term allocation. Details of the debt outstanding can be found on pages 26 through 27, Note 6.

Economic Factors and Next Year's Budget

For fiscal year 2016/2017, Hidden Valley Lake Community Services District had two (2) new residential, one (1) commercial water connection and one (1) new residential sewer connection. This is consistent with numbers throughout the economic downturn. Although the housing market appears to have stabilized, new construction is nonexistent due to the meter moratorium imposed by the State of California. The fiscal year was also marred by several rain and flooding events which greatly increased operational costs in the sewer fund due to (Infiltration and Intrusion). The cost to haul and treat the sewer and rain water that hydraulically overloaded the system is anticipated to be offset by the receipt of \$695,868 in FEMA/OES assistance.

As we move into the 2017/18 fiscal year, the effects of a slow economic recovery are being addressed through a comprehensive rate study beginning November 2017. The plan is to increase water, sewer and recycled water use charges to provide for increased operational costs, replacement of aging infrastructure and build up the Capital Improvement and Reserve Funds in both the water and sewer enterprise funds. Additionally, the Board approved replacement of all water meters with AMI enabled meters during the 2017/18 fiscal year to reduce costs of meter reading, improve monitoring of water use and recover lost revenue due to misreads and leaks.

Requests for Information

This financial report is designed to provide citizens, customers, taxpayers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have any questions about this report or need additional financial information, please contact Kirk Cloyd, General Manager, Hidden Valley Lake Community Services District, 19400 Hartmann Road, Hidden Valley Lake, CA 95467, 707-987-9201, kcloyd@hvlcsd.org www.hvlcsd.org

Basic Financial Statements

- **Government-Wide Financial Statements**

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HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
Statement of Net Position
June 30, 2017

	<u>Business-Type Activities</u>
ASSETS	
Cash and investments	\$ 1,977,597
Investments with fiscal agent	175,090
Receivables:	
Accounts (net of allowance)	236,448
Assessments	54,124
Delinquent assessments	74,370
Intergovernmental	695,868
Taxes	6,075
Interest	2,220
Prepaid costs	21,014
Capital assets:	
Non-depreciable assets	607,918
Depreciable assets, net of depreciation	6,386,021
Total capital assets	<u>6,993,939</u>
Total Assets	<u>10,236,745</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred pension adjustments	<u>434,880</u>
Total Deferred Outflows of Resources	<u>434,880</u>
LIABILITIES	
Accounts payable	500,481
Salaries and benefits payable	32,554
Interest payable	74,544
Long-term liabilities:	
Due within one year	307,704
Due in more than one year	5,745,695
Net pension liability	1,282,357
Net OPEB obligation	564,669
Total Liabilities	<u>8,508,004</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred pension adjustments	<u>147,779</u>
Total Deferred Inflows of Resources	<u>147,779</u>
NET POSITION	
Net investment in capital assets	981,176
Restricted for debt service	810,391
Restricted for capital facilities	303,083
Unrestricted	(78,808)
Total Net Position	<u><u>\$ 2,015,842</u></u>

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

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
Statement of Activities
For the Year Ended June 30, 2017

<u>Functions/Programs:</u>	Program Revenues			<u>Changes in Net Position</u>
<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Business- Type Activities</u>
Business-type activities:				
Sewer	\$ 2,148,080	\$ 1,096,074	\$ 247,437	\$ -
Water	1,472,948	1,722,380	-	-
Total Business-Type Activities	3,621,028	2,818,454	247,437	-
Total	\$ 3,621,028	\$ 2,818,454	\$ 247,437	\$ -
General revenues:				
Interest and investment earnings				11,411
Miscellaneous				154,065
Special items:				
2017 storms emergency response and repair proceeds				695,868
2017 storms emergency response and repair expenses				(714,301)
Total General Revenues and Special Items				147,043
Change in Net Position				(408,094)
Net Position - Beginning				2,423,936
Net Position - Ending				\$ 2,015,842

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

Basic Financial Statements

- **Fund Financial Statements**

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HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
Statement of Net Position
Enterprise Funds
June 30, 2017

	Sewer Operations	Water Operations	Totals
ASSETS			
Current Assets:			
Cash and investments	\$ 1,464,172	\$ 513,425	\$ 1,977,597
Investments with fiscal agent	175,090	-	175,090
Receivables:			
Accounts (net of allowance)	77,707	158,741	236,448
Assessments	54,124	-	54,124
Intergovernmental	695,868	-	695,868
Taxes	1,214	4,861	6,075
Interest	1,564	656	2,220
Prepaid costs	10,507	10,507	21,014
Due from other funds	-	101,000	101,000
	2,480,246	789,190	3,269,436
Noncurrent Assets:			
Advances to other funds	366,085	-	366,085
Delinquent assessments receivable	74,370	-	74,370
Capital assets, net	3,380,864	3,613,075	6,993,939
	3,821,319	3,613,075	7,434,394
	6,301,565	4,402,265	10,703,830
DEFERRED OUTFLOWS OF RESOURCES			
Deferred pension adjustments	213,684	221,196	434,880
	213,684	221,196	434,880
LIABILITIES			
Current Liabilities:			
Accounts payable	472,021	28,460	500,481
Salaries and benefits payable	18,353	14,201	32,554
Interest payable	46,794	27,750	74,544
Due to other funds	101,000	-	101,000
Compensated absences	12,305	12,305	24,610
Bonds	168,264	-	168,264
Loans	-	99,330	99,330
Certificates of participation	15,500	-	15,500
	834,237	182,046	1,016,283

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

Continued (Page 1 of 2)

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
Statement of Net Position
Enterprise Funds
June 30, 2017

	<u>Sewer Operations</u>	<u>Water Operations</u>	<u>Totals</u>
LIABILITIES (CONTINUED)			
Noncurrent Liabilities:			
Advances from other funds	25,085	341,000	366,085
Compensated absences	8,013	8,013	16,026
Bonds	3,365,689	-	3,365,689
Loans	-	1,814,480	1,814,480
Certificates of participation	549,500	-	549,500
Net pension liability	624,970	657,387	1,282,357
Net OPEB obligation	249,991	314,678	564,669
Total Noncurrent Liabilities	<u>4,823,248</u>	<u>3,135,558</u>	<u>7,958,806</u>
Total Liabilities	<u>5,657,485</u>	<u>3,317,604</u>	<u>8,975,089</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred pension adjustments	<u>73,995</u>	<u>73,784</u>	<u>147,779</u>
Total Deferred Inflows of Resources	<u>73,995</u>	<u>73,784</u>	<u>147,779</u>
NET POSITION			
Net investment in capital assets	(718,089)	1,699,265	981,176
Restricted for debt service	637,811	172,580	810,391
Restricted for capital facilities	297,044	6,039	303,083
Unrestricted	<u>567,003</u>	<u>(645,811)</u>	<u>(78,808)</u>
Total Net Position	<u>\$ 783,769</u>	<u>\$ 1,232,073</u>	<u>\$ 2,015,842</u>

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

Continued (Page 2 of 2)

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
Statement of Revenues, Expenses,
And Changes in Net Position
Enterprise Funds
For the Year Ended June 30, 2017

	Sewer Operations	Water Operations	Totals
OPERATING REVENUES			
Assessments	\$ 247,437	\$ -	\$ 247,437
Permits and inspections	39,023	-	39,023
Charges for services	1,057,051	1,722,380	2,779,431
Miscellaneous	111,629	42,436	154,065
Total Operating Revenues	1,455,140	1,764,816	3,219,956
OPERATING EXPENSES			
Salaries and benefits	524,007	626,297	1,150,304
Insurance	63,731	17,131	80,862
Office expenses	26,411	23,709	50,120
Continuing education	6,382	9,630	16,012
Dues and subscriptions	4,937	21,686	26,623
Postage	5,695	5,696	11,391
Repairs and maintenance	65,696	212,098	277,794
Gas, fuel and oil	6,689	6,586	13,275
Supplies	20,493	7,116	27,609
Professional services	106,988	98,001	204,989
Rents and leases	2,797	-	2,797
Travel	1,291	1,861	3,152
Telephone	9,866	9,866	19,732
Power	37,866	101,574	139,440
Other utilities	2,181	2,181	4,362
Depreciation	1,072,223	182,482	1,254,705
Other operating	12,459	296	12,755
Office and safety equipment	8,915	7,225	16,140
Director's compensation	-	2,065	2,065
Environmental monitoring	32,953	10,395	43,348
Water conservation	-	6,433	6,433
Water rights	-	16,579	16,579
Annual operating fees	1,924	35,492	37,416
Total Operating Expenses	2,013,504	1,404,399	3,417,903
Operating Income (Loss)	(558,364)	360,417	(197,947)
NON-OPERATING REVENUES (EXPENSES)			
Interest income	9,050	2,361	11,411
Interest expense	(134,576)	(68,549)	(203,125)
Total Non-Operating Revenue (Expenses)	(125,526)	(66,188)	(191,714)
Income (Loss) Before Special Items and Transfers	(683,890)	294,229	(389,661)

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

Continued (Page 1 of 2)

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
Statement of Revenues, Expenses,
And Changes in Net Position
Enterprise Funds
For the Year Ended June 30, 2017

	Sewer Operations	Water Operations	Totals
NON-OPERATING REVENUES (EXPENSES) (CONTINUED)			
Proceeds for the 2017 storms emergency response and repair	695,868	-	695,868
Expenses for the 2017 storms emergency response and repair	(714,301)	-	(714,301)
Transfers in	174,318	26,047	200,365
Transfers out	(200,365)	-	(200,365)
Change in Net Position	(728,370)	320,276	(408,094)
Total Net Position - Beginning	1,512,139	911,797	2,423,936
Total Net Position - Ending	\$ 783,769	\$ 1,232,073	\$ 2,015,842

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

Continued (Page 2 of 2)

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT

**Statement of Cash Flows
Enterprise Funds
For the Year Ended June 30, 2017**

	<u>Sewer Operations</u>	<u>Water Operations</u>	<u>Totals</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	\$ 1,436,884	\$ 1,764,646	\$ 3,201,530
Cash paid to suppliers	(412,539)	(588,884)	(1,001,423)
Cash paid to employees	(582,260)	(671,051)	(1,253,311)
Net Cash Provided (Used) by Operating Activities	<u>442,085</u>	<u>504,711</u>	<u>946,796</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Special project amounts paid	(282,950)	-	(282,950)
Interfund loans received	-	(24,530)	(24,530)
Interfund loans made	-	24,530	24,530
Transfer in from other funds	174,318	26,047	200,365
Transfer out to other funds	(200,365)	-	(200,365)
Net Cash Provided (Used) by Non-Capital Financing Activities	<u>(308,997)</u>	<u>26,047</u>	<u>(282,950)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Principal paid on debt	(167,262)	(95,989)	(263,251)
Interest paid on debt	(131,565)	(69,942)	(201,507)
Acquisition of capital assets	(125,661)	-	(125,661)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(424,488)</u>	<u>(165,931)</u>	<u>(590,419)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on investments	<u>7,486</u>	<u>1,705</u>	<u>9,191</u>
Net Cash Provided (Used) by Investing Activities	<u>7,486</u>	<u>1,705</u>	<u>9,191</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(283,914)	366,532	82,618
Balances - Beginning	<u>1,923,176</u>	<u>146,893</u>	<u>2,070,069</u>
Balances - Ending	<u>\$ 1,639,262</u>	<u>\$ 513,425</u>	<u>\$ 2,152,687</u>

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

Continued (Page 1 of 2)

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT

Statement of Cash Flows

Enterprise Funds

For the Year Ended June 30, 2017

	<u>Sewer Operations</u>	<u>Water Operations</u>	<u>Totals</u>
RECONCILIATION OF OPERATING INCOME LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	\$ (558,364)	\$ 360,417	\$ (197,947)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation/amortization	1,072,223	182,482	1,254,705
Decrease (increase) in:			
Accounts receivable	19,757	4,691	24,448
Assessments receivable	(36,799)	-	(36,799)
Taxes receivable	(1,214)	(4,861)	(6,075)
Prepaid costs	25,781	25,781	51,562
Pension adjustment - deferred outflows	(121,994)	(127,868)	(249,862)
Increase (decrease) in:			
Accounts payable	(21,046)	(19,045)	(40,091)
Salaries and benefits payable	835	3,294	4,129
Compensated absences payable	6,273	9,842	16,115
Net pension liability	105,671	105,671	211,342
Net OPEB obligation	19,102	42,019	61,121
Pension adjustment - deferred inflows	(68,140)	(77,712)	(145,852)
 Net Cash Provided (Used) by Operating Activities	 <u>\$ 442,085</u>	 <u>\$ 504,711</u>	 <u>\$ 946,796</u>

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

Continued (Page 2 of 2)

Basic Financial Statements

- **Notes to Basic Financial Statements**

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HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

For the Year Ended June 30, 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Hidden Valley Lake Community Services District is a public corporation formed in 1984 under the provisions of the Community Services District Law, Division 3 of Title 6 (commencing with Section 61000) of the Government Code of the State of California. The District was formed for the purposes of providing for the collection of sewage, waste and storm water of the District and of its residents as well as the supply of water to the residents of the District. On January 1, 1993, Stonehouse Mutual Water Company merged with Hidden Valley Lake Community Services District. Stonehouse Mutual Water Company was a mutual water company which had been organized in June 1968 to provide water and sewer services to the owners of Hidden Valley Lake Association lots. The merger was approved by the shareholders with authorization to transfer all assets and liabilities to the District as of December 31, 1992, and dissolve Stonehouse Mutual Water Company. Notification was received from the Franchise Tax Board that the Certificate of Dissolution was filed as a conditional dissolution on January 21, 1993. Upon the issuance of a Tax Clearance Certificate by the Franchise Tax Board, the corporation was dissolved.

The activities of the District are governed by a Board of Directors each of whom is elected to office for a term of four years by the registered voters of the District.

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

Component Units

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

Joint Agencies

The District is a participant in the Special District Risk Management Authority (SDRMA), which is a joint powers agency organized for the purpose of pooled joint-protection coverage to member entities. SDRMA operates public entity pools for auto and general liability coverage, plus workers compensation and errors and omissions coverage and pool purchases excess insurance for members. Complete audited financial statements of SDRMA can be obtained at 1112 I Street, Suite 300, Sacramento, CA 95814. The District is not financially accountable for this organization and therefore it is not a component unit under Statement Nos. 14, 39 and 61 of the Governmental Accounting Standards Board.

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation

Government-Wide Financial Statements

The Statement of Net Position and Statement of Activities display information on all the activities of the District. These statements include the financial activities of the overall District. Eliminations have been made to minimize the double counting of internal activities. These statements present the business-type activities of the District, which rely to a significant extent on assessments and fees charged to external parties.

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

Fund Financial Statements

The fund financial statements provide information about the District funds. Funds are organized into the proprietary fund type. The operations of the District are organized as a series of sub-funds consolidated into four major proprietary funds which account for the total water and sewer operations. An emphasis is placed on major funds within the proprietary category; each is displayed in a separate column.

The District reports the following major proprietary funds:

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

C. Basis of Accounting and Measurement Focus

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

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

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

For the Year Ended June 30, 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Cash and Cash Equivalents

For purposes of the accompanying Statement of Cash Flows, the District considers all highly liquid investments with a maturity of three months or less when purchased including investments with fiscal agent to be cash equivalents.

E. Investments

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

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

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

F. Receivables

Receivables consist mainly of user fees, assessments, and delinquent assessments. Although Management believes all assessments are ultimately collectible because they are collected with property taxes, management has established an allowance for doubtful accounts of \$589 for the Sewer Operations fund, and (\$1,894) for the Water Operations fund. Accounts receivables are stated net of these amounts.

Assessments receivable are recognized when billed. Assessments receivable shown in the financial statements include only those assessments currently due or delinquent.

G. Other Assets

Inventory

Inventory items are recorded as expenses at the time inventory is purchased rather than when consumed. Records are not maintained of inventory and supplies on hand, although these amounts are not considered material.

Prepaid Costs

Certain payments to vendors reflects costs applicable to future accounting periods and are recorded as prepaid items. The cost of prepaid items is recorded as expenses when consumed rather than when purchased.

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

For the Year Ended June 30, 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Capital Assets

Capital assets, including public domain (infrastructure such as roads, bridges, sidewalks, sewer and similar items) are defined by the District as assets with a cost of \$1,000 or more. Capital assets are recorded at historical cost or estimated historical cost if actual historical cost is unavailable. Contributed capital assets are valued at their acquisition value at the time of donation.

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

<u>Depreciable Asset</u>	<u>Estimated Lives</u>
Equipment	5-30 years
Structures and Improvements	5-30 years
Infrastructure	20-75 years

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

I. Assessment Revenue

The District levies special assessments on the property owners within the District boundaries. The special assessments are collected along with property taxes by the County of Lake.

Lake County assesses properties, bills, collects, and distributes the assessments to the District.

Assessments are due in two installments (secured roll) on November 1 and March 12 and become delinquent after December 10 and April 10, respectively.

J. Interfund Transactions

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

Loans reported as receivables and payables are referred to as either “due to/from other funds” (i.e. the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans) as appropriate and are subject to elimination upon consolidation.

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

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

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

For the Year Ended June 30, 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Interfund Transactions (Continued)

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

K. Compensated Absences

The District's policy regarding compensated absences is to permit employees to accumulate earned but unused vacation leave. The liability for these compensated absences is recorded as long-term debt in the government-wide and proprietary fund financial statements. The current portion of this debt is estimated based on historical trends.

L. 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.

M. Deferred Outflows/Inflows of Resources

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

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

N. Estimates

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

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

For the Year Ended June 30, 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans. This statement improves the usefulness of information about postemployment benefits other than pensions included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability.

Statement No. 77, Tax Abatement Disclosures. This statement requires disclosure of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government's tax revenue.

Statement No. 78, Pensions Provided Through Certain Multiple-Employer Defined Benefit Pension Plans. This statement establishes requirements for recognition and measurement of pension expense, expenditures, and liabilities; note disclosures; and required supplementary information for pensions that have certain characteristics.

Statement No. 80, Blending Requirements for Certain Component Units - An Amendment of GASB Statement No. 14. This statement amends the blending requirements for the financial statement presentation of component units of all state and local governments.

Statement No. 82, Pension Issues - An Amendment of GASB Statements No. 67, No. 68 and No. 73. This statement addresses certain issues that have been raised with respect to Statements No. 67, Financial Reporting for Pension Plans, No. 68, Accounting and Financial Reporting for Pensions, and No. 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68. This statement specifically addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements.

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Deficit Net Position

The sub-funds within the following enterprise funds had deficit net position at June 30, 2017:

Sewer Operations:	
1995-2 Bond Redemption	\$ 2,918,879
State Revolving fund	8,499
USDA Solar Loan	466,092
Water Operations:	
CIEDB Loan Redemption	\$ 2,005,310

These deficits will be eliminated in future years through loan and bond repayment.

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

For the Year Ended June 30, 2017

NOTE 3: CASH AND INVESTMENTS

A. Financial Statement Presentation

As of June 30, 2017, the District's cash and investments consisted of the following:

Cash:	
Cash on hand	\$ 600
Deposits (less outstanding checks)	<u>1,012,322</u>
Total Cash	<u>1,012,922</u>
Investments:	
Investments with Fiscal Agent	175,089
Local Agency Investment Fund (LAIF)	<u>964,676</u>
Total Investments	<u>1,139,765</u>
Total Cash and Investments	<u>\$ 2,152,687</u>

B. Cash

At year end, the carrying amount of the District's cash deposits (including amount in checking accounts) was \$1,012,322 and the bank balance was \$1,034,278. The difference between the bank balance and the carrying amount represents outstanding checks and deposits in transit. In addition, the District had cash on hand of \$600.

Custodial Credit Risk for Deposits - Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the District will not be able to recover its deposits or collateral securities that are in the possession of an outside party. The District complies with the requirements of the California Government Code. Under this code, deposits of more than \$250,000 must be collateralized at 105 percent to 150 percent of the value of the deposit to guarantee the safety of the public funds.

C. Investments

Investments are selected based on safety, liquidity and yield. The District's investment policy is more restrictive than the California Government Code. Under the provisions of the District's investment policy and the California Government Code, the District may invest or deposit in the following:

- Repurchase Agreements
- Local Agency Investment Funds (LAIF)
- U.S. Treasury Bonds/Notes/Bills
- U.S. Government Agency Obligations
- Bankers' Acceptances
- Commercial Paper
- Negotiable Certificates of Deposit
- Time Certificates of Deposit
- Reverse Repurchase Agreements

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

For the Year Ended June 30, 2017

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

C. Investments (Continued)

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

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

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

At June 30, 2017, the District had the following recurring fair value measurements:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Fair Value Measurements Using</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments by Fair Value Level				
Money Market Mutual Funds	\$ 175,089	\$ 175,089	\$ -	\$ -
Total Investments Measured at Fair Value	175,089	<u>\$ 175,089</u>	<u>\$ -</u>	<u>\$ -</u>
Investments in External Investment Pool				
Local Agency Investment Fund (LAIF)	<u>964,676</u>			
Total Investments	<u>\$ 1,139,765</u>			

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

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

For the Year Ended June 30, 2017

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

C. Investments (Continued)

As of June 30, 2017, the District had the following investments, all of which had a maturity of 5 years or less:

Investment Type	Interest Rates	Maturities		Fair Value	Weighted Average Maturity (Years)
		0-1 year	1-5 years		
Pooled Investments					
Local Agency Investment Fund (LAIF)	Variable	\$ 964,676	\$ -	\$ 964,676	-
Total Pooled Investments		964,676	-	964,676	-
Investments Held by Fiscal Agents					
Money Market Mutual Funds	Variable	175,089	-	175,089	-
Total Investments Held by Fiscal Agents		175,089	-	175,089	-
Total Investments		\$ 1,139,765	\$ -	\$ 1,139,765	-

Credit Risk - Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code or the District's investment policy, and the actual rating as of year end for each investment type.

Investment Type	Minimum Legal Rating	Standard & Poor's Rating	Moody's Rating	% of Portfolio
Money Market Mutual Funds	A	AAAm	Aaa-mf	15.36%
LAIF	N/A	Unrated	Unrated	84.64%
Total				<u>100.00%</u>

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

Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of the District's investment in a single issuer of securities. When investments are concentrated in one issuer, this concentration presents a heightened risk of potential loss. The District's investment policy contains limitations on the amount that can be invested in any one issuer. All investments of the District were pooled with the State of California Local Agency Investment Fund, which holds a diversified portfolio of high quality investments, or held by fiscal agents.

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

For the Year Ended June 30, 2017

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

D. Investment in External Investment Pool

The District maintains an investment in the State of California Local Agency Investment Fund (LAIF), managed by the State Treasurer. This fund is not registered with the Securities and Exchange Commission as an investment company, but is required to invest according to California State Code. The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State Statute. At June 30, 2017, the District's investment in LAIF valued at amortized cost was \$964,676 and is the same as the value of the pool shares. There are no restrictions on withdrawal of funds. The total amount invested by all public agencies in LAIF on that day was \$77.6 billion. Of that amount, 97.11 percent is invested in non-derivative financial products and 2.89 percent in structured notes and asset-backed securities.

NOTE 4: CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2017, was as follows:

	<u>Balance</u>			<u>Balance</u>
	<u>July 1, 2016</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2017</u>
Capital Assets, Not Being Depreciated:				
Land	\$ 607,918	\$ -	\$ -	\$ 607,918
Total Capital Assets, Not Being Depreciated	<u>607,918</u>	<u>-</u>	<u>-</u>	<u>607,918</u>
Capital Assets, Being Depreciated:				
Structures and improvements	3,811,950	-	-	3,811,950
Equipment	1,745,985	-	-	1,745,985
Infrastructure	<u>25,842,083</u>	<u>125,661</u>	<u>-</u>	<u>25,967,744</u>
Total Capital Assets, Being Depreciated	<u>31,400,018</u>	<u>125,661</u>	<u>-</u>	<u>31,525,679</u>
Less Accumulated Depreciation for:				
Structures and improvements	(1,287,908)	(121,285)	-	(1,409,193)
Equipment	(1,379,347)	(72,827)	-	(1,452,174)
Infrastructure	<u>(21,217,698)</u>	<u>(1,060,593)</u>	<u>-</u>	<u>(22,278,291)</u>
Total Accumulated Depreciation	<u>(23,884,953)</u>	<u>(1,254,705)</u>	<u>-</u>	<u>(25,139,658)</u>
Total Capital Assets, Being Depreciated, Net	<u>7,515,065</u>	<u>(1,129,044)</u>	<u>-</u>	<u>6,386,021</u>
Total Capital Assets, Net	<u>\$ 8,122,983</u>	<u>(\$ 1,129,044)</u>	<u>\$ -</u>	<u>\$ 6,993,939</u>

Depreciation

Depreciation expense was charged to the business-type functions as follows:

Sewer	\$ 1,072,223
Water	<u>182,482</u>
Total Depreciation Expense - Business-Type Functions	<u>\$ 1,254,705</u>

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

For the Year Ended June 30, 2017

NOTE 5: INTERFUND TRANSACTIONS

Due To/From Other Funds

During the course of operations, transactions occur between funds to account for goods received or services rendered. These receivables and payables are classified as due from or due to other funds. In addition, when funds overdraw their share of pooled cash, the receivables and payables are also classified as due from or due to other funds. The following are due from and due to balances as of June 30, 2017:

	<u>Due From Other funds</u>	<u>Due To Other funds</u>
Sewer Operations	\$ -	\$ 101,000
Water Operations	<u>101,000</u>	<u>-</u>
Total	<u>\$ 101,000</u>	<u>\$ 101,000</u>

Advances To/From Other Funds

Advances to/from other funds are non-current interfund loans. The following are advances to/from other funds as of June 30, 2017:

	<u>Advances to Other funds</u>	<u>Advances from Other funds</u>
Sewer Operations	\$ 366,085	\$ 25,085
Water Operations	<u>-</u>	<u>341,000</u>
Total	<u>\$ 366,085</u>	<u>\$ 366,085</u>

Transfers

Transfers are indicative of funding for capital projects, lease payments or debt service, subsidies of various District operations and re-allocations of special revenues. The following are interfund transfers for the fiscal year ended June 30, 2017:

	<u>Transfer In</u>	<u>Transfer Out</u>
Sewer Operations	\$ 174,318	\$ 200,365
Water Operations	<u>26,047</u>	<u>-</u>
Total	<u>\$ 200,365</u>	<u>\$ 200,365</u>

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2017

NOTE 6: LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for the year ended June 30, 2017:

<u>Type of Indebtedness</u>	<u>Balance July 1, 2016</u>	<u>Additions</u>	<u>Adjustments/ Retirements</u>	<u>Balance June 30, 2017</u>	<u>Amounts Due Within One Year</u>
Bonds	\$ 3,650,000	\$	(\$ 150,000)	\$ 3,500,000	\$ 166,000
Add: Premium	<u>36,215</u>	<u></u>	<u>(2,262)</u>	<u>33,953</u>	<u>2,264</u>
Total Bonds	3,686,215	-	(152,262)	3,533,953	168,264
Loans	2,009,799	-	(95,989)	1,913,810	99,330
Certificates of Participation	580,000	-	(15,000)	565,000	15,500
Compensated Absences	<u>24,521</u>	<u>41,935</u>	<u>(26,020)</u>	<u>40,436</u>	<u>24,610</u>
Total Long-Term Liabilities	<u>\$ 6,300,535</u>	<u>\$ 41,935</u>	<u>(\$ 289,271)</u>	<u>\$ 6,053,199</u>	<u>\$ 307,704</u>

Individual issues of debt payable outstanding at June 30, 2017, are as follows:

Bonds:

Sewer System Reassessment District No. 1 Limited Obligation Refunding Improvement Bonds Series 2016 issued March 9, 2016 in the amount of \$3,650,000, payable in annual installments of \$150,000-\$280,000 with an interest rate of 3.25-3.50% and maturity on September 2, 2032. The bonds were used to refund the Improvement Bonds Series 1995-2 which were used to finance improvements to the sewer system.

	<u>\$ 3,500,000</u>
Total Bonds	<u>3,500,000</u>

Loans:

California Infrastructure and Economic Development Bank Loan issued June 24, 2002 in the amount of \$3,000,000, payable in annual installments of \$61,530-\$160,350 with an interest rate of 3.48% and maturity on February 1, 2032. The loan was used to finance the expansion and upgrade of the water system.

	<u>1,913,810</u>
Total Loans	<u>1,913,810</u>

Certificates of Participation:

2012 Series Certificate of Participation Water Reclamation Plant Energy Sustainability Project issued October 1, 2012 in the amount of \$640,000 payable in annual installments of \$14,000 to \$31,500 with an interest rate of 3.00% and maturity on August 1, 2041. The Certificate of Participation was used to finance the sewer system solar project.

	<u>565,000</u>
Total Certificates of Participation	<u>565,000</u>

	<u>\$ 5,978,810</u>
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HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

For the Year Ended June 30, 2017

NOTE 6: LONG-TERM LIABILITIES (CONTINUED)

Following is a schedule of debt payment requirements of business-type activities to maturity for long-term debt, excluding compensated absences that have indefinite maturities, net pension liability which is reported in Note 8, and net OPEB obligation, which is reported in Note 9.

Year Ended June 30	Bonds		
	Principal	Interest	Total
2018	\$ 166,000	\$ 116,501	\$ 282,501
2019	173,000	110,992	283,992
2020	179,000	105,272	284,272
2021	185,000	99,357	284,357
2022	192,000	93,231	285,231
2023-2027	1,064,000	362,461	1,426,461
2028-2032	1,261,000	162,418	1,423,418
2033	280,000	4,900	284,900
Total	<u>\$ 3,500,000</u>	<u>\$ 1,055,132</u>	<u>\$ 4,555,132</u>

Year Ended June 30	Loans		
	Principal	Interest	Total
2018	\$ 99,330	\$ 66,600	\$ 165,930
2019	102,787	63,143	165,930
2020	106,363	59,567	165,930
2021	110,065	55,865	165,930
2022	113,895	52,035	165,930
2023-2027	631,761	197,891	829,652
2028-2032	749,609	80,043	829,652
Total	<u>\$ 1,913,810</u>	<u>\$ 575,144</u>	<u>\$ 2,488,954</u>

Year Ended June 30	Certificates of Participation		
	Principal	Interest	Total
2018	\$ 15,500	\$ 16,717	\$ 32,217
2019	16,000	16,245	32,245
2020	16,500	15,757	32,257
2021	17,000	15,255	32,255
2022	17,500	14,738	32,238
2023-2027	95,000	65,400	160,400
2028-2032	111,000	49,995	160,995
2033-2037	128,000	32,100	160,100
2038-2042	148,500	11,393	159,893
Total	<u>\$ 565,000</u>	<u>\$ 237,600</u>	<u>\$ 802,600</u>

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

For the Year Ended June 30, 2017

NOTE 7: NET POSITION

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

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

Net Position Flow Assumption

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

NOTE 8: PENSION PLAN

A. General Information about the Pension Plans

Plan Description

All qualified permanent and probationary employees are eligible to participate in the District’s Miscellaneous Employee Pension Plan (Plan), cost-sharing multiple employer defined benefit pension plan administered by the California Public Employees’ Retirement System (CalPERS). Benefit provisions under the Plan are established by State statute and District resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website. Effective January 1, 2013, the District added a retirement tier for the Miscellaneous Plan for new employees as required under the Public Employee Pension Reform Act (PEPRA). New employees hired on or after January 1, 2013 will be subject to new, lower pension formulas, caps on pensionable income levels and new definitions of pensionable income. In addition, new employees will be required to contribute half of the total normal cost of the pension benefit unless impaired by an existing Memorandum of Understanding. The cumulative effect of these PEPRA changes will ultimately reduce the District’s retirement costs. As of the valuation date there were no Miscellaneous PEPRA employees.

Summary of Plans and Eligible Participants

Open for New Enrollment
Miscellaneous PEPRA

Miscellaneous members hired on or after January 1, 2013

Closed to New Enrollment
Miscellaneous

Miscellaneous members hired before January 1, 2013

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

For the Year Ended June 30, 2017

NOTE 8: PENSION PLAN (CONTINUED)

A. General Information about the Pension Plan (Continued)

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. Retirement benefits are paid monthly for life. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

Each Plan's specific provisions and benefits in effect at June 30, 2017, are summarized as follows:

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

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 Plan is determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

	<u>Employer Contribution Rates</u>	<u>Employee Contribution Rates</u>	<u>Employer Paid Member Contribution Rates</u>
Miscellaneous	10.110%	8.000%	0.000%
Miscellaneous PEPRA	6.533%	6.250%	0.000%

For the year ended June 30, 2017, the contributions recognized as part of pension expense for the Plan was as follows:

	<u>Contributions-Employer</u>	<u>Contributions-Employee (Paid by Employer)</u>
Miscellaneous	\$ 130,850	\$ -

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

For the Year Ended June 30, 2017

NOTE 8: PENSION PLAN (CONTINUED)

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

The District's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2016, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2015 rolled forward to June 30, 2016 using standard update procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The District's proportionate share of the net pension liability for the Plan as of June 30, 2015 and 2016 was as follows:

	<u>Proportion June 30, 2015</u>	<u>Proportion June 30, 2016</u>	<u>Change - Increase (Decrease)</u>
Miscellaneous	.01560%	.01482%	-0.0078%

As of June 30, 2017, the District reported a net pension liability for its proportionate share of the net pension liability of the Plan as follows:

	<u>Proportionate Share of Net Pension Liability</u>
Miscellaneous	\$ <u>1,282,357</u>
Total Net Pension Liability	\$ <u><u>1,282,357</u></u>

For the year ended June 30, 2017 the District recognized pension expense of (\$184,372). At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$ 139,688	\$ -
Changes of assumptions	-	(52,637)
Difference between expected and actual experience	5,564	(1,199)
Differences between projected and actual earnings on pension plan investments	257,631	-
Difference between District contributions and proportionate share of contributions	31,997	-
Adjustment due to differences in proportions	<u>-</u>	<u>(93,943)</u>
Total	\$ <u><u>434,880</u></u>	<u><u>(\$ 147,779)</u></u>

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

For the Year Ended June 30, 2017

NOTE 8: PENSION PLAN (CONTINUED)

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

\$139,688 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, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended <u>June 30</u>		
2017		(\$ 15,689)
2018		(9,415)
2019		103,710
2020		68,807
Thereafter		<u>-</u>
Total		<u><u>\$ 147,413</u></u>

Actuarial Assumptions

The total pension liability in the June 30, 2016 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	June 30, 2015
Measurement Date	June 30, 2016
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.65%
Inflation	2.75%
Projected Salary Increase	Varies by entry age and service
Mortality	Derived using CalPERS membership data for all funds
Post-Retirement Benefit Increase	Contract COLA up to 2.75% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.75% thereafter

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2015 valuation were based on the results of an actuarial experience study for the period 1997 to 2011 including updates to salary increase, mortality, and retirement rates. Further details of the Experience Study can be found on the CalPERS website.

Change of Assumptions

There were no changes in assumptions during the measurement period ended June 30, 2016. Deferred inflows of resources for changes in assumptions represents the unamortized portion of the change in assumptions related to the prior measurement period.

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

For the Year Ended June 30, 2017

NOTE 8: PENSION PLAN (CONTINUED)

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

Discount Rate

The discount rate used to measure the total pension liability was 7.65 percent for the Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the 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 7.65 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.65 percent is applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report called “GASB Crossover Testing Report” that can be obtained at the CalPERS website under the GASB 68 section.

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.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10(a)	Real Return Years 11+(b)
Global Equity	51.0%	5.25%	5.71%
Global Fixed Income	20.0%	0.99%	2.43%
Inflation Sensitive	6.0%	0.45%	3.36%
Private Equity	10.0%	6.83%	6.95%
Real Estate	10.0%	4.50%	5.13%
Infrastructure and Forestland	2.0%	4.50%	5.09%
Liquidity	1.0%	-0.55%	-1.05%
Total	100%		

(a) An expected inflation of 2.5% used for this period

(b) An expected inflation of 3.0% used for this period

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

For the Year Ended June 30, 2017

NOTE 8: PENSION PLAN (CONTINUED)

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

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 the Plan as of the measurement date, calculated using the discount rate for the 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:

	1% Decrease 6.75%	Discount Rate 7.65%	1% Increase 8.65%
Miscellaneous	\$ 1,890,604	\$ 1,282,357	\$ 779,668

Pension Plan Fiduciary Net Position

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

NOTE 9: OTHER POSTEMPLOYMENT BENEFITS (OPEB)

A. Plan Description

The District provides a defined benefit healthcare plan (the “Retiree Health Plan”) for eligible employees. The Retiree Health Plan provides lifetime healthcare insurance for eligible retirees through Special District Risk Management Authority (SDRMA), which covers both active and retired members. Spouses are also covered throughout the retiree’s life. The District pays 50 percent of the healthcare premiums for all retirees.

B. Funding Policy

The District has hired a consultant to calculate the ARC and related information using the alternative measurement method permitted by GASB 45 for employers in plans with fewer than one hundred total plan members. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities over a period not to exceed thirty years.

GASB 45 does not require pre-funding of OPEB benefits. Therefore, the District’s funding policy is to continue to pay healthcare premiums for retirees as they fall due. The District has elected not to establish an irrevocable trust at this time. The District Board reserves the authority to review and amend this funding policy annually.

C. Annual OPEB Cost and Net OPEB Obligation

The District’s annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45.

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

For the Year Ended June 30, 2017

NOTE 9: OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

C. Annual OPEB Cost and Net OPEB Obligation (Continued)

The following table shows the components of the District's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the District's net OPEB obligation:

Annual required contribution	\$ 88,155
Interest on prior year on net OPEB obligation	15,145
Adjustment to annual required contribution	<u>(19,315)</u>
Annual OPEB Cost	83,985
Contributions Made	<u>(22,864)</u>
Increase in Net OPEB Obligation	61,121
Net OPEB Obligation - Beginning of Year	<u>503,548</u>
Net OPEB Obligation - End of Year	<u>\$ 564,669</u>

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for the current and prior two years are:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
June 30, 2015	\$ 99,895	12.35%	\$ 438,553
June 30, 2016	84,532	23.11%	503,548
June 30, 2017	83,985	27.22%	564,669

D. Funding Status and Funding Progress

As of July 1, 2015, the actuarial accrued liability (AAL) for benefits was \$840,129, all of which was unfunded. The covered payroll (annual payroll of employees covered by the plan) was \$734,856 and the ratio of the UAAL to the covered payroll was 114.3 percent.

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrences of events far into the future. Examples include assumptions about future employment, mortality and healthcare cost trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer as subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Schedule of Funding Progress, presented as supplementary information following the notes to the financial statements, presents multi-year trend information (as it becomes available) about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

For the Year Ended June 30, 2017

NOTE 9: OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

E. Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The methods and assumptions used include techniques that are designed to reduce the effects of short term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term prospective of the calculations.

The following simplifying assumptions were made:

Retirement age for active employees - Based on the historical average retirement age for the covered group, active plan members were assumed to retire at age 59, or at the first subsequent year in which the member would qualify for benefits.

Mortality - Life expectancies at the calculation date are based on the most recent mortality tables published by the National Center for Health Statistics website (www.cdc.gov). The calculation of OPEB liability for each year is based on the assumption that all participants will live until their expected age as displayed in the mortality tables.

Turnover - The probability that an employee will remain employed until the assumed retirement age was determined using non-group-specific age-based turnover data provided in Table 1 in paragraph 35 of GASB Statement No. 45. In addition the expected future working lifetimes of employees were determined using Table 2 in paragraph 35c of GASB Statement No. 45.

Healthcare cost trend rate - Healthcare cost trend rates were selected based on a combination of national and state trend surveys as well as professional judgment. The ultimate trend rate was 3.5 percent.

Health insurance premiums - 2015 health insurance premiums for retirees were used as a basis for calculation of the present value of total benefits to be paid. An employee is assumed to continue with the same medical plan upon retirement. If an employee waived medical coverage, then such waiver is assumed to continue into retirement.

Payroll increase - Changes in the payroll for current employees are expected to increase at a rate of approximately 2 percent annually.

Discount rate - The calculation uses an annual discount rate of 3 percent. This is based on the assumed long-term return on plan assets or employer assets.

Actuarial cost method - The entry age actuarial cost method was used. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at July 1, 2016, was twenty-five years.

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

For the Year Ended June 30, 2017

NOTE 10: RISK MANAGEMENT

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

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

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

NOTE 11: OTHER INFORMATION

A. Subsequent Event

Management has evaluated events subsequent to June 30, 2017 through November 9, 2017, the date on which the financial statements were available for issuance. Management has determined no subsequent events requiring disclosure have occurred.

B. Federal Emergency Management Administration (FEMA)/Office of Emergency Services (OES) Application and Reimbursement Status for 2017 Storm Emergency

In January and February 2017, there were storm events that resulted in \$714,301 of emergency response costs and damage to infrastructure. A formal disaster emergency was declared by the District and County. The State and federal governments subsequently adopted an emergency declaration that provided for federal and State assistance in reimbursement of certain eligible costs incurred by the District. The District submitted several applications to FEMA/OES representatives.

FEMA/OES reviewed and approved the requests for reimbursement in August 2017, and the District recorded a receivable of \$695,868 as of June 30, 2017. In October 2017, the District received checks totaling \$405,633. In November 2017, the District received notice that an additional \$246,283 has been approved for distribution. Notices have not been received on the remaining applications.

**Required Supplementary Information
(Unaudited)**

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HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
Required Supplementary Information
District Pension Plan
Schedule of Proportionate Share of the Net Pension Liability
For the Year Ended June 30, 2017
Last 10 Years*

Measurement Period	2013/2014	2014/2015	2015/2016
Miscellaneous Plan			
Proportion of the net pension liability	0.01414%	0.01560%	0.01480%
Proportionate share of the net pension liability	\$ 880,120	\$ 1,071,015	\$ 1,282,357
Covered employee payroll	641,041	758,445	794,520
Proportionate share of the net pension liability as a percentage of covered employee payroll	137.30%	141.21%	161.40%
Plan fiduciary net position as a percentage of the total pension liability	77.74%	73.61%	71.62%

*The District implemented GASB 68 for the fiscal year June 30, 2015, therefore only three years are shown.

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
Required Supplementary Information
District Pension Plan
Schedule of Contributions
For the Year Ended June 30, 2017
Last 10 Years*

Fiscal Year	<u>2014/2015</u>	<u>2015/2016</u>	<u>2016/2017</u>
Miscellaneous Plan			
Contractually required contribution (actuarially determined)	\$ 68,280	\$ 65,481	\$ 65,481
Contributions in relation to the actuarially determined contributions	<u>(146,425)</u>	<u>(154,320)</u>	<u>(154,320)</u>
Contribution deficiency (excess)	<u>\$ (78,145)</u>	<u>\$ (88,839)</u>	<u>\$ (88,839)</u>
Covered employee payroll	758,445	794,520	746,828
Contributions as a percentage of covered employee payroll	18.37%	19.42%	20.66%

*The District implemented GASB 68 for the fiscal year June 30, 2015, therefore only three years are shown.

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
Required Supplementary Information
District Pension Plan
Notes to District Pension Plan
For the Year Ended June 30, 2017

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

Change of assumptions: There were no changes in the assumptions.

NOTE 2: SCHEDULE OF CONTRIBUTIONS

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

Valuation Date:	June 30, 2013
Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	14 years
Asset valuation method	Actuarial value of assets
Inflation	2.75%
Salary increases	Varies by entry age and service
Investment rate of return	7.50%, net of pension plan investment and administrative expenses, including inflation
Retirement age	50-62 years

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
Required Supplementary Information
District OPEB Plan
Schedule of Funding Progress
For the Year Ended June 30, 2017

SCHEDULE OF FUNDING PROGRESS

The Schedule of Funding Progress - Other Postemployment Benefits (OPEB) presents a consolidated snapshot of the District's ability to meet current and future liabilities with the plan assets. Of particular interest to most is the funded status ratio. This ratio conveys a plan's level of assets to liabilities, an important indicator to determine the financial health of the OPEB plan. The closer the plan is to 100 percent funded status, the better position it will be in to meet all of its future liabilities.

The table below shows a three year analysis of the actuarial value of assets as a percentage of the actuarial accrued liability and the unfunded actuarial accrued liability as a percentage of the annual covered payroll for the District Other Postemployment Benefit Plan.

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded Liability (UAAL)	Funded Ratio	Annual Covered Payroll	UAAL as a % of Covered Payroll
June 30, 2011	\$ -	\$ 1,240,847	\$ 1,240,847	0.00%	\$ 874,882	141.83%
July 1, 2012	-	815,015	815,015	0.00%	585,598	139.18%
July 1, 2015	-	840,129	840,129	0.00%	734,856	114.30%

Combining Fund Statements

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HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
Combining Statement of Net Position
Sewer Operations
June 30, 2017

	<u>Sewer</u>	<u>1995-2 Bond Redemption</u>	<u>State Revolving Fund</u>	<u>USDA Solar Loan</u>
ASSETS				
Current Assets:				
Cash and investments	\$ 150,543	351,081	\$ -	105,970
Investments with fiscal agent	-	175,090	-	-
Receivables:				
Accounts (net of allowance)	77,707	-	-	-
Assessments	-	54,124	-	-
Intergovernmental	695,868	-	-	-
Taxes	1,214	-	-	-
Interest	156	141	-	-
Prepaid costs	10,507	-	-	-
Total Current Assets	<u>935,995</u>	<u>580,436</u>	<u>-</u>	<u>105,970</u>
Noncurrent Assets:				
Advances to other funds	19,085	-	-	-
Delinquent assessments receivable	-	74,370	-	-
Capital assets, net	3,380,864	-	-	-
Total Noncurrent Assets	<u>3,399,949</u>	<u>74,370</u>	<u>-</u>	<u>-</u>
Total Assets	<u>4,335,944</u>	<u>654,806</u>	<u>-</u>	<u>105,970</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred pension adjustments	213,684	-	-	-
Total Deferred Outflows of Resources	<u>213,684</u>	<u>-</u>	<u>-</u>	<u>-</u>
LIABILITIES				
Current Liabilities:				
Accounts payable	472,021	-	-	-
Salaries and benefits payable	18,353	-	-	-
Interest payable	-	39,732	-	7,062
Due to other funds	-	-	-	-
Compensated absences	12,305	-	-	-
Bonds	-	168,264	-	-
Certificates of participation	-	-	-	15,500
Total Current Liabilities	<u>502,679</u>	<u>207,996</u>	<u>-</u>	<u>22,562</u>
Noncurrent Liabilities:				
Advances from other funds	-	-	8,499	-
Compensated absences	8,013	-	-	-
Bonds	-	3,365,689	-	-
Certificates of participation	-	-	-	549,500
Net pension liability	624,970	-	-	-
Net OPEB obligation	249,991	-	-	-
Total Noncurrent Liabilities	<u>882,974</u>	<u>3,365,689</u>	<u>8,499</u>	<u>549,500</u>
Total Liabilities	<u>1,385,653</u>	<u>3,573,685</u>	<u>8,499</u>	<u>572,062</u>

Wastewater Capital Facilities Reserved	Wastewater Capital Facilities Unreserved	USDA Reserve Fund	All Bonds Administration	All Bonds Assessment Revolving Fund	Total Sewer Operations
313,031	\$ 466,565	\$ 31,236	\$ 35,613	\$ 10,133	\$ 1,464,172
-	-	-	-	-	175,090
-	-	-	-	-	77,707
-	-	-	-	-	54,124
-	-	-	-	-	695,868
-	-	-	-	-	1,214
599	605	-	63	-	1,564
-	-	-	-	-	10,507
<u>313,630</u>	<u>467,170</u>	<u>31,236</u>	<u>35,676</u>	<u>10,133</u>	<u>2,480,246</u>
-	6,000	-	-	341,000	366,085
-	-	-	-	-	74,370
-	-	-	-	-	3,380,864
-	6,000	-	-	341,000	3,821,319
<u>313,630</u>	<u>473,170</u>	<u>31,236</u>	<u>35,676</u>	<u>351,133</u>	<u>6,301,565</u>
-	-	-	-	-	213,684
-	-	-	-	-	213,684
-	-	-	-	-	472,021
-	-	-	-	-	18,353
-	-	-	-	-	46,794
-	101,000	-	-	-	101,000
-	-	-	-	-	12,305
-	-	-	-	-	168,264
-	-	-	-	-	15,500
-	101,000	-	-	-	834,237
16,586	-	-	-	-	25,085
-	-	-	-	-	8,013
-	-	-	-	-	3,365,689
-	-	-	-	-	549,500
-	-	-	-	-	624,970
-	-	-	-	-	249,991
<u>16,586</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,823,248</u>
<u>16,586</u>	<u>101,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,657,485</u>

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
Combining Statement of Net Position
Sewer Operations
June 30, 2017

	<u>Sewer</u>	<u>1995-2 Bond Redemption</u>	<u>State Revolving Fund</u>	<u>USDA Solar Loan</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred pension adjustments	73,995	-	-	-
Total Deferred Inflows of Resources	<u>73,995</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION				
Net investment in capital assets	3,380,864	(3,533,953)	-	(565,000)
Restricted for debt service	-	615,074	(8,499)	-
Restricted for capital facilities	-	-	-	-
Unrestricted	(290,884)	-	-	98,908
Total Net Position	<u>\$ 3,089,980</u>	<u>\$ (2,918,879)</u>	<u>\$ (8,499)</u>	<u>\$ (466,092)</u>

Wastewater Capital Facilities Reserved	Wastewater Capital Facilities Unreserved	USDA Reserve Fund	All Bonds Administration	All Bonds Assessment Revolving Fund	Total Sewer Operations
-	-	-	-	-	73,995
-	-	-	-	-	73,995
-	-	-	-	-	(718,089)
-	-	31,236	-	-	637,811
297,044	-	-	-	-	297,044
-	372,170	-	35,676	351,133	567,003
<u>\$ 297,044</u>	<u>\$ 372,170</u>	<u>\$ 31,236</u>	<u>\$ 35,676</u>	<u>\$ 351,133</u>	<u>\$ 783,769</u>

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
Combining Statement of Revenues, Expenses,
And Changes in Net Position
Sewer Operations
For the Year Ended June 30, 2017

	Sewer	1995-2 Bond Redemption	State Revolving Fund	USDA Solar Loan
OPERATING REVENUES				
Assessments	\$ -	\$ 247,437	\$ -	\$ -
Permits and inspections	8,623	-	-	-
Charges for services	1,057,051	-	-	-
Miscellaneous	5,512	72,772	-	33,345
Total Operating Revenues	<u>1,071,186</u>	<u>320,209</u>	<u>-</u>	<u>33,345</u>
OPERATING EXPENSES				
Salaries and benefits	524,007	-	-	-
Insurance	63,731	-	-	-
Office expenses	24,431	1,980	-	-
Continuing education	6,382	-	-	-
Dues and subscriptions	4,937	-	-	-
Postage	5,695	-	-	-
Repairs and maintenance	65,696	-	-	-
Gas, fuel and oil	6,689	-	-	-
Supplies	20,493	-	-	-
Professional services	101,468	-	-	-
Rents and leases	2,797	-	-	-
Travel	1,291	-	-	-
Telephone	9,866	-	-	-
Power	37,866	-	-	-
Other utilities	2,181	-	-	-
Depreciation	1,072,223	-	-	-
Other operating	12,459	-	-	-
Office and safety equipment	8,915	-	-	-
Environmental monitoring	32,953	-	-	-
Annual operating fees	1,924	-	-	-
Total Operating Expenses	<u>2,006,004</u>	<u>1,980</u>	<u>-</u>	<u>-</u>
Operating Income (Loss)	<u>(934,818)</u>	<u>318,229</u>	<u>-</u>	<u>33,345</u>
NON-OPERATING REVENUES (EXPENSES)				
Interest income	720	3,150	-	82
Interest expense	-	(117,589)	-	(16,987)
Total Non-Operating Revenue (Expenses)	<u>720</u>	<u>(114,439)</u>	<u>-</u>	<u>(16,905)</u>
Income (Loss) Before Special Items and Transfers	<u>(934,098)</u>	<u>203,790</u>	<u>-</u>	<u>16,440</u>
Proceeds for the 2017 storms emergency response and repair	695,868	-	-	-
Expenses for the 2017 storms emergency response and repair	(714,301)	-	-	-
Transfers in	174,318	-	-	-
Transfers out	-	-	-	-
Change in Net Position	<u>(778,213)</u>	<u>203,790</u>	<u>-</u>	<u>16,440</u>
Total Net Position - Beginning	<u>3,868,193</u>	<u>(3,122,669)</u>	<u>(8,499)</u>	<u>(482,532)</u>
Total Net Position - Ending	<u>\$ 3,089,980</u>	<u>\$ (2,918,879)</u>	<u>\$ (8,499)</u>	<u>\$ (466,092)</u>

Wastewater Capital Facilities Reserved	Wastewater Capital Facilities Unreserved	USDA Reserve Fund	All Bonds Administration	All Bonds Assessment Revolving Fund	Total Sewer Operations
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 247,437
30,400	-	-	-	-	39,023
-	-	-	-	-	1,057,051
-	-	-	-	-	111,629
30,400	-	-	-	-	1,455,140
-	-	-	-	-	524,007
-	-	-	-	-	63,731
-	-	-	-	-	26,411
-	-	-	-	-	6,382
-	-	-	-	-	4,937
-	-	-	-	-	5,695
-	-	-	-	-	65,696
-	-	-	-	-	6,689
-	-	-	-	-	20,493
-	-	-	5,520	-	106,988
-	-	-	-	-	2,797
-	-	-	-	-	1,291
-	-	-	-	-	9,866
-	-	-	-	-	37,866
-	-	-	-	-	2,181
-	-	-	-	-	1,072,223
-	-	-	-	-	12,459
-	-	-	-	-	8,915
-	-	-	-	-	32,953
-	-	-	-	-	1,924
-	-	-	5,520	-	2,013,504
30,400	-	-	(5,520)	-	(558,364)
2,300	2,522	27	249	-	9,050
-	-	-	-	-	(134,576)
2,300	2,522	27	249	-	(125,526)
32,700	2,522	27	(5,271)	-	(683,890)
-	-	-	-	-	695,868
-	-	-	-	-	(714,301)
-	-	-	-	-	174,318
-	(200,365)	-	-	-	(200,365)
32,700	(197,843)	27	(5,271)	-	(728,370)
264,344	570,013	31,209	40,947	351,133	1,512,139
<u>\$ 297,044</u>	<u>\$ 372,170</u>	<u>\$ 31,236</u>	<u>\$ 35,676</u>	<u>\$ 351,133</u>	<u>\$ 783,769</u>

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
Combining Statement of Cash Flows
Sewer Operations
For the Year Ended June 30, 2017

	<u>Sewer</u>	<u>1995-2 Bond Redemption</u>	<u>State Revolving Fund</u>	<u>USDA Solar Loan</u>
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	\$ 1,089,729	\$ 282,650	\$ -	\$ 33,345
Cash paid to suppliers	(360,039)	(46,980)	-	-
Cash paid to employees	(582,260)	-	-	-
Net Cash Provided (Used) by Operating Activities	<u>147,430</u>	<u>235,670</u>	<u>-</u>	<u>33,345</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Special project amounts paid	(282,950)	-	-	-
Transfers in from other funds	174,318	-	-	-
Transfers out to other funds	-	-	-	-
Net Cash Provided (Used) by Non-Capital Financing Activities	<u>(108,632)</u>	<u>-</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Principal paid on debt	-	(152,262)	-	(15,000)
Interest paid on debt	-	(114,390)	-	(17,175)
Acquisition of capital assets	(125,661)	-	-	-
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(125,661)</u>	<u>(266,652)</u>	<u>-</u>	<u>(32,175)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on investments	564	3,009	-	82
Net Cash Provided (Used) by Investing Activities	<u>564</u>	<u>3,009</u>	<u>-</u>	<u>82</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(86,299)	(27,973)	-	1,252
Balances - Beginning	<u>236,842</u>	<u>554,144</u>	<u>-</u>	<u>104,718</u>
Balances - Ending	<u>\$ 150,543</u>	<u>\$ 526,171</u>	<u>\$ -</u>	<u>\$ 105,970</u>

Wastewater Capital Facilities Reserved	Wastewater Capital Facilities Unreserved	USDA Reserve Fund	All Bonds Administration	All Bonds Assessment Revolving Fund	Total Sewer Operations
\$ 30,400	\$ 760	\$ -	\$ -	\$ -	\$ 1,436,884
-	-	-	(5,520)	-	(412,539)
-	-	-	-	-	(582,260)
30,400	760	-	(5,520)	-	442,085
-	-	-	-	-	(282,950)
-	-	-	-	-	174,318
-	(200,365)	-	-	-	(200,365)
-	(200,365)	-	-	-	(308,997)
-	-	-	-	-	(167,262)
-	-	-	-	-	(131,565)
-	-	-	-	-	(125,661)
-	-	-	-	-	(424,488)
1,701	1,917	27	186	-	7,486
1,701	1,917	27	186	-	7,486
32,101	(197,688)	27	(5,334)	-	(283,914)
280,930	664,253	31,209	40,947	10,133	1,923,176
<u>\$ 313,031</u>	<u>\$ 466,565</u>	<u>\$ 31,236</u>	<u>\$ 35,613</u>	<u>\$ 10,133</u>	<u>\$ 1,639,262</u>

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
Combining Statement of Cash Flows
Sewer Operations
For the Year Ended June 30, 2017

	<u>Sewer</u>	<u>1995-2 Bond Redemption</u>	<u>State Revolving Fund</u>	<u>USDA Solar Loan</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	\$ (934,818)	\$ 318,229	\$ -	\$ 33,345
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation/amortization	1,072,223	-	-	-
Decrease (increase) in:				
Accounts receivable	19,757	-	-	-
Assessments receivable	-	(37,559)	-	-
Taxes receivable	(1,214)	-	-	-
Prepaid costs	25,781	-	-	-
Pension adjustment - deferred outflows	(121,994)	-	-	-
Increase (decrease) in:				
Accounts payable	23,954	(45,000)	-	-
Salaries and benefits payable	835	-	-	-
Compensated absences payable	6,273	-	-	-
Net pension liability	105,671	-	-	-
Net OPEB obligation	19,102	-	-	-
Pension adjustment - deferred inflows	(68,140)	-	-	-
Net Cash Provided (Used) by Operating Activities	<u>\$ 147,430</u>	<u>\$ 235,670</u>	<u>\$ -</u>	<u>\$ 33,345</u>

<u>Wastewater Capital Facilities Reserved</u>	<u>Wastewater Capital Facilities Unreserved</u>	<u>USDA Reserve Fund</u>	<u>All Bonds Administration</u>	<u>All Bonds Assessment Revolving Fund</u>	<u>Total Sewer Operations</u>
\$ 30,400	\$ -	\$ -	\$ (5,520)	\$ -	\$ (558,364)
-	-	-	-	-	1,072,223
-	-	-	-	-	19,757
-	760	-	-	-	(36,799)
-	-	-	-	-	(1,214)
-	-	-	-	-	25,781
-	-	-	-	-	(121,994)
-	-	-	-	-	(21,046)
-	-	-	-	-	835
-	-	-	-	-	6,273
-	-	-	-	-	105,671
-	-	-	-	-	19,102
-	-	-	-	-	(68,140)
<u>\$ 30,400</u>	<u>\$ 760</u>	<u>\$ -</u>	<u>\$ (5,520)</u>	<u>\$ -</u>	<u>\$ 442,085</u>

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
Combining Statement of Net Position
Water Operations
June 30, 2017

	<u>Water</u>	<u>CIEDB Loan Redemption</u>	<u>CIEDB Loan Reserve</u>	<u>Water Capital Fund</u>	<u>Total Water Operations</u>
ASSETS					
Current Assets:					
Cash and investments	\$ 287,620	\$ 53,622	\$ 172,183	\$ -	\$ 513,425
Receivables:					
Accounts (net of allowance)	136,140	22,601	-	-	158,741
Taxes	4,861	-	-	-	4,861
Interest	232	27	397	-	656
Prepaid costs	10,507	-	-	-	10,507
Due from other funds	94,961	-	-	6,039	101,000
Total Current Assets	<u>534,321</u>	<u>76,250</u>	<u>172,580</u>	<u>6,039</u>	<u>789,190</u>
Noncurrent Assets:					
Capital assets, net	3,613,075	-	-	-	3,613,075
Total Noncurrent Assets	<u>3,613,075</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,613,075</u>
Total Assets	<u>4,147,396</u>	<u>76,250</u>	<u>172,580</u>	<u>6,039</u>	<u>4,402,265</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred pension adjustments	221,196	-	-	-	221,196
Total Deferred Outflows of Resources	<u>221,196</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>221,196</u>
LIABILITIES					
Current Liabilities:					
Accounts payable	28,460	-	-	-	28,460
Salaries and benefits payable	14,201	-	-	-	14,201
Interest payable	-	27,750	-	-	27,750
Due to other funds	-	-	-	-	-
Compensated absences	12,305	-	-	-	12,305
Loans	-	99,330	-	-	99,330
Total Current Liabilities	<u>54,966</u>	<u>127,080</u>	<u>-</u>	<u>-</u>	<u>182,046</u>
Noncurrent Liabilities:					
Advances from other funds	201,000	140,000	-	-	341,000
Compensated absences	8,013	-	-	-	8,013
Loans	-	1,814,480	-	-	1,814,480
Net pension liability	657,387	-	-	-	657,387
Net OPEB obligation	314,678	-	-	-	314,678
Total Noncurrent Liabilities	<u>1,181,078</u>	<u>1,954,480</u>	<u>-</u>	<u>-</u>	<u>3,135,558</u>
Total Liabilities	<u>1,236,044</u>	<u>2,081,560</u>	<u>-</u>	<u>-</u>	<u>3,317,604</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred pension adjustments	73,784	-	-	-	73,784
Total Deferred Inflows of Resources	<u>73,784</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>73,784</u>

Continued (Page 1 of 2)

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
Combining Statement of Net Position
Water Operations
June 30, 2017

	<u>Water</u>	<u>CIEDB Loan Redemption</u>	<u>CIEDB Loan Reserve</u>	<u>Water Capital Fund</u>	<u>Total Water Operations</u>
NET POSITION					
Net investment in capital assets	3,613,075	(1,913,810)	-	-	1,699,265
Restricted for debt service	-	-	172,580	-	172,580
Restricted for capital facilities	-	-	-	6,039	6,039
Unrestricted	(554,311)	(91,500)	-	-	(645,811)
Total Net Position	<u>\$ 3,058,764</u>	<u>\$ (2,005,310)</u>	<u>\$ 172,580</u>	<u>\$ 6,039</u>	<u>\$ 1,232,073</u>

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
Combining Statement of Revenues, Expenses,
And Changes in Net Position
Water Operations
For the Year Ended June 30, 2017

	Water	CIEDB Loan Redemption	CIEDB Loan Reserve	Water Capital Fund	Total Water Operations
OPERATING REVENUES					
Charges for services	\$ 1,479,064	\$ 243,316	\$ -	\$ -	\$ 1,722,380
Miscellaneous	42,436	-	-	-	42,436
Total Operating Revenues	<u>1,521,500</u>	<u>243,316</u>	<u>-</u>	<u>-</u>	<u>1,764,816</u>
OPERATING EXPENSES					
Salaries and benefits	626,297	-	-	-	626,297
Insurance	17,131	-	-	-	17,131
Office expenses	23,709	-	-	-	23,709
Continuing education	9,630	-	-	-	9,630
Dues and subscriptions	21,686	-	-	-	21,686
Postage	5,696	-	-	-	5,696
Repairs and maintenance	212,098	-	-	-	212,098
Gas, fuel and oil	6,586	-	-	-	6,586
Supplies	7,116	-	-	-	7,116
Professional services	98,001	-	-	-	98,001
Travel	1,861	-	-	-	1,861
Telephone	9,866	-	-	-	9,866
Power	101,574	-	-	-	101,574
Other utilities	2,181	-	-	-	2,181
Depreciation	182,482	-	-	-	182,482
Other operating	296	-	-	-	296
Office and safety equipment	7,225	-	-	-	7,225
Director's compensation	2,065	-	-	-	2,065
Environmental monitoring	10,395	-	-	-	10,395
Water conservation	6,433	-	-	-	6,433
Water rights	16,579	-	-	-	16,579
Annual operating fees	29,463	6,029	-	-	35,492
Total Operating Expenses	<u>1,398,370</u>	<u>6,029</u>	<u>-</u>	<u>-</u>	<u>1,404,399</u>
Operating Income (Loss)	<u>123,130</u>	<u>237,287</u>	<u>-</u>	<u>-</u>	<u>360,417</u>
NON-OPERATING REVENUES (EXPENSES)					
Interest income	759	95	1,507	-	2,361
Interest expense	-	(68,549)	-	-	(68,549)
Total Non-Operating Revenue (Expenses)	<u>759</u>	<u>(68,454)</u>	<u>1,507</u>	<u>-</u>	<u>(66,188)</u>
Income (Loss) Before Transfers	<u>123,889</u>	<u>168,833</u>	<u>1,507</u>	<u>-</u>	<u>294,229</u>
Transfers in	26,047	-	-	-	26,047
Change in Net Position	<u>149,936</u>	<u>168,833</u>	<u>1,507</u>	<u>-</u>	<u>320,276</u>
Total Net Position - Beginning	<u>2,908,828</u>	<u>(2,174,143)</u>	<u>171,073</u>	<u>6,039</u>	<u>911,797</u>
Total Net Position - Ending	<u>\$ 3,058,764</u>	<u>\$ (2,005,310)</u>	<u>\$ 172,580</u>	<u>\$ 6,039</u>	<u>\$ 1,232,073</u>

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
Combining Statement of Cash Flows
Water Operations
For the Year Ended June 30, 2017

	<u>Water</u>	<u>CIEDB Loan Redemption</u>	<u>CIEDB Loan Reserve</u>	<u>Water Capital Fund</u>	<u>Total Water Operations</u>
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from customers	\$ 1,521,354	\$ 243,292	\$ -	\$ -	\$ 1,764,646
Cash paid to suppliers	(582,855)	(6,029)	-	-	(588,884)
Cash paid to employees	(671,051)	-	-	-	(671,051)
Net Cash Provided (Used) by Operating Activities	<u>267,448</u>	<u>237,263</u>	<u>-</u>	<u>-</u>	<u>504,711</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES					
Interfund loan repayments paid	(6,752)	(17,778)	-	-	(24,530)
Interfund loan repayments received	-	-	24,530	-	24,530
Transfers in from other funds	26,047	-	-	-	26,047
Net Cash Provided (Used) by Non- Capital Financing Activities	<u>19,295</u>	<u>(17,778)</u>	<u>24,530</u>	<u>-</u>	<u>26,047</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Principal paid on debt	-	(95,989)	-	-	(95,989)
Interest paid on debt	-	(69,942)	-	-	(69,942)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>-</u>	<u>(165,931)</u>	<u>-</u>	<u>-</u>	<u>(165,931)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest on investments	527	68	1,110	-	1,705
Net Cash Provided (Used) by Investing Activities	<u>527</u>	<u>68</u>	<u>1,110</u>	<u>-</u>	<u>1,705</u>
Net Increase (Decrease) in Cash and Cash Equivalents	287,270	53,622	25,640	-	366,532
Balances - Beginning	<u>350</u>	<u>-</u>	<u>146,543</u>	<u>-</u>	<u>146,893</u>
Balances - Ending	<u>\$ 287,620</u>	<u>\$ 53,622</u>	<u>\$ 172,183</u>	<u>\$ -</u>	<u>\$ 513,425</u>

Continued (Page 1 of 2)

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
Combining Statement of Cash Flows
Water Operations
For the Year Ended June 30, 2017

	<u>Water</u>	<u>CIEDB Loan Redemption</u>	<u>CIEDB Loan Reserve</u>	<u>Water Capital Fund</u>	<u>Total Water Operations</u>
RECONCILIATION OF OPERATING INCOME					
(LOSS) TO NET CASH PROVIDED (USED) BY					
OPERATING ACTIVITIES					
Operating income (loss)	\$ 123,130	\$ 237,287	\$ -	\$ -	\$ 360,417
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation/amortization	182,482	-	-	-	182,482
Decrease (increase) in:					
Accounts receivable	4,715	(24)	-	-	4,691
Taxes receivable	(4,861)	-	-	-	(4,861)
Prepaid costs	25,781	-	-	-	25,781
Pension adjustment - deferred outflows	(127,868)	-	-	-	(127,868)
Increase (decrease) in:					
Accounts payable	(19,045)	-	-	-	(19,045)
Salaries and benefits payable	3,294	-	-	-	3,294
Compensated absences payable	9,842	-	-	-	9,842
Net pension liability	105,671	-	-	-	105,671
Net OPEB obligation	42,019	-	-	-	42,019
Pension adjustment - deferred inflows	(77,712)	-	-	-	(77,712)
Net Cash Provided (Used) by Operating Activities	<u>\$ 267,448</u>	<u>\$ 237,263</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 504,711</u>

Continued (Page 2 of 2)

OTHER REPORT AND SCHEDULES

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

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

The Board of Directors
Hidden Valley Lake Community Services District
Hidden Valley Lake, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the business-type activities and each major fund of Hidden Valley Lake Community Services District, California (District) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated November 9, 2017.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and recommendations that we consider to be a material weakness. (2017-001)

The Board of Directors
Hidden Valley Lake Community Services District
Hidden Valley Lake, California

Compliance and Other Matters

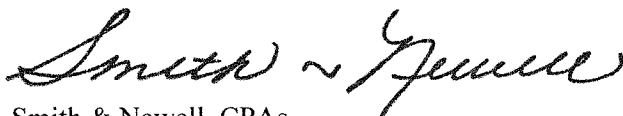
As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material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

District's Response to Finding

The District's response to the finding identified in our audit is described in the accompanying schedule of findings and recommendations. The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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



Smith & Newell, CPAs
Yuba City, California
November 9, 2017

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
Schedule of Findings and Recommendations
For the Year Ended June 30, 2017

2017-001 Account Balances (Material Weakness)

Condition

During our audit, we noted the following:

1. Intergovernmental receivables/revenues were not recorded.
2. Assessments receivable for June 30, 2016 had not been reversed out of the account balance and the June 30, 2017 balance had not been recorded.
3. The payroll tax accrual was posted twice and the current year accrual was not recorded correctly.
4. The June 30, 2016 interest payable liability was not reversed out of the current balance.
5. The debt payments had not been recorded against the loan balances.

Cause

We noted that cash and investments, intergovernmental receivables, prepaid costs, salaries payable, interest payable, and debt payable were not adjusted as necessary to accurately reflect current balances.

Criteria

Generally accepted accounting principles require that account balances be adjusted as necessary to reflect current balances.

Effect of Condition

Accounts were not properly adjusted prior to the start of the annual audit.

Recommendation

We recommend that the District reconcile and adjust account balances in a timely manner.

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
Schedule of Prior Year Findings and Recommendations
For the Year Ended June 30, 2017

<u>Audit Reference</u>	<u>Status of Prior Year Audit Recommendation</u>
2016-001	Account Balances Recommendation We recommend that the District reconcile and adjust account balances in a timely manner. Status In Progress

HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT
Management's Corrective Action Plan
For the Year Ended June 30, 2017

Finding 2017-001 Account Balances (Material Weakness)

We recommend that the District reconcile and adjust account balances in a timely manner.

Responsible Individual: General Manager

Corrective Action Plan: Additional resources have been budgeted to provide for Bookkeeper-in-Charge and other staff training by consultants and participation in professional special district and financial management associations. The Bookkeeper-in-Charge is attending formal accounting training and certificate program at a local Community College. Staff will develop and update the financial and accounting policies and procedures manual, using best management practices, for the District.

Anticipated Completion Date: June 2018

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**ACTION OF
HIDDEN VALLEY LAKE COMMUNITY SERVICES DISTRICT**

DATE: December 19,2017

AGENDA ITEM: Discuss and approve the General Manager to extend the existing RGS contract.

RECOMMENDATIONS: Approve the General Manager to extend the RGS contract.

FINANCIAL IMPACT: Estimated cost of \$26,348 would be split between Water and Sewer;

\$13,174 313 Waste Water Operating Reserves Fund
 \$13,174 Water Operating Reserves Fund
\$26,348 Total Estimated Cost

BACKGROUND: Initial scope from 07/06/17 to 09/30/17 - Assessed current level of compliance with accounting principles, Assisted staff in development of written Finance and accounting policies/procedures, Provided oversight to Full-Charge Bookkeeper on specific projects, such as audit, financial reporting and others as discussed.

LOOKING FORWARD: Extended scope from October 2017 to March 2018 - Completion of 2017 Audit for presentation to Board in December, revised monthly financial reporting process and schedules, develop revised Budget process, policies and schedules, Revise Accounting and finance operating policies and procedures, Continuation of financial oversight and advice as needed.

APPROVED
AS RECOMMENDED

OTHER
(SEE BELOW)

Modification to recommendation and/or other actions:

I, Kirk Cloyd, Secretary to the Board, do hereby certify that the foregoing action was regularly introduced, passed, and adopted by said Board of Directors at a regular board meeting thereof held on December 19, 2017 by the following vote:

Ayes:

Noes:

Abstain:

Absent

Secretary to the Board

Hidden Valley Lake Community Services District Estimate Scope of Services Extended

Initial scope from 07/06/17 to 09/30/17 - Assess their current level of compliance with accounting principles, Assist staff in development of written Finance and accounting policies/procedures, Provide oversight to Full-Charge Bookkeeper on specific projects, such as audit, financial reporting and others

Extended scope from October 2017 to March 2018 - Completion of 2017 Audit for presentation to Board in December, Revised monthly financial reporting process and schedules, Develop revised Budget process, policies and schedules, Revise Accounting and finance operating policies and procedures, Continuation of financial oversight and advice as needed

Task #	Scope of Work, Task and Actions	Schedule		Estimated Hours and meetings and Lodging			RGS Hourly Billing	Other Costs	Total Est costs
		From	To	Est. Hours	Est. Meetings	Lodging & 1/2 Travel	\$ 110.00	Mileage & 1/2 Travel Time	

	Completion of 20147 Audit - Review Draft schedules and notes, Develop MD&A, respond to Auditor management letter, target final by December	10/1/2017	11/30/2017	20	1	1.5		\$ 2,200	\$ 224	\$ 2,424
	Revised monthly financial reporting process and schedules	10/1/2017	11/15/2017	20	1	1.5		\$ 2,200	\$ 224	\$ 2,424
	Develop revised Budget process, policies and schedules	10/1/2017	12/31/2017	40	2	3		\$ 4,400	\$ 448	\$ 4,848
	Revise Accounting and finance operating policies and procedures with narratives and forms	10/1/2017	3/30/2017	40	3	4.5		\$ 4,400	\$ 672	\$ 5,072
	Continuation of financial oversight and advice as needed	10/1/2017	3/30/2017	89	8	12		\$ 9,790	\$ 1,791	\$ 11,581
	Extend and Follow up as needed			TBD				\$ -		

Total Estimated Hours and Meetings

209	15	22.5	\$ 22,990	\$ 3,358	\$ 26,348
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Mileage Rate at current IRS \$.535/mile

Miles of round trip travel **110**

\$ 883

Other Expenses

\$ 2,475

Contingency - 10% of Est Hours

\$ -

Total Estimated Contract for Services

209

\$ 26,348

Two viewpoints:

1. What is the forecasted savings without any water rate increases
2. What is the guaranteed savings...without increases

Forecasted savings would show a project that pays for itself in 20 years with a very modest positive balance of \$35,969.

Financial Summary
Client Name Here

Projected Savings	
Projected Savings:	\$ 42,732
Escalation:	0.00%
Savings Guarantee Term (yrs):	20
Projected Construction Savings:	

Guarantee Savings	Measured	Non-Measured	Escalation
	Annual Utility Savings:		
Operations & Maintenance:			
Capital Cost Avoidance:			
Construction Utility Savings:			

Cost	
Total Project Pricing:	\$ 1,637,341
Capital Contribution:	
Grant:	\$ 818,670
Finance Amount:	\$ 818,671
Utility Rebate:	

Finance Terms	
Annual Interest Rate (%):	
# of Payment Periods per Yr:	
Lease Term (yrs):	20
Payment Factor:	0
Payment per Period:	\$ -

Performance Assurance	

Year	Savings				Cost			
	Projected	Measured Utility	Non-Measured Utility	O&M / Capital CA	Guarantee Total (B+C+D)	Project Payment	Guaranteed Surplus (E+F)	Projected Surplus (A+F+Reb)
	A	B	C	D	E	F	G	H
Construction						\$ (818,671)	\$ (818,671)	\$ (818,671)
1	\$ 42,732							\$ 42,732
2	\$ 42,732							\$ 42,732
3	\$ 42,732							\$ 42,732
4	\$ 42,732							\$ 42,732
5	\$ 42,732							\$ 42,732
6	\$ 42,732							\$ 42,732
7	\$ 42,732							\$ 42,732
8	\$ 42,732							\$ 42,732
9	\$ 42,732							\$ 42,732
10	\$ 42,732							\$ 42,732
11	\$ 42,732							\$ 42,732
12	\$ 42,732							\$ 42,732
13	\$ 42,732							\$ 42,732
14	\$ 42,732							\$ 42,732
15	\$ 42,732							\$ 42,732
16	\$ 42,732							\$ 42,732
17	\$ 42,732							\$ 42,732
18	\$ 42,732							\$ 42,732
19	\$ 42,732							\$ 42,732
20	\$ 42,732							\$ 42,732
Total	\$ 854,640					\$ (818,671)	\$ (818,671)	\$ 35,969

Guaranteed savings would look like this and you are down \$49,491 over 20 years

Financial Summary
Client Name Here

Projected Savings	
Projected Savings:	\$ 38,459
Escalation:	0.00%
Savings Guarantee Term (yrs):	20
Projected Construction Savings:	

Guarantee Savings	Measured	Non-Measured	Escalation
	Annual Utility Savings:		
Operations & Maintenance:			
Capital Cost Avoidance:			
Construction Utility Savings:			

Cost	
Total Project Pricing:	\$ 1,637,341
Capital Contribution:	
Grant:	\$ 818,670
Finance Amount:	\$ 818,671
Utility Rebate:	

Finance Terms	
Annual Interest Rate (%):	
# of Payment Periods per Yr:	
Lease Term (yrs):	20
Payment Factor:	0
Payment per Period:	\$ -

Performance Assurance	

Year	Savings				Cost			
	Projected	Measured Utility	Non-Measured Utility	O&M / Capital CA	Guarantee Total (B+C+D)	Project Payment	Guaranteed Surplus (E+F)	Projected Surplus (A+F+Reb)
	A	B	C	D	E	F	G	H
Construction						\$ (818,671)	\$ (818,671)	\$ (818,671)
1	\$ 38,459							\$ 38,459
2	\$ 38,459							\$ 38,459
3	\$ 38,459							\$ 38,459
4	\$ 38,459							\$ 38,459
5	\$ 38,459							\$ 38,459
6	\$ 38,459							\$ 38,459
7	\$ 38,459							\$ 38,459
8	\$ 38,459							\$ 38,459
9	\$ 38,459							\$ 38,459
10	\$ 38,459							\$ 38,459
11	\$ 38,459							\$ 38,459
12	\$ 38,459							\$ 38,459
13	\$ 38,459							\$ 38,459
14	\$ 38,459							\$ 38,459
15	\$ 38,459							\$ 38,459
16	\$ 38,459							\$ 38,459
17	\$ 38,459							\$ 38,459
18	\$ 38,459							\$ 38,459
19	\$ 38,459							\$ 38,459
20	\$ 38,459							\$ 38,459
Total	\$ 769,180					\$ (818,671)	\$ (818,671)	\$ (49,491)