

SPECIAL FINANCE COMMITTEE MEETING AGENDA

October 24, 2023 – 4:00 P.M.
Phelan Community Center
4128 Warbler Road, Phelan, CA 92371
& Remotely (see below)

SPECIAL FINANCE COMMITTEE MEETING – 4:00 P.M.

Call to Order – Pledge of Allegiance

Roll Call

1) **Approval of Agenda**

2) **Public Comment** – Under this item, any member of the public wishing to directly address the Board on any item of interest that may or may not be within the subject matter jurisdiction of the Board, but not listed on the agenda, may do so at this time. However, the Board is prohibited by law from taking any action on any item not appearing on the agenda unless the action is otherwise authorized by the Brown Act. Any member of the public wishing to directly address the Board on any item listed on the agenda may do so when the item is being considered by the Board. Speakers are requested to be brief in their remarks. The Chair may limit each speaker to a comment period of five (5) minutes.

3) **Approval of Minutes**

4) **Review of Audit Report**

5) **Review of Quarterly Financials**

6) **Review of Solar Project Credits & Expenses**

7) **Review of Quarterly Investment Report**

8) **Committee Comments**

9) **Review of Action Items**

- a) Prior Meeting
- b) Current Meeting

10) **Set Agenda for Next Meeting** – January 16, 2024

11) **Adjournment**

Pursuant to Government Code Section 54954.2(a), any request for a disability-related modification or accommodation, including auxiliary aids or services, that is sought in order to participate in the above-agendized public meeting should be directed to the District's General Manager at (760) 868-1212 at least 24 hours prior to said meeting.



Mission Statement:

The Mission of the Phelan Piñon Hills Community Services District is to efficiently provide authorized services and maximize resources for the benefit of the community.

Authorized Services:

- Water
- Parks & Recreation
- Street Lighting
- Solid Waste & Recycling

Agenda materials can be viewed online at www.pphcsd.org

Remote Viewing:

To watch the livestream (view only – nonparticipating), visit our YouTube channel:

[PPHCSD YouTube Channel Link](#)

Remote Participation:

To provide public comment, or otherwise participate remotely, select the meeting you wish to attend on the District's website and then click the "Join Remote Meeting" option.

<https://www.pphcsd.org/meetings>

Please be advised that remote participation and livestreaming options are provided as a courtesy to the public and technical issues could occur, resulting in delays or the inability to participate remotely or livestream. It is recommended that you attend in person to ensure you are able to participate.

Written Comments:

You may also email your public comment to the Board Secretary at ksevy@pphcsd.org by the meeting start time listed on this agenda. Your comment will be added to the record by the Board Secretary.

Please check the District website for updates on this meeting. We encourage you to sign up for our email notifications by emailing ksevy@pphcsd.org or by visiting our website and completing the signup form at www.pphcsd.org under the "Agendas and Minutes" tab.

SPECIAL FINANCE COMMITTEE MEETING MINUTES

July 25, 2023

Phelan Community Center
4128 Warbler Road, Phelan, CA 92371
& Remotely Via Zoom or Conference Call

Board Members Present: Mark Roberts, Vice President/Chair
Chuck Hays, Director

Board Members Absent: None

Staff Present: Don Bartz, General Manager
Lori Lowrance, Assistant General Manager/CFO
David Noland, Finance Supervisor
Kim Sevy, HR & Solid Waste Manager/District Clerk

Call to Order

Vice President Roberts called the meeting to order at 4:00 p.m.

Roll Call

All Committee Members were present at Roll Call.

1) Approval of Agenda

Vice President Roberts moved to approve the Agenda. Director Hays seconded the motion. Motion passed unanimously.

2) Public Comment

None

3) Approval of Minutes

Director Hays moved to approve the Minutes, as amended. Vice President Roberts seconded the motion. Motion passed unanimously.

4) Review of Quarterly Financials

The Committee reviewed the financials.

5) Review of Solar Project Credits & Expenses

The Committee reviewed the solar project credits and expenses.

6) Review of Quarterly Investment Report

The Committee reviewed the Cash/Investment report.

7) Committee Comments

Nothing further.

8) **Review of Action Items**

- a) **Prior Meeting** – Complete - a port-a-potty has been purchased.
- b) **Current Meeting** – None

9) **Set Agenda for Next Meeting**

- Regular Meeting - October 17, 2023

10) **Adjournment**

With no further business before the Committee, the meeting adjourned at 4:40 p.m.

Agenda materials can be viewed online at <https://www.pphcsd.org>

**Phelan Piñon Hills
Community Services District**

Management Report

June 30, 2023

Board Presentation Draft

Phelan Piñon Hills Community Services District

Management Report

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Board Presentation Draft

CONFIDENTIAL

Board of Directors
Phelan Piñon Hills Community Services District
Phelan, California

Dear Members of the Board:

In planning and performing our audit of the financial statements of the governmental activities, the business-type activities, and each major fund of the Phelan Piñon Hills Community Services District (District) as of and for the year ended June 30, 2023, 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, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, 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 reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

- *Reasonably possible.* The chance of the future event or events occurring is more than remote but less than likely.
- *Probable.* The future event or events are likely to occur.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Current Year Comments and Recommendations

Disclosure of Audit Adjustments and Reclassifications

As your external auditor, we assume that the books and records of the District are properly adjusted before the audit begins. In many cases, however, audit adjustments and reclassifications are made in the normal course of the audit process to present the District's financial statements in conformity with accounting principles generally accepted in the United States of America or for comparison purposes with the prior year. For the Board of Directors to gain a full and complete understanding and appreciation of the scope and extent of the audit process we have presented these audit adjustments and reclassifications as an attachment to this letter. There can be very reasonable explanations for situations of having numerous adjustments as well as having no adjustments at all. However, the issue is simply disclosure of the adjustments and reclassifications that were made and to provide the Board of Directors with a better understanding of the scope of the audit.

Management's Response

The District has reviewed and approved all of the audit adjustment and reclassification entries provided by the auditor and have entered those entries into the District's accounting system.

Prior Year Comment and Recommendation

Disclosure of Audit Adjustments and Reclassifications

As your external auditor, we assume that the books and records of the District are properly adjusted before the audit begins. In many cases, however, audit adjustments and reclassifications are made in the normal course of the audit process to present the District's financial statements in conformity with accounting principles generally accepted in the United States of America or for comparison purposes with the prior year. For the Board of Directors to gain a full and complete understanding and appreciation of the scope and extent of the audit process we have presented these audit adjustments and reclassifications as an attachment to this letter. There can be very reasonable explanations for situations of having numerous adjustments as well as having no adjustments at all. However, the issue is simply disclosure of the adjustments and reclassifications that were made and to provide the Board of Directors with a better understanding of the scope of the audit.

Management's Response

The District has reviewed and approved all of the audit adjustment and reclassification entries provided by the auditor and have entered those entries into the District's accounting system.

* * * * *

This communication is intended solely for the information and use of management, the Board of Directors, and others within the District, and is not intended to be, and should not be, used by anyone other than these specified parties. This restriction is not intended to limit the distribution of this letter, which is a matter of public record.

We appreciate the courtesy and cooperation extended to us during our examination. We would be pleased to discuss the contents of this letter with you at your convenience. Please do not hesitate to contact us.

C.J. Brown & Company CPAs
Cypress, California
November 8, 2023

APPENDIX

**Phelan Piñon Hills
Community Services District**

Audit/Finance Committee Letter

June 30, 2023

Board Presentation Draft

Board of Directors
Phelan Piñon Hills Community Services District
Phelan, California

We have audited the financial statements of the governmental activities, the business-type activities, and each major fund of the Phelan Piñon Hills Community Services District (District) for the year ended June 30, 2023, and have issued our report thereon dated November 8, 2023. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated June 8, 2023, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, as part of our audit, we considered the internal control of the District solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

If any, we have provided our findings regarding significant control deficiencies over financial reporting and material noncompliance, and other matters noted during our audit in a separate letter to you dated November 8, 2023.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence.

An auditor that is not involved in the engagement performed an independent review of the financial statements that was prepared by us based on the information provided by management. This safeguard reduces the threat of self-review risk to an acceptable level.

Required Risk Assessment Procedures per Auditing Standards:

As auditors of the District, we are required per AU-C Section 240, “Consideration of Fraud in a Financial Statement Audit”, to “ordinarily” presume and consider the following risks in designing our audit procedures:

- Management override of controls
- Revenue recognition

Qualitative Aspects of the Entity’s Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the District is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during 2023. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management’s current judgments. The most sensitive accounting estimates affecting the financial statements are as follows:

Management’s estimate of the fair value of cash and investments is based on information provided by financial institutions. We evaluated the key factors and assumptions used to develop the fair value of cash and investments in determining that it is reasonable in relation to the financial statements taken as a whole.

Management’s estimate of capital assets depreciation is based on historical estimates of each capitalized item’s useful life expectancy or cost recovery period. We evaluated the key factors and assumptions used to develop the capital asset depreciation calculations in determining that they are reasonable in relation to the financial statements taken as a whole.

Management’s estimate of the defined benefit pension plan’s net pension liability, deferred outflows/inflows of resources, and pension expense are based on an actuarial valuation conducted by a third-party actuary. We evaluated the actuarial methods and assumptions used by the actuary to calculate these amounts for the District to determine that they are reasonable in relation to the financial statements taken as a whole.

Certain basic financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the basic financial statements are:

The disclosure of cash and investments in Note 2 to the basic financial statements represents amounts susceptible to market fluctuations.

The disclosure of capital assets, net in Note 4 to the basic financial statements is based on historical information which could differ from actual useful lives of each capitalized item.

The disclosure of the District’s defined benefit pension plan in Note 7 to the basic financial statements is based on actuarial assumptions which could differ from actual costs.

Significant Unusual Transactions

For purposes of this communication, professional standards require us to communicate to you significant unusual transactions identified during our audit. No significant unusual transactions were identified as a result of our audit procedures that were brought to the attention of management:

Identified or Suspected Fraud

We have not identified or have not obtained information that indicates that fraud may have occurred.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards also require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. There were no uncorrected misstatements whose effects in the current and prior periods, as determined by management, are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. The attached schedule on pages 5 through 8 discloses all material misstatements that we identified as a result of our audit procedures that were brought to the attention of, and corrected by, management.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the District's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Circumstances that Affect the Form and Content of the Auditor's Report

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditor's report. There were no circumstances that affect the form and content of the auditor's report.

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached letter dated November 8, 2023.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the District, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the District's auditors.

Other Matters

We applied certain limited procedures to the Management Discussion and Analysis, Schedules of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual, Schedules of District's Proportionate Share of the Net Pension Liability, and Schedules of Pension Plan Contributions, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were not engaged to report on the Introductory and Statistical Sections, which accompany the financial statements but are not RSI. Such information 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 Information Included in Annual Reports

Pursuant to professional standards, our responsibility as auditors for other information, whether financial or nonfinancial, included in the District's annual reports, does not extend beyond the information identified in the audit report, and we are not required to perform any procedures to corroborate such other information. However, in accordance with such standards, we have read the information and considered whether such information, or the manner of its presentation, was materially inconsistent with its presentation in the financial statements.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

Restriction on Use

We appreciate the cooperation extended us by Don Bartz, General Manager, and Lori Lowrance, Assistant General Manager / CFO, in the performance of our audit testwork. We will be pleased to respond to any question you have about the foregoing. We appreciate the opportunity to continue to be of service to the District.

This information is intended solely for the information and use of the Board of Directors and management of the District and is not intended to be, and should not be, used by anyone other than these specified parties. This restriction is not intended to limit the distribution of this letter, which is a matter of public record.

C.J. Brown & Company CPAs
Cypress, California
November 8, 2023

*Phelan Pinon Hills Community Services District
Schedule of Audit Adjusting Journal Entries
June 30, 2023*

Account	Description	Debit	Credit
Adjusting Journal Entries			
Adjusting Journal Entries JE # 1			
AJE - To adjust enterprise fund equity per prior year issued FS.			
01-1-6-59310	Other Operating Expenses	359.00	
01-0-0-32000	Unrestricted Net Assets		359.00
Total		<u>359.00</u>	<u>359.00</u>
Adjusting Journal Entries JE # 2			
AJE - To reclassify amounts for footnote disclosure at June 30, 2023.			
99-0-0-11510	Investment Accounts - Net Incr/Decr Fair Value	19,884.85	
99-0-0-11607	Cash - Charles Schwab - Cash	3,089.92	
99-0-0-11510	Investment Accounts - Net Incr/Decr Fair Value		3,089.92
99-0-0-11606	Cash - Charles Schwab - Inv FMV Adj		19,884.85
Total		<u>22,974.77</u>	<u>22,974.77</u>
Adjusting Journal Entries JE # 3			
AJE - To reverse debt service accrual paid at check 34017 dated 7/5/23 improperly accrued in AP and reclassify interest to interest payable at June 30, 2023.			
01-0-0-21100	Accounts Payable - Trade	234,650.31	
01-1-0-29760	Loan Payable - MFC Civic Center Site Lease		94,220.31
01-1-1-91010	Interest Expense		140,430.00
Total		<u>234,650.31</u>	<u>234,650.31</u>
Adjusting Journal Entries JE # 4			
AJE - To reverse MFC Civic Center Loan interest accrued and accrue interest based upon the coupon date 7/13/2023 x 5 months, similar to other debt service interest payable calculations.			
01-0-0-22150	Accrued Interest Payable	12,877.09	
01-1-1-91010	Interest Expense	140,430.00	
01-0-0-22150	Accrued Interest Payable		140,430.00
01-1-1-91010	Interest Expense		12,877.09
Total		<u>153,307.09</u>	<u>153,307.09</u>
Adjusting Journal Entries JE # 5			
AJE - To reclassify FY23/24 prepaid portion and payable incorrectly accrued for at June 30, 2023.			
01-0-0-21100	Accounts Payable - Trade	17,357.04	
01-0-0-14100	Prepaid Expense		17,357.04
Total		<u>17,357.04</u>	<u>17,357.04</u>
Adjusting Journal Entries JE # 6			
AJE - To reclassify accrued payroll which was paid on 7/7 at June 30, 2023.			
01-0-0-11000	Cash in Bank	82,759.21	
99-0-0-24410	Accrued Payroll	82,759.21	
01-0-0-24410	Accrued Payroll		82,759.21
99-0-0-24700	Due to Other Funds		82,759.21
Total		<u>165,518.42</u>	<u>165,518.42</u>

*Phelan Pinon Hills Community Services District
Schedule of Audit Adjusting Journal Entries
June 30, 2023*

Account	Description	Debit	Credit
Adjusting Journal Entries JE # 7			
GASB 68 Entry #1 - To reclassify 2022 contributions to the Net Pension Liability at June 30, 2023.			
01-0-1-29850	Net Pension Liability	302,994.00	
22-2-1-29850	Net Pension Liability	33,666.00	
01-0-1-14300	Deferred Outflows of Resources		302,994.00
22-2-1-14300	Deferred Outflows of Resources		33,666.00
Total		<u>336,660.00</u>	<u>336,660.00</u>
Adjusting Journal Entries JE # 8			
GASB 68 Entry #2 - To reclassify 2023 contributions to deferred outflows of resources at June 30, 2023.			
01-0-1-14300	Deferred Outflows of Resources	199,048.00	
20-0-0-11000	Cash in Bank	332.00	
22-2-1-14300	Deferred Outflows of Resources	22,116.00	
25-5-0-11000	Cash in Bank	774.00	
01-0-1-51295	Contra Retirement GASB68		199,048.00
20-0-1-51295	Contra Retirement GASB68		332.00
22-2-0-11000	Cash in Bank		1,106.00
22-2-1-51295	Contra Retirement GASB68		21,010.00
25-5-1-51295	Contra Retirement GASB68		774.00
Total		<u>222,270.00</u>	<u>222,270.00</u>

Board Presentation Draft

*Phelan Pinon Hills Community Services District
Schedule of Audit Adjusting Journal Entries
June 30, 2023*

Account	Description	Debit	Credit
Adjusting Journal Entries JE # 9			
GASB 68 Entry #3 - To record changes in pension liability during FY21/22 at June 30, 2023.			
01-0-1-14300	Deferred Outflows of Resources	8,646.00	
01-0-1-14300	Deferred Outflows of Resources	47,409.00	
01-0-1-14300	Deferred Outflows of Resources	84,013.00	
01-0-1-14300	Deferred Outflows of Resources	274,768.00	
01-0-1-25500	Deferred Inflows of Resources	54,417.00	
01-0-1-51295	Contra Retirement GASB68	792,175.00	
20-0-1-51295	Contra Retirement GASB68	1,320.00	
22-2-0-11000	Cash in Bank	4,401.00	
22-2-1-14300	Deferred Outflows of Resources	960.00	
22-2-1-14300	Deferred Outflows of Resources	5,268.00	
22-2-1-14300	Deferred Outflows of Resources	9,334.00	
22-2-1-14300	Deferred Outflows of Resources	30,529.00	
22-2-1-25500	Deferred Inflows of Resources	6,046.00	
22-2-1-51295	Contra Retirement GASB68	83,619.00	
25-5-1-51295	Contra Retirement GASB68	3,081.00	
01-0-1-14300	Deferred Outflows of Resources		54,417.00
01-0-1-14300	Deferred Outflows of Resources		387,563.00
01-0-1-29850	Net Pension Liability		819,448.00
20-0-0-11000	Cash in Bank		1,320.00
22-2-1-14300	Deferred Outflows of Resources		6,046.00
22-2-1-14300	Deferred Outflows of Resources		43,062.00
22-2-1-29850	Net Pension Liability		91,049.00
25-5-0-11000	Cash in Bank		3,081.00
Total		<u>1,405,986.00</u>	<u>1,405,986.00</u>
Adjusting Journal Entries JE # 10			
GASB 68 Entry #4 - To record changes in the deferred outflows and deferred inflows (amortization) during FY21/22 at June 30, 2023.			
01-0-1-14300	Deferred Outflows of Resources	7,214.00	
01-0-1-51295	Contra Retirement GASB68	209,853.00	
20-0-1-51295	Contra Retirement GASB68	349.00	
22-2-0-11000	Cash in Bank	1,165.00	
22-2-1-14300	Deferred Outflows of Resources	802.00	
22-2-1-51295	Contra Retirement GASB68	22,151.00	
25-5-1-51295	Contra Retirement GASB68	816.00	
01-0-1-14300	Deferred Outflows of Resources		5,448.00
01-0-1-14300	Deferred Outflows of Resources		88,732.00
01-0-1-14300	Deferred Outflows of Resources		92,557.00
01-0-1-14300	Deferred Outflows of Resources		30,330.00
20-0-0-11000	Cash in Bank		349.00
22-2-1-14300	Deferred Outflows of Resources		605.00
22-2-1-14300	Deferred Outflows of Resources		9,859.00
22-2-1-14300	Deferred Outflows of Resources		10,284.00
22-2-1-14300	Deferred Outflows of Resources		3,370.00
25-5-0-11000	Cash in Bank		816.00
		<u>242,350.00</u>	<u>242,350.00</u>

*Phelan Pinon Hills Community Services District
Schedule of Audit Adjusting Journal Entries
June 30, 2023*

Account	Description	Debit	Credit
Adjusting Journal Entries JE # 11			
AJE - To record fair market value for Flagstar CDs at June 30, 2023.			
01-0-0-11000	Cash in Bank	37,464.18	
22-2-0-11000	Cash in Bank	11,183.33	
24-4-0-11000	Cash in Bank	7,269.17	
99-0-0-11601	Cash in DCB - Investment CDs	55,916.68	
01-0-1-95010	Net Incr/Decr in Fair Value		37,464.18
22-0-1-95010	Net Incr/Decr in Fair Value		11,183.33
24-0-1-95010	Net Incr/Decr in Fair Value		7,269.17
99-0-0-24700	Due to Other Funds		55,916.68
Total		<u>111,833.36</u>	<u>111,833.36</u>
	Total Adjusting Journal Entries	<u>2,913,265.99</u>	<u>2,913,265.99</u>
	Total All Journal Entries	<u>2,913,265.99</u>	<u>2,913,265.99</u>

Legend:

AJE	Audit Adjusting Journal Entry
GASB 68 Entry	GASB 68 Adjusting Journal Entry

Board Presentation Draft



**Phelan Piñon Hills Community Services District
Phelan, California**

Annual Comprehensive Financial Report

For the Fiscal Year Ended

June 30, 2023



4176 Warbler Road | Phelan, CA



**Phelan Piñon Hills Community Services District
Phelan, California**

Annual Comprehensive Financial Report

For the Fiscal Year Ended

June 30, 2023

Board Presentation Draft

Prepared by:

Lori Lowrance, Assistant General Manager / CFO

**Phelan Piñon Hills Community Services District
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2023**

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**Phelan Piñon Hills Community Services District
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2023**

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Introductory Section

Board Presentation Draft

Board Presentation Draft



November 8, 2023

The Board of Directors of the
Phelan Piñon Hills Community Services District
Phelan, California

It is our pleasure to submit the Annual Comprehensive Financial Report (ACFR) for the Phelan Piñon Hills Community Services District (District) for the fiscal year ended June 30, 2023. District staff, following guidelines set forth by the Governmental Accounting Standards Board (GASB), prepared this financial report. The District is ultimately responsible for both the accuracy of the data and the completeness and the fairness of presentation, including all disclosures in this financial report. We believe that the data presented is accurate in all material respects. This report is designed in a manner that we believe necessary to enhance your understanding of the District's financial position and activities.

State Law and District by-laws require the District to obtain an annual audit of its financial statements by an independent certified public accountant. The accounting firm of C.J. Brown & Company CPAs has conducted the audit of the District's financial statements. Their unmodified Independent Auditor's Report appears in the Financial Section.

Generally Accepted Accounting Principles (GAAP) requires that management provide a narrative introduction, overview, and analysis to accompany the financial statements in the form of a Management's Discussion and Analysis (MD&A) section. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the Independent Auditor's Report.

District Profile

History

In February 2008, the citizens of Phelan and Piñon Hills overwhelmingly voted to separate the Water, Parks and Recreation, and Street Lighting Districts from the County and create a Community Services District. The Phelan Piñon Hills Community Services District was established through an election on February 5, 2008. With an 81% approval rating, the voters approved the formation of the District as a consolidation of three Special Districts: Zone-L70 Water, CSA-9 Phelan Parks and Street Lighting and CSA 56-F1 Piñon Hills Parks. This consolidation enabled the communities to establish a form of self-governance while maintaining their individual rural integrity. The 128 square mile District is the largest Community Service District in San Bernardino County. In March 2008, the Phelan Piñon Hills Community Services District was formed (LAFCO Resolution 2994), with a five-member Board of Directors elected to govern the District.

District Profile, continued

History, continued

Between March 2008 and June 30, 2008, during the early stages of the transition, the District continued to be operated and maintained by County of San Bernardino Special Districts. From July 1, 2008, through October 2008, the Directors outsourced the operations and maintenance of the District and began the recruitment process. In August, a General Manager was hired and in October through November 2008, the majority of the remaining staff was employed.

On November 16, 2011, LAFCO held a hearing on proposal 3167 and adopted resolution 3153 approving the activation of solid waste and recycling function and services for the District. On January 24, 2012, the Certificate of Completion was processed, formalizing the change in organization.

Governance

The District is governed by an elected, five-member Board of Directors. Board members are elected to a four-year term. For the currently seated Board, two Directors were elected in November of 2020 and three Directors were elected in November of 2022. The elected Directors set the policies of the District and provide guidance and leadership to the management and staff of the District.

The Board of Directors' regularly scheduled meetings are on the second and fourth Wednesdays of each month at 5pm in the Phelan Community Center. Additionally, the Directors are assigned to at least two standing committees, and some serve on ad hoc committees as needed. The committees have regularly scheduled monthly meetings for Engineering and Solid Waste and Recycling, and quarterly meetings for Parks, Recreation and Street Lighting, Legislative, and Finance. These meetings are open to the public who are encouraged to attend.

Resolution 2023-08, Section 1.1 states: The Board shall govern the District. The Board shall establish policies, direction, procedures, and oversight for the operation of the District. The Board shall provide for the implementation of those policies, which is the responsibility of the District's General Manager.

The elected board members delegate management responsibility of the day-to-day operations of the District to an appointed General Manager who, in turn, employs all personnel at the District, including department managers and supervisors. The District currently employs twenty-seven fulltime personnel. The District's General Manager, General Counsel, and external Auditor report directly to the Board of Directors.

District Services

As outlined by San Bernardino County LAFCO 3167 Staff Report, the District provides the following within its service area:

Water: Supply water for any beneficial use as outlined in the Municipal Water District law of 1911 (commencing with Section 71000) of the Water Code.

Park and Recreation: Acquire, construct, improve, maintain, and operate recreation facilities, including, but not limited to, parks and open space in the same manner as a recreation and park district formed pursuant to the Recreation and Park District Law (commencing with Section 5780) of the Public Resources Code.

Street lighting: Acquire, construct, improve, maintain, and operate street lighting and landscaping on public property, public right-of-way, and public easements.

District Profile, continued

District Services, continued

Solid Waste and Recycling: Collect, transfer, and dispose of solid waste and provide solid waste handling service, including, but not limited to, source reduction, recycling, composting activities, pursuant to Division 30 (commencing with Section 40000), and consistent with Section 41821.2 of the Public Resources Code.

Water

The primary component of the District is water service. Being efficient in every aspect is essential and will help in improving fiscal responsibility as well as system integrity. Developing relationships with neighboring water companies, agencies, and resources will enable everyone to be more responsible and efficient; therefore, the District is looking at joint ventures whenever it is viable.

The District operates and maintains a considerable infrastructure in order to provide safe, good tasting water to the residents and businesses within a 128 square mile service area. The water service area is almost entirely residential, with approximately 99 percent of the water service connections serving single-family residences. The water infrastructure consists of 14 wells (approximately 1,000 feet deep) in six well fields, and 35 reservoirs with a combined capacity of approximately 12,000,000 gallons, 4 dewatering tanks, 25 booster stations, 69 booster pumps, and 32 pressure reducing stations in 17 pressure zones, with approximately 353 miles of pipeline ranging from 4-inches to 16-inches in diameter.

The District obtains its water supply from the local groundwater aquifer, which is managed by two water authorities: Mojave Water Agency (MWA) and Antelope Valley Watermaster (AVW). If the District produces more than its allowance of groundwater in the MWA basins, the District may purchase replacement water from MWA, who replenishes the groundwater primarily with imported water from the State Water Project. If the District pumps any water out of the AVW basin, the District must pay the per unit fee, which changes annually.

The District encourages water conservation and offers incentive programs in partnership with the Alliance for Water Awareness and Conservation (AWAC), through the Mojave Water Agency, plus resource material to promote desert landscape. The District is focused on providing service now and for future generations.

Parks and Recreation

The District operates and maintains community centers with senior centers and two parks. The District continues to expand and improve these facilities to promote use. The District partners with the seniors at the two facilities and throughout the District to create programs that are beneficial to the community at large. The District also partners with local sports organizations and service clubs to create sports programs and activities in the community.

Parks and recreation are a vital component to any community. It not only adds beauty, but provides safe areas for activities of individuals, families, and groups. As part of the District, there are two community centers. These centers are utilized for a wide range of activities and are available to the community for a small fee. The District currently offers several events and activities and continues to explore various recreation ideas for the community.

Adjacent to the centers, the parks have picnic tables, playgrounds, basketball courts and other activities. They are available from morning until dusk. The District is looking to develop a large park facility that will have athletic fields, as well as standard park integrity. The District owns vacant parcels throughout the District for future park and recreation facilities.

District Profile, continued

Street lighting

The streetlights primarily service the business district of Phelan. There are also lights at strategic intersections to help in providing safety to the community. Expansion of the street lighting to other intersections is considered based upon a safety need, but the District does respect the San Bernardino County “Dark Sky” ordinance and encourages residents to do the same.

Solid Waste

The District administers solid waste and recycling programs and is responsible for compliance with state and federal mandates. The District coordinates solid waste and recycling programs and provides a variety of events within the community. The District works closely with the contractual hauler, CR&R, to help accomplish these tasks.

Local Economy

The District is located in Phelan and Piñon Hills, California, two unincorporated communities within San Bernardino County. During the first several years, San Bernardino County had witnessed a decrease in economic activity and a downturn in property values. Recent activity within the region, however, suggests a strengthening in home sale median prices and increased commercial activity. The past several years, increased home sales and new building throughout the Inland Empire has provided an upward trend in housing costs.

Financial Planning

Since formation in 2008, the District has continued to look for cost saving measures and efficiencies. The District was able to decrease expenses considerably over the County’s costs of providing services. Despite the Board’s efforts to maintain rates and fees, revenues decreased and the cost of operating the District continued to rise. Due to the economic downturn and housing vacancies within the District, water revenue decreased by over 15% between 2009 and 2012. The economy also caused a reduction in property tax values resulting in a loss of almost 40% of property tax revenue between 2008 and 2012. The cost of pumping water out of the ground, the District’s only water source, increased by 18% in 2013, 14% in 2014, 5% in 2015, by another 5% in 2016, and continues to increase annually, including a 9% increase in 2020 and 15% in 2021, due to the Southern California Edison rate changes. These increases, along with significant impacts of the conservation and water quality mandates, negated the rate increases that were adopted in 2013 and implemented each year thereafter, thus requiring a water rate study in 2015, 2020, and again in 2021 due to agricultural impacts. The rate study outlined recommended rate changes, which the District adopted accordingly. The cost of operations continues to rise, including costs of producing and delivering water, and providing clean, safe parks and community centers with programs and activities for the community.

The District continues to look for alternative ways to increase revenue and decrease expenses to minimize rate changes to customers. In 2012 and 2015, the District purchased water rights, which resulted in a savings of reduced water rights fees. Even after repaying the \$7.5 million dollar loan, this purchase is estimated to save the District \$18.3 million dollars over the next thirty years. In 2016, the District installed a solar project that results in credits against the District’s most costly (currently over \$1,500,000 per year) expense: electricity. After loan repayment, the estimated savings due to the solar were projected to be \$8.3 million dollars over thirty years. The combined results of these two measures are savings estimated to exceed \$26.6 million dollars over the next thirty years.

Financial Planning, continued

Current Financial Plans

In 2012, the District conducted the first water rate and fee study. The study was completed over a six-month period with several public workshops held throughout the process to garner public involvement and input. On February 20, 2013, after exceeding notification and meeting requirements of Proposition 218 (now Articles XII C & D of the California Constitution), the Board held a public hearing on the proposed multi-year rate change and adopted the rate schedule.

In 2015, after state mandated orders were issued to address the drought conditions in the state and state water quality mandates necessitated the plan for a \$17 million dollar blending project, the District completed a second water rate study. The District again exceeded the requirements of Proposition 218 by notification of customers, holding workshops, and conducting public outreach meetings. In January 2016, rate changes were approved that include increased charges to recover the lost revenues and additional costs to the District resulting from the state mandated conservation programs as well as a surcharge to cover the costs to blend water in order to meet the state mandated water quality changes. In 2020 the scheduled rate study was completed. However, in 2021 due to unforeseen agricultural demand on the system the District completed the most recent rate study. The Board of Directors reviews the approved rate changes each year to verify the necessity of the rate change, and to determine if the change can be reduced as a result of District efforts to lower expenses and obtain additional revenues to help mitigate the costs of operations.

The Chromium-6 mitigation project was implemented in response to requirements by the State of California, which lowered the acceptable levels of Chromium-6 that can be detected in drinking water from 50 parts per billion (ppb) to 10 ppb. While the levels found in the District's water supply (at certain sources) remain significantly below the federal standards (100 ppb) and the former state standards (50 ppb), it slightly exceeded the state standards established on July 1, 2014 of 10 ppb. After significant review and consideration, it was determined that blending the District's water with water from a new source would meet the mandated water quality standards. The cost of the facilities that would enable blending was projected to be \$17 million dollars. The District was seeking grants and low interest loans to help reduce the impact to the customers. The District was in the process of implementing its compliance project when the State Water Resources Control Board reversed its ruling, changing the MCL back to 50 ppb. It is expected that the MCL will be reduced again, however the revised MCL is unknown at this time. The District has spent approximately \$6.8 million dollars toward the compliance project and has approved an additional \$4.3 million dollars in projects to meet the state's mandates. The total of approximately \$11.1 million dollars of the revised projects is \$5.9 million dollars less than the original estimated \$17 million dollars. The District will continue to collect the surcharge from customers to recover the funds expended.

In 2015/2016, the District completed installation of a 1.16-megawatt solar project, which is projected to save the District more than \$8.3 million dollars over a thirty-year period. The District receives credits for electricity produced from the solar project that to help offset the considerable electric costs.

Long-Term Financial Plans

The District has developed 10-year plans for infrastructure repair, replacement, and additions. The additional facilities for the Water Fund are projected based on the District's Water Master Plan as growth occurs. A Parks Master Plan was completed in 2019 outlining long range plans and priorities. Parks and Recreation and Solid Waste and Recycling plans are developed by staff and the Committees. The repairs and replacements for all funds are based on estimated useful life of District facilities. These plans are updated and reviewed by the Board of Directors each year.

Financial Planning, continued

District Strategic Plan

The District updated and adopted the Strategic Plan in 2021/2022. The plan was developed by BHI Management Consulting. BHI had numerous meetings with the Board of Directors, management, staff, and the public, to bring forth a comprehensive plan that provides focus for development of the District. The plan's current Vision to Action Table is on the following pages. The full plan is available on the District's website and is cited throughout this document in reference to goals and plans for the coming year.

Relevant Financial Policies and Controls

Phelan Piñon Hills Community Services District financial policies include many of the District's financial management practices that are used by District staff as guidelines for operational and strategic decision making related to current and future financial matters. The purpose of establishing these policies is to set parameters in which the District can operate to best serve its constituents. Some policies are flexible when they are utilized by District staff as management tools to monitor the District's finances, while others are restrictive to emphasize accountability.

These policies are drafted as living documents to maintain their effectiveness in order to accommodate changes. District staff and Board Members review these policies periodically to accommodate minor changes to the existing policy or major changes in financial priorities as approved by the Board of Directors at its sole discretion.

The District's primary financial policies encompass the following areas:

- Budget Policy
- Investment Policy
- Reserves Policy
- Revenue Policy
- Purchasing Policy

Budget Policy (Resolution 2023-10)

The Budget Policy formally documents the budget goals and practices. The budget policy addresses legal requirements, balanced budget definition and goals, periodic reporting requirements, and assumption guidelines. The District considers a budget as balanced if there are sufficient net revenues to cover the cost of operations and debt service. Adjustments to the budget may be made in compliance with 1.8 of this policy.

Investment Policy (Resolution 2020-01)

The Investment Policy provides guidelines for ensuring the safety of funds invested while maximizing investment interest income to the District. The policy and procedures are written to be in accordance with California Government Code Sections 53600 et seq. and 53635 et seq. The three principle investment factors of Safety, Liquidity, and Yield are to be taken into consideration, in the specific order listed, when making investment decisions.

Reserves Policy (Resolution 2023-07)

The District Reserves Policy was established to protect the District's customers, taxpayers, investments in various assets and commitments under numerous financial, regulatory, and contractual obligations. The efficient management of these reserves, when combined with their appropriate fortification, add additional assurance that current levels of safety, service reliability, and quality will continue.

Relevant Financial Policies and Controls, continued

Reserves Policy (Resolution 2016-04), continued

Reserves are broken down into three areas, Operations, Property Plant and Equipment Replacement, and Disaster Response.

- Operating Reserves has a goal of six months, and no less than three months, of operations, based on the current budget, and includes a debt service reserve, as required by debt covenants.
- Property, Plant and Equipment (PPE) Reserves has a goal of two times, not to exceed four times, of the total annual depreciation. This is to assure there is adequate funding available to make major repairs (extending the useful life of the asset), and replace PPE as is necessary.
- Disaster Response Reserves has a goal of 10% of total assets (excluding Land and Water Rights). This is to help ensure that, in the event of a disaster, the District will have the funds necessary to repair and/or replace assets that are damaged.
- Rate Stabilization Reserves has a goal of 5% to 10% of water revenues. This is to help smooth out revenue variability resulting from various factors.

Revenue Policy (Resolution 2021-20)

The Revenue Policy establishes the District's basic policies and procedures concerning revenues received by the District. The policy shall include guidelines to design, maintain and administer a revenue system that will assure a reliable, equitable, diversified, and sufficient revenue stream to support District services, in accordance with GAAP, and state and federal laws.

Revenue received by the District shall be utilized in accordance with this policy. Revenue received for specific funds within the District shall be utilized for expenses and obligations incurred by that fund. Revenue received into the Governmental Fund will be distributed in accordance with the Budget and the policies and approved by the Board of Directors.

Purchasing Policy (2022-05)

The purpose of the policy is to standardize the purchasing procedures of the District, thereby securing advantages of a centralized and uniform purchasing policy, saving the taxpayers money and increasing public confidence in the procedures for District purchasing; to promote the fair and equitable treatment of all customers and suppliers, and to set forth the duties and responsibilities of the General Manager and District staff. The purchasing policy is reviewed periodically and updated as deemed appropriate by the Board of Directors.

- Less than \$5,000 Managed by rules of procedures established by the General Manager
- \$5,000 – \$15,000 Requires three quotations and approval of the General Manager
- \$15,000 – \$25,000 Requires price quotations and informal or formal bids and approval of the General Manager
- Exceeding \$25,000 Requires Board approval

Government Fund Balance Policy

The District adopted fund balance policy based on the published Governmental Accounting Standards Board (GASB) Statement No. 54, which established accounting and financial reporting standards for all governments that report governmental funds. This statement divides the fund balance into five classifications: (1) non-spendable, (2) restricted, (3) committed, (4) assigned, and (5) unassigned.

Relevant Financial Policies and Controls, continued

Internal Control

District management is responsible for the establishment and maintenance of the internal control structure that ensures that the assets of the District are protected from loss, theft, or misuse. The internal control structure also ensures that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The District's internal control structure is designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management.

Budgetary Control

The Board of Directors adopts the Phelan Piñon Hills Community Services District (District) annual budget, after public hearing(s), by June 30 of each year. The budget is in effect from July 1 of the current year to June 30 of the following year. The Board may modify the budget at any time with majority approval.

The General Manager is authorized to implement the programs as approved in the adopted budget. It is the responsibility of the General Manager to establish adequate controls to ensure expenditures do not exceed the approved budget. The Purchasing Policy provides the standards and approval levels by which purchases can be made. Additionally, rules of the procedures are established by the General Manager to ensure against abuse of public interest.

The Board reviews the budget versus actual revenues and expenses at committee level and financials are also presented to the Board on a quarterly basis for consideration. Budget adjustments may be authorized by the Board of Directors.

Accounting and Financial Practices

The District's accounting and budgetary records are maintained using an accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used, such as unbilled but utilized utility services recorded at year end. The budget detailed in this document is used as a management tool for projecting and measuring revenues and expenses.

The accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity with a self-balancing set of accounts established for the purpose of carrying out specific activities or attaining certain objectives in accordance with specific regulations, restrictions or limitations.

Funds are organized into two major categories: Governmental and Enterprise (or proprietary) categories:

Governmental Funds – Parks and Recreation, Street Lighting, and Solid Waste and Recycling.

Enterprise Fund – Water

Major Initiatives by Department

Administration and Finance

Administration and Finance is responsible for general administration and fiscal support to the Board, Management, Supervisors, and all departments within the District. These duties include complete financial and accounting support for all departments, providing great service to customers and staff, administrative duties to the Board, risk management, Human Resources, document management, public relations, facilities reservations, accounting, accounts payable, accounts receivable, payroll, debt service, water billing, and revenue collection.

Major Initiatives by Department, continued

Administration and Finance, continued

Projects in Progress and/or Completed in 2022/2023:

- Received ACFR Award from GFOA (Government Finance Officers Association)
- Received Budget Award from GFOA and CSMFO
- Maintained Transparency Certification from California Special District Association (CSDA)
- Provided outstanding customer service
- Explore and implement treasury options
- Update policies and procedures
- Cross-training program
- Develop Succession and Retention Planning Program
- Update Employee Personnel Manual
- Implement key CIP projects
- Maintain and update maintenance measures
- Implement new meter reading software and customer service portal

Engineering

The Engineering Department provides professional planning and engineering services to customers, both internal and external. Further, it is charged with overseeing, planning, designing, and implementing numerous projects outlined by the District's adopted Water Master Plan and integrating and coordinating those projects in conjunction with outside programs and agencies. Additionally, it provides for quality development through customer service, and timely and effective management of development and compliance processes.

Projects in Progress and/or Completed in 2022/2023:

- Expand GIS application and field data to include links to as-built, easements, etc.
- Civic Center Complex – Consultants/County coordination
- Phelan Park Expansion Project – Planning; Consultants/County
- Pressure Zone 7 Expansion (Pinon Hills Road pipeline project)
- Thermal Imagery leak detection program
- Chromium-6 Mitigation Project – Engineering Study of potential revised mandates
- 2020 Water Master Plan (WMP) – Review, manage
- Smithson Springs – Tank and Pipeline Study/Design
- Water meter replacement AMI GIS integration
- Phase II update to Azure Active Directory & Microsoft 365
- Well equipping and pipeline design
- Public Water Line Map located in District website
- Expand GIS Applications to include Production Analytics, CIP tracking, and Incident Reporting

Major Initiatives by Department, continued

Water Operations

Water Operations is responsible for the production, treatment, and distribution of reliable high-quality groundwater to the District's customers in an efficient manner. Water Operations personnel focus on reliability and accountability in the operation and maintenance of a vast array of production, conveyance, distribution facilities, and processes and systems to protect public health and to maintain high quality water consistent with all regulations. Water Operations personnel also perform monitoring, implement processes, and conduct analysis to ensure the water delivered to the customers meets and exceeds all regulatory requirements.

Projects in Progress and/or Completed in 2022/2023:

Valve Maintenance and Exercising Program - 2,200 a year goal
Hydrant Maintenance and Flushing Program 600 a year goal
Dead-end Flushing Program all flushed yearly no exceptions
Service Line Replacement Program 150 a year goal
Cross Connection Prevention Program
Air-Vac Maintenance and Flushing Program 150 a year goal
Monthly tank inspections and annual overflows to ensure good sanitary practices
Sand testing of District wells and boosters
PRV Maintenance and Repair Program
Provide training and education to all staff in OSHA regulations
Adhere to strict and accurate inventory standards
Perform annual pump efficiency at District wells and boosters
Perform annual meter certifications at all District wells
Systematic and thorough cleaning of selected District reservoirs
Train all staff on SCADA system
Drop section water mains per the 10-year maintenance plan
Interior coating of reservoirs per the 10-year maintenance plan
Phase 3 & 4 of 5 of the meter change-out program
Develop additional water production supply plan

Parks and Recreation

Parks and Recreation manages and maintains District owned parks and recreation facilities to provide quality and safe facilities to meet the needs of the community. It provides planning for facility development and improvement projects. Additionally, it provides development of projects and events for recreation, programs, and activities of the District.

Projects in Progress and/or Completed in 2022/2023:

Phelan Park expansion project
Improve park operations
Provide additional training for staff
Pursue additional recreation programs in partnership with businesses, clubs, and local sports associations
Pursue additional recreational programs to meet community needs
Repair or replace approved equipment and facilities from the 10-year maintenance plan
Use the parks master plan information for all parks and recreation planning

Major Initiatives by Department, continued

Street Lighting

Streetlights primarily service the business district of Phelan. The District does have some streetlights at strategic intersections to help in providing safety to the community. The District considers expansion of street lighting to other intersections based upon a safety need, but the District respects the San Bernardino County “Dark Sky” ordinance and encourages residents to do the same.

Projects in Progress and/or Completed in 2022/2023:

There were no requests for street lights in 2022/2023.

Solid Waste

The District administers solid waste (trash, recycling, and organics) programs. Solid waste collection services are contracted with CR&R. The District works closely with CR&R to coordinate various programs and provide a variety of events within the community.

Projects in Progress and/or Completed in 2022/2023:

Adopt a procurement policy in compliance with SB 1383
Implement an edible food recovery program in compliance with SB 1383
School Outreach Program
Educate commercial customers on new requirements
Educate customers on upcoming requirements
Implement new collection ordinance requirements
Adopt and Implement Recycled Paper Products Procurement Policy
Develop and expand partnerships for disposal of organic waste
Amend Franchise Agreement with CR&R

Acknowledgements

Preparation of this report was accomplished by the combined efforts of District staff. We appreciate the dedicated efforts and professionalism that our staff members bring to the District. We would also like to thank the members of the Board of Directors for their continued support in the planning and implementation of the Phelan Piñon Hills Community Services District’s fiscal policies.

Respectfully submitted,



Don Bartz, General Manager

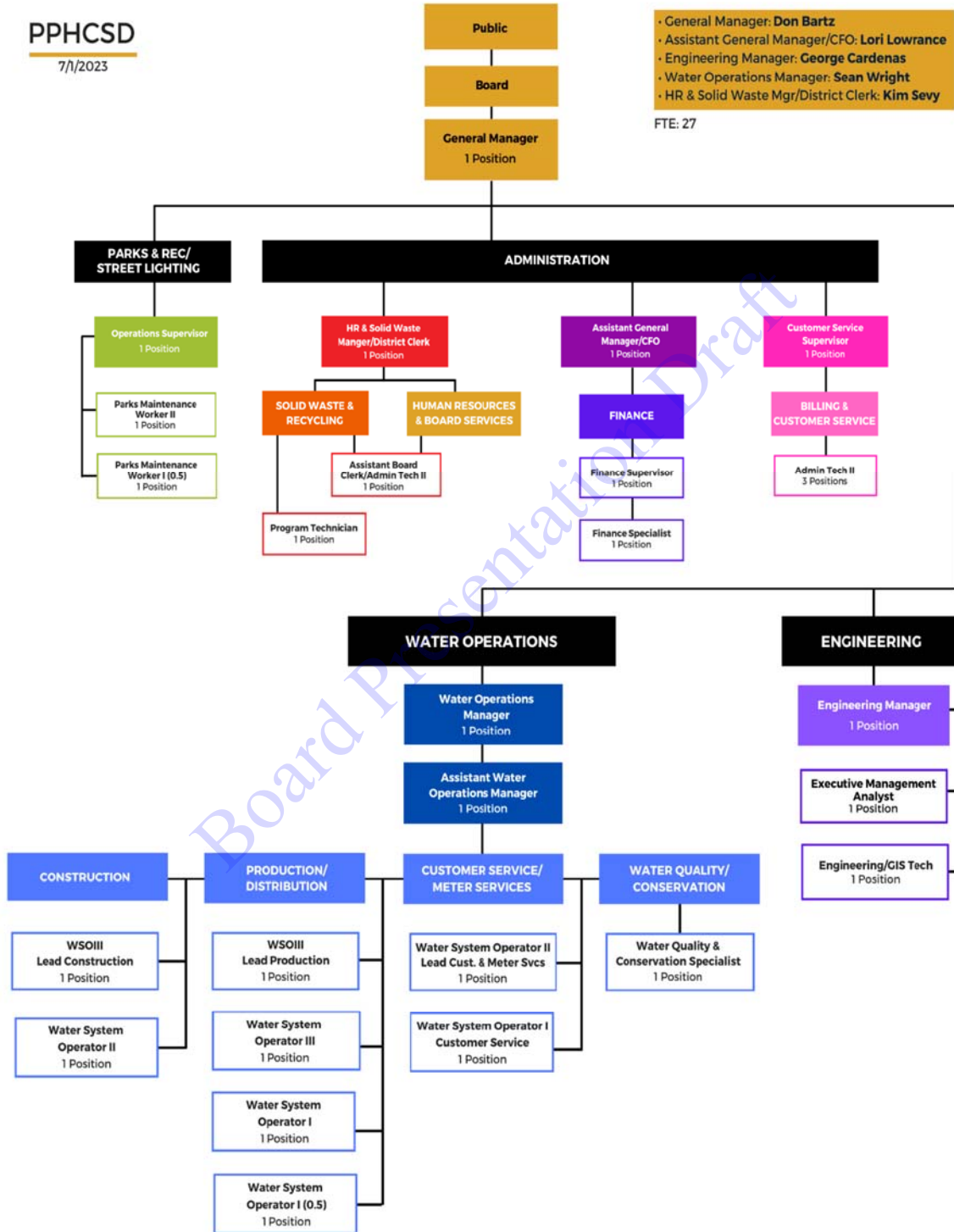
Organizational Chart

As of June 30, 2023

ORGANIZATIONAL CHART

PPHCSD
7/1/2023

General Manager: **Don Bartz**
 Assistant General Manager/CFO: **Lori Lowrance**
 Engineering Manager: **George Cardenas**
 Water Operations Manager: **Sean Wright**
 HR & Solid Waste Mgr/District Clerk: **Kim Sevy**
 FTE: 27



Phelan Piñon Hills Community Services District

Our Mission Statement

“The Mission of the Phelan Piñon Hills Community Services District is to efficiently provide authorized services and maximize resources for the benefit of the community.”

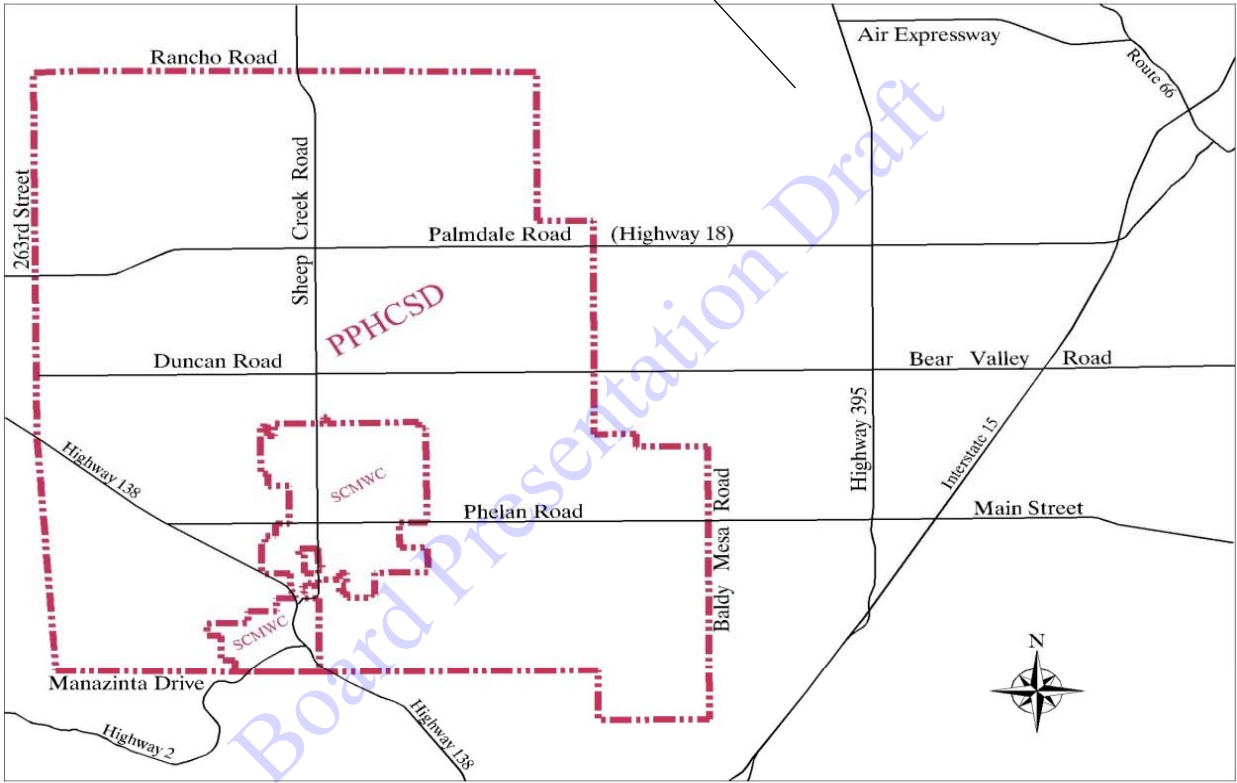
<u>Name</u>	<u>Title</u>	<u>Elected/ Appointed</u>	<u>Term Expires</u>
Rebecca Kujawa	President	Elected	2024
Mark Roberts	Vice President	Elected	2024
Greg Snyder	Director	Elected	2026
Chuck Hays	Director	Elected	2026
Deborah Philips	Director	Appointed	2024

District Management

Donald Bartz	General Manager
Lori Lowrance	Assistant General Manager / CFO
Kim Ward	Human Resources Manager / Executive Secretary
George Cardenas	Engineering Manager
Sean Wright	Water Operations Manager

Phelan Piñon Hills Community Services District
4176 Warbler Road
Phelan, CA 92371
(760) 868-1212

District Service Area





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Phelan Pinon Hills Community Services District
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill

Executive Director/CEO



Board Presentation Draft

Financial Section

Board Presentation Draft

Board Presentation Draft

Independent Auditor's Report

Board of Directors
Phelan Piñon Hills Community Services District
Phelan, California

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Phelan Piñon Hills Community Services District (District) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the District, as of June 30, 2023, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the State Controller's Minimum Audit Requirements for California Special Districts. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibility of Management 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Independent Auditor's Report, continued

Auditor's Responsibilities for the Audits of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Independent Auditor's Report, continued

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 19 through 23 and the required supplementary information on pages 63 through 69 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 on pages 1 through 15 and statistical section on pages 70 through 87 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The introductory and statistical sections have 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 them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 8, 2023, 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. That report can be found on pages 88 and 89.

C.J. Brown & Company CPAs
Cypress, California
November 8, 2023

Phelan Piñon Hills Community Services District
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2023

The following Management’s Discussion and Analysis (MD&A) of activities and financial performance of the Phelan Piñon Hills Community Services District (District) provides an introduction to the financial statements of the District for the fiscal year ended June 30, 2023. We encourage readers to consider the information presented here with additional information that we have furnished in the accompanying basic financial statements and related notes, which follow this section.

Financial Highlights

- In 2023, the District’s net position increased by 3.01% or \$1,612,700 to \$55,133,311 as a result of ongoing operations.
- In 2023, the District’s total revenues increased 14.05% or \$1,566,790 to \$12,720,329.
- In 2023, the District’s total expenses increased by 37.86% or \$3,050,502 to \$11,107,629.

Using This Financial Report

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities and performance of the District using accounting methods similar to those used by private sector companies.

The Statement of Net Position includes all of the District’s investments in resources (assets), deferred outflows of resources, obligations to creditors (liabilities), and deferred inflows of resources. It also provides the basis for computing a rate of return, evaluating the capital structure of the District, and assessing the liquidity and financial flexibility of the District. All of the current year’s revenues and expenses are accounted for in the Statement of Activities. This statement measures the success of the District’s operations over the past year and can be used to determine the District’s profitability and credit worthiness.

Government-wide Financial Statements

Statement of Net Position and Statement of Activities

One of the most important questions asked about the District’s finances is, “Is the District better off or worse off as a result of this year’s activities?” The Statement of Net Position and the Statement of Activities report information about the District in a way that helps answer this question. These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the *accrual basis of accounting*, which is similar to the accounting used by most private sector companies. All of the current year’s revenues and expenses are taken into account regardless of when the cash is received or paid.

These two statements report the District’s *net position* and changes in it. Think of the District’s net position – assets and deferred outflows of resources less liabilities and deferred inflows of resources – as one way to measure the District’s financial health, or *financial position*. Over time, *increases or decreases* in the District’s net position is one indicator of whether its *financial health* is improving or deteriorating. However, one will need to consider other non-financial factors such as changes in the District’s property tax base and the types of grants the District applies for to assess the *overall financial health* of the District.

**Phelan Piñon Hills Community Services District
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2023**

Fund Financial Statements

Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balance

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government’s near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government’s near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 32 through 62.

Government-wide Financial Analysis

Statements of Net Position

The following table is a summary of the statement of net position at June 30, 2023.

	Condensed Statements of Net Position					
	Governmental Activities		Business-type Activities		Total District	
	2023	2022	2023	2022	2023	2022
Assets:						
Current assets	\$ 5,992,296	8,525,081	14,223,338	14,261,106	20,215,634	22,786,187
Non-current assets	3,369,391	288,471	6,722,142	485,261	10,091,533	773,732
Capital assets, net	3,958,144	3,932,315	38,696,617	37,633,893	42,654,761	41,566,208
Total assets	13,319,831	12,745,867	59,642,097	52,380,260	72,961,928	65,126,127
Deferred outflows of resources	62,707	100,590	564,368	905,311	627,075	1,005,901
Liabilities:						
Current liabilities	58,815	106,542	2,463,452	1,615,860	2,522,267	1,722,402
Non-current liabilities	14,817	9,271	15,702,995	10,440,460	15,717,812	10,449,731
Total liabilities	73,632	115,813	18,166,446	12,056,320	18,240,078	12,172,133
Deferred inflows of resources	215,614	384,867	-	54,417	215,614	439,284
Net position:						
Net investment in capital assets	3,958,144	3,932,315	22,316,585	26,668,410	26,274,729	30,600,725
Unrestricted	9,135,148	8,413,462	19,723,434	14,506,424	28,858,582	22,919,886
Total net position	\$ 13,093,292	12,345,777	42,040,019	41,174,834	55,133,311	53,520,611

**Phelan Piñon Hills Community Services District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023**

Government-wide Financial Analysis, continued

Statements of Net Position, continued

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets plus deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$55,133,311 as of June 30, 2023. The District's total net position is made-up of two components: (1) net investment in capital assets and (2) unrestricted net position.

Statements of Activities

The following table is a summary of the statement of activities for the year ended June 30, 2023.

	Condensed Statements of Activities					
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total District</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenues:						
Program revenues:						
Charges for services	\$ 344,119	239,518	8,556,149	8,799,614	8,900,268	9,039,132
General revenues:						
Property taxes	1,668,208	1,494,147	15,565	22,612	1,683,773	1,516,759
Interest earnings(loss), net	428,419	(75,411)	736,007	(264,479)	1,164,426	(339,890)
Other	429,990	342,798	541,872	594,740	971,862	937,538
Total revenues	<u>2,870,736</u>	<u>2,001,052</u>	<u>9,849,593</u>	<u>9,152,487</u>	<u>12,720,329</u>	<u>11,153,539</u>
Expenses:						
General	5,739	28,752	-	-	5,739	28,752
Parks and recreation	724,086	437,980	-	-	724,086	437,980
Street lighting	25,374	16,563	-	-	25,374	16,563
Solid waste	197,679	63,491	-	-	197,679	63,491
Water	-	-	10,154,751	7,510,341	10,154,751	7,510,341
Total expenses	<u>952,878</u>	<u>546,786</u>	<u>10,154,751</u>	<u>7,510,341</u>	<u>11,107,629</u>	<u>8,057,127</u>
Excess before transfers	1,917,858	1,454,266	(305,158)	1,642,146	1,612,700	3,096,412
Transfers from(to) other funds	<u>(1,170,343)</u>	<u>(436,864)</u>	<u>1,170,343</u>	<u>436,864</u>	<u>-</u>	<u>-</u>
Change in net position	747,515	1,017,402	865,185	2,079,010	1,612,700	3,096,412
Net position, beginning of period	<u>12,345,777</u>	<u>11,328,375</u>	<u>41,174,834</u>	<u>39,095,824</u>	<u>53,520,611</u>	<u>50,424,199</u>
Net position, end of period	<u>\$ 13,093,292</u>	<u>12,345,777</u>	<u>42,040,019</u>	<u>41,174,834</u>	<u>55,133,311</u>	<u>53,520,611</u>

Compared to the prior year, net position of the District increased 3.01% or \$1,612,700 to \$55,133,311 as a result of ongoing operations.

Total revenues increased 14.05% or \$1,566,790 to \$12,720,329. The District's general revenues increased by \$1,705,654, due primarily to increases of \$1,504,316 in interest earnings due to the District's portfolio of investments in the current year as compared to prior year, \$167,014 in property taxes due to increases in property tax assessments, and \$34,324 in other income. The District's program revenues decreased by \$138,864, due primarily to decreases of \$328,009 in water consumption sales due to decreased demand sourcing as a result of having a wet year in fiscal year 2022/2023, \$117,468 in other charges for services due to reinstating credit card fees which were waived during the pandemic, and \$94,973 in general fund charges for services sourcing from a County refund of property taxes, which were offset by an increase of \$196,457 in meter monthly service charges due to a rate increase effective July 1, 2022.

**Phelan Piñon Hills Community Services District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023**

Government-wide Financial Analysis, continued

Statements of Activities, continued

Total expenses increased by 37.86% or \$3,050,502 to \$11,107,629 due primarily to increases of \$1,971,540 in water general and administrative due to pension actuarial changes, \$286,106 in parks and recreation expenses due to increases in labor and capital outlay expenses, \$253,202 in water transmission and distribution due to increases in repair and maintenance expenses, \$134,188 in solid waste expenses due to increases in labor costs, \$124,768 in water interest expense sourcing from additions to long term debt, \$18,378 in water pumping – utilities, net of solar credits.

Changes in Fund Balance – Governmental Funds

The following table is a summary of the changes in fund balance for all governmental funds for the year ended June 30, 2023.

Condensed Changes in Fund Balance - Governmental Funds

	<u>General</u>	<u>Parks and Recreation</u>	<u>Street Lighting</u>	<u>Solid Waste</u>	<u>Total Governmental Activities</u>
Fund balance, beginning of year	\$ 3,170,555	4,970,799	22,416	97,833	8,261,603
Change in fund balance	<u>286,419</u>	<u>533,132</u>	<u>848</u>	<u>(2,221)</u>	<u>818,178</u>
Fund balance, end of year	<u>\$ 3,456,974</u>	<u>5,503,931</u>	<u>23,264</u>	<u>95,612</u>	<u>9,079,781</u>

In 2023, total fund balance increased by 9.90% or \$818,178 to \$9,079,781. The General fund increased by 9.03% or \$286,419 to \$3,456,974 due primarily to revenues exceeding expenditures and transfers out. The Parks and Recreation fund increased by 10.73% or \$533,132 to \$5,503,931 due primarily to revenues exceeding expenditures and transfers in. The Street Lighting fund increased by 3.78% or \$848 to \$23,264, and the Solid Waste fund decreased by 2.27% or \$2,221 to \$95,612.

Capital Asset Administration

Capital Assets

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total District</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Capital assets:						
Non-depreciable assets	\$ 3,489,067	3,370,541	20,677,936	18,766,947	24,167,003	22,137,488
Depreciable assets	<u>2,140,729</u>	<u>2,140,729</u>	<u>50,760,428</u>	<u>50,350,432</u>	<u>52,901,157</u>	<u>52,491,161</u>
Total capital assets	5,629,796	5,511,270	71,438,364	69,117,379	77,068,160	74,628,649
Accumulated depreciation	<u>(1,671,652)</u>	<u>(1,578,955)</u>	<u>(32,741,747)</u>	<u>(31,483,486)</u>	<u>(34,413,399)</u>	<u>(33,062,441)</u>
Total capital assets, net	<u>\$ 3,958,144</u>	<u>3,932,315</u>	<u>38,696,617</u>	<u>37,633,893</u>	<u>42,654,761</u>	<u>41,566,208</u>

At the end of fiscal year 2023, the District's capital assets (net of accumulated depreciation) amounted to \$42,654,761. Capital assets include land, buildings, building improvements, furnishings and equipment, collection and distribution systems, tanks, wells, water transmission and distribution systems, and construction-in-process. The capital assets of the District are more fully analyzed in Note 4 to the basic financial statements.

**Phelan Piñon Hills Community Services District
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2023**

Long-Term Debt Administration

	Long-term Debt					
	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Long-term debt:						
Long-term debt	\$ -	-	16,380,032	10,965,483	16,380,032	10,965,483
Total long-term debt	\$ -	-	16,380,032	10,965,483	16,380,032	10,965,483

Long-term debt increased by 49.38% or \$5,414,549 to \$16,380,032 in 2023 primarily due to additions of \$6,040,000 for the Civic Center site lease, offset by \$625,451 in regular debt service payments. The long-term debt position of the District is more fully analyzed in Note 6 to the basic financial statements.

Conditions Affecting Current Financial Position

Management is unaware of any conditions which could have a significant impact on the District’s current financial position, net position, or operating results in terms of past, present, and future.

Requests for Information

This financial report is designed to provide the District’s present users, including funding sources, customers, stakeholders, and other interested parties with a general overview of the District’s finances and to demonstrate the District’s accountability with an overview of the District’s financial operations and financial condition. Should the reader have questions regarding the information included in this report or wish to request additional financial information, please contact the District’s Assistant General Manager/CFO, Lori Lowrance, at Phelan Pinon Hills Community Services District, 4176 Warbler Road, Phelan, California, 92371 or (760) 868-1212.

Basic Financial Statements

Board Presentation Draft

Phelan Piñon Hills Community Services District
Statement of Net Position
June 30, 2023

	Governmental Activities	Business-type Activities	Total
Current assets:			
Cash and cash equivalents (note 2)	\$ 4,545,439	3,158,234	7,703,673
Cash and cash equivalents – restricted (note 2)	-	6,136,945	6,136,945
Investments (note 2)	1,161,963	2,359,137	3,521,100
Accrued interest receivable	-	302,567	302,567
Accounts receivable – water sales and services	-	941,117	941,117
Accounts receivable – other	63,549	77,733	141,282
Leases receivable (note 3)	176,066	-	176,066
Property taxes and assessments receivable	45,279	125,631	170,910
Materials and supplies inventory	-	730,983	730,983
Prepays and other assets	-	390,991	390,991
Total current assets	<u>5,992,296</u>	<u>14,223,338</u>	<u>20,215,634</u>
Non-current assets:			
Investments (note 2)	3,310,906	6,722,142	10,033,048
Leases receivable (note 3)	58,485	-	58,485
Capital assets – not being depreciated (note 4)	3,489,067	20,677,936	24,167,003
Capital assets – being depreciated, net (note 4)	469,077	18,018,681	18,487,758
Total non-current assets	<u>7,327,535</u>	<u>45,418,759</u>	<u>52,746,294</u>
Total assets	<u>13,319,831</u>	<u>59,642,097</u>	<u>72,961,928</u>
Deferred outflows of resources:			
Deferred pension outflows (note 7)	62,707	564,368	627,075
Current liabilities:			
Accounts payable and accrued expenses	27,155	1,025,127	1,052,282
Accrued salaries and related payables	2,804	143,742	146,546
Customer deposits and unearned revenue	17,501	101,742	119,243
Accrued interest on long-term debt	-	241,925	241,925
Long-term liabilities – due within one year:			
Compensated absences (note 5)	11,355	121,343	132,698
Long-term debt (note 6)	-	829,573	829,573
Total current liabilities	<u>58,815</u>	<u>2,463,452</u>	<u>2,522,267</u>
Non-current liabilities:			
Long-term liabilities – due in more than one year:			
Compensated absences (note 5)	11,354	121,343	132,697
Long-term debt (note 6)	-	15,550,459	15,550,459
Net pension liability (note 7)	3,463	31,193	34,656
Total non-current liabilities	<u>14,817</u>	<u>15,702,995</u>	<u>15,717,812</u>
Total liabilities	<u>73,632</u>	<u>18,166,446</u>	<u>18,240,078</u>
Deferred inflows of resources:			
Deferred lease inflows (note 3)	215,614	-	215,614
Total deferred inflows of resources	<u>215,614</u>	<u>-</u>	<u>215,614</u>
Net position (note 8):			
Net investment in capital assets	3,958,144	22,316,585	26,274,729
Unrestricted	9,135,148	19,723,434	28,858,582
Total net position	<u>\$ 13,093,292</u>	<u>42,040,019</u>	<u>55,133,311</u>

See accompanying notes to the basic financial statements

Phelan Piñon Hills Community Services District
Statement of Activities
For the Fiscal Year Ended June 30, 2023

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Position</u>		
		<u>Charges for Services</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Governmental activities:						
General	\$ 5,739	322,936	-	317,197	-	317,197
Parks and recreation	724,086	21,183	-	(702,903)	-	(702,903)
Street lighting	25,374	-	-	(25,374)	-	(25,374)
Solid waste	197,679	-	-	(197,679)	-	(197,679)
Total governmental activities	952,878	344,119	-	(608,759)	-	(608,759)
Business-type activities:						
Water	9,708,234	8,556,149	-	-	(1,152,085)	(1,152,085)
Total business-type activities	9,708,234	8,556,149	-	-	(1,152,085)	(1,152,085)
Total	\$ 10,661,112	8,900,268	-	(608,759)	(1,152,085)	(1,760,844)
General revenues(expense):						
Property taxes				\$ 1,668,208	15,565	1,683,773
Interest expense – long-term debt				-	(389,247)	(389,247)
Interest earnings, net				428,419	736,007	1,164,426
Water pipeline location service charges				-	156,729	156,729
Other non-operating revenues				-	385,143	385,143
Other non-operating expenses				429,990	(57,270)	372,720
Total general revenues, net				2,526,617	846,927	3,373,544
Transfers (to)from other funds (note 9)				(1,170,343)	1,170,343	-
Change in net position				747,515	865,185	1,612,700
Net position, beginning of year				12,345,777	41,174,834	53,520,611
Net position, end of year				\$ 13,093,292	42,040,019	55,133,311

See accompanying notes to the basic financial statements

Phelan Piñon Hills Community Services District
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
June 30, 2023

	<u>General</u>	<u>Parks and Recreation</u>	<u>Street Lighting</u>	<u>Solid Waste</u>	<u>Total Governmental Funds</u>
Assets:					
Cash and cash equivalents	\$ 1,707,637	2,782,870	13,430	41,502	4,545,439
Investments	1,680,374	2,738,441	13,215	40,839	4,472,869
Accounts receivable – services	41,185	1,040	-	21,324	63,549
Property taxes and assessments receivable	45,279	-	-	-	45,279
Other	-	105	-	-	105
Total assets	\$ 3,474,475	5,522,456	26,645	103,665	9,127,241
Liabilities:					
Accounts payable and accrued expenses	\$ -	16,948	3,381	6,826	27,155
Accrued salaries and related payables	-	1,577	-	1,227	2,804
Customer deposits and unearned revenue	17,501	-	-	-	17,501
Total liabilities	17,501	18,525	3,381	8,053	47,460
Fund balance (note 10):					
Assigned	-	5,503,931	23,264	95,612	5,622,807
Unassigned	3,456,974	-	-	-	3,456,974
Total fund balance	3,456,974	5,503,931	23,264	95,612	9,079,781
Total liabilities and fund balance	\$ 3,474,475	5,522,456	26,645	103,665	9,127,241

Reconciliation:

Fund balance of total governmental funds \$ 9,079,781

Amounts reported for governmental funding in the statement of net position is different because:

Certain assets used in governmental funding are not current financial resources and, therefore, are not reported in the governmental funds balance sheet. All assets both current and non-current are reported in the Statement of Net Position as follows:

Leases receivable	234,551
Capital assets	3,958,144

Pension contributions made during the fiscal year after the measurement date are reported as expenditures in governmental funds and as deferred outflows of resources in the government-wide financial statements. \$ 22,116

Recognized changes in net assumptions are reported as deferred outflows of resources in the government-wide financial statements. 356

Recognized portion due to net differences between the expected and actual experience are reported as deferred outflows of resources in the government-wide financial statements. 23

Recognized portion due to net differences between the actual employer contribution and the proportionate share of contribution are reported as deferred outflows of resources in the government-wide financial statements. 12,362

Recognized net difference between projected and actual earnings on pension plan investments are reported as deferred outflows of resources in the government-wide financial statements. 635

Recognized portion due to net differences in proportions are reported as deferred outflows of resources in the government-wide financial statements. 27,215 62,707

Long-term liabilities applicable to the District are not due and payable in the current period and, accordingly, are not reported as fund liabilities. All liabilities both current and long-term, are reported in the Statement of Net Position as follows:

Compensated absences	(22,709)
Net pension liability	<u>(3,463)</u>

Recognized portion due to lessor agreements are reported as deferred inflows of resources in the government-wide financial statements. (215,719)

Net position of governmental activities \$ 13,093,292

See accompanying notes to the basic financial statements

Phelan Piñon Hills Community Services District
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of
Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2023

	General	Parks and Recreation	Street Lighting	Solid Waste	Total Governmental Funds
Revenues:					
Property taxes	\$ 893,131	749,704	25,373	-	1,668,208
Charges for services	322,936	21,183	-	-	344,119
Investment earnings	190,461	229,168	849	7,941	428,419
Other	55,973	-	-	374,017	429,990
Total revenues	1,462,501	1,000,055	26,222	381,958	2,870,736
Expenditures:					
General	5,739	-	-	-	5,739
Parks and recreation	-	534,897	-	-	534,897
Street lighting	-	-	25,374	-	25,374
Solid waste	-	-	-	197,679	197,679
Capital outlay	-	118,526	-	-	118,526
Total expenditures	5,739	653,423	25,374	197,679	882,215
Excess(deficiency) of revenues over expenditures	1,456,762	346,632	848	184,279	1,988,521
Other financing sources(uses) (note 9):					
Transfers in – operational	-	186,500	-	-	186,500
Transfers (out) – operational	(1,170,343)	-	-	(186,500)	(1,356,843)
Total other financing sources(uses)	(1,170,343)	186,500	-	(186,500)	(1,170,343)
Change in fund balance	286,419	533,132	848	(2,221)	818,178
Fund balance, beginning of year	3,170,555	4,970,799	22,416	97,833	8,261,603
Fund balance, end of year	\$ 3,456,974	5,503,931	23,264	95,612	9,079,781
Reconciliation:					
Net change in fund balance of total governmental funds				\$	818,178
Amounts reported for governmental activities in the statement of activities are different because:					
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense as follows:					
Capital outlay expense					118,526
Depreciation expense					(92,697)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenses in governmental funds as follows:					
Net change in compensated absences for the current period					(4,167)
Net change in pension obligations for the current period					(89,220)
Some revenues reported in the statement of activities do not provide current financial resources and therefore are not reported as revenues in governmental funds as follows:					
Net change in lease receivables for the current period					(3,105)
Change in net position of governmental activities				\$	747,515

See accompanying notes to the basic financial statements

Phelan Piñon Hills Community Services District
Statement of Net Position – Enterprise Fund
June 30, 2023

	Water Enterprise
Current assets:	
Cash and cash equivalents	\$ 3,158,234
Cash and cash equivalents – restricted	6,136,945
Investments	2,359,137
Accrued interest receivable	302,567
Accounts receivable – water sales and services	941,117
Accounts receivable – other	77,733
Property taxes and assessments receivable	125,631
Materials and supplies inventory	730,983
Prepays and other assets	390,991
Total current assets	14,223,338
Non-current assets:	
Investments	6,722,142
Capital assets – not being depreciated	20,677,936
Capital assets – being depreciated, net	18,018,681
Total non-current assets	45,418,759
Total assets	59,642,097
Deferred outflows of resources:	
Deferred pension outflows	564,368
Current liabilities:	
Accounts payable and accrued expenses	1,025,127
Accrued salaries and related payables	143,742
Customer deposits and deferred revenue	101,742
Accrued interest on long-term debt	241,925
Long-term liabilities – due within one year:	
Compensated absences	121,343
Long-term debt	829,573
Total current liabilities	2,463,452
Non-current liabilities:	
Long-term liabilities – due in more than one year:	
Compensated absences	121,343
Long-term debt	15,550,459
Net pension liability	31,193
Total non-current liabilities	15,702,995
Total liabilities	18,166,446
Deferred inflows of resources:	
Deferred pension inflows	-
Net position:	
Net investment in capital assets	22,316,585
Unrestricted	19,723,434
Total net position	\$ 42,040,019

See accompanying notes to the basic financial statements

Phelan Piñon Hills Community Services District
Statement of Revenues, Expenses and Changes in Fund Net Position – Enterprise Fund
For the Fiscal Year Ended June 30, 2023

		<u>Water Enterprise</u>
Operating revenues:		
Water consumption sales	\$	3,739,053
Monthly meter service charge		2,977,434
Chromium-6 surcharge (note 11)		843,638
Special assessment		284,218
Other charges and services		<u>711,806</u>
Total operating revenues		<u>8,556,149</u>
Operating expenses:		
Source of supply – water related purchases		20,972
Pumping – utilities		1,767,883
Pumping – solar credits		(789,568)
Transmission and distribution		1,727,109
General and administrative		<u>5,086,350</u>
Total operating expenses		<u>7,812,746</u>
Operating income before depreciation		743,403
Depreciation		<u>(1,895,488)</u>
Operating loss		<u>(1,152,085)</u>
Non-operating revenues (expenses):		
Property taxes		15,565
Interest expense – long-term debt		(389,247)
Interest earnings, net		736,007
Water pipeline location service charges		156,729
Other non-operating revenues		385,143
Other non-operating expenses		<u>(57,270)</u>
Total non-operating revenues, net		<u>846,927</u>
Net loss before transfers		(305,158)
Transfers from other funds		<u>1,170,343</u>
Change in net position		865,185
Net position, beginning of year		<u>41,174,834</u>
Net position, end of year	\$	<u><u>42,040,019</u></u>

See accompanying notes to the basic financial statements

**Phelan Piñon Hills Community Services District
Statement of Cash Flows – Enterprise Fund
For the Fiscal Year Ended June 30, 2023**

	<u>Water Enterprise</u>
Cash flows from operating activities:	
Cash receipts from customers	\$ 8,862,248
Cash paid to employees	(2,672,666)
Cash paid to vendors and suppliers	<u>(4,344,321)</u>
Net cash provided by operating activities	<u>1,845,261</u>
Cash flows from non-capital financing activities:	
Proceeds from property taxes	15,206
Transfer of property tax revenue from General fund	1,170,343
Proceeds from water pipeline location service charges	<u>156,729</u>
Net cash provided by non-capital financing activities	<u>1,342,278</u>
Cash flows from capital and related financing activities:	
Acquisition and construction of capital assets	(2,958,212)
Principal payments on long-term debt	5,414,549
Interest payments on long-term debt	<u>870,247</u>
Net cash provided by capital and financing activities	<u>3,326,584</u>
Cash flows from investing activities:	
Purchases and sales of investments, net	(9,081,279)
Interest earnings	<u>(653,100)</u>
Net cash used in investing activities	<u>(9,734,379)</u>
Net decrease in cash and cash equivalents	<u>(3,220,256)</u>
Cash and investments, beginning of year	<u>12,515,435</u>
Cash and investments, end of year	<u>\$ 9,295,179</u>
Reconciliation of cash and cash equivalents to the statement of financial position:	
Cash and cash equivalents	\$ 3,158,234
Cash and cash equivalents – restricted	<u>6,136,945</u>
Total cash and cash equivalents	<u>\$ 9,295,179</u>

Continued on next page

See accompanying notes to the basic financial statements

**Phelan Piñon Hills Community Services District
Statement of Cash Flows – Enterprise Fund, continued
For the Fiscal Year Ended June 30, 2023**

	<u>Water Enterprise</u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ <u>(1,152,085)</u>
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation expense	1,895,488
Other non-operating revenues	385,143
Other non-operating expenses	(57,270)
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources	
(Increase) decrease in assets and deferred outflows:	
Accounts receivable – water sales and services	(52,672)
Accounts receivable – other	(31,030)
Materials and supplies inventory	(418,605)
Prepays and other assets	(56,832)
Deferred outflows of resources	340,943
Increase (decrease) in liabilities and deferred inflows:	
Accounts payable and accrued expenses	467,783
Accrued salaries and related payables	15,874
Customer deposits and deferred revenue	4,658
Compensated absences	41,829
Net pension liability	516,454
Deferred inflows of resources	<u>(54,417)</u>
Total adjustments	<u>2,997,346</u>
Net cash provided by operating activities	\$ <u><u>1,845,261</u></u>
Non-cash investing, capital and financing transactions:	
Change in fair value of investments	\$ <u>150,898</u>

See accompanying notes to the basic financial statements

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

(1) Reporting Entity and Summary of Significant Accounting Policies

A. Organization and Operations of the Reporting Entity

The Phelan Piñon Hills Community Service District (District) was established through an election on February 5, 2008. With an 81% approval rating, the voters approved the formation of the District as a consolidation of three San Bernardino County Special District Service Areas of: Zone-L70 Water, CSA-9 Phelan Parks and Street Lighting, and CSA56-F1 Piñon Hills Parks. The San Bernardino County Special District Service Areas named above transferred \$31,439,131 in net assets to form the District.

This consolidation enabled the communities of Phelan and Piñon Hills to establish a form of self-governance while maintaining their individual rural integrity. The 128 square mile District is the largest Community Service District in San Bernardino County.

The primary component of the District is water service to over 7,100 connections. Parks and recreation are a vital component to any community. As part of the District there are two community centers. These centers are utilized for a wide range of activities and are available to the community for a nominal fee. Adjacent to the centers are two parks that have picnic tables, playgrounds, and two basketball courts. They are available from morning until dusk. The street lights serve primarily the business district of the District. The street lights are not owned by the District, but the District pays for the electricity use costs for the street lights.

The District normally conducts two monthly general meetings of the Board of Directors which are held on the first and third Wednesdays of the month in the Phelan Community Center.

B. Basis of Accounting and Measurement Focus

Government-wide Financial Statements

These statements are presented on an *economic resources* measurement focus and the accrual basis of accounting for both governmental and business-like activities. Accordingly, all of the District's assets (including capital assets), deferred outflows of resources, liabilities, and deferred inflows of resources are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used, such as, unbilled but utilized utility services are recorded at year end. The Statement of Activities demonstrates the degree to which the operating expenses of a given function are offset by operating revenues. Operating expenses are those that are clearly identifiable with a specific function. The types of transactions reported as operating revenues for the District are charges for services directly related to the operations of the District. Charges for services include revenues from customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by the District. Taxes, operating grants, and other items not properly included among operating revenues are reported instead as non-operating revenues. Contributed capital and capital grants are included as capital contributions.

Fund Financial Statements

These statements include a Balance Sheet and a Statement of Revenues, Expenditures, and Changes in Fund Balance for all major governmental funds. Accompanying these statements is a schedule to reconcile and explain the differences in fund balances as presented in these statements to the net position presented in the Government-wide Financial Statements.

Governmental funds are accounted for on a spending or *current financial resources* measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and liabilities are included on the Balance Sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balance presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under modified accrual basis of accounting, revenues are recognized in the accounting period in which they become measurable and available to finance expenditures of the current period.

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2023

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

B. Basis of Accounting and Measurement Focus, continued

Fund Financial Statements, continued

Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60-days after year-end) are recognized when due. The primary sources susceptible to accrual for the District are property tax, interest earnings, investment revenue, and operating and capital grant revenues. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, exceptions to this rule include principal and interest on debt, which are recognized when due.

The accrual basis of accounting is followed by the proprietary enterprise funds. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used, such as unbilled but utilized utility services recorded at year end.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Revenues are recognized in the accounting period in which they are earned and expenses are recognized in the period incurred, regardless of when the related cash flows take place. Operating revenues and expenses, such as water sales and purchases of water, result from exchange transactions associated with the principal activity of the District. Exchange transactions are those in which each party receives and gives up essentially equal values. Management, administration and depreciation expenses are also considered operating expenses. Other revenues and expenses not included in the above categories, such as interest income and interest expense, are reported as non-operating revenues and expenses.

The accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity with a self-balancing set of accounts established for the purpose of carrying out specific activities or attaining certain objectives in accordance with specific regulations, restrictions, or limitations.

Funds are organized into two major categories: governmental and proprietary categories. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the District or meets the following criteria:

- a) Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental fund or proprietary fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b) Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund or proprietary fund are at least 5 percent of the corresponding total for all governmental and proprietary funds combined.
- c) The entity has determined that a fund is important to the financial statement user.

The funds of the financial reporting entity are described below:

Governmental Funds

General Fund – This fund is used to account for and report all financial resources not accounted for and reported in another fund. The general fund’s primary source of revenue is property taxes.

Parks and Recreation – This fund is used to account for all parks and recreation activities within the District. The parks and recreation fund’s primary source of revenue is property taxes.

Street Lighting – This fund is used to account for all street lighting activities within the District. The street lighting fund’s primary source of revenue is property taxes.

Solid Waste – This fund is used to account for sanitation collection and recycling activities within the District. The solid waste fund’s primary source of revenue is franchise fees.

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2023

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

B. Basis of Accounting and Measurement Focus, continued

Enterprise Fund

Water – This fund accounts for the water transmission and distribution operations of the District. The water fund’s primary source of revenue is consumption sales, meter service charges, and other charges and services.

C. Financial Reporting

The District’s basic financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The District has adopted the following GASB pronouncements in the current year:

Governmental Accounting Standards Board Statement No. 91

In May 2019, the GASB issued Statement No. 91 – *Conduit Debt Obligations*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures.

This Statement also addresses arrangements—often characterized as leases—that are associated with conduit debt obligations. In those arrangements, capital assets are constructed or acquired with the proceeds of a conduit debt obligation and used by third-party obligors in the course of their activities. Payments from third-party obligors are intended to cover and coincide with debt service payments. During those arrangements, issuers retain the titles to the capital assets. Those titles may or may not pass to the obligors at the end of the arrangements.

This Statement requires issuers to disclose general information about their conduit debt obligations, organized by type of commitment, including the aggregate outstanding principal amount of the issuers’ conduit debt obligations and a description of each type of commitment. Issuers that recognize liabilities related to supporting the debt service of conduit debt obligations also should disclose information about the amount recognized and how the liabilities changed during the reporting period.

The requirements of this Statement were effective for reporting periods beginning after December 15, 2020; however, in light of the COVID-19 pandemic, the effective date has been postponed by one year. Earlier application is encouraged.

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2023

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

C. Financial Reporting, continued

Governmental Accounting Standards Board Statement No. 93

In March 2020, the GASB issued Statement No. 93 – *Replacement of Interbank Offered Rates*. The objective of this Statement is to address accounting and financial reporting implications that result from the replacement of an IBOR. This Statement achieves that objective by: (1) Providing exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced as the reference rate of the hedging derivative instrument’s variable payment; (2) Clarifying the hedge accounting termination provisions when a hedged item is amended to replace the reference rate; (3) Clarifying that the uncertainty related to the continued availability of IBORs does not, by itself, affect the assessment of whether the occurrence of a hedged expected transaction is probable; (4) Removing LIBOR as an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap; (5) Identifying a Secured Overnight Financing Rate and the Effective Federal Funds Rate as appropriate benchmark interest rates for the qualitative evaluation of the effectiveness of an interest rate swap; (6) Clarifying the definition of reference rate, as it is used in Statement 53, as amended; and (7) Providing an exception to the lease modifications guidance in Statement 87, as amended, for certain lease contracts that are amended solely to replace an IBOR as the rate upon which variable payments depend.

The requirements of this Statement were effective as follows: (1) The removal of LIBOR as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2021; and (2) All other requirements of this Statement are effective for reporting periods beginning after June 15, 2020; however, in light of the COVID-19 pandemic, the effective dates have been postponed by one year. Earlier application is encouraged.

Governmental Accounting Standards Board Statement No. 94

In March 2020, the GASB issued Statement No. 94 – *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement.

This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Earlier application is encouraged.

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2023

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

C. Financial Reporting, continued

Governmental Accounting Standards Board Statement No. 96

In May 2020, the GASB issued Statement No. 96 – *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Earlier application is encouraged.

Governmental Accounting Standards Board Statement No. 97

In June 2020, the GASB issued Statement No. 97 – *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 41 and No. 84, and a supersession of GASB Statement No. 32*. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans.

The requirements of this Statement that (1) exempt primary governments that perform the duties that a governing board typically performs from treating the absence of a governing board the same as the appointment of a voting majority of a governing board in determining whether they are financially accountable for defined contribution pension plans, defined contribution OPEB plans, or other employee benefit plans and (2) limit the applicability of the financial burden criterion in paragraph 7 of Statement 84 to defined benefit pension plans and defined benefit OPEB plans that are administered through trusts that meet the criteria in paragraph 3 of Statement 67 or paragraph 3 of Statement 74, respectively, are effective immediately. The requirements of this Statement that are related to the accounting and financial reporting for Section 457 plans are effective for fiscal years beginning after June 15, 2021. For purposes of determining whether a primary government is financially accountable for a potential component unit, the requirements of this Statement that provide that for all other arrangements, the absence of a governing board be treated the same as the appointment of a voting majority of a governing board if the primary government performs the duties that a governing board typically would perform, are effective for reporting periods beginning after June 15, 2021. Earlier application of those requirements is encouraged and permitted by requirement as specified within this Statement. The Board considered the effective dates for the requirements of this Statement in light of the COVID-19 pandemic and in concert with Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance.

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2023

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position

1. Use of Estimates

The preparation of the basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and disclosures of contingent assets, deferred outflows of resources, liabilities, and deferred inflows of resources at the date of the financial statements and the reported changes in District net position during the reporting period. Actual results could differ from those estimates.

2. Cash and Cash Equivalents

Substantially all of the District's cash is invested in interest bearing accounts. The District considers all highly liquid investments with a maturity of three months or less at the time of purchase to be cash equivalents.

For purposes of the statement of cash flows, cash and cash equivalents have been defined as demand deposits, money market mutual funds, and external cash management pools (local agency investment fund).

3. Investments and Investment Policy

The District has adopted an investment policy directing the Assistant General Manager to deposit and invest funds in financial institutions in accordance with California Government Code section 53600. The investment policy applies to all financial assets and investment activities of the District.

Changes in fair value that occur during a fiscal year are recognized as investment income reported for that fiscal year. Investment income includes interest earnings, changes in fair value, and any gains or losses realized upon the liquidation or sale of investments.

4. Fair Value Measurements

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles.

The hierarchy is based on valuation inputs used to measure the fair value of the asset, as follows:

- **Level 1** – Valuation is based on quoted prices in active markets for identical assets.
- **Level 2** – Valuation is based on directly observable and indirectly observable inputs. These inputs are derived principally from or corroborated by observable market data through correlation or market-corroborated inputs. The concept of market-corroborated inputs incorporates observable market data such as interest rates and yield curves that are observable at commonly quoted intervals.
- **Level 3** – Valuation is based on unobservable inputs where assumptions are made based on factors such as prepayment rates, probability of defaults, loss severity and other assumptions that are internally generated and cannot be observed in the market.

5. Restricted Assets

Restricted assets are financial resources generated for a specific purpose such as capital projects or debt service. These assets are for the benefit of a specified purpose and, as such, are legally or contractually restricted by an external third-party agreement.

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2023

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position, continued

6. Accounts Receivable – Water Sales and Services

The District extends credit to customers in the normal course of operations. Management views all accounts receivable as collectible.

7. Property Taxes and Assessments

The San Bernardino County Assessor’s Office assesses all real and personal property within the County each year. The San Bernardino County Tax Collector’s Office bills and collects the District’s share of property taxes and/or tax assessments. The San Bernardino County Treasurer’s Office remits current and delinquent property tax collections to the District throughout the year. Property tax in California is levied in accordance with Article 13A of the State Constitution at one percent (1%) of countywide assessed valuations.

Property taxes and assessments receivable at year-end are related to property taxes and special assessments collected by the San Bernardino County, which have not been credited to the District’s cash balance as of June 30. The property tax calendar is as follows:

Lien date	March 1
Levy date	July 1
Due dates	November 1 and February 1
Collection dates	December 10 and April 10

8. Materials and Supplies Inventory

Materials and supplies inventory consists primarily of water meters, pipe, and pipe fittings for construction and repair to the District’s water transmission and distribution system. Inventory is valued at cost using a weighted average method. Inventory items are charged to expense at the time that individual items are withdrawn from inventory or consumed.

9. Prepays

Certain payments to vendors reflect costs or deposits applicable to future accounting periods and are recorded as prepaid items in the basic financial statements.

10. Capital Assets

Capital assets acquired and/or constructed are capitalized at historical cost. District policy has set the capitalization threshold for reporting capital assets at \$5,000. Donated assets are recorded at acquisition value at the date of donation and/or historical cost. Upon retirement or other disposition of capital assets, the cost and related accumulated depreciation are removed from the respective balances and any gains or losses are recognized.

Depreciation is recorded on a straight-line basis over the estimated useful lives of the assets as follows:

Governmental Activities

- Infrastructure, street lighting – 30 to 40 years
- Vehicles and equipment – 5 to 10 years

Business-Type Activities

- Facility and systems – 10 to 40 years
- Vehicles and equipment – 5 to 10 years

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2023

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position, continued

11. Deferred Outflows of Resources

The statement of net 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 assets applicable to future periods and, therefore, will *not* be recognized as an outflow of resources (expenditure) until that time. The District has the following pension related items that qualify for reporting in this category:

- Deferred outflow which is equal to the employer contributions made after the measurement date of the net pension asset. This amount will be amortized-in-full against the net pension asset in the next fiscal year.
- Deferred outflow for the net difference between the actual and expected experience which will be amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the Plan.
- Deferred outflow for the net change in assumptions which will be amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the Plan.
- Deferred outflow for the net difference in projected and actual earnings on investments of the pension plan fiduciary net position. This amount is amortized over a 5 year period.
- Deferred outflow for the net difference in actual and proportionate share of employer contribution, which will be amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the Plan.
- Deferred outflow for the net adjustment due to differences in the changes in proportions of the net pension liability which will be amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the Plan.

12. Compensated Absences

Accrued Vacation – For each full time, (30 hours per week) employee, vacation days shall be earned per biweekly pay period. From year 1 through 4 years of employment, 80 vacation hours are earned, from year 5 through year 9, 120 vacation hours are earned, from year 10 through year 20, 160 vacation hours are earned, and after 20 years, 200 vacation hours are earned.

Part-time regular employees shall earn vacation prorated on actual hours worked. Exempt positions will, at the time of hire, begin at two (2) weeks per year. Vacation time may be accumulated up to a maximum of 160 hours (4 weeks). An employee may, at the discretion of the District, receive pay on their anniversary date for a maximum of forty (40) hours of his or her earned vacation instead of taking time off. New employees will not be authorized vacation time off until completion of one (1) year of continuous employment. If employment is terminated for any reason, the earned vacation will be paid through the last day of employment.

Accrued Sick Leave – Beginning with the date of employment, sick leave (at 3.69 hours per pay period) shall be credited to the employee. The biweekly pay record will reflect the current sick leave accumulation for each employee. Sick leave is not considered to be vacation and is to be used only during illness or injury. If sick leave is used up due to illness or injury, vacation can be used. An employee with no sick leave or vacation credit shall not receive compensation for days not worked due to illness or injury. Abuse of sick leave is grounds for discipline, up to and including dismissal.

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2023

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position, continued

12. Compensated Absences, continued

Sick leave may be accumulated up to a maximum of 120 hours. After 120 hours are accumulated, an employee will receive, in December, 100% of the value of the unused sick leave, which exceeds the 120 hours maximum. At the end of each year's employment (anniversary date), 10% of the total accumulated sick leave shall vest in and become the property of the employee subject only to the employee's leaving the District under any condition other than discharge for cause. Upon retirement or resignation from the District, the employee shall be paid 10% for each year of service of the accumulated sick leave.

13. Pensions

For purposes of measuring the net pension asset 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 addition to/deduction 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.

GASB 68 requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

- Valuation Date: June 30, 2021
- Measurement Date: June 30, 2022
- Measurement Period: July 1, 2021 to June 30, 2022

14. Deferred Inflows of Resources

The statement of net position will sometimes report a separate section for deferred inflows of resources. This financial statement element, *deferred inflows of resources*, represents an acquisition of net assets applicable to future periods and, therefore, will *not* be recognized as an inflow of resources (revenue) until that time. The District does not have any pension related items that qualify for reporting in this category.

15. Net Position

The government-wide financial statements utilize a net position presentation. Net position categories are as follows:

- **Net Investment in Capital Assets** – This component of net position consists of capital assets, net of accumulated depreciation and amortization, and reduced by outstanding balances of any debt, or other long-term borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- **Restricted** – This component of net position consists of constraints placed on net position use imposed by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted** – This component of net position consists of net position that does not meet the definition of net investment in capital assets or restricted components of net position.

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2023

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position, continued

16. Fund Balance

The financial statements, governmental funds report fund balance as non-spendable, restricted, committed, assigned, or unassigned based primarily on the extent to which the District is bound to honor constraints on how specific amounts can be spent.

- **Nonspendable fund balance** – amounts that cannot be spent because they are either (a) not spendable in form or (b) legally or contractually required to be maintained intact.
- **Restricted fund balance** – amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions enabling legislation.
- **Committed fund balance** – amounts that can only be used for specific purposes determined by formal action of the District’s highest level of decision-making authority (the Board of Directors) and that remain binding unless removed in the same manner. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.
- **Assigned fund balance** – amounts that are constrained by the District’s intent to be used for specific purposes. The intent can be established at either the highest level of decision-making, or by a body or an official designated for that purpose.
- **Unassigned fund balance** – the residual classification for the District’s general fund that includes amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

The Board of Directors established, modifies, or rescinds fund balance commitments and assignments by passage of an ordinance or resolution. The District considers an ordinance and a resolution as equally binding. This is done through adoption of the budget and subsequent budget amendments that occur throughout the year.

When both restricted and unrestricted resources are available for use, it is the District’s policy to use restricted resources first, followed by the unrestricted, committed, assigned, and unassigned resources as they are needed.

Fund Balance Policy

The District believes that sound financial management principles require that sufficient funds be retained by the District to provide a stable financial base at all times. To retain this stable financial base, the District needs to maintain an unrestricted fund balance in its funds sufficient to fund cash flows of the District and to provide financial reserves for unanticipated expenditures and/or revenue shortfalls of an emergency nature. Committed, assigned, and unassigned fund balances are considered unrestricted.

The purpose of the District’s fund balance policy is to maintain a prudent level of financial resources to protect against reducing service levels or raising taxes and fees because of temporary revenue shortfalls or unpredicted one-time expenditures.

17. Water Sales and Services

Water sales are billed on a monthly basis. Estimated unbilled water revenue through June 30 has been accrued at year-end for the enterprise funds.

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2023

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position, continued

18. Capital Contributions

Capital contributions represent cash and capital asset additions contributed to the District by property owners, granting agencies, or real estate developers desiring services that require capital connection expenditures or capacity commitment.

19. Reclassification

The District has reclassified certain prior year information to conform to current year presentations.

(2) Cash and Cash Equivalents

Cash and cash equivalents as of June 30 are classified as follows:

	2023		Total
	Unrestricted	Restricted	
Governmental activity funds:			
Cash and cash equivalents			
General fund	\$ 1,707,637	-	\$ 1,707,637
Parks and recreation fund	2,782,870	-	2,782,870
Street lighting fund	13,430	-	13,430
Solid waste fund	41,502	-	41,502
Total cash and cash equivalents	4,545,439	-	4,545,439
Investments			
General fund	1,680,374	-	1,680,374
Parks and recreation fund	2,738,441	-	2,738,441
Street lighting fund	13,215	-	13,215
Solid waste fund	40,839	-	40,839
Total investments	4,472,869	-	4,472,869
Total governmental activity funds:	9,018,308	-	9,018,308
Business-type activity funds:			
Cash and cash equivalents			
Water fund	3,158,234	6,136,945	9,295,179
Investments			
Water fund	9,081,279	-	9,081,279
Total business-type activity funds:	12,239,513	6,136,945	18,376,458
Total cash, cash equivalents, and investments	\$ 21,257,821	6,136,945	\$ 27,394,766

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2023

(2) Cash and Cash Equivalents, continued

Cash and cash equivalents as of June 30 consisted of the following:

	2023		Total
	Unrestricted	Restricted	
Cash on hand	\$ 2,000	-	\$ 2,000
Deposits held with financial institutions	805,436	2,502	807,938
Deposits held with San Bernardino County Treasurer	5,171	-	5,171
California Local Agency Investment Fund	39,670	-	39,670
California Cooperative Liquid Assets Securities System	6,851,396	6,134,443	12,985,839
Investments	13,554,148	-	13,554,148
Total	\$ 21,257,821	6,136,945	\$ 27,394,766

Investments Authorized by the California Government Code and the District's Investment Policy

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

Investments Authorized by the California Government Code and the District's Investment Policy

Authorized Investment Type	Maximum Maturity	Maximum Percentage Of Portfolio *	Maximum Investment in One Issuer
State and Local Agency Bonds	5 years	None	None
U.S. Treasury Obligations	5 years**	None	None
U.S. Agency Securities	5 years**	None	None
Banker's Acceptances	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Non-negotiable Certificates of Deposit	1 year	30%	None
Negotiable Certificates of Deposit	5 years	30%	None
Medium-Term Notes	5 years	30%	None
Repurchase agreements	1 year	20%	None
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
Supranational Obligations	N/A	30%	None
County Pooled Investment Funds	N/A	None	None
California Local Agency Investment Fund (LAIF)	N/A	None	None

* Excluding amounts held by bond trustee that are not subject to California Government Code.

** Except when authorized by the District's legislative body in accordance with Government Code Section 53601

N/A – Not Applicable

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2023

(2) Cash and Cash Equivalents, continued

Investment in the California State Investment Pool

The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Amounts held with LAIF are highly liquid, as deposits can be converted to cash within a twenty-four-hour period without loss of accrued interest. LAIF detail may be obtained from the State of California Treasurer's website at www.treasurer.ca.gov/pmia-laif/index.asp.

The pool portfolio is invested in a manner that meets the maturity, quality, diversification and liquidity requirements set forth by GASB 79 for external investment pools that elect to measure, for financial reporting purposes, investments at amortized cost. LAIF does not have any legally binding guarantees of share values. LAIF does not impose liquidity fees or redemption gates on participant withdrawals.

Investment in the California Cooperative Liquid Assets Securities System

The District is a participant in the California Cooperative Liquid Assets Securities System (CLASS). California CLASS is a Joint Powers Authority investment pool that provides public agencies the opportunity to invest funds on a cooperative basis in rated pools that are managed in accordance with state law with the primary objectives of offering Participants safety, daily and next-day liquidity, and optimized returns.

California CLASS is managed as stable value NAV pool but does not meet all of the specific criteria outlined in GASB 79 Paragraph 4, therefore California CLASS Participants should report their investments in the pool at fair value.

Custodial Credit Risk

The custodial credit risk for *deposits* is the risk that, in the event of failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code and the District's investment policy does not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. Of the District's bank balances, up to \$250,000 is federally insured and the remaining balance is collateralized in accordance with the code.

The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit), and, the District's investment policy that requires no more than two-thirds of the District's deposits in a depository shall be collateralized by mortgage-backed securities, with the remainder to be secured by non-mortgage-backed securities.

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2023

(2) Cash and Cash Equivalents, continued

Custodial Credit Risk, continued

The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. Of the District's bank balances, up to \$250,000 is federally insured and the remaining balance is collateralized in accordance with the Code; however, the collateralized securities are not held in the District's name.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. The longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the District manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio matures, or comes close to maturity evenly over time, as necessary to provide requirements for cash flow and liquidity needed for operations.

The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. Of the bank balances, up to \$250,000 is federally insured and the remaining balance is collateralized in accordance with the Code; however, the collateralized securities are not held in the District's name.

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the District's investments by maturity date:

Investment maturities as of June 30, 2023, were as follows:

Investment Type	Amount	Remaining Maturity (in Months)			
		12 Months Or Less	13 to 24 Months	25 to 60 Months	Thereafter
Certificates-of-deposit	\$ 12,571,330	3,521,100	6,276,143	1,521,703	1,252,384
United States Treasury notes	982,818	-	-	982,818	-
Total	13,554,148	3,521,100	6,276,143	2,504,521	1,252,384

Credit Risk

Generally, 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.

Per the District's investment policy, credit risk is mitigated by investing in safe securities, and diversifying the investment portfolio so the failure of one issuer would not materially affect the District's cash flow. Presented below is the minimum rating required by (where applicable) the California Government Code, the District's investment policy, or debt agreements, and the actual rating as of year-end for each investment type.

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2023

(2) Cash and Cash Equivalents, continued

Credit ratings of investments as of June 30, 2023, were as follows:

<u>Investment Type</u>	<u>Amount</u>	<u>Minimum Legal Rating</u>	<u>Exempt From Disclosure</u>	<u>Ratings AA+ to AA-</u>
Certificates-of-deposit	\$ 12,571,330	N/A	12,571,330	-
United States Treasury notes	982,818	AA+	-	982,818
Total	<u>13,554,148</u>	<u>-</u>	<u>12,571,330</u>	<u>982,818</u>

Concentration of Credit Risk

The District's investment policy contains various limitations on the amounts that can be invested in any one governmental agency or non-governmental issuer as stipulated by the California Government Code.

Instruments in any one issuer that represent 5% or more of the District's investments as of June 30, 2023 are as follows (excluding external investment pools and debt explicitly guaranteed by the U.S. government):

<u>Deposit & Investment</u>	<u>Issuer Type</u>	<u>Fair Value Holdings</u>	<u>Percentage Holdings</u>
California Cooperative Liquid Assets Securities System	Joint Powers Authority investment pool	\$ 12,985,839	48.86%
Desert Community Bank	Certificates-of-deposit	11,555,917	43.48%

Fair Value Measurements

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Investments measured at fair value on a recurring and non-recurring basis, are as follows:

<u>Investment Type</u>	<u>Amount</u>	<u>Fair Value Measurements Using</u>		
		<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Certificates-of-deposit	\$ 12,571,330	-	12,571,330	-
United States Treasury notes	982,818	982,818	-	-
Total investments measured at fair value	<u>13,554,148</u>	<u>982,818</u>	<u>12,571,330</u>	<u>-</u>
Investments measured at amortized cost:				
California Local Agency Investment Fund	39,670			
California Cooperative Liquid Assets Securities System	12,985,839			
Total investments measured at amortized cost	<u>13,025,509</u>			
Total	<u>\$ 26,579,657</u>			

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2023

(3) Leases Receivable

Governmental Activities:

Changes in leases receivable at June 30 were as follows:

	<u>Balance</u> <u>2022</u>	<u>Additions</u>	<u>Principal</u> <u>Payments</u>	<u>Balance</u> <u>2023</u>	<u>Deferred</u> <u>Inflows</u>
C & G Partners	\$ 297,590	-	(118,252)	\$ 179,338	\$ (164,928)
Circle Green	103,168	-	(47,955)	55,213	(50,686)
Total leases receivable	400,758	-	(166,207)	234,551	\$ (215,614)
Less: current portion	(176,066)			(176,066)	
Total non-current portion	\$ <u>224,692</u>			\$ <u>58,485</u>	

C & G Partners

On November 7, 2018, the District entered into a lease agreement with C & G Partners LLC (C&G), whereby C&G has agreed to pay the District for approximately 106 acres of real property known as “Home Field” and approximately 160 acres of real property known as “George’s Field” for the purpose of developing the property to operate various types of emerging green technologies, including; composting, food waste digestion, organic farming, and possibly green power generation. The terms of the agreement require C&G to pay the District in monthly installments through November 2024. Monthly installments are adjusted annually at 3.00% following the anniversary of the lease commencement date

Following the guidelines of *GASB Statement No. 87*, the District recorded a lease receivable and a deferred inflow at present value using a discount rate of 2.70%. The deferred lease inflow is amortized on a straight-line basis over the term of the lease. As of June 30, 2023, deferred lease inflows were reported at \$164,928.

Future payments to be received and deferred inflows as of June 30, 2023, are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Deferred</u> <u>Inflows</u>
2024	\$ 125,277	3,311	128,588	\$ (116,420)
2025	54,061	367	54,428	(48,508)
Totals	179,338	3,678	183,016	\$ (164,928)
Less: current portion	(125,277)			
Total non-current	\$ <u>54,061</u>			

Circle Green

On July 18, 2018, the District entered into a lease agreement with Circle Green Inc. (Circle Green), whereby Circle Green has agreed to pay the District for approximately 157 acres of real property at 17900 Sheep Creek Road for the purpose of site management, composting, and other related activities. The terms of the agreement require Circle Green to pay the District in monthly installments through July 2024. Monthly installments are adjusted annually at 3.00% following the anniversary of the lease commencement date.

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2023

(3) Leases Receivable, continued

Circle Green, continued

Following the guidelines of *GASB Statement No. 87*, the District recorded a lease receivable and a deferred inflow at present value using a discount rate of 2.70%. The deferred lease inflow is amortized on a straight-line basis over the term of the lease. As of June 30, 2023, deferred lease inflows were reported at \$50,686.

Future payments to be received and deferred inflows as of June 30, 2023, are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Deferred Inflows</u>
2024	\$ 50,789	865	51,654	\$ (46,787)
2025	4,424	10	4,434	(3,899)
Totals	55,213	875	56,088	\$ (50,686)
Less: current portion	(50,789)			
Total non-current	\$ 4,424			

(4) Capital Assets

Governmental Activities:

Changes in capital assets at June 30 were as follows:

	<u>Balance 2022</u>	<u>Additions</u>	<u>Deletions/ Transfers</u>	<u>Balance 2023</u>
Non-depreciable assets:				
Land	\$ 2,947,622	-	-	2,947,622
Construction in progress	422,919	118,526	-	541,445
Total non-depreciable assets	3,370,541	118,526	-	3,489,067
Depreciable assets:				
Building	540,000	-	-	540,000
Land improvements	1,401,575	-	-	1,401,575
Wells	24,840	-	-	24,840
Planning and development	119,240	-	-	119,240
Equipment	55,074	-	-	55,074
Total depreciable assets	2,140,729	-	-	2,140,729
Accumulated depreciation:				
Building	(486,351)	(5,150)	-	(491,501)
Land improvements	(966,406)	(73,373)	-	(1,039,779)
Wells	(24,840)	-	-	(24,840)
Planning and development	(85,335)	(5,086)	-	(90,421)
Equipment	(16,023)	(9,088)	-	(25,111)
Total accumulated depreciation	(1,578,955)	(92,697)	-	(1,671,652)
Total depreciable assets, net	561,774	(92,697)	-	469,077
Total capital assets, net	\$ 3,932,315	25,829	-	3,958,144

Major governmental fund capital asset additions during fiscal year 2023, include additions to construction in progress of \$18,526 that is comprised of Phelan park expansion capital project additions: There were no additions to depreciable assets. There were no disposals during the fiscal year.

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2023

(4) Capital Assets, continued

Business-type Activities:

Changes in capital assets at June 30, were as follows:

	<u>Balance 2022</u>	<u>Additions</u>	<u>Deletions/ Transfers</u>	<u>Balance 2023</u>
Non-depreciable assets:				
Land	\$ 1,755,276	25,000	-	1,780,276
Water rights	16,371,783	-	-	16,371,783
Construction in progress	639,888	2,710,088	(824,099)	2,525,877
Total non-depreciable assets	<u>18,766,947</u>	<u>2,735,088</u>	<u>(824,099)</u>	<u>20,677,936</u>
Depreciable assets:				
Building	6,286,664	-	-	6,286,664
Transmission and distribution mains	18,570,562	73,588	-	18,644,150
Reservoirs	4,187,496	-	-	4,187,496
Pumping Station	4,114,808	-	-	4,114,808
Wells	5,923,429	-	-	5,923,429
Tanks	2,281,723	-	-	2,281,723
Hydrants and telemetry control	191,670	-	-	191,670
Meters	2,084,687	750,512	(576,343)	2,258,856
Planning and development	3,850,515	-	-	3,850,515
Vehicles and equipment	2,858,878	223,123	(60,884)	3,021,117
Total depreciable assets	<u>50,350,432</u>	<u>1,047,223</u>	<u>(637,227)</u>	<u>50,760,428</u>
Accumulated depreciation:				
Building	(321,896)	(38,330)	-	(360,226)
Transmission and distribution mains	(13,975,152)	(352,761)	-	(14,327,913)
Reservoirs	(3,368,421)	(154,322)	-	(3,522,743)
Pumping Station	(3,338,224)	(94,732)	-	(3,432,956)
Wells	(2,465,677)	(193,433)	-	(2,659,110)
Tanks	(881,914)	(67,313)	-	(949,227)
Hydrants and telemetry control	(191,670)	-	-	(191,670)
Meters	(1,200,703)	(68,466)	576,343	(692,826)
Planning and development	(2,341,329)	(453,649)	-	(2,794,978)
Vehicles and equipment	(3,398,500)	(472,482)	60,884	(3,810,098)
Total accumulated depreciation	<u>(31,483,486)</u>	<u>(1,895,488)</u>	<u>637,227</u>	<u>(32,741,747)</u>
Total depreciable assets, net	<u>18,866,946</u>	<u>(848,265)</u>	<u>-</u>	<u>18,018,681</u>
Total capital assets, net	<u>\$ 37,633,893</u>	<u>1,886,823</u>	<u>(824,099)</u>	<u>38,696,617</u>

Major enterprise fund capital asset additions during fiscal year 2023, include additions to land of \$25,000 and construction in progress of \$2,710,088 that is comprised of the following capital project additions: Well 15 development of \$1,688,996, meters & installation of \$596,188, project 3A grant of \$154,863, administrative property additions of \$124,235, and various miscellaneous projects totaling \$145,806. Additions to depreciable assets sourcing from construction-in-progress include \$73,588 added to transmission and distribution mains, \$750,512 added to meters, and \$223,123 added to vehicles and equipment. Disposals included a meter replacement and partial disposal of \$576,343 and two vehicle dispositions of \$60,884.

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2023

(4) Capital Assets, continued

Depreciation expense was charged to various functions for the year ended June 30 as follows:

	2023
Governmental activities:	
General government	\$ 5,150
Parks and Recreation	87,547
Total governmental activities	92,697
Business type activities:	
Water Fund	1,895,488
Total business-type activities	1,895,488
Total depreciation expense	\$ 1,988,185

(5) Compensated Absences

Compensated absences comprise unpaid vacation leave that accrue when benefits are fully vested and are determined annually. Compensated absences for governmental funds will generally be liquidated through the general fund. The balance in the proprietary fund will be liquidated through the water fund.

The change to compensated absence balances at June 30 were as follows:

Governmental:

	Balance 2022	Earned	Taken	Balance 2023	Due Within One Year	Due in more than one year
\$	18,542	25,460	(21,293)	22,709	11,355	11,354

Enterprise:

	Balance 2022	Earned	Taken	Balance 2023	Due Within One Year	Due in more than one year
\$	200,856	318,702	(276,873)	242,685	121,343	121,343

(6) Long-term Debt

Changes in long-term debt at June 30 were as follows:

	Balance 2022	Additions	Payments	Balance 2023
State Dept of Transportation – 22784-00 \$	58,865	-	(26,013)	32,852
CIEDB – 14-101	5,756,716	-	(216,546)	5,540,170
MFC – 21-002	5,149,902	-	(382,892)	4,767,010
MFC – Civic Center Site Lease	-	6,040,000	-	6,040,000
Total loan payable	10,965,483	6,040,000	(625,451)	16,380,032
Less: current portion	(625,451)			(829,573)
Total non-current portion	\$ 10,340,032			15,550,459

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2023

(6) Long-term Debt, continued

State Department of Transportation – 22784-00 Utility Agreement

In 2014, the State of California (State), acting by and through the Department of Transportation, proposed a project to widen roads to 4 lanes from SR-18 to I-15 and construct a 14ft wide Median Buffer that affected a portion of the District’s facilities. Thus, the District was ordered by the State to relocate identified facilities to avoid conflict with the State’s widening project to accommodate the State’s project. Total estimated costs of the State project amounted to \$710,829.

The State agreed to advance the District the sum of \$252,633, in accordance with Section 706 of the Streets and Highways Code, to cover the District’s portion of the cost of the work to be undertaken by the State. The interest rate shall be the rate of earnings of the Surplus Money Investment Fund and computation shall be in accordance with Section 1268.350 of the Code of Civil Procedure. The current annual interest rate for the amount advanced of \$252,633 is 0.912%. The term of the agreement is ten years from October 2014. Principal and interest payments are due quarterly during the year at January 1st, April 1st, July 1st, and October 1st.

<u>Fiscal Year</u>		<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$	26,252	210	26,462
2025		6,600	15	6,615
Totals		32,852	225	33,077
Less: current portion		(26,252)		
Total non-current		\$ 6,600		

California Infrastructure & Economic Development Bank – 14-101 (previously 12-101) Installment Sale Agreement

In 2013, the District entered into an agreement for loan number 12-101 with the California Infrastructure and Economic Development Bank (CIEDB) to fund the purchase of water rights in the amount of \$7,500,000 with an interest rate of 2.29%. The term of the agreement is thirty years from December 2013. In March 2014, the loan was rewritten under number 14-101 with a reduced interest rate of 2.04%. Interest only payments are due each February 1st, with principal and interest payments due each August 1st.

<u>Fiscal Year</u>		<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$	221,504	110,760	332,264
2025		226,577	106,190	332,767
2026		231,766	101,515	333,281
2027		237,073	96,732	333,805
2028		242,502	91,841	334,343
2029-2033		1,298,398	381,817	1,680,215
2034-2038		1,454,031	241,587	1,695,618
2039-2043		1,628,319	84,548	1,712,867
Totals		5,540,170	1,214,990	6,755,160
Less: current portion		(221,504)		
Total non-current		\$ 5,318,666		

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2023

(6) Long-term Debt, continued

Municipal Finance Corporation – 21-002 Refinancing of CIEDB – 02-033 and MFC – 14-003

In 2021, the District entered into an agreement for loan number 21-002 with Municipal Finance Corporation (MFC) to refinance loan number 02-033 with CIEDB and loan number 14-003 with MFC to take advantage of lower interest rates. The District borrowed \$5,567,101 from MFC for the purpose of defeasance of the CIEDB – 02-033 loan balance of \$1,746,964 and the MFC – 14-033 loan balance of \$3,820,137. The loan matures on August 1, 2034 and has an interest rate of 2.80%. Interest only payments are due each February 1st, with principal and interest payments due each August 1st.

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 393,377	128,845	522,222
2025	404,149	118,073	522,222
2026	415,217	107,005	522,222
2027	426,588	95,634	522,222
2028	438,271	83,951	522,222
2029-2033	2,194,873	232,980	2,427,853
2034-2035	494,535	13,911	508,446
Totals	4,767,010	780,399	5,547,409
Less: current portion	(393,377)		
Total non-current	\$ 4,373,633		

Municipal Finance Corporation – Civic Center Site Lease

In 2023, the District entered into a lease agreement with Municipal Finance Corporation for the purpose of financing the acquisition and construction of the District’s administrative facility (Civic Center). The District borrowed \$6,040,000 from MFC. The loan matures on January 13, 2043 and has a tax-exempt interest rate of 4.65%. Principal and interest payments are due each January 13th and July 13th.

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 188,440	140,430	328,870
2025	197,306	269,804	467,110
2026	206,589	260,521	467,110
2027	216,308	250,802	467,110
2028	226,485	240,625	467,110
2029-2033	1,302,642	1,032,908	2,335,550
2034-2038	1,639,290	696,260	2,335,550
2039-2033	2,062,940	272,611	2,335,551
Totals	6,040,000	3,163,961	9,203,961
Less: current portion	(188,440)		
Total non-current	\$ 5,851,560		

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2023

(7) Defined Benefit Pension Plan

Plan Description

All qualified permanent and probationary employees are eligible to participate in the District's 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's 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.

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. Classic and PEPRA members with five years of total service are eligible to retire at age 50 or age 52 with statutorily reduced benefits, respectively. 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.

On September 12, 2012, the California Governor signed the California Public Employees' Pension Reform Act of 2013 (PEPRA) into law. PEPRA took effect January 1, 2013. The legislation closed the District's CalPERS 2.5% at 55 Risk Pool Retirement Plan to new employee entrants effective December 31, 2012. For employees hired prior to January 1, 2013, who are current members of CalPERS or a reciprocal agency as of December 31, 2012 and have not been separated from service from such agency for more than six months, the retirement benefit is 2.5% @ 55 years of age; highest single year of compensation. All other employees hired on or after January 1, 2013, the retirement benefit is 2.0% @ 52 years of age; 3-year final compensation.

The Plans' provision and benefits in effect at June 30, 2023 are summarized as follows:

	Miscellaneous Plan		
	Classic	New Classic	PEPRA
Hire date	Prior to January 1, 2011	On or after January 1, 2011 - December 31, 2012	On or after January 1, 2013
Benefit formula	2.5% @ 55	2.0% @ 60	2.0% @ 62
Benefit vesting schedule	5 years of service	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50 - 55	50 - 63	52 - 67
Monthly benefits, as a % of eligible compensation	2.0% to 2.5%	1.1% to 2.4%	1.0% to 2.5%
Required employee contribution rates	8.00%	7.00%	6.75%
Required employer contribution rates	11.59%	8.65%	7.59%

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2023

(7) Defined Benefit Pension Plan, continued

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates, for all public employers, be determined on an annual basis by the actuary and shall be effective on July 1 following notice of the change in 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.

For the fiscal year ended June 30, 2023 the contributions for the Plan were as follows:

		<u>Miscellaneous Plan</u>
Contributions – employer	\$	221,164
Contributions – employee (paid by employer)		93,729
Total employer paid contributions	\$	<u>314,893</u>

Net Pension Liability

As of the fiscal year ended June 30, 2023, the District reported a net pension asset for its proportionate share of the Plan as follows:

	<u>Proportionate Share of Net Pension Liability</u>		
	<u>Governmental</u>	<u>Enterprise</u>	<u>Total</u>
Miscellaneous plan	\$ 3,463	31,193	34,656

The District's net pension asset is measured as the proportionate share of the Plan's net pension liability. The net pension liability of the Plan is measured as of June 30, 2022 (the measurement date), and the total pension asset for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021 (the valuation date), rolled forward to June 30, 2022, 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 pension asset for the Plan as of the measurement date June 30, 2022, was as follows:

	<u>Miscellaneous</u>
Proportion – June 30, 2021	-0.00997%
Proportion – June 30, 2022	<u>0.00030%</u>
Change – (Increase)Decrease	<u>0.01027%</u>

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2023

(7) Defined Benefit Pension Plan, continued

Deferred Pension Outflows (Inflows) of Resources

For the fiscal year ended June 30, 2023, the District recognized pension income of \$803,855.

At June 30, 2023 the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to the measurement date	\$ 221,164	-
Net difference between actual and expected experience	230	-
Net change in assumptions	3,553	-
Net difference between projected and actual earnings on plan investments	6,351	-
Net difference between actual contribution and proportionate share of contribution	123,620	-
Net adjustment due to differences in proportions of net pension liability	<u>272,157</u>	<u>-</u>
Total	<u>\$ 627,075</u>	<u>-</u>

As of June 30, 2023, employer pension contributions reported as deferred outflows of resources related to contributions subsequent to the measurement date of \$221,164 will be recognized as an addition to the net pension asset for the fiscal year ended June 30, 2024.

At June 30, 2023, the District recognized other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension, which will be recognized as pension expense as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Deferred Net Outflows/(Inflows) of Resources</u>
2023	\$ 207,228
2024	172,716
2025	112,092
2026	(86,125)

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2023

(7) Defined Benefit Pension Plan, continued

Actuarial Assumptions

The total pension liability in the June 30, 2021, actuarial valuation report was determined using the following actuarial assumptions:

Valuation date	June 30, 2021
Measurement date	June 30, 2022
Actuarial cost method	Entry age normal in accordance with the requirements of GASB Statement No. 68
 Actuarial assumptions:	
Discount rate	6.90%
Inflation	2.30%
Salary increases	Varies by entry age and service
Investment rate of return	6.90 % net of pension plan investment and administrative expenses; includes inflation
Mortality rate table*	Derived using CalPERS' membership data for all funds contract COLA up to 2.50% until purchasing power protection allowance floor on purchasing power applies, 2.75% thereafter
Post retirement benefit	

* The mortality table used above was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table, please refer to the 2014 Experience Study report. Further details of the Experience Study can be found on the CalPERS website.

Discount Rate

The discount rate used to measure the total pension asset was 6.90% for the Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the Plan, the amortization and smoothing periods recently adopted by CalPERS were utilized. The crossover test was performed for a miscellaneous agent plan and a safety agent plan selected as being more at risk of failing the crossover test and resulting in a discount rate that would be different from the long-term expected rate of return on pension investments.

Based on the testing of the plans, the tests revealed the assets would not run out. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability for the Plan.

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.

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2023

(7) Defined Benefit Pension Plan, continued

Discount Rate, continued

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

<u>Asset Class</u>	<u>New Strategic Allocation</u>	<u>Real Return Years 1–10*</u>	<u>Real Return Year 11+**</u>
Global Equity	50.00%	4.80%	5.98%
Global Fixed Income	28.00%	1.00%	2.62%
Inflation Sensitive	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Estate	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%
Total	<u>100.00%</u>		

* An expected inflation of 2.5% used for this period

** An expected inflation of 3.0% used for this period

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

The following table presents the District’s proportionate share of the net position asset for the Plan, calculated using the discount rate, as well as what the District’s proportional share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate.

At June 30, 2023, the discount rate comparison was as follows:

	<u>Discount Rate - 1%</u>	<u>Current Discount Rate</u>	<u>Discount Rate + 1%</u>
	<u>5.90%</u>	<u>6.90%</u>	<u>7.90%</u>
District's net pension liability(asset) \$	<u>678,815</u>	<u>34,656</u>	<u>(495,327)</u>

Payable to the Pension Plan

At June 30, 2023, the District did not have an outstanding amount of contributions payable to the pension plan.

Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in separately issued CalPERS financial reports. See pages 68 and 69 for the Required Supplementary Schedules.

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2023

(8) Net Position

Net investment in capital assets is calculated as follows:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Capital assets – not being depreciated	\$ 3,489,067	20,677,936	24,167,003
Capital assets – being depreciated, net	469,077	18,018,681	18,487,758
Long-term debt – current portion	-	(829,573)	(829,573)
Long-term debt – long-term portion	-	<u>(15,550,459)</u>	<u>(15,550,459)</u>
Total	<u>\$ 3,958,144</u>	<u>22,316,585</u>	<u>26,274,729</u>

Unrestricted net position is designated as follows:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
General	\$ 3,512,341	-	3,512,341
Parks and recreation	5,503,931	-	5,503,931
Street lighting	23,264	-	23,264
Solid waste	95,612	-	95,612
Materials and supplies inventory	-	730,983	730,983
Prepaid expenses and other assets	-	390,991	390,991
Water operations and capital replacement	-	<u>18,601,460</u>	<u>18,601,460</u>
Total	<u>\$ 9,135,148</u>	<u>19,723,434</u>	<u>28,858,582</u>

(9) Internal Balances

Interfund Transfers

Interfund transfers consist of the following for the year ended June 30, 2023:

<u>Transfer from</u>	<u>Transfer to</u>	<u>Purpose</u>	<u>Amount</u>
<i>Interfund Operational Transfers:</i>			
General	Water	Operations	\$ 1,170,343
Solid Waste	Parks & Rec	Operations	<u>186,500</u>
		Total transfers	<u>\$ 1,356,843</u>

Interfund Operational Transfers

During the fiscal year ended June 30, 2023, interfund transfers between the General and Water funds were designated by the Board to utilize resources from General fund revenue to help balance the Water fund budget. The funds were transferred accordingly.

During the fiscal year ended June 30, 2023, interfund transfers between the Parks and Recreation and Solid Waste funds were designated by the Board to transfer any funds remaining from current fiscal years operations from Solid Waste fund to assist in funding operations of the Parks and Recreation fund. The funds were transferred accordingly.

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2023

(10) Fund Balance

Fund balances are presented in the following categories: non-spendable, restricted, committed, assigned, and unassigned (See Note 1.D.16 for a description of these categories). Fund balances and their funding composition at June 30, 2023 is as follows:

Fund Balance Category			
Assigned:			
Parks and recreation	\$	5,503,931	
Street lighting		23,264	
Solid waste		95,612	
Total assigned fund balance		5,622,807	
Unassigned fund balance:			
General fund		3,456,974	
Total fund balance	\$	9,079,781	

(11) Chromium-6 Surcharge

The District’s water wells have traces of naturally occurring Chromium-6, which exceed the maximum contaminant levels (MCL) under new state regulations and must reduce the MCL to meet state goals. The District decided to blend its water supply with water that does not contain Chromium-6 to reduce the levels of Chromium-6. The District estimated the cost to comply with the new regulations to be approximately \$17 million. The District was seeking grants and low interest loans to help reduce the impact to the customers. The District was in the process of implementing its compliance project when the State Water Resources Control Board reversed its ruling, changing the MCL back to previous levels. It is expected that the MCL will be reduced again soon. The District spent approximately \$4.5 million toward the compliance project and has approved an additional \$6.6 million in projects to meet the state mandates. The total of approximately \$11.1 million for the revised projects is less than the original estimate of \$17 million. The District will continue to collect the surcharge from customers to recover the funds expended. At June 30, 2023, the Chromium-6 surcharge amounted to \$843,638 for the fiscal year.

(12) Risk Management

The District is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District is a member of the Special District Risk Management Authority (SDRMA), an intergovernmental risk sharing joint powers authority created to provide self-insurance programs for California special districts. The purpose of the SDRMA is to arrange and administer programs of self-insured losses and to purchase excess insurance coverage.

At June 30, 2023, the District participated in the liability and property programs of the SDRMA as follows:

- General and auto liability, personal injury and property damage, public officials’ and employees’ errors and omissions, up to \$2,500,000 for each wrongful act, subject to a \$500 deductible per occurrence for third party general liability property damage and \$1,000 per occurrence for third party auto liability property damage. 50% co-insurance of cost expended by SDRMA, in excess of \$10,000 up to \$50,000, per occurrence, for employment related claims. However, 100% of the obligation will be waived if certain criteria are met, as provided in the Memorandum of Coverage’s.

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2023

(12) Risk Management, continued

In addition to the above, the District also has the following insurance coverage:

- Employee and Public officials' dishonesty coverage up to \$1,000,000 per loss includes public employee or officials' dishonesty, forgery or alteration and theft, disappearance, and destruction coverage, subject to a \$10,000 deductible.
- Property loss is paid at the replacement cost for property on file, if replaced within three years after the loss, otherwise paid on an actual cash value basis, to a combined member (pool) total of \$1.0 Billion per occurrence, subject to a \$1,000 deductible per occurrence.
- Boiler and machinery coverage for the replacement cost up to \$100 million per occurrence, subject to a \$1,000 deductible per occurrence, unless otherwise specified.
- Public officials' personal liability up to \$500,000 each occurrence, with an annual aggregate of \$500,000 per elected/appointed official to which this coverage applies, subject to the terms and a \$500 deductible per claim.
- Comprehensive and Collision: on selected vehicles, with deductibles of \$250/\$500 or \$500/\$1,000, as elected; ACV limits; fully self-funded by SDRMA.
- Workers compensation insurance with statutory limits per occurrence and employer's liability coverage up to \$5,000,000 million, subject to the terms, conditions, and exclusions as provided in the Memorandum of Coverage's.

Settled claims have not exceeded any of the coverage amounts in the last three fiscal years. There were no reductions in insurance coverage in fiscal year 2023. Liabilities are recorded when it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated net of the respective insurance coverage. Liabilities include an amount for claims that have been incurred but not reported (IBNR). There were no material IBNR claim payables as of June 30, 2023.

(13) Governmental Accounting Standards Board Statements Issued, Not Yet Effective

The Governmental Accounting Standards Board (GASB) has issued several pronouncements prior to June 30, 2023, that have effective dates that may impact future financial presentations.

Governmental Accounting Standards Board Statement No. 99

In April 2022, the GASB issued Statement No. 99 – *Omnibus 2022*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees.

The requirements of this Statement will enhance comparability in the application of accounting and financial reporting requirements and will improve the consistency of authoritative literature. Consistent authoritative literature enables governments and other stakeholders to locate and apply the correct accounting and financial reporting provisions, which improves the consistency with which such provisions are applied. The comparability of financial statements also will improve as a result of this Statement. Better consistency and comparability improve the usefulness of information for users of state and local government financial statements.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2023

(13) Governmental Accounting Standards Board Statements Issued, Not Yet Effective, continued

Governmental Accounting Standards Board Statement No. 100

In June 2022, the GASB issued Statement No. 100 – *Accounting Changes and Error Corrections – An Amendment of GASB Statement No. 62*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements.

The requirements of this Statement will improve the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. In turn, more understandable, reliable, relevant, consistent, and comparable information will be provided to financial statement users for making decisions or assessing accountability. In addition, the display and note disclosure requirements will result in more consistent, decision useful, understandable, and comprehensive information for users about accounting changes and error corrections.

The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

Governmental Accounting Standards Board Statement No. 101

In June 2022, the GASB issued Statement No. 101 – *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences.

The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
For the Fiscal Year Ended June 30, 2023

(14) Commitments and Contingencies

Grant Awards

Grant funds received by the District are subject to audit by the grantor agencies. Such audit could lead to requests for reimbursements to the grantor agencies for expenditures disallowed under terms of the grant. Management of the District believes that such disallowances, if any, would not be significant.

Litigation

In the ordinary course of operations, the District is subject to claims and litigation from outside parties. After consultation with legal counsel, the District believes the ultimate outcome of such matters, if any, will not materially affect its financial condition.

(15) Subsequent Event

Subsequent to fiscal year ended June 30, 2023, the District determined to cancel the Sheep Creek Water Company consolidation management coordination and other related projects. This is deemed to have no material fiscal impact on the District.

Events occurring after June 30, 2023 have been evaluated for possible adjustment to the financial statements or disclosure as of November 8, 2023, which is the date the financial statements were available to be issued. The District is not aware of any further subsequent events that would require recognition or disclosure in the financial statements.

Board Presentation Draft

Required Supplementary Information

Board Presentation Draft

Board Presentation Draft

Phelan Pinon Hills Community Services District
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual – General Fund
For the Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance Positive (Negative)
Revenues:			
Property taxes	\$ 713,038	893,131	180,093
Charges for services	164,488	322,936	158,448
Investment earnings	12,940	190,461	177,521
Other	-	55,973	55,973
Total revenues	890,466	1,462,501	572,035
Expenditures:			
Salaries and benefits	261	142	119
Materials and services	8,871	5,597	3,274
Total expenditures	9,132	5,739	3,393
Excess of revenues over expenditures	881,334	1,456,762	575,428
Other financing sources(uses):			
Transfers out	(156,000)	(1,170,343)	(1,014,343)
Total other financing sources	(156,000)	(1,170,343)	(1,014,343)
Net change in fund balance	725,334	286,419	\$ (438,915)
Fund balance – beginning of period	3,170,555	3,170,555	
Fund balance – end of period	\$ 3,895,889	3,456,974	

Pinon Hills Community Services District
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual – Parks and Recreation Fund
For the Year Ended June 30, 2023

	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Property taxes	\$ 765,000	749,704	(15,296)
Charges for services	18,140	21,183	3,043
Investment earnings	<u>16,720</u>	<u>229,168</u>	<u>212,448</u>
Total revenues	<u>799,860</u>	<u>1,000,055</u>	<u>200,195</u>
Expenditures:			
Salaries and benefits	444,060	338,950	105,110
Materials and services	351,260	165,628	185,632
Utilities	3,960	30,319	(26,359)
Capital outlay	<u>-</u>	<u>118,526</u>	<u>(118,526)</u>
Total expenditures	<u>799,280</u>	<u>653,423</u>	<u>145,857</u>
Excess of revenues over expenditures	<u>580</u>	<u>346,632</u>	<u>346,052</u>
Other financing sources(uses):			
Transfers in	<u>-</u>	<u>186,500</u>	<u>186,500</u>
Total other financing sources	<u>-</u>	<u>186,500</u>	<u>186,500</u>
Net change in fund balance	580	533,132	\$ <u>532,552</u>
Fund balance – beginning of period	<u>4,970,799</u>	<u>4,970,799</u>	
Fund balance – end of period	<u>\$ 4,971,379</u>	<u>5,503,931</u>	

Board Presentation Draft

Pinon Hills Community Services District
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual – Street Lighting Fund
For the Year Ended June 30, 2023

	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Property taxes	\$ 20,000	25,373	(5,373)
Investment earnings	-	849	(849)
Total revenues	<u>20,000</u>	<u>26,222</u>	<u>(5,373)</u>
Expenditures:			
Utilities	17,930	25,374	(7,444)
Total expenditures	<u>17,930</u>	<u>25,374</u>	<u>(7,444)</u>
Excess(deficiency) of revenues over expenditures	<u>2,070</u>	<u>848</u>	<u>2,071</u>
Net change in fund balance	2,070	848	\$ <u>2,071</u>
Fund balance – beginning of period	<u>22,416</u>	<u>22,416</u>	
Fund balance – end of period	<u>\$ 24,486</u>	<u>23,264</u>	

Board Presentation Draft

Pinon Hills Community Services District
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual – Solid Waste Fund
For the Year Ended June 30, 2023

	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Investment earnings	\$ 750	7,941	7,191
Franchise fees	349,040	374,017	24,977
Total revenues	<u>349,790</u>	<u>381,958</u>	<u>32,168</u>
Expenditures:			
Salaries and benefits	27,035	123,401	(96,366)
Materials and services	66,780	74,278	(7,498)
Total expenditures	<u>93,815</u>	<u>197,679</u>	<u>(103,864)</u>
Excess of revenues over expenditures	<u>255,975</u>	<u>184,279</u>	<u>(71,696)</u>
Other financing sources(uses):			
Transfers out		(186,500)	(186,500)
Total other financing sources	<u>-</u>	<u>(186,500)</u>	<u>-</u>
Net change in fund balance	255,975	(2,221) \$	<u>(71,696)</u>
Fund balance – beginning of period	<u>97,833</u>	<u>97,833</u>	
Fund balance – end of period	<u>\$ 353,808</u>	<u>95,612</u>	

Board Presentation Draft

Phelan Pinon Hills Community Service District
Notes to the Required Supplementary Information
June 30, 2023

Basis of Budgeting

The District follows specific procedures in establishing the budgetary data reflected in the financial statements. Each year, the District's General Manager and Administrative Services Manager prepare and submit a capital and operating budget to the Board of Directors and adopted no later than June of each year. Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all government and proprietary funds. Annual budgets are adopted on the modified accrual basis of accounting for government fund types and accrual basis for the proprietary fund. The adopted budget becomes operative on July 1.

The Board of Directors must approve all supplemental appropriations to the budget and transfers between major funds. The legal level of budgetary control is at the fund level. Budget information is presented as required supplementary information for the General, Parks and Recreation, Street Lighting, and Solid Waste Funds.

Board Presentation Draft

Phelan Pinon Hills Community Service District
Schedules of the District's Proportionate Share of the Net Pension Liability (Asset) (CalPERS)
As of June 30, 2023
Last Ten Years*

	Measurement Date									
	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	
District's proportion of the net pension liability(asset)	0.00030%	-0.00997%	0.00019%	0.00122%	0.00067%	0.00085%	0.00034%	-0.00064%	-0.00059%	
District's proportionate share of the net pension liability(asset) \$	34,656	(539,181)	(20,746)	124,704	64,920	84,343	29,638	(43,699)	(36,475)	
District's covered payroll \$	1,951,328	1,808,252	1,581,807	1,492,311	1,356,824	1,501,918	1,260,143	1,184,091	1,106,270	
District's proportionate share of the net pension liability as a percentage of its covered payroll	1.78%	-29.82%	-1.31%	8.36%	4.78%	5.62%	2.35%	-3.69%	-3.30%	
District's fiduciary net position as a percentage of the Plan's total pension liability	99.27%	127.83%	100.69%	95.18%	97.00%	95.74%	98.20%	103.19%	103.43%	
District's proportionate share of aggregate employer contribution \$	243,313	168,046	135,846	102,066	80,076	71,772	60,285	48,918	-	

Notes to schedule:

There were no changes in benefits.

Changes in assumptions:

From fiscal year June 30, 2015 to June 30, 2016:

GASB 68, paragraph 68 states that the long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. The discount rate of 7.50% used for the June 30, 2014 measurement date was net of administrative expenses.

The discount rate of 7.65% used for the June 30, 2015 measurement date is without reduction of pension plan administrative expense.

From fiscal year June 30, 2016 to June 30, 2017:

There were no changes in assumptions.

From fiscal year June 30, 2017 to June 30, 2018:

The discount rate was reduced from 7.65% to 7.15%

From fiscal year June 30, 2018 to June 30, 2019:

The inflation rate was reduced from 2.75% to 2.50%

From fiscal year June 30, 2019 to June 30, 2020:

There were no changes in assumptions.

From fiscal year June 30, 2020 to June 30, 2021:

There were no changes in assumptions.

From fiscal year June 30, 2021 to June 30, 2022:

There were no changes in assumptions.

From fiscal year June 30, 2022 to June 30, 2023:

The discount rate was reduced from 7.15% to 6.90%

* The District has presented information for those years for which information is available until a full 10-year trend is compiled.

**Phelan Pinon Hills Community Service District
Schedules of Pension Plan Contributions (CalPERS)
As of June 30, 2023
Last Ten Years***

	Fiscal Year									
	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	
Actuarially determined contribution	\$ 190,128	175,294	166,072	142,468	143,791	120,744	119,964	115,218	118,081	
Contributions in relation to the actuarially determined contribution	(190,128)	(175,294)	(166,072)	(142,468)	(143,791)	(120,744)	(119,964)	(115,218)	(118,081)	
Contribution deficiency(excess)	\$ -	-	-	-	-	-	-	-	-	
Covered payroll	\$ 2,171,915	1,951,328	1,808,252	1,581,807	1,492,311	1,356,824	1,501,918	1,260,143	1,184,091	
Contribution's as a percentage of covered payroll	9.74%	9.69%	9.18%	9.01%	9.64%	8.90%	7.99%	9.14%	9.97%	
Notes to schedule:										
Valuation date	June 30, 2021	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	
Methods and assumptions used to determine contribution rates:										
Actuarial cost method	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age
Amortization method	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Asset valuation method	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	15 year Smoothed Market Method
Inflation	2.30%	2.50%	2.63%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%
Salary increases	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Investment rate of return	6.90% (3)	7.15% (3)	7.25% (3)	7.375% (3)	7.50% (3)	7.50% (3)	7.50% (3)	7.50% (3)	7.50% (3)	7.50% (3)
Retirement age	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)
Mortality	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)

(1) Level of percentage payroll, closed

(2) Depending on age, service, and type of employment

(3) Net of pension plan investment expense, including inflation

(4) 50 for all plans with exception of 52 for Miscellaneous 2% @ 62

(5) Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board.

* The District has presented information for those years for which information is available until a full 10-year trend is compiled.



Board Presentation Draft

Statistical Section

Board Presentation Draft

Board Presentation Draft

**Phelan Pinon Hills Community Service District
Statistical Section**

This part of the District’s Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District’s overall financial health.

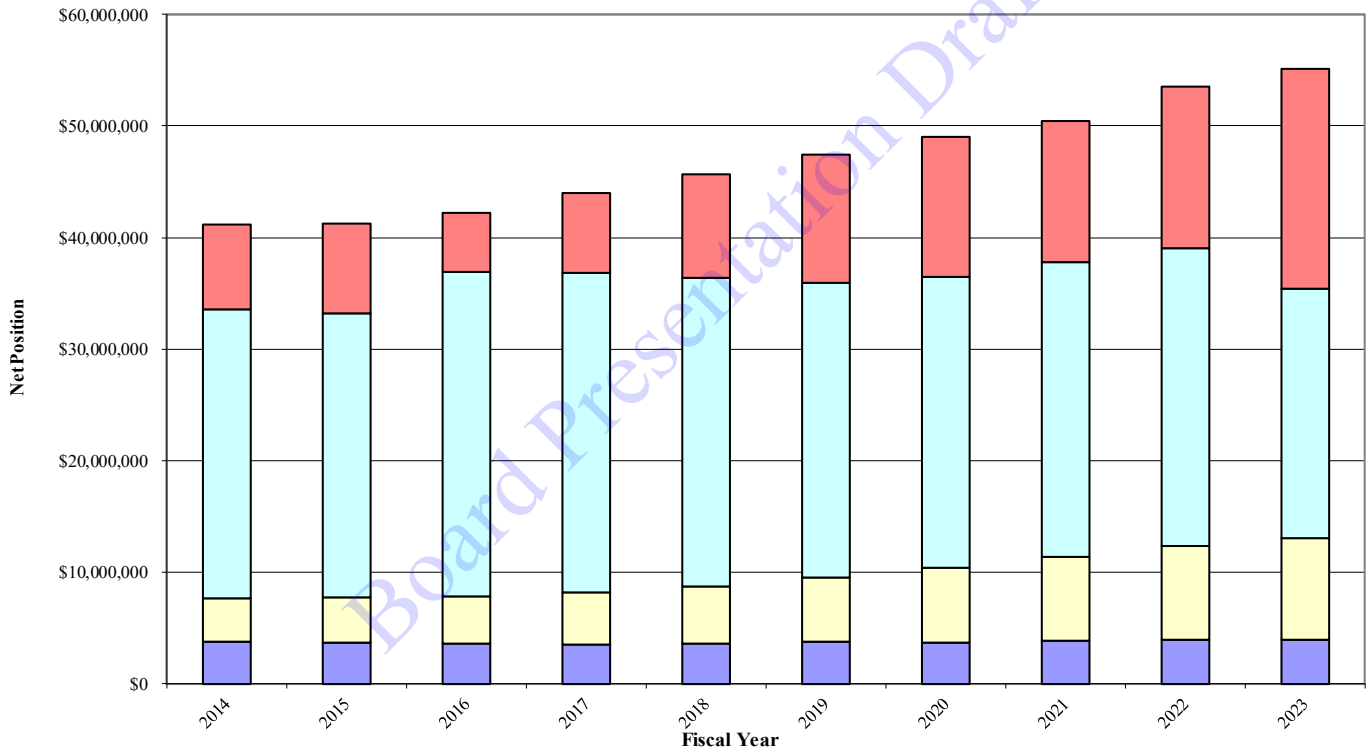
The following statistical information reflects the last ten full years of operations.

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Revenue Capacity These schedules contain information to help the reader assess the District’s most significant own-source revenue, water sales.	80
Debt Capacity These schedules present information to help the reader assess the affordability of the District’s current levels of outstanding debt and the District’s ability to issue additional debt in the future.	83
Demographic Information This schedule offers demographic indicators to help the reader understand the environment within which the District’s financial activities take place.	85
Operating Information This schedule contains service and infrastructure data to help the reader understand how the information in the District’s financial report relates to the service the District provides.	86

**Phelan Pinon Hills Community Services District
Net Position by Component
Last Ten Fiscal Years**

	Fiscal Year					
	2014	2015	2016	2017	2018	2019
Governmental activities						
Net investment in capital assets	\$ 3,770,219	3,694,550	3,579,586	3,528,938	3,552,883	3,726,239
Unrestricted	3,853,719	4,092,530	4,219,715	4,659,965	5,178,587	5,758,804
Total governmental activities net position	7,623,938	7,787,080	7,799,301	8,188,903	8,731,470	9,485,043
Business-type activities						
Invested in capital assets, net of related debt	\$ 25,906,040	25,401,202	29,120,934	28,643,010	27,628,901	26,460,380
Unrestricted	7,600,621	8,052,114	5,331,237	7,127,390	9,277,089	11,471,614
Total business-type activities net position	33,506,661	33,453,316	34,452,171	35,770,400	36,905,990	37,931,994
Primary government						
Net investment in capital assets	\$ 29,676,259	29,095,752	32,700,520	32,171,948	31,181,784	30,186,619
Unrestricted	11,454,340	12,144,644	9,550,952	11,787,355	14,455,676	17,230,418
Total primary government net position	\$ 41,130,599	41,240,396	42,251,472	43,959,303	45,637,460	47,417,037



Source: Phelan Pinon Hills Community Service District audited financial statements

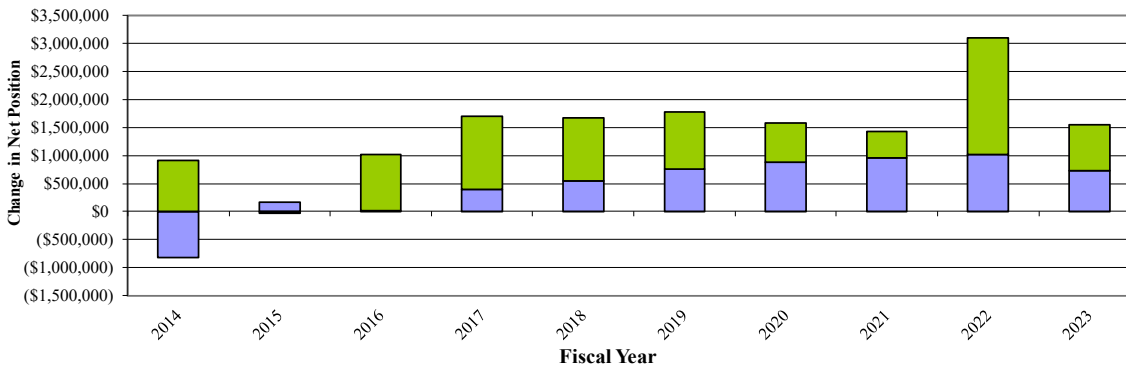
**Phelan Pinon Hills Community Services District
Net Position by Component
Last Ten Fiscal Years**

<u>Fiscal Year</u>			
<u>2020</u>	<u>As Restated 2021</u>	<u>2022</u>	<u>2023</u>
3,663,363	3,888,889	3,932,315	3,958,144
<u>6,710,608</u>	<u>7,439,486</u>	<u>8,413,462</u>	<u>9,135,148</u>
<u>10,373,971</u>	<u>11,328,375</u>	<u>12,345,777</u>	<u>13,093,292</u>
26,133,427	26,472,413	26,668,410	22,316,585
<u>12,485,229</u>	<u>12,623,411</u>	<u>14,506,424</u>	<u>19,723,434</u>
<u>38,618,656</u>	<u>39,095,824</u>	<u>41,174,834</u>	<u>42,040,019</u>
29,796,790	30,361,302	30,600,725	26,274,729
<u>19,195,837</u>	<u>20,062,897</u>	<u>22,919,886</u>	<u>28,858,582</u>
<u>48,992,627</u>	<u>50,424,199</u>	<u>53,520,611</u>	<u>55,133,311</u>

Board Presentation Draft

Phelan Pinon Hills Community Services District Change in Net Position Last Ten Fiscal Years

	Fiscal Year					
	2014	2015	2016	2017	2018	2019
Expenses:						
Governmental activities:						
General government	\$ 73,381	56,457	53,281	57,367	19,600	12,239
Parks and Recreation	433,697	396,400	380,024	424,872	459,355	455,646
Street Lighting	13,489	13,804	13,679	12,956	13,077	12,437
Solid Waste	2,173	9,377	10,133	35,209	37,840	51,323
Total governmental activities expenses	<u>522,740</u>	<u>476,038</u>	<u>457,117</u>	<u>530,404</u>	<u>529,872</u>	<u>531,645</u>
Business-type activities:						
Water enterprise	5,121,970	5,481,342	5,394,700	5,547,014	6,345,754	6,921,131
Total primary government expenses	<u>5,644,710</u>	<u>5,957,380</u>	<u>5,851,817</u>	<u>6,077,418</u>	<u>6,875,626</u>	<u>7,452,776</u>
Program Revenues:						
Governmental activities:						
Charges for services:						
General government	-	-	-	-	-	-
Parks and Recreation	13,065	19,758	21,488	24,220	25,098	23,105
Capital grants and contributions	-	-	-	-	-	-
Total governmental activities program revenues	<u>13,065</u>	<u>19,758</u>	<u>21,488</u>	<u>24,220</u>	<u>25,098</u>	<u>23,105</u>
Business-type activities:						
Charges for services – water enterprise	3,975,482	4,375,271	4,521,209	5,707,335	6,253,646	6,415,471
Assessments	299,818	295,257	309,682	299,385	296,438	290,188
Capital grants and contributions	-	-	436,492	125,902	-	-
Total business-type activities program revenues	<u>4,275,300</u>	<u>4,670,528</u>	<u>5,267,383</u>	<u>6,132,622</u>	<u>6,550,084</u>	<u>6,705,659</u>
Net (Expense)/Revenue:						
Governmental activities	(509,675)	(456,280)	(435,629)	(506,184)	(504,774)	(508,540)
Business-type activities	(846,670)	(810,814)	(127,317)	585,608	204,330	(215,472)
Total primary government net expense	<u>(1,356,345)</u>	<u>(1,267,094)</u>	<u>(562,946)</u>	<u>79,424</u>	<u>(300,444)</u>	<u>(724,012)</u>
General Revenues and Other Changes in Net Position:						
Governmental activities:						
Property taxes	895,649	930,801	1,003,264	1,062,550	1,127,118	1,206,628
Investment income	11,667	13,607	15,827	33,106	56,933	143,109
Other income	294,734	205,275	197,710	248,130	266,490	366,645
Transfers in (out)	(1,520,785)	(527,170)	(768,951)	(448,000)	(403,200)	(454,269)
Total governmental activities	<u>(318,735)</u>	<u>622,513</u>	<u>447,850</u>	<u>895,786</u>	<u>1,047,341</u>	<u>1,262,113</u>
Business-type activities:						
Property taxes	41,295	21,180	21,907	19,845	24,707	16,399
Investment income	13,924	37,455	23,862	27,612	74,493	282,611
Other income	190,071	199,483	311,452	237,164	428,860	488,197
Transfers in (out)	1,520,785	527,170	768,951	448,000	403,200	454,269
Total business-type activities	<u>1,766,075</u>	<u>785,288</u>	<u>1,126,172</u>	<u>732,621</u>	<u>931,260</u>	<u>1,241,476</u>
Total primary government	<u>1,447,340</u>	<u>1,407,801</u>	<u>1,574,022</u>	<u>1,628,407</u>	<u>1,978,601</u>	<u>2,503,589</u>
Changes in Net Position:						
Governmental activities	(828,410)	166,233	12,221	389,602	542,567	753,573
Business-type activities	919,405	(25,526)	998,855	1,318,229	1,135,590	1,026,004
Total primary government	<u>\$ 90,995</u>	<u>140,707</u>	<u>1,011,076</u>	<u>1,707,831</u>	<u>1,678,157</u>	<u>1,779,577</u>



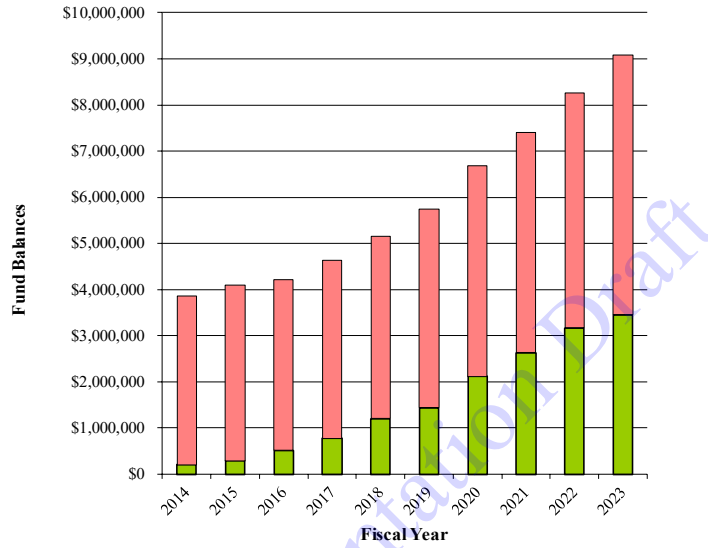
Source: Phelan Pinon Hills Community Service District audited financial statements

**Phelan Pinon Hills Community Services District
Change in Net Position
Last Ten Fiscal Years**

Fiscal Year			
2020	As Restated 2021	2022	2023
8,165	4,953	28,752	5,739
457,238	491,166	437,980	724,086
14,466	15,840	16,563	25,374
39,307	20,387	63,491	197,679
<u>519,176</u>	<u>532,346</u>	<u>546,786</u>	<u>952,878</u>
8,666,424	8,889,244	7,510,341	10,154,751
<u>9,185,600</u>	<u>9,421,590</u>	<u>8,057,127</u>	<u>11,107,629</u>
-	179,283	227,963	322,936
17,143	1,821	11,555	21,183
-	-	-	-
<u>17,143</u>	<u>181,104</u>	<u>239,518</u>	<u>344,119</u>
6,988,852	8,180,843	8,511,866	8,271,931
288,222	291,840	287,748	284,218
-	-	-	-
<u>7,277,074</u>	<u>8,472,683</u>	<u>8,799,614</u>	<u>8,556,149</u>
(502,033)	(351,242)	(307,268)	(608,759)
<u>(1,389,350)</u>	<u>(416,561)</u>	<u>1,289,273</u>	<u>(1,598,602)</u>
<u>(1,891,383)</u>	<u>(767,803)</u>	<u>686,588</u>	<u>(2,207,361)</u>
1,281,699	1,387,911	1,494,147	1,668,208
135,202	53,388	(75,411)	428,419
427,169	304,347	342,798	429,990
<u>(453,109)</u>	<u>(440,000)</u>	<u>(436,864)</u>	<u>(1,170,343)</u>
<u>1,390,961</u>	<u>1,305,646</u>	<u>1,324,670</u>	<u>1,356,274</u>
16,235	17,825	22,612	15,565
309,495	-	(264,479)	736,007
1,297,173	435,904	594,740	541,872
453,109	440,000	436,864	1,170,343
<u>2,076,012</u>	<u>893,729</u>	<u>789,737</u>	<u>2,463,787</u>
<u>3,466,973</u>	<u>2,199,375</u>	<u>2,114,407</u>	<u>3,820,061</u>
888,928	954,404	1,017,402	729,063
686,662	477,168	2,079,010	827,720
<u>1,575,590</u>	<u>1,431,572</u>	<u>3,096,412</u>	<u>1,556,783</u>

Phelan Pinon Hills Community Services District Fund Balances, Governmental Funds Last Ten Fiscal Years

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund: **										
Assigned	\$ -	-	-	-	-	-	-	-	-	-
Unassigned	204,907	288,875	516,149	773,776	1,204,949	1,440,024	2,117,702	2,630,438	3,170,555	3,456,974
Total general fund	\$ 204,907	288,875	516,149	773,776	1,204,949	1,440,024	2,117,702	2,630,438	3,170,555	3,456,974
All Other Governmental Funds:										
Assigned	\$ 3,655,592	3,812,880	3,690,087	3,856,038	3,952,427	4,302,299	4,561,330	4,776,683	5,091,048	5,622,807
Unassigned	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	\$ 3,655,592	3,812,880	3,690,087	3,856,038	3,952,427	4,302,299	4,561,330	4,776,683	5,091,048	5,622,807

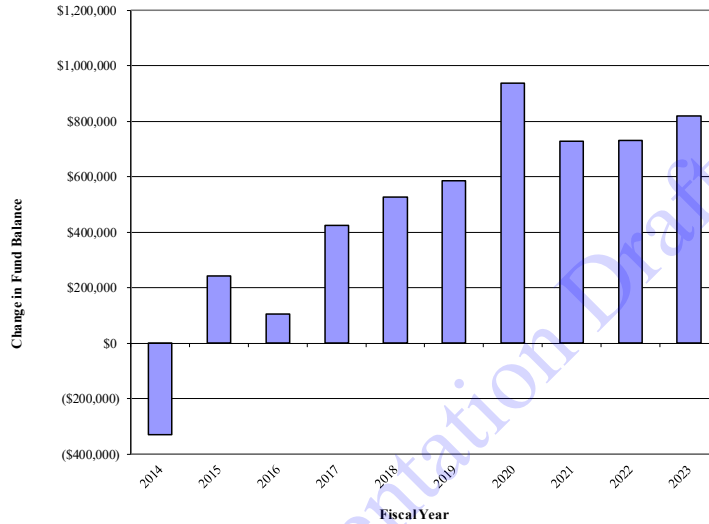


Note: * Governmental Accounting Standards Board No. 54 - *Fund Balance Reporting and Governmental Fund Type Definition* was adopted in 2011.
 ** Reporting for the General Fund was initiated in fiscal year 2014.

Source: Phelan Pinon Hills Community Service District audited financial statements

Phelan Pinon Hills Community Services District Changes in Fund Balances - Governmental Funds Last Ten Fiscal Years

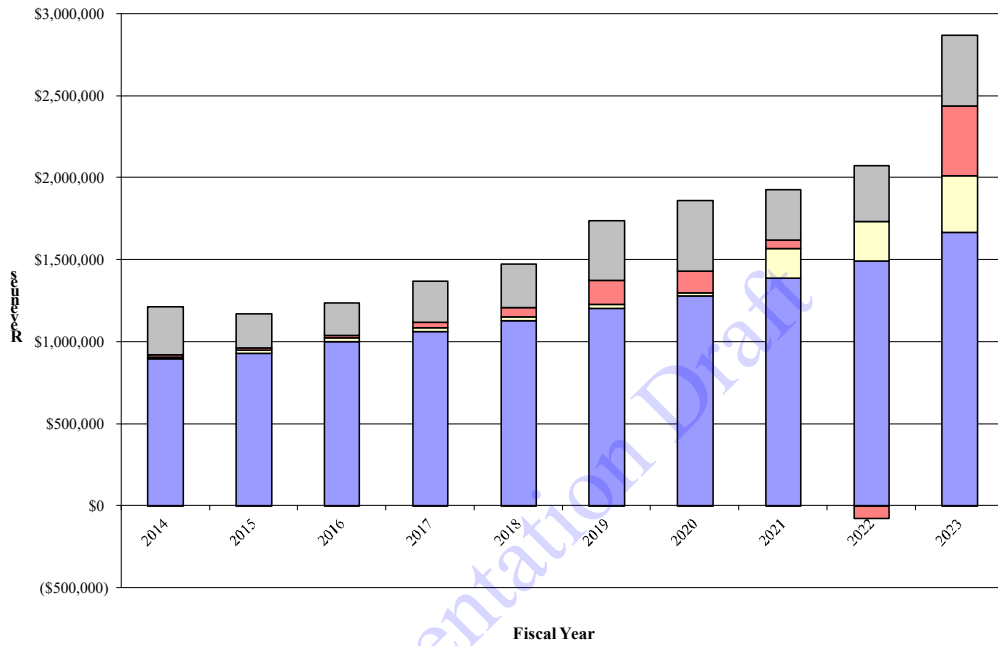
	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues	\$ 1,215,115	1,169,441	1,238,289	1,368,006	1,475,639	1,739,487	1,861,212	1,911,257	2,076,463	2,870,736
Expenditures	492,511	401,015	364,857	496,428	544,877	700,271	471,394	743,168	785,117	882,215
Excess of revenues over (under) expenditures	722,604	768,426	873,432	871,578	930,762	1,039,216	1,389,818	1,168,089	1,291,346	1,988,521
Other Financing Sources (Uses)										
Proceeds from long-term debt	-	-	-	-	-	-	-	-	-	-
Operating transfers in	-	7,055	322,141	287,998	167,712	130,000	200,000	275,000	276,000	186,500
Operating transfers out	(1,052,785)	(534,225)	(1,091,092)	(735,998)	(570,912)	(584,269)	(653,109)	(715,000)	(712,864)	(1,356,843)
Total Other Financing Sources (Uses)	(1,052,785)	(527,170)	(768,951)	(448,000)	(403,200)	(454,269)	(453,109)	(440,000)	(436,864)	(1,170,343)
Net change in fund balances	\$ (330,181)	241,256	104,481	423,578	527,562	584,947	936,709	728,089	731,225	818,178



Source: Phelan Pinon Hills Community Service District audited financial statements

Phelan Pinon Hills Community Services District Governmental Fund Revenues Last Ten Fiscal Years

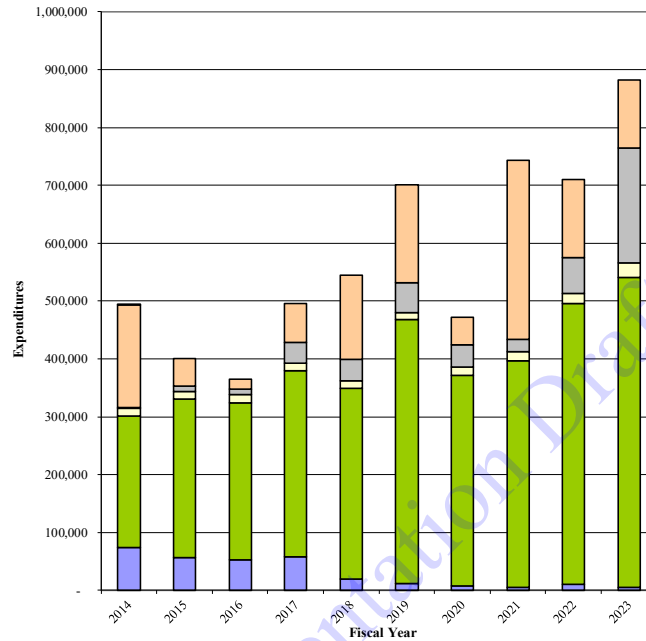
	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	As Restated 2021	2022	2023
Property taxes	\$ 895,649	930,801	1,003,264	1,062,550	1,127,118	1,206,628	1,281,699	1,387,911	1,494,147	1,668,208
Charges for services	13,065	19,758	21,488	24,220	25,098	23,105	17,142	181,104	239,518	344,119
Interest	11,667	13,607	15,827	33,106	56,933	143,109	135,202	53,388	(75,411)	428,419
Other	294,734	205,275	197,710	248,130	266,490	366,645	427,169	304,347	342,798	429,990
Total governmental revenues	\$ 1,215,115	1,169,441	1,238,289	1,368,006	1,475,639	1,739,487	1,861,212	1,911,257	2,001,052	2,870,736



Source: Phelan Pinon Hills Community Service District audited financial statements

Phelan Pinon Hills Community Services District Governmental Fund Expenditures Last Ten Fiscal Years

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General government *	\$ 73,381	56,457	53,281	57,367	19,600	12,239	8,165	4,953	10,505	5,739
Parks and Recreation	227,373	273,906	271,147	322,514	328,981	455,646	363,072	392,210	485,741	534,897
Street Lighting	13,489	13,804	13,679	12,956	13,077	12,437	14,466	15,840	16,181	25,374
Solid Waste **	2,173	9,377	10,133	35,209	37,840	51,323	39,307	20,387	63,265	197,679
Capital outlay	176,095	47,471	16,617	68,382	145,379	168,626	46,384	309,778	134,014	118,526
Total governmental expenditures	\$ 145,631	492,511	401,015	364,857	496,428	544,877	700,271	471,394	743,168	882,215



Note: * Reporting for the General Fund was initiated in fiscal year 2014.
 ** Reporting for the Solid Waste Fund started in fiscal year 2013.

Source: Phelan Pinon Hills Community Service District audited financial statements

**Phelan Pinon Hills Community Services District
Assessed Valuations – San Bernardino County
Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Secured</u> <u>San Bernardino</u> <u>County</u>	<u>Unsecured</u> <u>San Bernardino</u> <u>County</u>	<u>Totals</u>	<u>Total Direct</u> <u>Tax Rate</u>
2014	\$ 1,291,389,085	13,060,922	1,304,450,007	1.000000%
2015	1,348,979,703	13,974,369	1,362,954,072	1.000000%
2016	1,424,385,527	12,009,283	1,436,394,810	1.000000%
2017	1,471,330,134	13,123,355	1,484,453,489	1.000000%
2018	1,546,141,340	12,545,948	1,558,687,288	1.000000%
2019	1,625,020,213	14,567,365	1,639,587,578	1.000000%
2020	1,734,047,294	14,232,824	1,748,280,118	1.000000%
2021	1,826,847,318	14,356,852	1,841,204,170	1.000000%
2022	1,927,000,757	14,775,406	1,941,776,163	1.000000%
2023	2,100,614,236	14,124,043	2,114,738,279	1.000000%

Note: Property in San Bernardino County is reassessed each year. Property is assessed at actual value, therefore, the assessed values are equal to the actual values.

Source: San Bernardino County Assessor offices

Board Presentation Draft

**Phelan Pinon Hills Community Services District
Water Sales Revenue and Water Production
Last Ten Fiscal Years**

Fiscal Year	Water Sales Revenue				Quantity of Water Sold (HCF*)			
	Residential	Commercial	Industrial	Total	Residential	Commercial	Industrial	Total
2014	\$ 3,745,316	144,093	12,995	3,902,404	1,136,271	60,273	6,277	1,202,821
2015	3,991,657	196,573	25,860	4,214,090	1,088,662	75,237	7,963	1,171,862
2016	4,090,260	240,168	7,577	4,338,006	837,199	71,340	7,577	916,116
2017	4,312,101	298,476	52,395	4,662,972	895,380	90,471	6,755	992,606
2018	4,659,051	352,203	59,405	5,070,659	921,663	103,318	6,725	1,031,706
2019	4,648,826	364,211	32,263	5,045,300	886,294	102,579	3,842	992,715
2020	5,014,750	354,476	69,643	5,438,870	910,164	96,086	10,349	1,016,599
2021	5,651,311	419,900	177,669	6,248,880	1,041,855	112,035	27,724	1,181,614
2022	6,164,063	461,884	222,092	6,848,039	1,014,109	106,597	19,338	1,140,044
2023	6,083,155	361,098	272,234	6,716,487	886,347	71,507	23,112	980,966

Note: * Hundred Cubic Feet (HCF) = 748 gallons.

Source: Phelan Pinon Hills Community Service District audited financial statements and billing records

Board Presentation Draft

Phelan Pinon Hills Community Services District Water Rates Last Ten Fiscal Years

Commodity Charge		January 1, 2014	January 1, 2015	January 1, 2016	February 1, 2016	July 1, 2016	July 1, 2017	July 1, 2018	July 1, 2019	February 1, 2021	July 1, 2021	January 1, 2022	July 1, 2022	July 1, 2023
Tiered	Tier (HCF)													
Tier 1	0-25	\$ 1.89	2.02	2.17	2.50	2.22	2.35	2.39	2.53	2.64	2.8	na	na	na
Tier 2	25.01+	2.18	2.33	2.50	3.95	3.51	3.71	3.77	4.00	4.01	4.26	na	na	na
Tier 1	0-9	na	na	na	na	na	na	na	na	na	na	2.73	2.90	3.08
Tier 2	9.01-29	na	na	na	na	na	na	na	na	na	na	3.12	3.31	3.51
Tier 3	29.01+	na	na	na	na	na	na	na	na	na	na	7.53	7.99	8.47

Meter Charge	Bi-Monthly					Monthly					July 1, 2022	July 1, 2023	
	January 1, 2014	January 1, 2015	January 1, 2016	February 1, 2016	July 1, 2016	July 1, 2017	July 1, 2018	July 1, 2019	February 1, 2021	July 1, 2021			January 1, 2022
3/4"	\$ 33.75	35.77	18.96	18.96	16.97	17.90	18.16	19.16	22.28	23.62	22.8	24.17	25.63
1"	44.81	47.49	25.17	29.22	25.91	27.46	27.89	29.56	32.06	33.99	34.5	26.57	38.77
1.5"	72.45	76.80	40.70	54.87	48.24	51.34	52.21	55.54	56.51	59.91	63.75	67.58	71.64
2"	105.63	111.97	59.34	85.65	75.04	80.00	81.39	86.72	85.85	91.01	98.85	104.79	111.08
3"	183.05	194.03	102.83	157.47	137.57	146.87	149.47	159.47	178.76	189.49	210	222.60	235.96
4"	293.64	311.26	164.96	260.07	226.91	242.41	246.74	263.41	315.68	334.63	373.8	396.23	420.01
6"	570.12	604.32	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
8"	901.90	956.01	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Source: Phelan Pinon Hills Community Service District billing records

Note: July 1, 2020 rate increase was deferred until February 1, 2021 due to COVID

Board Presentation Draft

**Phelan Pinon Hills Community Services District
Water Customer Demographics
Last Ten Fiscal Years**

Customer by Type

Connection Type	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Residential	6,719	6,735	6,753	6,780	6,800	6,847	6,925	7,013	7,088	7,150
Commercial	51	51	49	42	67	71	74	77	80	80
Industrial	4	4	4	7	4	7	11	14	21	21
Other	-	-	-	-	-	-	-	-	-	-
Total	6,774	6,790	6,806	6,806	6,871	6,925	7,010	7,104	7,189	7,251

Ten Largest System Users

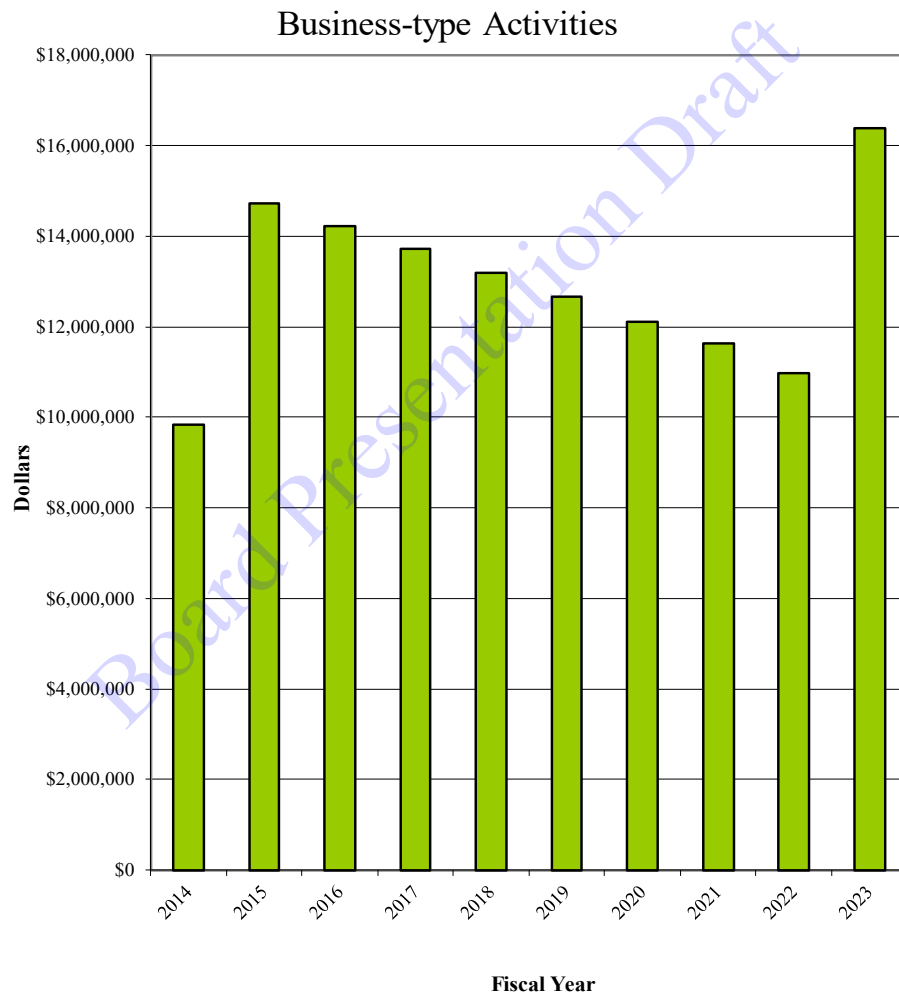
Customer	Percent of System Use	Percent of System Revenues	Customer Type
Snowline JUSD	6.85%	4.54%	Institutional
CSI Electrical Constructors, Inc.	0.97%	1.38%	Commercial
El Charro Water LLC	0.22%	0.30%	Commercial
Myog Cha (Grace) Pak	0.20%	0.21%	Residential
County of San Bernardino Dept of Public Works	0.19%	0.32%	Residential
Conan Trust	0.18%	0.19%	Residential
Rodolfo Frausto Sanchez & Gasenia	0.16%	0.10%	Residential
Barry Tuck	0.14%	0.14%	Residential
Pacific Water Trucks	0.13%	0.21%	Residential
Christine Chung	0.13%	0.14%	Residential
Totals	9.17%	7.53%	

Source: Phelan Pinon Hills Community Service District billing records

Board Presentation Draft

**Phelan Pinon Hills Community Services District
Ratios of Outstanding Debt
Last Ten Fiscal Years**

Fiscal Year	Business-type Activities	Total Debt	Per Capita	As a Share of Personal Income	
				Total	Business-type Activities
2014	\$ 9,845,414	9,845,414	409.24	1.43%	1.43%
2015	14,711,230	14,711,230	610.25	2.14%	2.14%
2016	14,219,582	14,219,582	588.46	1.80%	1.80%
2017	13,715,100	13,715,100	566.15	1.55%	1.55%
2018	13,194,348	13,194,348	541.82	1.45%	1.45%
2019	12,657,814	12,657,814	516.31	1.33%	1.33%
2020	12,104,985	12,104,985	489.58	1.21%	1.21%
2021	11,620,158	11,620,158	463.73	1.03%	1.03%
2022	10,965,483	10,965,483	433.14	0.88%	0.88%
2023	16,380,032	16,380,032	642.25	1.00%	1.00%



Source: Phelan Pinon Hills Community Service District audited financial statements

**Phelan Pinon Hills Community Services District
Debt Service Ratio
Last Ten Fiscal Years**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Gross Revenues:										
Water Fund Revenues	\$ 4,479,295	4,908,496	5,188,112	6,291,341	6,550,084	6,705,659	7,277,074	8,472,683	8,799,614	8,556,149
Total Revenue	4,479,295	4,908,496	5,188,112	6,291,341	6,550,084	6,705,659	7,277,074	8,472,683	8,799,614	8,556,149
Operating Expenses:										
Water Fund Expenses	(4,862,383)	(5,104,683)	(4,120,250)	(4,070,611)	(4,016,927)	(4,521,993)	(5,069,095)	(6,137,875)	(7,360,006)	(9,708,234)
Less Depreciation	1,229,221	1,257,916	1,274,450	1,476,403	1,924,171	2,010,956	1,980,658	1,885,592	1,796,263	1,895,488
Total Water Fund Expenses	<u>(3,633,162)</u>	<u>(3,846,767)</u>	<u>(2,845,800)</u>	<u>(2,594,208)</u>	<u>(2,092,756)</u>	<u>(2,511,037)</u>	<u>(3,088,437)</u>	<u>(4,252,283)</u>	<u>(5,563,743)</u>	<u>(7,812,746)</u>
Net Revenues Water Fund	846,133	1,061,730	2,342,312	3,697,133	4,457,328	4,194,622	4,188,637	4,220,400	3,235,871	743,403
Senior and Parity Debt Service										
2002 Water Facilities	199,077	198,779	198,470	198,151	197,820	189,146	188,999	-	-	-
2012 Water Rights Acquisition	268,852	351,719	350,061	349,925	349,787	327,651	330,825	331,294	331,774	221,504
2014 Solar Project	-	150,150	357,591	357,591	357,591	329,919	357,592	-	-	-
2014 Hwy 138	-	13,231	26,462	35,943	26,461	26,461	26,462	26,462	26,461	26,252
2021 Loan Refinance	-	-	-	-	-	-	-	522,222	382,892	393,377
2022 Civic Center	-	-	-	-	-	-	-	-	-	188,440
Combined Total Annual Debt	\$ 467,929	713,879	932,584	941,610	931,659	873,177	903,878	879,978	741,127	829,573
Debt Service Coverage (times)	1.81	1.49	2.51	3.93	4.78	4.80	4.63	4.80	4.37	0.90

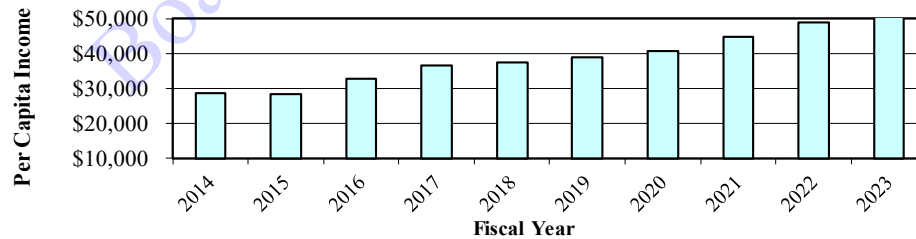
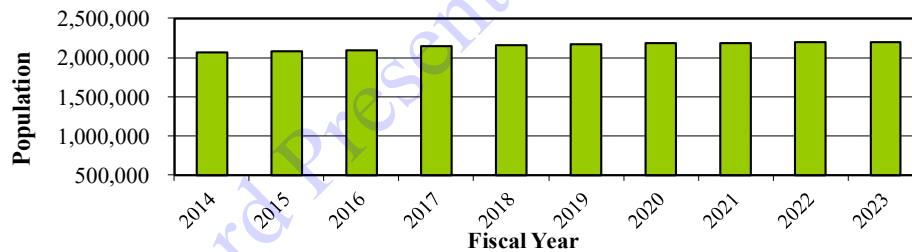
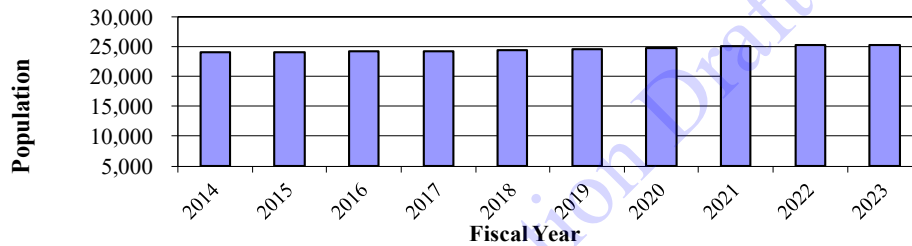
Source: Phelan Pinon Hills Community Service District audited financial statements

Board Presentation Draft

Phelan Pinon Hills Community Services District Demographic and Economic Statistics Last Ten Fiscal Years

County of San Bernardino⁽²⁾

Year	Phelan & Piñon Hills Population (1)	Unemployment Rate	Population	Median Single-Family Home Price	Personal Income per Capita/ Median Household Income
2014	24,058	9.9%	2,068,610	180,270	28,583
2015	24,107	8.1%	2,085,669	216,570	28,454
2016	24,164	5.8%	2,088,371	230,180	32,747
2017	24,225	6.2%	2,140,096	248,000	36,578
2018	24,352	5.8%	2,160,256	266,250	37,477
2019	24,516	4.2%	2,174,938	290,000	38,781
2020	24,725	3.9%	2,180,085	315,000	40,537
2021	25,058	9.2%	2,181,654	350,000	44,831
2022	25,316	5.0%	2,194,710	401,000	48,950
2023	25,316	4.5%	2,193,656	455,000	64,514



Sources: California Department of Finance and California Labor Market Info

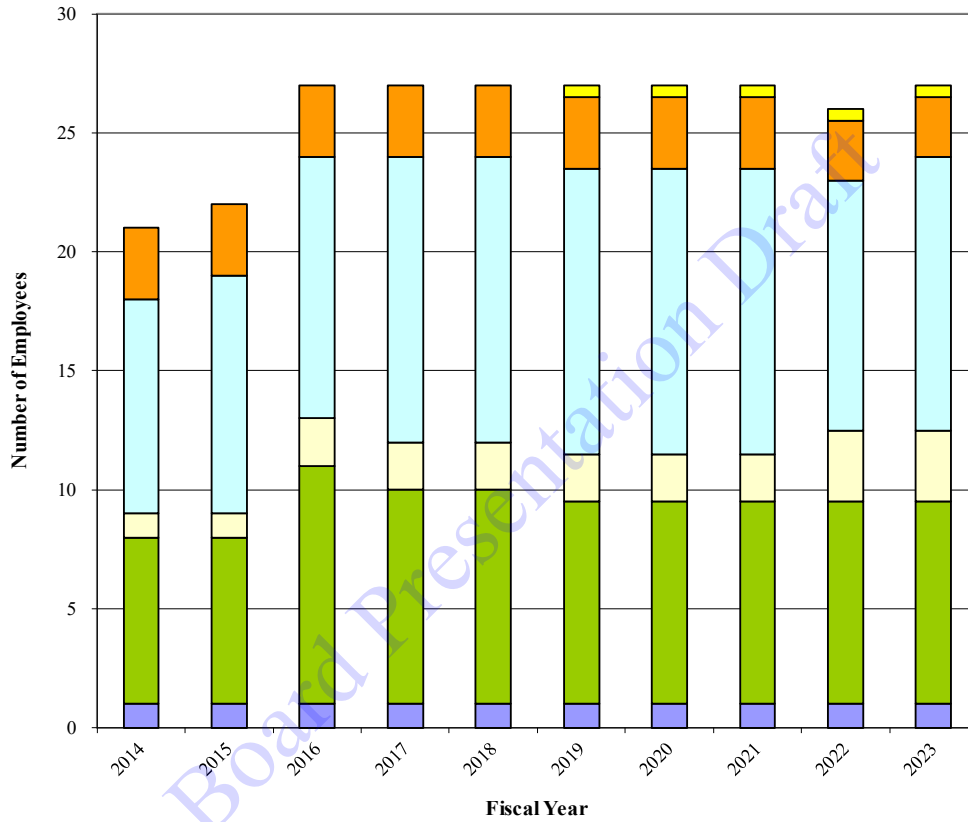
Notes:

- (1) Data is derived from the 2010 census and adjusted for the average population per meter connection. The District has chosen to use this methodology since the District believes that it provides the best approximation of area population.
- (2) Only County data is updated annually. Therefore, the District has chosen to use its data since the District believes that the County data is representative of the conditions and experience of the District: Website for State of California, Employment Development Department, San Bernardino County Profile

Phelan Pinon Hills Community Services District Operating and Capacity Indicators – By Function Last Ten Fiscal Years

District Employees by Department

Department	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Manager	1	1	1	1	1	1	1	1	1	1
Administration	7	7	10	9	9	9	8.5	8.5	8.5	8.5
Engineering	1	1	2	2	2	2	2	2	3	3
Water Operations	9	10	11	12	12	12	12	12	11	11.5
Parks & Recreation	3	3	3	3	3	3	3	3	3	2.5
Street Lighting	0	0	0	0	0	0	0	0	0	0
Solid Waste	0	0	0	0	0	1	0.5	0.5	0.5	0.5
	21	22	27	27	27	27	27	27	26	27



Source: Phelan Pinon Hills Community Services District Records

**Phelan Pinon Hills Community Services District
Miscellaneous Statistics
June 30, 2023**

Water System:

Number of Pressure Zones	17
Miles of Water Main	353
Reservoirs	35
Wells	14
Booster Stations	25
Booster Pumps	69
Pressure Reducing Stations	32
Service Connections (Meters)	7,251

Parks and Recreation Facilities:

Number of Parks	2
Number of Community Centers	2
Number of Senior Centers	2

Street Lighting:

Number of Street Lights	92
Number of Lights at RR Crossings	1

Solid Waste and Recycling:

Number of Residential Customers	5,189
Number of Commercial Customers	110

Misc. Statistical Information

Population	25,504
Service Area	128 square miles
Employees	27 Full-time
Enterprise Fund Budget 2021/2022	9,459,996
Government Fund Budget 2021/2022	920,157
Capital Budget 2021/2022	305,300

Source: Phelan Pinon Hills Community Services District Records

Report on Internal Controls and Compliance

Board Presentation Draft

Board Presentation Draft

**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***

Board of Directors
Phelan Piñon Hills Community Services District
Phelan, 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 Phelan Piñon Hills Community Services District (District), which comprise the statement of financial position as of June 30, 2023, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 8, 2023.

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 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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*.

**Independent Auditor’s Report on Internal Controls Over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards*, continued**

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 District’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 District’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

C.J. Brown & Company CPAs
Cypress, California
November 8, 2023

Board Presentation Draft



Cash Disbursements Report By Payment Number

Payment Dates 09/01/2023 - 09/30/2023

Payment Number	Payment Date	Vendor #	Vendor Name	Account Number	Project Account Key	Payment Amount
Payment Number	Payable Number	Description	Vendor Name	Account Number		Item Amount
556	9/13/2023	DEBPHI	Deborah Jeanne Philips			366.32
	083123	Aug. Mileage - Auto Exp. for Solid Was...		01-0-1-52210		-6.55
	083123	Aug. Mileage - CSDA, Board, Mojave ...		01-0-1-52219		366.32
	083123	Aug. Mileage - Solid Waste		25-5-1-52210		6.55
557	9/13/2023	GEOCAR	George Cardenas			450.25
	083123	Mileage Reimb. - CSDA Conference		01-7-7-54470		450.25
558	9/13/2023	Greg Sny	Gregory Snyder			445.40
	08323	Aug. Mielage - ASBCSD & CSDA Conf.		01-0-1-52216		445.40
559	9/13/2023	LANMAR	Lance Marckstadt			150.00
	090123	Reimb. Water Dist. (D2) & Treatment ...		01-1-1-54260		150.00
560	9/29/2023	MUN DEN	Municipal Dental Pool			3,043.24
	100123	Dental Premium - October		01-0-0-14130		3,043.24
34174	9/13/2023	AVCOM	AVCOM Services Inc.			157.00
	29041	Answering Svc. - Aug.		01-0-1-53150		157.00
34175	9/13/2023	BEN AG	Beneficial Ag Services			225.00
	34143	(1) Mulch Load (23.8 Tons)		01-1-9-54800		225.00
34176	9/13/2023	CJ BROWN	C.J. Brown & Company, CPAS - An Accounting Corp.			8,450.00
	083023	Professional Svcs. - Aug.		01-0-1-53110		8,450.00
34177	9/13/2023	CED	Consolidated Electrical Distributors Inc			710.42
	9085-1039382	Cap for Well #17 Main Electric Install		01-0-0-17000	C0072 OUTSIDE SVCS	100.22
	9085-1039575	Well #17 Main Electric Install for Panel		01-0-0-17000	C0072 OUTSIDE SVCS	610.20
34178	9/13/2023	CORE	Core & Main			2,523.51
	T361884	1 CTS Poly (100 ft Coil)		01-1-0-13010		823.21
	T361884	1 IPS Poly (100 ft Coil)		01-1-0-13010		1,700.30
34179	9/13/2023	GAOSBO	G.A. Osborne Pipe & Supply Inc			724.57
	101-41563	Flanges & Galv Nipples for Well 1B		01-1-3-54620		532.37
	101-61980-01	Galv. Nipples for Well 1B		01-1-3-54620		192.20
34180	9/13/2023	GARDA	Garda CL West, Inc			502.30
	10751981	Armored Svcs. - Sept.		01-0-1-54200		502.30
34181	9/13/2023	GEOMON	GEO-Monitor, Inc.			567.00
	27251	Routine Samples		01-1-4-53140		567.00
34182	9/13/2023	GOTO	GoTo Communications, Inc.			702.58
	IN7102244322	Office Phones Support - Sept.		01-0-1-58010		702.58
34183	9/13/2023	GREE SVCS	Greenstone Services Inc.			2,160.00
	49	Landscape Maint. Phelan & P.H Parks -..		22-2-2-53150		720.00
	B40	Landscape Maint. Phelan & P.H Parks -..		22-2-2-53150		720.00
	RP42	Landscape Maint. Phelan & P.H Parks -..		22-2-2-53150		720.00
34184	9/13/2023	IB CON	IB Consulting, LLC			4,729.00
	19492	Consulting Svcs. - Water Rate Study 2...		01-0-1-53150		4,729.00
34185	9/13/2023	MIN PRESS	Lee Maxton, Inc.			7,312.14
	93504	Water Rate Prop 218 Hearing Notice		01-1-1-54860		1,501.50
	93504	Water Rate Prop 218 Hearing Notice		01-1-1-54890		3,699.79
	93505	Water Rate Prop 218 Hearing Notice		01-1-1-54860		609.35

Cash Disbursements Report

Payment Dates: 09/01/2023 - 09/30/2023

Payment Number	Payment Date Payable Number	Vendor # Description	Vendor Name	Account Number	Project Account Key	Payment Amount Item Amount
	93505	Water Rate Prop 218 Hearing Notice		01-1-1-54890		1,501.50
34186	9/13/2023 58100162701	LES SCH Trk #21 (2) New Tires	Les Schwab Tire Centers of Central CA, INC.	01-1-8-54710		858.16 858.16
34187	9/13/2023 36094	MCCALL Flow Meter for Well 1B	McCall's Meter Sales & Services	01-1-3-54620		4,168.87 4,168.87
34188	9/13/2023	ANDTRU Inv #313454 - Paint Spray, Bolts, Nuts Inv #313501 - Eave Vents, Drywall, PV... Inv #313550 - Caps, Nipples for Well 2... Inv #313584 - PVC & Parts fpr Dairy B... Inv #313506 - Supplies for Station 2A ... Inv #313511 - Tube Cutter, Brush Wire.. Inv #313503 - Supplies for 1B Booster... Inv #313551 - Bushings & Nipples for ... Inv #313525 - Caution Tape Inv #313547 - (3) Hoses Inv #313513 - (3) Trash Cans, Paint Can Inv #313472 - Roller Covers Inv #313436 - L-Flashing Inv #313507 - (2) Caulkings Inv #313549 - (7) Mix Potting Inv #313464 - Garden Hose Inv #313477 - Drill Bit Set	Mills Hardware	01-1-2-54620 01-1-3-54620 01-1-3-54620 01-1-5-54620 01-1-5-54620 01-1-5-54620 01-1-5-54620 22-2-2-54500 22-2-2-54500 22-2-2-54620 22-2-2-54620 22-2-2-54620 22-2-2-54620 22-2-2-54620 22-2-2-54620 22-2-2-54620	C0110 OUTSIDE SVCS	978.95 53.24 34.17 30.65 101.64 37.55 53.79 50.91 38.40 27.99 193.92 116.33 7.31 11.20 34.46 97.98 37.70 51.71
34190	9/13/2023 592784	NAPA Batteries for #101	NAPA Auto Parts	01-1-8-54710		920.08 920.08
34191	9/13/2023 48106	PHEEXP Trk #19 Front Brakes & Oil Change	Phelan Express, Inc.	01-1-8-54710		981.90 981.90
34192	9/13/2023 7072295	REBEL Fuel - 400 Gl., DSL - 250 Gl.	Rebel Oil Company, Inc.	01-1-8-54410		3,458.38 3,458.38
34193	9/13/2023 07048082023 0811182023 0817232023	ARMELE 7C and 5B Switchgear for Generators Main Electric Panel Install at Well #17 Emergency Electric Repairs Site 2A Br...	Rodger Ashby	01-1-2-54620 01-0-0-17000 01-1-2-54620	C0072 OUTSIDE SVCS C0110 OUTSIDE SVCS	6,400.00 2,500.00 2,100.00 1,800.00
34194	9/13/2023 090123 090123 090123	STAINS LTD/Life/AD&D - Sept. LTD/Life/AD&D - Sept. LTD/Life/AD&D - Sept.	Standard Insurance Company	01-0-1-51230 01-7-7-51230 22-0-1-51230		1,036.74 856.27 107.54 72.93
34195	9/13/2023 090623	SWRCB Water Qual...SWRCB Division of Water Quality Water Distribution (D2) Cert Fee S Truj..		01-1-1-54260		60.00 60.00
34196	9/13/2023 INV096369	AQUA MET CMEP Annual Support	Aqua Metric Sales Co	01-0-1-53170		1,000.00 1,000.00
34197	9/13/2023 090823	TRICOM 5K Run Sponsorship	Kiwanis Club International Inc	01-1-9-54920		200.00 200.00
34198	9/13/2023 4541-1 4541-2	TRLS Reservoir 6A - Proposed 1.5 MG-Topo... Res. 6A - Fence Staking	TRLS Engineering, Inc	01-0-0-17000 01-0-0-17000	C0109 OUTSIDE SVCS C0109 OUTSIDE SVCS	5,900.00 3,800.00 2,100.00
34199	9/13/2023 225336 225336 225336	TURSEC Monitoring Svc. - Sept. Monitoring Svc. - Sept. Monitoring Svc. - Sept.	Turner Security, Inc	01-0-1-53150 01-1-1-53150 22-2-2-53150		373.60 46.95 167.80 158.85

Cash Disbursements Report

Payment Dates: 09/01/2023 - 09/30/2023

Payment Number	Payment Date Payable Number	Vendor # Description	Vendor Name	Account Number	Project Account Key	Payment Amount Item Amount
34200	9/13/2023 025-434892	TYLTEC Annual Maint. - FA, Purchasing, AR, Pe...	Tyler Technologies, Inc	01-0-0-14100		7,549.02 7,549.02
34201	9/13/2023 167229058	ULINE Locking Tabs for Customer Disconnect...	Uline	01-1-6-54500		559.35 559.35
34202	9/13/2023 23-240724 820230542	USA Dig Safe Regulatory Fee Aug 23 - June... (226) Tickets	Underground Service Alert of So. Cal.	01-1-1-53160 01-1-2-53150		1,881.31 1,475.81 405.50
34210	9/27/2023 93750	APEREN equipment #119 50 hour service	Apex Rentals	01-1-8-54710		689.87 689.87
34211	9/27/2023 091823 091823-1	ASBCSD September Meeting - Rebecca September Meeting - Deborah	Assn of SB County Special Districts	01-0-1-52232 01-0-1-52239		80.00 40.00 40.00
34212	9/27/2023 686974	ATK Mojave Adjudication Legal Services	Atkinson, Andelson, Loya, Ruud & Romo Professional Corp. Attorneys at Law	01-0-1-53120	C0057 LEGAL	177.68 177.68
34213	9/27/2023 INV00294998	BOOBAR Safety Work Boots - L. Marckstadt	Boot Barn Inc.	01-1-2-54680		200.00 200.00
34214	9/27/2023 1533855	CA FOREST cal fire crews 8/10 thru 8/25	California Department of Forestry and Fire Protection	01-1-2-54620		1,135.40 1,135.40
34215	9/27/2023 9085-1039743 9085-1039941 9085-1040043 9085-1040044 9085-1040046 9085-1040047 9085-1040048 9085-1040082 9085-1040256 9085-1040297 9085-1040422 9085-1040431	CED Electric Wire for Well #17 Well 1B Rehab - Conduit for Flow Met... Electric Parts for Site 12 Switchgear Electric Parts for Green Rd. Switchgear Electric Parts for 7A Switchgear Electric Parts for Site 1B Switchgear Electric Parts for Site L1 Switchgear Underground Conduit for Well 15 Wire for Panel at Mountain Well Well #15 Conduit Install Well #15 Conduit Well 17 Electrical	Consolidated Electrical Distributors Inc	01-0-0-17000 01-1-3-54620 01-1-5-54620 01-1-5-54620 01-1-5-54620 01-1-5-54620 01-1-5-54620 01-0-0-17000 01-0-0-17000 01-0-0-17000 01-0-0-17000 01-0-0-17000	C0072 OUTSIDE SVCS C0095 OUTSIDE SVCS C0072 OUTSIDE SVCS C0095 OUTSIDE SVCS C0095 OUTSIDE SVCS C0072 OUTSIDE SVCS	21,961.45 1,214.84 135.36 2,790.31 2,790.31 2,758.50 2,758.50 3,659.49 4,809.76 62.68 132.65 690.64 158.41
34216	9/27/2023 S782365 T444164-1 T444164-1 T444164-2 T461458 T487219 T512172 T567752 T567752	CORE 6" Swing Check for 3C Booster A Solid Wire Wrench 6x12 Rep Clamp - Qty. 1 Corp Stops - Qty. (15) 6" AC repair clamps for storm damage 1 IPS Poly (100 ft Coil) Qty. 200 ft. 1 CTS Poly (100 ft Coil) 1 IPS Poly (100 ft Coil)	Core & Main	01-1-5-54620 01-1-2-54620 01-1-2-54650 01-1-0-13010 01-1-0-13010 01-1-5-54620 01-1-0-13010 01-1-0-13010 01-1-0-13010	C0110 OUTSIDE SVCS	13,904.64 1,698.65 226.28 168.09 215.50 1,273.28 1,257.83 1,133.53 2,263.83 5,667.65
34217	9/27/2023 109178	SBC PARCELS (3) Parcel Map Revisions	County of San Bernardino	01-1-1-54830		6.00 6.00
34218	9/27/2023 000784498 000784757 000785008 000785008	CR&R Trash - Oasis Yard September Trash - Pinon Hills Park September Trash - Phelan CC & CSD September Trash - Phelan CC & CSD September	CR&R Incorporated	01-0-2-58110 22-0-2-58110 01-0-1-58110 22-0-2-58110		1,605.22 388.58 241.01 487.82 487.81
34219	9/27/2023 070323	DONBAR 2 Vehicle Incidents	Don Bartz	01-1-8-54710		4,687.26 4,687.26

Cash Disbursements Report

Payment Dates: 09/01/2023 - 09/30/2023

Payment Number	Payment Date Payable Number	Vendor # Description	Vendor Name	Account Number	Project Account Key	Payment Amount Item Amount
34220	9/27/2023	GAOSBO	G.A. Osborne Pipe & Supply Inc			118.59
	101-41801	Credit - Wrong Flanges for #1 Fill Stati...		01-1-2-54620		-28.70
	101-62157-01	Flanges & Bushings for Fill Station		01-1-2-54620		147.29
34221	9/27/2023	GENPUM	General Pump Company, Inc.			43,794.35
	30546	Well 1B rehab, replace pump and mo...		01-1-3-54620		40,486.47
	30564	storm damage to 2A booster A, labor ...		01-1-5-54620	C0110 OUTSIDE SVCS	3,307.88
34222	9/27/2023	GREE SVCS	Greenstone Services Inc.			750.00
	10025	Landscape Work at Pinon Hills Park		22-2-2-53150	C0110 OUTSIDE SVCS	750.00
34223	9/27/2023	HARFRE	Central Purchasing LLC			370.87
	160767	Truck #24 - Caliper, Weld Gloves, Flap...		01-1-2-54650		236.23
	850262	Ratchet Straps & Solar Controller for ...		01-1-3-54620		134.64
34224	9/27/2023	HATTRI	Hatrix Team Sports & Embroidery			1,384.73
	2005047	Uniforms for Field/Office/Board		01-0-1-54680		46.81
	2005047	Uniforms for Field/Park/Office/Board		01-0-1-54680		12.00
	2005047	Uniforms for Field/Office/Board		01-1-2-54680		139.25
34225	9/27/2023	INFOSE	Infosend Inc			3,462.61
	246435	Postage & Printing - September		01-1-6-54860		90.80
	246435	Postage & Printing - September		01-1-6-54890		979.76
	246435	Postage & Printing - September		01-1-9-54800		387.90
	246435	Postage & Printing - September		22-2-2-54800		775.80
34226	9/27/2023	INFOSE	Infosend Inc			1,228.35
	246435	Postage & Printing - September		25-5-1-54800		
	9/27/2023	KTUA	KTU&A Planning & Landcape Architecture			240.00
	35133	Civic Center Landscape-Hardscape Co...		01-0-0-17000	C0002 IMPROVE	240.00
	9/27/2023	LES SCH	Les Schwab Tire Centers of Central CA, INC.			385.05
	58100163665	Truck #23 - Tire Replacement		01-1-8-54710		385.05
34228	9/27/2023	MCPEEK	McPeek's Dodge of Anaheim			59,503.75
	48194	license fee		01-1-0-16730		126.75
	48194	manufacturer rebate		01-1-0-16730		-500.00
	48194	Truck 31 purchase as budgeted fiscal ...		01-1-0-16730		70,877.00
34229	9/27/2023	OFFDEP	ODP Business Solutions, Inc.			491.33
	331504488001	Office Supplies - Toner		01-0-1-54530		491.33
	9/27/2023	OFFSOL	Office Solutions			488.40
	I-02157252	Office Supplies - Post Its, Glue, Paper, ...		01-0-1-54530		488.40
	9/27/2023	PETCAS - Petty Cash	Petty Cash			270.30
34231	092723	Kitchen Soap		01-0-1-54500		9.15
	092723	CalPers Health Postage		01-0-1-54860		28.75
	092723	SouthWest Pump County Record		01-1-1-54830		3.00
	092723	Petty Cash Adj.		01-1-1-59310		18.68
	092723	Water Cases for CC		22-2-2-54500		90.72
	092723	Trk # 26- Fuel		22-2-8-54410		120.00
34232	9/27/2023	PHEEXP	Phelan Express, Inc.			197.27
	48243	Truck #2- Oil Change		22-2-8-54710		91.09
	48522	Truck #28 - Oil Change		01-1-8-54710		106.18
34233	9/27/2023	PUMCHE	Jon Ray Lee			255.00
	297	Well 6B Water Meter Testing		01-1-3-54620		255.00
34234	9/27/2023	REBEL	Rebel Oil Company, Inc.			7,890.76
	2077205-IN	Tank Guage for Fuel Tank @ Oasis Yard		01-1-2-54620		103.01
	7072585-IN	Fuel - 490 Gl.		01-1-8-54410		2,582.55

Cash Disbursements Report

Payment Dates: 09/01/2023 - 09/30/2023

Payment Number	Payment Date Payable Number	Vendor # Description	Vendor Name	Account Number	Project Account Key	Payment Amount Item Amount
	7072929-IN	Fuel - 297 Gl., DSL - 135 Gl.		01-1-8-54410		2,492.40
	7073196-IN	Fuel - 475 Gl.		01-1-8-54410		2,712.80
34235	9/27/2023 SWO0035935-5	SONSRA Backhoe #111 Repairs Due to Overhea..	Sonsray Machinery, llc	01-1-8-54710		3,124.29 3,124.29
34236	9/27/2023 100123 100123 100123	STAINS LTD/Life/AD&D - October LTD/Life/AD&D - October LTD/Life/AD&D - October	Standard Insurance Company	01-0-1-51230 01-7-7-51230 22-0-1-51230		1,243.53 1,035.04 123.41 85.08
34237	9/27/2023 4895	STEDES MDAQMD Application Fee	Steen Design Studio, Inc	01-0-0-17000	C0002 OUTSIDE SVCS	364.01 364.01
34238	9/27/2023 20763	TIMLOC (2) Duplicate Keys for Sr. Center	Steven M. Zemba	22-2-2-54620		10.24 10.24
34239	9/27/2023 7281-8	SHE WIL Paint for Exterior Tank Coating (1A-1)...	The Sherwin-Williams Co.	01-1-5-54620		2,192.18 2,192.18
34240	9/27/2023 PPH-127-1	TOMDOD Proposed 1.5 MG Reservoir - CEQA	Tom Dodson & Associates	01-0-0-17000	C0109 OUTSIDE SVCS	1,322.50 1,322.50
34241	9/27/2023 86144	TYLBUS Yr-End Tax Forms	Tyler Business Forms	01-0-1-54530		520.90 520.90
34242	9/27/2023 025-438428	TYLTEC ERP Annual Fees, Tax Liens, UB Meter	Tyler Technologies, Inc	01-0-0-14100		12,023.31 12,023.31
34243	9/27/2023 51443236	UNIVAR Liquid Chlorine - 600 Gl.	UNIVAR INC.	01-1-3-54500		2,437.47 2,437.47
34244	9/27/2023 24AR1126501	VIS EDGE Base Rate & Copies	Visual Edge IT, Inc.	01-0-1-53150		849.17 849.17
DFT0012252	9/4/2023 083123-4084	THEGAS Gas - Phelan Senior Center 7/20-8/18	The Gas Company	22-0-2-58110		14.30 14.30
DFT0012253	9/4/2023 083123-4585	THEGAS Gas - Phelan CC 7/20-8/18	The Gas Company	22-0-2-58110		61.56 61.56
DFT0012269	9/1/2023 INV0005412 INV0005412 INV0005412	CALPERS 457 Cal PERS 457/ Employer Plan: 450 717... Cal PERS 457/ Employer Plan: 450 717... Cal PERS 457/ Employer Plan: 450 717...	California Public Employees' Deferred Compensation Plan	01-1-0-24560 22-2-0-24560 25-5-0-24560		175.00 113.25 5.76 55.99
DFT0012270	9/1/2023 INV0005413 INV0005413 INV0005413 INV0005413	CALPERS CalPERS/Employee Portion(EE) CalPERS/Employee Portion(EE) CalPERS/Employee Portion(EE) CalPERS/Employee Portion(EE)	Calif Public Employees' Retirement System	01-1-0-24530 01-7-0-24530 22-2-0-24530 25-5-0-24530		3,824.82 2,981.34 297.37 219.46 326.65
DFT0012271	9/1/2023 INV0005414 INV0005414 INV0005414 INV0005414	CALPERS CalPERS/Employee Portion(ER) CalPERS/Employee Portion(ER) CalPERS/Employee Portion(ER) CalPERS/Employee Portion(ER)	Calif Public Employees' Retirement System	01-1-0-24530 01-7-0-24530 22-2-0-24530 25-5-0-24530		3,687.16 2,591.47 440.70 463.06 191.93
DFT0012272	9/1/2023 INV0005415 INV0005415 INV0005415 INV0005415	CALPERS CalPERS/Employer Portion CalPERS/Employer Portion CalPERS/Employer Portion CalPERS/Employer Portion	Calif Public Employees' Retirement System	01-1-0-24530 01-7-0-24530 22-2-0-24530 25-5-0-24530		9,739.35 7,077.78 1,029.56 988.27 643.74

Cash Disbursements Report

Payment Dates: 09/01/2023 - 09/30/2023

Payment Number	Payment Date Payable Number	Vendor # Description	Vendor Name	Account Number	Project Account Key	Payment Amount Item Amount
DFT0012273	9/1/2023	CALPERS	Calif Public Employees' Retirement System			22.32
	INV0005416	CalPERS Retirement/ Survivor Benefits		01-1-0-24530		16.26
	INV0005416	CalPERS Retirement/ Survivor Benefits		01-7-0-24530		1.98
	INV0005416	CalPERS Retirement/ Survivor Benefits		22-2-0-24530		2.34
	INV0005416	CalPERS Retirement/ Survivor Benefits		25-5-0-24530		1.74
DFT0012274	9/1/2023	EDD	Employment Development Department			885.51
	INV0005417	State Disability Ins - Payroll Taxes		01-0-0-24510		885.51
DFT0012275	9/1/2023	IRS	Internal Revenue Service			446.40
	INV0005418	Social Security - Payroll Taxes		01-0-0-24510		446.40
DFT0012276	9/1/2023	EDD	Employment Development Department			5,064.84
	INV0005419	CA State Income Tax - Payroll Taxes		01-0-0-24510		5,064.84
DFT0012277	9/1/2023	IRS	Internal Revenue Service			3,227.62
	INV0005420	Medicare - Payroll Taxes		01-0-0-24510		3,227.62
DFT0012278	9/1/2023	IRS	Internal Revenue Service			13,663.26
	INV0005421	Federal Income Tax - Payroll Taxes		01-0-0-24510		13,663.26
DFT0012279	9/1/2023	IRS	Internal Revenue Service			148.80
	INV0005422	Social Security - Payroll Taxes		01-0-0-24510		148.80
DFT0012280	9/1/2023	EDD	Employment Development Department			13.45
	INV0005423	CA State Income Tax - Payroll Taxes		01-0-0-24510		13.45
DFT0012281	9/1/2023	IRS	Internal Revenue Service			34.80
	INV0005424	Medicare - Payroll Taxes		01-0-0-24510		34.80
DFT0012282	9/1/2023	IRS	Internal Revenue Service			63.08
	INV0005425	Federal Income Tax - Payroll Taxes		01-0-0-24510		63.08
DFT0012283	9/14/2023	ACT IT	David Shay			4,257.60
	11427R	Software Support - Sept.		01-0-1-53170		4,257.60
DFT0012284	9/14/2023	RACE	Race Communications			4.00
	RC985221	Phones - Internet Phelan CC Sept.		22-0-1-58010		204.00
	RC985221	Phones - Internet Credit for Phelan CC...		22-0-1-58010		-200.00
DFT0012285	9/14/2023	RACE	Race Communications			255.00
	RC978017	Phones - Internet Shop Sept.		01-1-1-58010		255.00
DFT0012286	9/14/2023	RACE	Race Communications			104.00
	RC985219	Phones - Internet Credit P.H. CC Sept.		22-0-1-58010		-100.00
	RC985219	Phones - Internet P.H. CC Sept.		22-0-1-58010		204.00
DFT0012287	9/14/2023	RACE	Race Communications			255.00
	RC985220	Phones - Internet CSD Sept.		01-0-1-58010		255.00
DFT0012288	9/14/2023	SCE 8092-3468	Southern California Edison			87.52
	082823	Electricity - NW Dairy Mobile 7/31 - 8...		01-1-3-58110		87.52
DFT0012289	9/14/2023	SCE 3752-2894	Southern California Edison			196.16
	082823	Electricity - N. Dairy Mobile 7/31 - 8/28		01-1-3-58110		196.16
DFT0012290	9/14/2023	SCE 4241-7012	Southern California Edison			271.50
	82823	Electricity - Dairy Mobile 7/31 - 8/28		01-1-3-58110		271.50
DFT0012291	9/14/2023	SCE 7695-0442	Southern California Edison			24.40
	082823	Electricity - Fill Station 7/31 - 8/28		01-0-2-58110		24.40
DFT0012292	9/14/2023	CINFIR	Cintas			462.92
	5172907213	First Aid Supplies - Shop		01-1-1-54500		462.92

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Payment Number	Payment Date	Vendor #	Description	Vendor Name	Account Number	Project Account Key	Payment Amount
Payment Number	Payable Number	Description	Vendor Name	Account Number			Item Amount
DFT0012293	9/14/2023	FBC-HEATHER	First Bank Card				919.86
	083123	Flat World - Textbook for Karyn's Class		01-0-1-54260			53.82
	083123	MH ED - McGraw Hill Book for Karyn's...		01-0-1-54260			99.16
	083123	Amazon Textbook for Karyn's Class		01-0-1-54260			73.60
	083123	Amazon - Plates & Cups		01-0-1-54530			49.05
	083123	Amazon - Notary Journals		01-0-1-54530			53.88
	083123	Amazon - Foot Rest & Office Supplies		01-0-1-54530			87.25
	083123	Amazon - (2) Ink Stamps		01-0-1-54530			18.94
	083123	Amazon - (2) Paper Towel Rolls		01-0-1-54530			53.66
	083123	Amazon - File Folder Labels		01-0-1-54530			29.02
	083123	Amazon - File Folders		01-0-1-54530			32.54
	083123	Amazon Post Signs		01-0-1-54530			16.15
	083123	Cert Mail - Oscar's Health Insurance L...		01-0-1-54860			7.95
	083123	Amazon - Lawn Equip. Kit		01-1-2-54500			66.64
	083123	Amazon - Strapping Kit		01-1-2-54500			159.46
	083123	Cert Mail - 2nd Meter Notice		01-1-6-54860			6.03
	083123	Cert Mail - Customer Lwetter		01-1-6-54860			6.03
	083123	Cert Mail - Water Theft Letter		01-1-6-54860			6.03
	083123	Cert Mail - Water Theft Letter		01-1-6-54860			6.75
	083123	Cert Mail - Leak Letters		01-1-6-54860			54.27
	083123	Amazon - Iphone Case & Protector		25-5-1-54530			39.63
DFT0012294	9/14/2023	FBC-LORI	First Bank Card				441.44
	0831223	Pizza Factory - Office Lunch Due to Sto..		01-0-1-54440	C0110 OUTSIDE SVCS		96.44
	0831223	GFOA - - Budget Award Application		01-0-1-54530			345.00
DFT0012295	9/14/2023	FBC-CHRIS	First Bank Card				1,259.70
	083123	Garden Buffet - Tri-State Seminar Meal		01-1-1-54470			21.62
	083123	Panera Bread - Tri-State Seminar Meal		01-1-1-54470			24.14
	083123	The Berkley - Tri State Charge Revers...		01-1-1-54470			-504.60
	083123	The Berkley - Tri State Charge (Rever...		01-1-1-54470			504.60
	083123	Baja Miguels - Tri-State Seminar Meal		01-1-1-54470			28.79
	083123	The Grand View - Tri-State Seminar St...		01-1-1-54470			843.60
	083123	Big Sur Oyster - Tri-State Seminar Meal		01-1-1-54470			17.29
	083123	Gordon Ramsay - Tri-State Seminar M...		01-1-1-54470			31.41
	083123	Starbucks - Tri-State Seminar Meal		01-1-1-54470			4.28
	083123	Starbucks - Tri-State Seminar Meal		01-1-1-54470			8.02
	083123	Starbucks - Tri-State Seminar Meal		01-1-1-54470			11.58
	083123	Terrible Herbst - Trk #21 Fuel (Tri-Stat...		01-1-8-54410			127.53
	083123	CSC - Trk #21 Tire Air		01-1-8-54710			2.00
	083123	Parts Geek - Trk #19 Tail Gate Handle		01-1-8-54710			139.44
DFT0012296	9/14/2023	FBC-STEVE	First Bank Card				499.97
	083123	No IP Refund (Charged in July)		01-0-1-53170			-24.95
	083123	HD Supply - (2) Floor Mats for Office		01-0-1-54620			123.68
	083123	Lowe's - Blower Replaced		22-2-2-54650			401.24
DFT0012297	9/14/2023	FBC-JENNIFER	First Bank Card				897.34
	083123	Zoom - Cloud Recording Subscription		01-0-1-53170			100.00
	083123	Stater Bros - Board Meeting Supplies		01-0-1-54440			58.95
	083123	HDMWA CEU Class - Mike, Chris C, Er...		01-1-1-54260			200.00
	083123	Amazon - Ipad Case for Sean		01-1-1-54530			53.84
	083123	Amazon - Ipad Screen Glass for Sean		01-1-1-54530			23.68
	083123	Uline - Cart		01-1-2-54500			206.51
	083123	Mailchimp - Customers E-Bills		01-1-6-53170			120.00
	083123	HDMWA CEU Class - Jen & George		01-7-7-54260			100.00
	083123	Amazon - Candy Canes for Christmas T...		22-2-2-54800			34.36
DFT0012298	9/14/2023	FBC-GEORGE	First Bank Card				2,157.11
	083123	Adobe Subscription - Office		01-0-1-53170			263.89
	083123	Krispy Kreme - CPR Class		01-0-1-54440			38.99

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Payment Number	Payment Date Payable Number	Vendor # Description	Vendor Name	Account Number	Project Account Key	Payment Amount Item Amount
	083123	Mango Grill - Post Board Meeting		01-0-1-54440		177.07
	083123	Ricks Cafe - Staff Meeting		01-0-1-54440		103.30
	083123	Dippin Donuts for CPR Class		01-0-1-54440		28.00
	083123	Adobe Subscription - Field		01-1-1-53170		47.98
	083123	Hash House - Tri-State Seminar Meal f...		01-1-1-54470		34.24
	083123	Apple - Icloud Storage		01-1-2-53170		0.99
	083123	Terribles - Trk #28 Fuel		01-1-8-54410		77.43
	083123	Speed Mart - Trk #28 Fuel		01-1-8-54410		77.57
	083123	United Pacific - Trk #28 Fuel		01-1-8-54410		100.06
	083123	Adobe Subscription - Eng		01-7-7-53170		47.98
	083123	CSDA Conference Registratrion Fee - G...		01-1-7-7-54260		675.00
	083123	Hash House - Tri-State Seminar Meal ...		01-7-7-54470		34.24
	083123	Starbucks - Tri-State Seminar Meal		01-7-7-54470		15.55
	083123	Del Mar Deli - Tri-State Seminar Meal		01-7-7-54470		26.23
	083123	Zenshi - Tri-State Seminar Meal		01-7-7-54470		54.52
	083123	In-n-Out - Tri-State Seminar Meal		01-7-7-54470		9.92
	083123	South Point Hotel - Tri-State Seminar ...		01-7-7-54470		344.15
DFT0012299	9/14/2023	FBC-DEBORAH	First Bank Card			570.60
	083123	Pilot - Fuel for CSDA Conference		01-0-1-52219		50.25
	083123	WM Super Center - Fuel for CSDA Con...		01-0-1-52219		90.44
	083123	Portola Hotel Deposit - CSDA Confere...		01-0-1-52229		277.91
	083123	The Meltdown - CSDA Conference Me...		01-0-1-52229		41.98
	083123	Nick the Greek - CSDA Conference Me...		01-0-1-52229		30.08
	083123	Dutch Bros - CSDA Conference Meal E...		01-0-1-52229		2.95
	083123	Crabby Jim's - CSDA Conference Meal ...		01-0-1-52229		70.04
	083123	Starbucks - CSDA Conference Meal Ex...		01-0-1-52229		6.95
DFT0012300	9/14/2023	FBC-DON	First Bank Card			1,517.54
	083123	Shell - Fuel		01-0-1-54110		178.11
	083123	76 - Fuel		01-0-1-54140		87.58
	083123	United Pacific - Fuel		01-0-1-54140		91.59
	083123	Chevron - Fuel		01-0-1-54140		103.23
	083123	Shell - Fuel		01-0-1-54140		160.39
	083123	Ricks Cafe		01-0-1-54440		36.17
	083123	Ricks Cafe		01-0-1-54440		37.25
	083123	Ricks Cafe - Storm Disaster Meeting		01-0-1-54440	C0110 OUTSIDE SVCS	125.33
	083123	Ricks Cafe - Newspaper Meeting		01-0-1-54440		40.89
	083123	Kesh Cab Svc. - CSDA Meeting		01-0-1-54470		41.04
	083123	Domenicos - CSDA Conference Meal		01-0-1-54470		86.86
	083123	Ontario Airport - Parking Fee		01-0-1-54470		48.00
	083123	Ontario Airport - Parking Fee		01-0-1-54470		48.00
	083123	Hyatt Stay - CSDA Meeting		01-0-1-54470		221.23
	083123	Subway - CSDA Conference Meal		01-0-1-54470		17.94
	083123	Sheraton - CSDA Meal Exp.		01-0-1-54470		128.31
	083123	Hyatt - CSDA Meal Exp.		01-0-1-54470		32.10
	083123	SSP Cafeteria - CSDA Meal Exp.		01-0-1-54470		33.52
DFT0012301	9/14/2023	FBC-MARK	First Bank Card			271.23
	083123	Marriott - CSDA Conference Stay Dep...		01-0-1-52226		271.23
DFT0012302	9/14/2023	FBC-CHARLES	First Bank Card - Charles			37.86
	083123	Willow Ranch Restaurant - CSDA Conf...		01-0-1-52224		37.86
DFT0012303	9/14/2023	FBC-SEAN	First Bank Card			6,332.40
	083123	Amazon Prime		01-1-1-54230		16.15
	083123	Southern Utah University - Tuition Fee..		01-1-1-54260		2,995.85
	083123	Pizza Factory - Lunch During Storm Re...		01-1-1-54440	C0110 OUTSIDE SVCS	180.98
	083123	Pizza Factory - Lunch During Storm Re...		01-1-1-54440	C0110 OUTSIDE SVCS	90.50
	083123	Amazon - Fill Station Router		01-1-2-54500		187.74
	083123	Amazon - ARC Flash Pants & Face Shie...		01-1-2-54500		292.70

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Payment Number	Payment Date Payable Number	Vendor # Description	Vendor Name	Account Number	Project Account Key	Payment Amount Item Amount
	083123	Amazon ARC Flash Pants		01-1-2-54500		331.71
	083123	Amazon - ARC Flash Safety Gloves		01-1-2-54500		437.90
	083123	Amazon ARC Flash PPE		01-1-2-54500		437.90
	083123	Amazon - PA System for Minix		01-1-2-54500		494.55
	083123	Amazon - Drill Bits for Trk #27		01-1-2-54650		32.28
	083123	Amazon - Drill Bits for Trk #27		01-1-2-54650		75.41
	083123	Amazon = Coolant Repair Kit for #116		01-1-8-54710		9.69
	083123	Auto Zone - Clamps for #116 Coolant ...		01-1-8-54710		17.63
	083123	The ROP Shop - Trk #108 Fuel Pump T...		01-1-8-54710		15.61
	083123	SP Rodeo - Trk #19 Rear Bumper		01-1-8-54710		399.99
	083123	Amazon - Fuel Pump for #108		01-1-8-54710		31.12
	083123	GM - Trk #23 Brake Controller		01-1-8-54710		284.69
DFT0012304	9/14/2023	FBC-KIM	First Bank Card			1,548.01
	083123	Portola Hotel Stay - CSDA Conf. C. Hays		01-0-1-52224		317.46
	083123	Calendar Wiz		01-0-1-53170		14.00
	083123	Brown & Caldwell - Job Ad		01-0-1-54110		200.00
	083123	Notary Training for Kim		01-0-1-54260		654.19
	083123	Ricks Cafe - Staff Meeting		01-0-1-54440		122.67
	083123	The Condolence Shop - for M. Roberts		01-0-1-54530		196.43
	083123	Amazon - Trash Container		01-0-1-54530		43.26
DFT0012305	9/25/2023	SCE 9515-2666	Southern California Edison			127,329.32
	073123-1	Electricity - Wells, Tanks(July)		01-1-3-58110		183,511.98
	073123-1	Electricity - Solar Cr (July)		01-1-3-58115		-56,182.66
DFT0012306	9/25/2023	SCE 9515-2666	Southern California Edison			4,909.04
	080123	Electricity - Wells, Tanks (Aug)		01-1-3-58110		7,755.66
	080123	Electricity - Solar Credits (Aug)		01-1-3-58115		-2,846.62
DFT0012307	9/25/2023	SCE 1078-5254	Southern California Edison			880.94
	090623	Electricity - CC & Sr. Ctr. 8/8 - 9/6		22-0-2-58110		880.94
DFT0012308	9/18/2023	SCE 1613-6373	Southern California Edison			18.27
	083123	Electricity - R/R Crossings 8/1 - 8/31		23-0-2-58210		18.27
DFT0012309	9/18/2023	SCE 5917-6455	Southern California Edison			28.51
	083123	Electricity - Phelan Park St. Lights 8/1 - ..		22-2-2-58110		28.51
DFT0012310	9/18/2023	SCE 7441-5755	Southern California Edison			461.20
	083023	Electricity - Pinon Hills CC 8/2 - 8/30		22-0-2-58110		461.20
DFT0012311	9/14/2023	CIN UNI	Cintas Corporation			39.08
	4165234260	Vehicle Wash Station Supplies		01-1-8-54710		39.08
DFT0012312	9/14/2023	FRO 5072	Frontier Communications			153.55
	092423	Phones - Oasis Yard 8/25 - 9/24		01-1-1-58010		153.55
DFT0012313	9/11/2023	FRO 8637	Frontier Communications			65.19
	091823	Phones - Sr. Ctr. 8/19 - 9/18		22-0-1-58010		65.19
DFT0012314	9/29/2023	FRO 5743	Frontier Communications			97.82
	100623	Phones - Office 9/7 - 10/6		01-0-1-58010		97.82
DFT0012315	9/11/2023	FRO 3434	Frontier Communications			194.74
	090923	Phones - Telemetry 8/10 - 9/9		01-1-5-58010		194.74
DFT0012316	9/14/2023	NAPA	NAPA Auto Parts			820.44
	083123	Inv #592877 - Brake Fluid for #100		01-1-8-54710		16.46
	083123	Inv #592909 - Lights for #119		01-1-8-54710		112.06
	083123	Inv #594089 - Radiator Hose & Coolan...		01-1-8-54710		96.71
	083123	Inv #594074 - Coolant for #111		01-1-8-54710		41.57
	083123	Inv #594647 -Oil for Backhoe #102		01-1-8-54710		103.43
	083123	Inv #594732 - Def for #113, 113, 116, ...		01-1-8-54710		284.33

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Payment Number	Payment Date Payable Number	Vendor # Description	Vendor Name	Account Number	Project Account Key	Payment Amount Item Amount
	083123	Inv #594109 - Brake Light Cleaner for ...		01-1-8-54710		165.88
DFT0012317	9/14/2023	CIN UNI	Cintas Corporation			506.08
	083123	Uniform Rental Svcs. - Aug.		01-1-1-54680		465.64
	083123	Uniform Rental Svcs. - Aug.		22-2-1-54680		40.44
DFT0012318	9/14/2023	FBC-STEVE	First Bank Card			1,114.35
	388346	Heart Smart Def. (4) Pads, (4) Batterie...		22-2-2-54620		1,114.35
DFT0012319	9/14/2023	FBC-SEAN	First Bank Card			1,156.19
	080123	Real Truck - Trk #23 Air Bags		01-1-8-54710		526.67
	115067548	Etrailer - Trk #30 Air Bags		01-1-8-54710		629.52
DFT0012320	9/14/2023	FBC-CHRIS	First Bank Card			1,862.93
	73383	Trk 21- Trans. Service, MAF Service, E...		01-1-8-54710		1,862.93
DFT0012321	9/15/2023	CALPERS 457	California Public Employees' Deferred Compensation Plan			175.00
	INV0005426	Cal PERS 457/ Employer Plan: 450 717...		01-1-0-24560		116.85
	INV0005426	Cal PERS 457/ Employer Plan: 450 717...		22-2-0-24560		5.39
	INV0005426	Cal PERS 457/ Employer Plan: 450 717...		25-5-0-24560		52.76
DFT0012322	9/15/2023	CALPERS	Calif Public Employees' Retirement System			3,859.68
	INV0005427	CalPERS/Employee Portion(EE)		01-1-0-24530		3,030.67
	INV0005427	CalPERS/Employee Portion(EE)		01-7-0-24530		330.84
	INV0005427	CalPERS/Employee Portion(EE)		22-2-0-24530		259.59
	INV0005427	CalPERS/Employee Portion(EE)		25-5-0-24530		238.58
DFT0012323	9/15/2023	CALPERS	Calif Public Employees' Retirement System			3,689.62
	INV0005428	CalPERS/Employee Portion(ER)		01-1-0-24530		2,589.73
	INV0005428	CalPERS/Employee Portion(ER)		01-7-0-24530		440.70
	INV0005428	CalPERS/Employee Portion(ER)		22-2-0-24530		457.81
	INV0005428	CalPERS/Employee Portion(ER)		25-5-0-24530		201.38
DFT0012324	9/15/2023	CALPERS	Calif Public Employees' Retirement System			9,777.99
	INV0005429	CalPERS/Employer Portion		01-1-0-24530		7,123.73
	INV0005429	CalPERS/Employer Portion		01-7-0-24530		1,062.73
	INV0005429	CalPERS/Employer Portion		22-2-0-24530		1,019.28
	INV0005429	CalPERS/Employer Portion		25-5-0-24530		572.25
DFT0012325	9/15/2023	CALPERS	Calif Public Employees' Retirement System			23.25
	INV0005430	CalPERS Retirement/ Survivor Benefits		01-1-0-24530		16.28
	INV0005430	CalPERS Retirement/ Survivor Benefits		01-7-0-24530		2.08
	INV0005430	CalPERS Retirement/ Survivor Benefits		22-2-0-24530		3.32
	INV0005430	CalPERS Retirement/ Survivor Benefits		25-5-0-24530		1.57
DFT0012326	9/15/2023	EDD	Employment Development Department			872.07
	INV0005431	State Disability Ins - Payroll Taxes		01-0-0-24510		872.07
DFT0012327	9/15/2023	IRS	Internal Revenue Service			-252.96
	CM0000235	Social Security - Payroll Taxes		01-0-0-24510		-252.96
DFT0012328	9/15/2023	EDD	Employment Development Department			0.51
	INV0005432	State Employer Training Tax - Payroll ...		01-0-0-24510		0.51
DFT0012329	9/15/2023	EDD	Employment Development Department			14.74
	INV0005433	State Unemployment Ins - Payroll Tax...		01-0-0-24510		14.74
DFT0012330	9/15/2023	EDD	Employment Development Department			4,982.68
	INV0005434	CA State Income Tax - Payroll Taxes		01-0-0-24510		4,982.68
DFT0012331	9/15/2023	IRS	Internal Revenue Service			3,147.93
	INV0005435	Medicare - Payroll Taxes		01-0-0-24510		3,147.93

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DFT0012332	9/15/2023 INV0005436	IRS Federal Income Tax - Payroll Taxes	Internal Revenue Service	01-0-0-24510		13,389.97 13,389.97
DFT0012333	9/14/2023 INV0005437	EDD CA State Income Tax - Payroll Taxes	Employment Development Department	01-0-0-24510		779.76 779.76
DFT0012334	9/14/2023 INV0005438	IRS Medicare - Payroll Taxes	Internal Revenue Service	01-0-0-24510		426.70 426.70
DFT0012335	9/14/2023 INV0005439	IRS Federal Income Tax - Payroll Taxes	Internal Revenue Service	01-0-0-24510		1,693.37 1,693.37
DFT0012336	9/28/2023 370000046355	VER FLEET Fleet GPS - August	Verizon Connect Fleet USA, LLC	01-1-8-54300		341.10 341.10
DFT0012337	9/28/2023 4826497	XEROX Copier Lease - 9/12-10/11	Xerox Corporation	01-0-1-54300		280.55 280.55
DFT0012338	9/19/2023 818831185	VSP Vision Insurance - October	Vision Service Plan	01-0-0-14130		453.25 453.25
DFT0012339	9/28/2023 100123-PERS 100123-PERS	CalPERS Health PERS Health Premium - October PERS Health Premium - October	California Public Employees' Retirement System	01-0-0-14130 01-0-1-51230		39,086.95 38,962.27 124.68
DFT0012340	9/28/2023 100123NonPERS 100123NonPERS	CalPERS Health NonPERS Health Premium - October NonPERS Health Premium - October	California Public Employees' Retirement System	01-0-0-14130 01-0-1-51230		3,333.43 3,322.80 10.63
DFT0012342	9/20/2023 2160976A	AME FID Flex Spending 9/1	American Fidelity Assurance Company	01-0-0-24580		187.49 187.49
DFT0012343	9/25/2023 072523 072523	SCE 9587-0653 Electricity - Office 6/23-7/25 Electricity - Solar Credits 6/23-7/25	Southern California Edison	01-0-1-58110 01-1-3-58115		1,940.37 2,652.03 -711.66
DFT0012344	9/28/2023 083123 083123	SCE 8362-7804 Electricity - Solar Meter & Credits 7/3... Electricity - Solar Meter & Credits 7/3...	Southern California Edison	01-1-3-58110 01-1-3-58110		633.28 2.72 630.56
DFT0012345	9/28/2023 082323 082323	SCE 9587-0653 Electricity - Office 7/26-8/23 Electricity - Solar Credit 7/26-8/23	Southern California Edison	01-0-1-58110 01-1-3-58115		1,799.67 2,278.72 -479.05
DFT0012346	9/28/2023 D636845	AME SUP Supplemental Life Insurance - Sept.	American Fidelity Assurance	01-0-0-24580		663.24 663.24
DFT0012347	9/28/2023 093023-4084	THEGAS Gas - Phelan Senior Center 8/18-9/19	The Gas Company	22-0-2-58110		15.78 15.78
DFT0012348	9/28/2023 093023-4585	THEGAS Gas - Phelan CC 8/18-9/19	The Gas Company	22-0-2-58110		67.87 67.87
DFT0012349	9/26/2023 2160981A	AME FID Flex Spending 9/15	American Fidelity Assurance Company	01-0-0-24580		187.49 187.49
DFT0012350	9/28/2023 5176503305	CINFIR First Aid Supplies - Shop	Cintas	01-1-1-54500		357.13 357.13
DFT0012351	9/28/2023 5176503359 5176503359	CINFIR First Aid Supplies - CSD First Aid Supplies - CSD	Cintas	01-0-1-54500 22-0-1-54500		214.23 209.95 4.28
DFT0012352	9/27/2023 11552R	ACT IT Server - Hard Drvie and Battery Backup	David Shay	01-1-1-54530		1,384.18 1,384.18

Cash Disbursements Report

Payment Dates: 09/01/2023 - 09/30/2023

Payment Number	Payment Date Payable Number	Vendor # Description	Vendor Name	Account Number	Project Account Key	Payment Amount Item Amount
DFT0012353	9/29/2023	CALPERS 457	California Public Employees' Deferred Compensation Plan			175.00
	INV0005440	Cal PERS 457/ Employer Plan: 450 717...		01-1-0-24560		123.43
	INV0005440	Cal PERS 457/ Employer Plan: 450 717...		22-2-0-24560		5.94
	INV0005440	Cal PERS 457/ Employer Plan: 450 717...		25-5-0-24560		45.63
DFT0012354	9/29/2023	CALPERS	Calif Public Employees' Retirement System			4,050.11
	INV0005441	CalPERS/Employee Portion(EE)		01-1-0-24530		3,218.02
	INV0005441	CalPERS/Employee Portion(EE)		01-7-0-24530		307.97
	INV0005441	CalPERS/Employee Portion(EE)		22-2-0-24530		322.52
	INV0005441	CalPERS/Employee Portion(EE)		25-5-0-24530		201.60
DFT0012355	9/29/2023	CALPERS	Calif Public Employees' Retirement System			3,689.62
	INV0005442	CalPERS/Employee Portion(ER)		01-1-0-24530		2,589.76
	INV0005442	CalPERS/Employee Portion(ER)		01-7-0-24530		440.70
	INV0005442	CalPERS/Employee Portion(ER)		22-2-0-24530		460.22
	INV0005442	CalPERS/Employee Portion(ER)		25-5-0-24530		198.94
DFT0012356	9/29/2023	CALPERS	Calif Public Employees' Retirement System			9,966.71
	INV0005443	CalPERS/Employer Portion		01-1-0-24530		7,309.46
	INV0005443	CalPERS/Employer Portion		01-7-0-24530		1,040.06
	INV0005443	CalPERS/Employer Portion		22-2-0-24530		1,085.66
	INV0005443	CalPERS/Employer Portion		25-5-0-24530		531.53
DFT0012357	9/29/2023	CALPERS	Calif Public Employees' Retirement System			24.18
	INV0005444	CalPERS Retirement/ Survivor Benefits		01-1-0-24530		17.78
	INV0005444	CalPERS Retirement/ Survivor Benefits		01-7-0-24530		2.02
	INV0005444	CalPERS Retirement/ Survivor Benefits		22-2-0-24530		2.93
	INV0005444	CalPERS Retirement/ Survivor Benefits		25-5-0-24530		1.45
DFT0012358	9/29/2023	EDD	Employment Development Department			827.14
	INV0005445	State Disability Ins - Payroll Taxes		01-0-0-24510		827.14
DFT0012359	9/29/2023	EDD	Employment Development Department			3.03
	INV0005446	State Employer Training Tax - Payroll ...		01-0-0-24510		3.03
DFT0012360	9/29/2023	EDD	Employment Development Department			87.80
	INV0005447	State Unemployment Ins - Payroll Tax...		01-0-0-24510		87.80
DFT0012361	9/29/2023	EDD	Employment Development Department			4,377.65
	INV0005448	CA State Income Tax - Payroll Taxes		01-0-0-24510		4,377.65
DFT0012362	9/29/2023	IRS	Internal Revenue Service			3,168.96
	INV0005449	Medicare - Payroll Taxes		01-0-0-24510		3,168.96
DFT0012363	9/29/2023	IRS	Internal Revenue Service			12,135.37
	INV0005450	Federal Income Tax - Payroll Taxes		01-0-0-24510		12,135.37

Payment Total: 592,796.19

Report Summary

Fund Summary

Fund	Payment Amount
01 - WATER FUND	574,015.95
22 - PARKS & RECREATION	14,221.70
23 - STREET LIGHTING	18.27
25 - SOLID WASTE	4,540.27
Grand Total:	592,796.19

Account Summary

Account Number	Account Name	Payment Amount
01-0-0-14100	Prepaid Expense	19,572.33
01-0-0-14130	Prepaid Benefit	45,781.56
01-0-0-17000	CIP Enterprise Funds	17,705.91
01-0-0-24510	Payroll Tax Payable	69,202.48
01-0-0-24580	Supplemental Ins W/H P...	1,038.22
01-0-1-51230	Employee Group Insuran...	2,026.62
01-0-1-52210	Board Exp - Auto Expense	-6.55
01-0-1-52216	Board - Auto Expense/S...	445.40
01-0-1-52219	Board - Auto Expense/Ph...	507.01
01-0-1-52224	Board - Meals,Travel Exp...	355.32
01-0-1-52226	Board - Meals,Travel Exp...	271.23
01-0-1-52229	Board - Meals,Travel Exp...	429.91
01-0-1-52232	Board - Education,Traini...	40.00
01-0-1-52239	Board - Education,Traini...	40.00
01-0-1-53110	Auditing & Accounting F...	8,450.00
01-0-1-53120	Legal Services	177.68
01-0-1-53150	Outside Service	5,782.12
01-0-1-53170	Software Support	5,610.54
01-0-1-54110	Advertising	378.11
01-0-1-54140	Auto Expense	442.79
01-0-1-54200	Credit Card Fee & Bank ...	502.30
01-0-1-54260	Education & Training	880.77
01-0-1-54300	Equipment Rental / Lease	280.55
01-0-1-54440	Meeting, Seminar & Sup...	865.06
01-0-1-54470	Travel Expense	657.00
01-0-1-54500	Operating Supplies	219.10
01-0-1-54530	Office Supplies	2,425.81
01-0-1-54620	Repair & Maintenance	123.68
01-0-1-54680	Uniforms	58.81
01-0-1-54860	Postage & Mailing	36.70
01-0-1-58010	Telephone	1,055.40
01-0-1-58110	Utilities	5,418.57
01-0-2-58110	Utilities	412.98
01-1-0-13010	Inventory - Water Field ...	13,077.30
01-1-0-16730	Trucks	70,503.75
01-1-0-24530	Retirement W/H Payable	38,562.28
01-1-0-24560	Retirement 457 W/H Pa...	353.53
01-1-1-53150	Outside Service	167.80
01-1-1-53160	Permits & Fees	1,475.81
01-1-1-53170	Software Support	47.98
01-1-1-54230	Dues & Subscriptions	16.15
01-1-1-54260	Education & Training	3,405.85
01-1-1-54440	Meeting, Seminar & Sup...	271.48
01-1-1-54470	Travel Expense	1,024.97
01-1-1-54500	Operating Supplies	820.05
01-1-1-54530	Office Supplies	1,461.70
01-1-1-54680	Uniforms	1,652.31
01-1-1-54830	State & County Fees & S...	9.00
01-1-1-54860	Postage & Mailing	2,110.85

Account Summary

Account Number	Account Name	Payment Amount
01-1-1-54890	Printing	5,201.29
01-1-1-58010	Telephone	408.55
01-1-1-59310	Other Operating Expens...	18.68
01-1-1-89110	Gain / Loss on Sales of A...	-11,000.00
01-1-2-53150	Outside Service	405.50
01-1-2-53170	Software Support	0.99
01-1-2-54500	Operating Supplies	2,615.11
01-1-2-54620	Repair & Maintenance	5,936.52
01-1-2-54650	Small Tools	512.01
01-1-2-54680	Uniforms	339.25
01-1-3-54500	Operating Supplies	2,437.47
01-1-3-54620	Repair & Maintenance	45,969.73
01-1-3-58110	Utilities	192,456.10
01-1-3-58115	Utilities - Solar Credits	-60,219.99
01-1-4-53140	Laboratory Analysis	567.00
01-1-5-54620	Repair & Maintenance	23,495.94
01-1-5-58010	Telephone	194.74
01-1-6-53170	Software Support	120.00
01-1-6-54500	Operating Supplies	559.35
01-1-6-54860	Postage & Mailing	169.91
01-1-6-54890	Printing	979.76
01-1-8-54300	Equipment Rental / Lease	341.10
01-1-8-54410	Fuel Costs	11,628.72
01-1-8-54710	Vehicle Maintenance	16,531.60
01-1-9-54800	Programs (Wtr Conservat...	612.90
01-1-9-54920	Public Relation	200.00
01-7-0-24530	Retirement W/H Payable	5,396.71
01-7-7-51230	Employee Group Insuran...	230.95
01-7-7-53170	Software Support	47.98
01-7-7-54260	Education & Training	775.00
01-7-7-54470	Travel Expense	934.86
22-0-1-51230	Employee Group Insuran...	158.01
22-0-1-54500	Operating Supplies	4.28
22-0-1-58010	Telephone	173.19
22-0-2-58110	Utilities	2,230.47
22-2-0-24530	Retirement W/H Payable	5,284.46
22-2-0-24560	Retirement 457 W/H Pa...	17.09
22-2-1-54680	Uniforms	40.44
22-2-2-53150	Outside Service	3,068.85
22-2-2-54500	Operating Supplies	312.63
22-2-2-54620	Repair & Maintenance	1,429.57
22-2-2-54650	Small Tools	452.95
22-2-2-54800	Programs (Park & Rec)	810.16
22-2-2-58110	Utilities	28.51
22-2-8-54410	Fuel Costs	120.00
22-2-8-54710	Vehicle Maintenance	91.09
23-0-2-58210	Utilities - Street Lights	18.27
25-5-0-24530	Retirement W/H Payable	3,111.36
25-5-0-24560	Retirement 457 W/H Pa...	154.38
25-5-1-52210	Board Exp - Auto Expense	6.55
25-5-1-54530	Office Supplies	39.63
25-5-1-54800	Programs (Solid Waste)	1,228.35
	Grand Total:	592,796.19

Project Account Summary

Project Account Key	Payment Amount
None	567,266.09
C0002 IMPROVE	240.00

Project Account Summary

Project Account Key	Payment Amount
C0002 OUTSIDE SVCS	364.01
C0057 LEGAL	177.68
C0072 OUTSIDE SVCS	4,246.35
C0095 OUTSIDE SVCS	5,633.05
C0109 OUTSIDE SVCS	7,222.50
C0110 OUTSIDE SVCS	<u>7,646.51</u>
Grand Total:	592,796.19



Phelan Pinon Hills Community Services District

Revenue and Expense - Ent & Gvmt Funds Summary

For the Period Ending 09/30/2023

	Total ENTERPRISE FUNDS			Total GOVERNMENT FUNDS			TOTAL			Annual Budget
	Budget	Jul - Per	\$ (Unfav) Budget	Budget	Jul - Per	\$ (Unfav) Budget	Budget	Jul - Per	\$ (Unfav) Budget	
Operational										
Revenue										
Total 40 - Water Consumption	1,855,139.46	1,442,532.41	-412,607.05	0.00	0.00	0.00	1,855,139.46	1,442,532.41	-412,607.05	4,528,053.49
Total 41 - Water Meter Charges	786,065.79	790,572.17	4,506.38	0.00	0.00	0.00	786,065.79	790,572.17	4,506.38	3,145,521.65
Total 44 - Special Assessments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	283,463.96
Total 47 - Parks	0.00	0.00	0.00	5,004.75	7,130.00	2,125.25	5,004.75	7,130.00	2,125.25	20,027.07
Total 48 - Other Income	76,227.24	78,609.75	2,382.51	87,254.94	38,482.59	-48,772.35	163,482.18	117,092.34	-46,389.84	654,190.68
Total Revenue	2,717,432.49	2,311,714.33	-405,718.16	92,259.69	45,612.59	-46,647.10	2,809,692.18	2,357,326.92	-452,365.26	8,631,256.85
Expense										
Total 50 - Water	5,638.19	0.00	5,638.19	0.00	0.00	0.00	5,638.19	0.00	5,638.19	25,608.92
Total 51 - Salary & Benefits	821,903.16	738,432.57	83,470.59	184,358.34	139,665.20	44,693.14	1,006,261.50	878,097.77	128,163.73	4,123,319.38
Total 52 - Board	24,252.78	17,907.32	6,345.46	3,404.88	1,318.59	2,086.29	27,657.66	19,225.91	8,431.75	110,675.00
Total 53 - Professional Fee	101,116.20	85,024.47	16,091.73	6,281.22	15,463.18	-9,181.96	107,397.42	100,487.65	6,909.77	455,662.09
Total 54 - Service and Supplies	430,215.52	352,095.86	78,119.66	77,663.13	21,291.88	56,371.25	507,878.65	373,387.74	134,490.91	2,004,739.70
Total 58 - Utilities	297,263.16	158,137.72	139,125.44	14,487.57	10,326.83	4,160.74	311,750.73	168,464.55	143,286.18	1,065,425.05
Total 59 - Other Expenses-Depreciation/Amort/Other	446,476.68	444,218.69	2,257.99	23,180.70	23,174.34	6.36	469,657.38	467,393.03	2,264.35	1,879,381.51
Total Expense	2,126,865.69	1,795,816.63	331,049.06	309,375.84	211,240.02	98,135.82	2,436,241.53	2,007,056.65	429,184.88	9,664,811.65
Net Operational Income	590,566.80	515,897.70	-74,669.10	-217,116.15	-165,627.43	51,488.72	373,450.65	350,270.27	-23,180.38	-1,033,554.80
Non-Operational										
70 - Property Tax Revenue										
Total 71 - Property Tax Revenue - Current	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,616,787.98
Total 72 - Property Tax Revenue - Prior Years	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	39,736.26
Total 73 - Property Tax Revenue - Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	32,427.12
Total 70 - Property Tax Revenue	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,688,951.36
80 - Other Revenue										
Total 82 - Meter Installation/Fees/Capacity	128,913.93	244,400.96	115,487.03	0.00	0.00	0.00	128,913.93	244,400.96	115,487.03	515,862.25
Total 86 - Penalty & Other Fees	51,506.13	53,863.73	2,357.60	0.00	0.00	0.00	51,506.13	53,863.73	2,357.60	206,107.00
Total 88 - Other	365,099.76	440,671.56	75,571.80	182,856.81	208,494.32	25,637.51	547,956.57	649,165.88	101,209.31	2,192,703.66
Total 89 - Other Revenue	0.00	11,000.00	11,000.00	0.00	0.00	0.00	0.00	11,000.00	11,000.00	0.00
Total 80 - Other Revenue	545,519.82	749,936.25	204,416.43	182,856.81	208,494.32	25,637.51	728,376.63	958,430.57	230,053.94	2,914,672.91
Total Revenue	545,519.82	749,936.25	204,416.43	182,856.81	208,494.32	25,637.51	728,376.63	958,430.57	230,053.94	4,603,624.27

	Total ENTERPRISE FUNDS			Total GOVERNMENT FUNDS			TOTAL			Annual Budget
	Budget	Jul - Per	\$ (Unfav) Budget	Budget	Jul - Per	\$ (Unfav) Budget	Budget	Jul - Per	\$ (Unfav) Budget	
90 - Other Expense										
Total 91 - Interest Expense	45,481.37	7,421.91	38,059.46	0.00	0.00	0.00	45,481.37	7,421.91	38,059.46	512,710.00
Total 92 - Loan Expense	16,620.00	16,620.51	-0.51	0.00	0.00	0.00	16,620.00	16,620.51	-0.51	16,620.00
Total 93 - Other Expense - Tax Processing	0.00	0.00	0.00	978.18	0.00	978.18	978.18	0.00	978.18	3,914.35
Total 94 - Chromium 6 Expense Reimb	210,671.22	0.00	210,671.22	0.00	0.00	0.00	210,671.22	0.00	210,671.22	843,022.20
Total 95 - Fair Market Value	5,000.00	5,562.70	-562.70	3,000.00	4,584.16	-1,584.16	8,000.00	10,146.86	-2,146.86	8,000.00
Total 99 - Other	0.00	217,175.16	-217,175.16	0.00	-217,175.16	217,175.16	0.00	0.00	0.00	0.00
Total 90 - Other Expense	277,772.59	246,780.28	30,992.31	3,978.18	-212,591.00	216,569.18	281,750.77	34,189.28	247,561.49	1,384,266.55
Total Expense	277,772.59	246,780.28	30,992.31	3,978.18	-212,591.00	216,569.18	281,750.77	34,189.28	247,561.49	1,384,266.55
Net Non-Operational Income	267,747.23	503,155.97	235,408.74	178,878.63	421,085.32	242,206.69	446,625.86	924,241.29	477,615.43	3,219,357.72
Net Income	858,314.03	1,019,053.67	160,739.64	-38,237.52	255,457.89	293,695.41	820,076.51	1,274,511.56	454,435.05	2,185,802.92



Balance Sheet - Consolidated Account Summary

As Of 09/30/2023

	Beginning Balance 07/01/2023	09/30/2023	Change
Assets			
Current Assets			
11 - Cash			
11000 - Cash in Bank	9,140,008.93	8,672,509.11	-467,499.82
11100 - Cash in Bank-Project Fund	6,041,609.94	6,096,740.91	55,130.97
11201 - Cash-Operating Reserves	2,065,312.00	2,065,312.00	0.00
11202 - Cash-Replacement Reserves	4,683,713.52	4,575,125.94	-108,587.58
11203 - Cash-Disaster Reserves	4,317,569.52	4,208,981.94	-108,587.58
11300 - Cash-Water Resources (Righ	405,611.81	522,710.93	117,099.12
11310 - Cash-Water Rights (Connect	212,960.00	313,248.00	100,288.00
11400 - Rate Stabilization Cash Fund	389,304.00	389,304.00	0.00
Total 11 - Cash	27,256,089.72	26,843,932.83	-412,156.89
12 - Accounts Receivable			
12010 - Accounts Receivable - Water	935,802.51	861,752.79	-74,049.72
12020 - AR Accounts Receivable	5,314.01	5,277.31	-36.70
12150 - A/R - Accrual	77,732.54	81,588.11	3,855.57
12200 - Accounts Receivable - Parks	22,364.12	3,140.00	-19,224.12
12610 - Delinquent Accounts to Tax	35,078.18	119,506.15	84,427.97
12630 - Water Availability Receivabl	90,517.76	90,517.76	0.00
12640 - Water Availability Receivabl	34.80	34.80	0.00
12740 - Tax Receivable - PPHCSD	45,279.28	0.00	-45,279.28
12750 - Lease Receivable - Circle Gre	55,213.17	55,213.17	0.00
12751 - Lease Receivable - C & G Par	179,337.69	179,337.69	0.00
12800 - Other Receivable	41,184.68	32,310.06	-8,874.62
12910 - Accrued Interest Receivable	302,566.51	448,700.35	146,133.84
Total 12 - Accounts Receivable	1,790,425.25	1,877,378.19	86,952.94
13 - Inventory			
13010 - Inventory - Water Field Part:	730,982.53	803,127.74	72,145.21
Total 13 - Inventory	730,982.53	803,127.74	72,145.21
14 - Other Current Assets			
14100 - Prepaid Expense	296,834.78	254,923.76	-41,911.02
14120 - Prepaid - Worker's Comp	81,709.97	59,507.88	-22,202.09
14130 - Pre Paid Benefit	29,303.66	55,743.71	26,440.05
14300 - Deferred Outflows of Resou	1,005,901.00	1,005,901.00	0.00
Total 14 - Other Current Assets	1,413,749.41	1,376,076.35	-37,673.06
Total Current Assets	31,191,246.91	30,900,515.11	-290,731.80
Fixed Assets			
15 - Fixed Assets			
15100 - Land	1,340,885.87	1,340,885.87	0.00
15110 - Land	1,828,390.36	1,828,390.36	0.00
15120 - Land - Parks - Phelan	1,504,729.22	1,504,729.22	0.00
15130 - Land - Parks - Pinon Hills	53,892.65	53,892.65	0.00
15150 - Water Rights	16,371,782.80	16,371,782.80	0.00
15160 - Planning and Development	3,969,753.59	3,969,753.59	0.00
15200 - Bldg & Facilities - Pump Stati	4,114,807.94	4,114,807.94	0.00
15230 - Bldg & Facilities	6,826,664.10	6,826,664.10	0.00
15250 - Water Shares - SCWC	8,400.00	8,400.00	0.00
15320 - Improvement - Phelan	714,266.09	714,266.09	0.00
15330 - Improvement - Pinon Hills	621,073.45	621,073.45	0.00
15340 - Improvement - Parks Develo	57,834.16	57,834.16	0.00
15410 - Wells	5,948,269.17	5,948,269.17	0.00
15420 - Reservoirs	4,187,496.00	4,187,496.00	0.00

Balance Sheet - Consolidated

As Of 09/30/2023

	Beginning Balance 07/01/2023	09/30/2023	Change
15430 - Tanks	2,281,723.29	2,281,723.29	0.00
15440 - Hydrants Telemetry & Contr	191,669.94	191,669.94	0.00
15450 - Transmission & Dist. Mains	18,644,149.27	18,644,149.27	0.00
15480 - Meters	2,258,854.75	2,258,854.75	0.00
Total 15 - Fixed Assets	70,924,642.65	70,924,642.65	0.00
16 - Equipment			
16620 - Equipment - Computer	1,289,606.51	1,289,606.51	0.00
16630 - Equipment-Office Furnitures	24,914.92	24,914.92	0.00
16640 - Equipment - Operation	574,106.62	574,106.62	0.00
16650 - Equipment - P	12,845.00	12,845.00	0.00
16730 - Trucks	749,912.33	786,810.01	36,897.68
16740 - Backhoe & Trailer	151,064.94	151,064.94	0.00
16750 - Dump Truck	190,800.59	190,800.59	0.00
16800 - Other Equipment	82,940.01	82,940.01	0.00
Total 16 - Equipment	3,076,190.92	3,113,088.60	36,897.68
17 - CIP			
17000 - CIP -	3,067,322.12	3,155,009.68	87,687.56
Total 17 - CIP	3,067,322.12	3,155,009.68	87,687.56
19 - Accumulated Depreciation			
19010 - Accm. Depreciation - ADM	-360,225.55	-369,764.34	-9,538.79
19040 - Accm. Depreciation - Parks	-1,646,540.10	-1,667,442.56	-20,902.46
19050 - Accm. Depreciation - OP	-1,648,379.24	-1,718,418.21	-70,038.97
19200 - Accm. Depreciation - Bldg &	-3,432,955.76	-3,454,733.34	-21,777.58
19410 - Accm. Depreciation - Wells	-2,659,110.27	-2,707,468.64	-48,358.37
19420 - Accm. Depreciation - Reserv	-3,522,742.88	-3,561,323.28	-38,580.40
19430 - Accm. Depreciation - Tanks	-949,227.27	-966,055.59	-16,828.32
19440 - Accm. Depreciation - Hydrar	-191,669.94	-191,669.94	0.00
19450 - Accm. Depreciation - Transr	-14,327,913.29	-14,416,376.26	-88,462.97
19470 - Accm. Depreciation - Meters	-692,826.38	-720,847.55	-28,021.17
19620 - Accm. Depreciation - Equipn	-1,214,341.67	-1,219,620.58	-5,278.91
19630 - Accm. Depreciation - Office	-24,914.92	-24,914.92	0.00
19640 - Accm. Depreciation - Equipn	-161,436.80	-172,038.51	-10,601.71
19730 - Accm. Depreciation - Truck	-463,206.30	-455,321.60	7,884.70
19740 - Accm. Depreciation - Backhc	-120,309.15	-123,857.90	-3,548.75
19750 - Accm. Depreciation - Dump	-143,601.98	-151,468.41	-7,866.43
19800 - Accm. Depreciation - Other I	-59,019.01	-59,491.14	-472.13
19900 - Accm. Amortization	-2,794,978.02	-2,863,547.68	-68,569.66
Total 19 - Accumulated Depreciation	-34,413,398.53	-34,844,360.45	-430,961.92
Total Fixed Assets	42,654,757.16	42,348,380.48	-306,376.68
Other Assets			
18 - Other Assets			
18100 - Deposits	500.00	500.00	0.00
Total 18 - Other Assets	500.00	500.00	0.00
Total Other Assets	500.00	500.00	0.00
Total Assets	73,846,504.07	73,249,395.59	-597,108.48
Liability			
Current Liabilities			
21 - Accounts Payable			
21100 - Accounts Payable - Trade	1,302,482.66	-1,243.53	-1,303,726.19
21150 - Accounts Payable - Unclaim	1,912.24	1,895.77	-16.47
Total 21 - Accounts Payable	1,304,394.90	652.24	-1,303,742.66
22 - Accrued Payable			
22150 - Accrued Interest Payable	114,372.11	0.00	-114,372.11
22210 - Deferred Revenue	65,471.48	239.80	-65,231.68
Total 22 - Accrued Payable	179,843.59	239.80	-179,603.79
23 - Deposit			

Balance Sheet - Consolidated

As Of 09/30/2023

	Beginning Balance 07/01/2023	09/30/2023	Change
23310 - Customer Deposits	17,501.00	17,501.00	0.00
23320 - Customer Deposit - Meter	23,000.00	10,000.00	-13,000.00
23330 - Customer Deposit - Maint. B	13,165.88	20,529.61	7,363.73
Total 23 - Deposit	53,666.88	48,030.61	-5,636.27
24 - Payroll Liability			
24410 - Accrued Payroll	1,963.65	0.00	-1,963.65
24510 - Payroll Tax Payable	20,185.37	0.00	-20,185.37
24530 - Retirement W/H Payable	15,515.86	0.00	-15,515.86
24535 - Retirement W/H Payable-Pri	23,563.76	23,563.76	0.00
24540 - Worker's Compensation Pay	3,580.01	3,580.01	0.00
24560 - Retirement 457 W/H Payabl	175.00	0.00	-175.00
24580 - Supplemental Ins W/H Payal	350.98	156.22	-194.76
24650 - Current P- Compensated abs	132,697.20	132,697.20	0.00
Total 24 - Payroll Liability	198,031.83	159,997.19	-38,034.64
25 - Other Current Liabilities			
25500 - Deferred Inflows of Resourc	60,463.00	60,463.00	0.00
25510 - Deferred Inflow Lease - Circl	50,685.72	50,685.72	0.00
25511 - Deferred Inflow Lease - C & i	164,928.43	164,928.43	0.00
Total 25 - Other Current Liabilities	276,077.15	276,077.15	0.00
Total Current Liabilities	2,012,014.35	484,996.99	-1,527,017.36
Long Term Liabilities			
29 - Long Term Liability			
29720 - CIEDB Loan	5,540,170.16	5,318,665.51	-221,504.65
29740 - Loan Payable - CalTrans	32,851.87	32,851.87	0.00
29750 - MFC Loan 2021	4,767,010.10	4,643,912.07	-123,098.03
29760 - MFC Civic Center Site Lease	5,945,779.69	5,945,779.69	0.00
29800 - Compensated absences	132,697.20	132,697.20	0.00
29850 - Net Pension Liability	-539,181.00	-539,181.00	0.00
Total 29 - Long Term Liability	15,879,328.02	15,534,725.34	-344,602.68
Total Long Term Liabilities	15,879,328.02	15,534,725.34	-344,602.68
Total Liability	17,891,342.37	16,019,722.33	-1,871,620.04
Equity			
31 - Board Designated Reserves			
31110 - Operating Reserve - Water&	1,819,463.00	1,819,463.00	0.00
31150 - Operating Reserve - Govt Fu	245,849.00	245,849.00	0.00
31210 - Debt Service Reserve - CEIDI	625,392.00	625,392.00	0.00
31220 - Water Rate Stabilization Fun	389,304.00	389,304.00	0.00
31310 - Replacement Reserve - Wate	4,457,243.52	4,348,655.94	-108,587.58
31350 - Replacement Reserve - Govt	226,470.00	226,470.00	0.00
31410 - Disaster Reserve-Water&Ad	4,103,496.52	3,994,908.94	-108,587.58
31450 - Disaster Reserve - Govt Func	214,073.00	214,073.00	0.00
Total 31 - Board Designated Reserves	12,081,291.04	11,864,115.88	-217,175.16
32 - Unrestricted			
32000 - Unrestricted Net Assets	17,963,950.47	18,181,125.63	217,175.16
Total 32 - Unrestricted	17,963,950.47	18,181,125.63	217,175.16
33 - Investment in Plant			
33110 - Investments in Utility Plant-(23,764,129.39	23,764,129.39	0.00
33120 - Investments in Utility Plant-I	2,145,790.80	2,145,790.80	0.00
Total 33 - Investment in Plant	25,909,920.19	25,909,920.19	0.00
Total Beginning Equity	55,955,161.70	55,955,161.70	0.00
Total Revenue	0.00	3,315,757.49	3,315,757.49
Total Expense	0.00	2,041,245.93	2,041,245.93
Total Equity and Current Surplus (Deficit):	55,955,161.70	57,229,673.26	1,274,511.56
Total Liabilities, Equity and Current Surplus (Deficit):	73,846,504.07	73,249,395.59	-597,108.48



Revenue and Expense - Consolidated Summary

For the Period Ending 09/30/2023

	CURRENT			YEAR TO DATE			Annual Budget	%	
	Budget	Per	\$ (Unfav) Budget	YTD Budget	Jul - Per	\$ (Unfav) Budget			
Operational									
Revenue									
Total 40 - Water Consumption	526,205.63	343,021.70	-183,183.93	1,855,139.46	1,442,532.41	-412,607.05	4,528,053.49	31.86%	-9.11%
Total 41 - Water Meter Charges	262,021.93	263,367.19	1,345.26	786,065.79	790,572.17	4,506.38	3,145,521.65	25.13%	0.14%
Total 44 - Special Assessments	0.00	0.00	0.00	0.00	0.00	0.00	283,463.96	0.00%	0.00%
Total 47 - Parks	1,668.25	2,010.00	341.75	5,004.75	7,130.00	2,125.25	20,027.07	35.60%	10.61%
Total 48 - Other Income	54,494.06	25,621.82	-28,872.24	163,482.18	117,092.34	-46,389.84	654,190.68	17.90%	-7.09%
Total Revenue	844,389.87	634,020.71	-210,369.16	2,809,692.18	2,357,326.92	-452,365.26	8,631,256.85	27.31%	-5.24%
Expense									
Total 50 - Water	5,638.19	0.00	5,638.19	5,638.19	0.00	5,638.19	25,608.92	0.00%	22.02%
Total 51 - Salary & Benefits	338,000.65	287,855.78	50,144.87	1,006,261.50	878,097.77	128,163.73	4,123,319.38	21.30%	3.11%
Total 52 - Board	9,219.22	6,240.47	2,978.75	27,657.66	19,225.91	8,431.75	110,675.00	17.37%	7.62%
Total 53 - Professional Fee	35,799.14	22,628.89	13,170.25	107,397.42	100,487.65	6,909.77	455,662.09	22.05%	1.52%
Total 54 - Service and Supplies	166,027.55	70,663.04	95,364.51	507,878.65	373,387.74	134,490.91	2,004,739.70	18.63%	6.71%
Total 58 - Utilities	91,319.69	-6,694.98	98,014.67	311,750.73	168,464.55	143,286.18	1,065,425.05	15.81%	13.45%
Total 59 - Other Expenses-Depreciation/Amort/Other	156,552.46	156,381.80	170.66	469,657.38	467,393.03	2,264.35	1,879,381.51	24.87%	0.12%
Total Expense	802,556.90	537,075.00	265,481.90	2,436,241.53	2,007,056.65	429,184.88	9,664,811.65	20.77%	4.44%
Net Operational Income	41,832.97	96,945.71	55,112.74	373,450.65	350,270.27	-23,180.38	-1,033,554.80	-33.89%	2.24%
Non-Operational									
70 - Property Tax Revenue									
Total 71 - Property Tax Revenue - Current	0.00	0.00	0.00	0.00	0.00	0.00	1,616,787.98	0.00%	0.00%
Total 72 - Property Tax Revenue - Prior Years	0.00	0.00	0.00	0.00	0.00	0.00	39,736.26	0.00%	0.00%
Total 73 - Property Tax Revenue - Other	0.00	0.00	0.00	0.00	0.00	0.00	32,427.12	0.00%	0.00%
Total 70 - Property Tax Revenue	0.00	0.00	0.00	0.00	0.00	0.00	1,688,951.36	0.00%	0.00%
80 - Other Revenue									
Total 82 - Meter Installation/Fees/Capacity	42,971.31	76,937.64	33,966.33	128,913.93	244,400.96	115,487.03	515,862.25	47.38%	22.39%
Total 86 - Penalty & Other Fees	17,168.71	19,359.77	2,191.06	51,506.13	53,863.73	2,357.60	206,107.00	26.13%	1.14%
Total 88 - Other	182,652.19	213,020.86	30,368.67	547,956.57	649,165.88	101,209.31	2,192,703.66	29.61%	4.62%
Total 89 - Other Revenue	0.00	11,000.00	11,000.00	0.00	11,000.00	11,000.00	0.00	0.00%	0.00%
Total 80 - Other Revenue	242,792.21	320,318.27	77,526.06	728,376.63	958,430.57	230,053.94	2,914,672.91	32.88%	7.89%
Total Revenue	242,792.21	320,318.27	77,526.06	728,376.63	958,430.57	230,053.94	4,603,624.27	20.82%	5.00%

	CURRENT			YEAR TO DATE					
	Budget	Per	\$ (Unfav) Budget	YTD Budget	Jul - Per	\$ (Unfav) Budget	Annual Budget	%	
90 - Other Expense									
Total 91 - Interest Expense	374.12	0.00	374.12	45,481.37	7,421.91	38,059.46	512,710.00	1.45%	7.42%
Total 92 - Loan Expense	0.00	0.00	0.00	16,620.00	16,620.51	-0.51	16,620.00	100.00%	0.00%
Total 93 - Other Expense - Tax Processing	326.06	0.00	326.06	978.18	0.00	978.18	3,914.35	0.00%	24.99%
Total 94 - Chromium 6 Expense Reimb	70,223.74	0.00	70,223.74	210,671.22	0.00	210,671.22	843,022.20	0.00%	24.99%
Total 95 - Fair Market Value	0.00	8,149.04	-8,149.04	8,000.00	10,146.86	-2,146.86	8,000.00	126.84%	-26.84%
Total 99 - Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%	0.00%
Total 90 - Other Expense	70,923.92	8,149.04	62,774.88	281,750.77	34,189.28	247,561.49	1,384,266.55	2.47%	17.88%
Total Expense	70,923.92	8,149.04	62,774.88	281,750.77	34,189.28	247,561.49	1,384,266.55	2.47%	17.88%
Net Non-Operational Income	171,868.29	312,169.23	140,300.94	446,625.86	924,241.29	477,615.43	3,219,357.72	28.71%	14.84%
Net Income	213,701.26	409,114.94	195,413.68	820,076.51	1,274,511.56	454,435.05	2,185,802.92	58.31%	20.79%



Statement of Cash Flows - Phelan Pinon Hills

Phelan Pinon Hills Community Services Dis

07/01/2023 - 09/30/2023

01 - WATER FUND

Cash Flows From Operating Activities

Total Revenue	3,061,650.58
Total Expense	2,042,596.91
Net Income	1,019,053.67

Adjustments to Net Income

Depr Amort Exp Accts - Depreciation & Amortization Expense Acct	441,393.65
Net Income After Adjustments	1,460,447.32

Adjustments to reconcile Net Income to net cash provided by Operating Activities

12010 - Accounts Receivable - Water	-74,049.72
12150 - A/R - Accrual	3,855.57
12610 - Delinquent Accounts to Tax Roll	84,427.97
12910 - Accrued Interest Receivable-GF	146,133.84
13010 - Inventory - Water Field Parts	72,145.21
14100 - Prepaid Expense	-41,911.02
14120 - Prepaid - Workers Comp	-22,202.09
14130 - Prepaid Benefit	26,440.05
21100 - Accounts Payable - Trade	1,276,381.56
21150 - Accounts Payable - Unclaimed	16.47
22150 - Accrued Interest Payable	114,372.11
22210 - Deferred Revenue	65,766.68
23320 - Customer Deposit - Meter	13,000.00
23330 - Customer Deposit - Maint. Bond	-7,363.73
24410 - Accrued Payroll	1,963.65
24510 - Payroll Tax Payable	20,185.37
24530 - Retirement W/H Payable	12,779.39
24560 - Retirement 457 W/H Payable	107.50
24580 - Supplemental Ins Payable	194.76
Net cash provided by Operating Activities	-231,796.25

Cash Flows From Investing Activities

16730 - Trucks	-36,897.68
17000 - CIP	-86,862.56
Net cash provided by Investing Activities	-123,760.24

Cash Flows From Financing Activities

29720 - CIEDB Loan 2012	-221,504.65
29750 - Loan Payable - MFC Loan 2021 (Re-fi)	-123,098.03
Net cash provided by Financing Activities	-344,602.68

Net Change in Cash **-700,159.17**

Beginning Cash Balance **12,214,624.27**

Ending Cash Balance **11,514,465.10**

Statement of Cash Flows - Phelan Pinon Hills

07/01/2023 - 09/30/2023

20 - GOV'T GENERAL FUND

Cash Flows From Operating Activities

Total Revenue	98,524.56
Total Expense	<u>-208,875.30</u>
Net Income	307,399.86

Adjustments to Net Income

Depr Amort Exp Accts - Depreciation & Amortization Expense Acct	<u>1,287.56</u>
Net Income After Adjustments	308,687.42

Adjustments to reconcile Net Income to net cash provided by Operating Activities

12800 - Other Receivable	<u>-8,874.62</u>
Net cash provided by Operating Activities	317,562.04

Net Change in Cash **317,562.04**

Beginning Cash Balance **-99,984.16**

Ending Cash Balance **217,577.88**

Statement of Cash Flows - Phelan Pinon Hills

07/01/2023 - 09/30/2023

22 - PARKS & RECREATION

Cash Flows From Operating Activities

Total Revenue	69,093.76
Total Expense	145,151.61
Net Income	-76,057.85

Adjustments to Net Income

Depr Amort Exp Accts - Depreciation & Amortization Expense Acct	21,886.78
Net Income After Adjustments	-54,171.07

Adjustments to reconcile Net Income to net cash provided by Operating Activities

12200 - Accounts Receivable - Gov't	2,100.00
21100 - Accounts Payable - Trade	17,138.11
22210 - Deferred Revenue	-535.00
24530 - Retirement W/H Payable	1,570.55
24560 - Retirement 457 W/H Payable	6.23
Net cash provided by Operating Activities	-74,450.96

Cash Flows From Investing Activities

17000 - CIP	-825.00
Net cash provided by Investing Activities	-825.00

Net Change in Cash **-75,275.96**

Beginning Cash Balance **5,505,667.63**

Ending Cash Balance **5,430,391.67**

Statement of Cash Flows - Phelan Pinon Hills

07/01/2023 - 09/30/2023

23 - STREET LIGHTING

Cash Flows From Operating Activities

Total Revenue	192.30
Total Expense	<u>1,727.26</u>
Net Income	-1,534.96
Adjustments to reconcile Net Income to net cash provided by Operating Activities	
21100 - Accounts Payable - Trade	<u>3,380.89</u>
Net cash provided by Operating Activities	-4,915.85
Net Change in Cash	-4,915.85
Beginning Cash Balance	26,645.32
Ending Cash Balance	<u>21,729.47</u>

Statement of Cash Flows - Phelan Pinon Hills

07/01/2023 - 09/30/2023

24 - GOV'T PROPERTY TAX

Cash Flows From Operating Activities

Total Revenue	46,030.11
Total Expense	<u>1,805.61</u>
Net Income	44,224.50
Adjustments to reconcile Net Income to net cash provided by Operating Activities	
12740 - Tax Receivable - PPHCSD	<u>-45,279.28</u>
Net cash provided by Operating Activities	89,503.78
Net Change in Cash	89,503.78
Beginning Cash Balance	3,482,062.86
Ending Cash Balance	<u>3,571,566.64</u>

Statement of Cash Flows - Phelan Pinon Hills

07/01/2023 - 09/30/2023

25 - SOLID WASTE

Cash Flows From Operating Activities

Total Revenue	40,266.18
Total Expense	<u>58,839.84</u>
Net Income	-18,573.66

Adjustments to reconcile Net Income to net cash provided by Operating Activities

12200 - Accounts Receivable - Gov't	-21,324.12
21100 - Accounts Payable - Trade	6,825.63
24530 - Retirement W/H Payable	1,165.92
24560 - Retirement 457 W/H Payable	<u>61.27</u>
Net cash provided by Operating Activities	-5,302.36

Net Change in Cash -5,302.36

Beginning Cash Balance 85,463.86

Ending Cash Balance 80,161.50



Revenue Code - Description	Current Amount	+ 1 Month	+2 Months	+ 3 Months	+ 4 Months	Balance
400 - Payment Agreement Contract	4,385.35	134.63	91.56	11.07	63.32	4,685.93
600 - Misc Charges - Water	9,726.32	6,823.62	2,925.60	963.04	647.05	21,085.63
600 LIEN - Misc Charges - Water LIEN	0.00	120.00	105.00	35.00	0.00	260.00
996 - Utility Unapplied Credits	-56,281.82	-2,457.78	-56.48	0.00	-1,408.77	-60,204.85
C-001 - Consumption - Residential	253,910.11	71,899.08	32,120.83	1,575.10	2,613.97	362,119.09
C-001 (WR) - Consumption - Resid (WR)	17,686.22	9,154.23	6,971.38	155.75	703.67	34,671.25
C-001 LIEN - Consumption - Residential LIEN	0.00	621.52	2,914.02	613.82	0.00	4,149.36
C-002 - Consumption - Commercial	2,438.88	546.34	0.00	0.00	0.00	2,985.22
C-007 - Consumption - Multiple Res	340.92	33.02	0.00	0.00	0.00	373.94
C-009 - Consumption - School	35,093.02	0.00	0.00	0.00	0.00	35,093.02
C-011 - Consumption - Construction	1,583.93	0.00	0.00	0.00	0.00	1,583.93
C-012 - Consumption - Fill Station	5,795.07	0.00	0.00	0.00	0.00	5,795.07
C-100 - Cutoff	0.00	110.00	440.00	0.00	0.00	550.00
CHROM 6-001 - Chromium 6 Surcharge	67,556.15	12,400.54	5,143.56	1,455.08	1,303.91	87,859.24
CHROM-001LIEN - Chromium-6 LIEN	0.00	161.78	84.48	75.58	0.00	321.84
LIEN CHARGE - Lien Filing Charge	0.00	0.00	50.00	0.00	0.00	50.00
M-001 - Meter Charge - Residential	244,596.82	45,432.54	18,744.10	4,853.34	4,345.15	317,971.95
M-001 LIEN - Meter Charge - Residential LIEN	0.00	1,870.88	1,141.92	980.01	0.00	3,992.81
M-002 - Meter Charge - Commercial	2,133.09	323.60	0.00	0.00	0.00	2,456.69
M-003 - Meter Charge - Fire	243.00	0.00	0.00	0.00	0.00	243.00
M-007 - Meter Charge - Multiple Res	266.16	111.08	0.00	0.00	0.00	377.24
M-009 - Meter Charge - School	3,469.06	0.00	0.00	0.00	0.00	3,469.06
M-011 - Meter Charges - Construction	353.94	171.27	0.00	0.00	0.00	525.21
M-012 - Meter Charge - Fill Station	668.84	0.00	0.00	0.00	0.00	668.84
P-001 - Penalty	-2.42	15,384.24	6,841.09	1,732.39	1,648.60	25,603.90
P-001 LIEN - Penalty LIEN	0.00	170.31	128.50	126.24	15.13	440.18
P-002 - Penalty-Adjustment	0.00	46.29	7.14	2.32	0.00	55.75
P-002 LIEN - Penalty - Adjustment LIEN	0.00	0.00	0.00	3.45	0.00	3.45
P-003 - Miscellaneous Charges	0.00	490.72	894.48	41.43	431.60	1,858.23
P-003 LIEN - Miscellaneous Charges LIEN	0.00	0.00	1,442.43	4.71	0.00	1,447.14
Revenue Totals:	593,962.64	163,547.91	79,989.61	12,628.33	10,363.63	860,492.12



Payable Number	Description	Post Date	Payable Amount	Discount Amount	Shipping Amount	Tax Amount	Net Amount
Payable Account: 99-0-0-21100 - Accounts Payable - Trade							
Vendor: ALTLAN	ALTA Language Services, Inc.						
IS676908	(2) Translator Exams - E. Araiza, F. Ramirez	09/30/2023	242.00	0.00	0.00	0.00	242.00
	Distributions						
	Account Number	Account Name	Project Account Key	Distribution Amount			
	01-0-1-54290	Employment Expense		242.00			

Payable Count: (1) 242.00

Vendor: AQUA MET	Aqua Metric Sales Co						
INV0096983	3" Hydroverse Meter for Fill Station	09/30/2023	5,718.30	0.00	0.00	0.00	5,718.30

Payable Count: (3) 73,456.18

Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-1-6-54620	Repair & Maintenance		5,718.30				

INV0096984	Sensus iPerl Mini Reader	09/30/2023	1,111.98	0.00	0.00	0.00	1,111.98
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Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-0-0-17000	CIP Enterprise Funds	C0084 OUTSIDE SVCS	1,111.98				

INV0096985	(486) MXU Single Port Antennas	09/30/2023	61,833.78	0.00	0.00	4,792.12	66,625.90
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Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-1-0-13010	Inventory - Water Field Parts		66,625.90				

Vendor: AVCOM	AVCOM Services Inc.						
30347	Answering Service - September	09/30/2023	96.50	0.00	0.00	0.00	96.50

Payable Count: (1) 96.50

Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-0-1-53150	Outside Service		96.50				

Vendor: BRUMCE	Brunick, McElhane & Kennedy						
193	Legal Services - August	08/31/2023	7,988.75	0.00	0.00	0.00	7,988.75

Payable Count: (1) 7,988.75

Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-0-0-17000	CIP Enterprise Funds	C0002 OUTSIDE SVCS	2,520.00				
01-0-1-53120	Legal Services		2,075.00				
01-1-1-53120	Legal Services		2,243.75				
20-0-1-53120	Legal Services		537.50				
22-2-0-17000	CIP - Parks & Rec	C0078 OUTSIDE SVCS	437.50				
25-0-1-53120	Legal Services		175.00				

Vendor: CJ BROWN	C.J. Brown & Company, CPAS - An Accounting Corp.						
093023	Professional Services - September	09/30/2023	500.00	0.00	0.00	0.00	500.00

Payable Count: (1) 500.00

Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-0-1-53110	Auditing & Accounting Fees		500.00				

Vendor: HARFRE	Central Purchasing LLC						
1026438	100W. Solar Panel	09/30/2023	119.99	0.00	0.00	9.30	129.29

Payable Count: (1) 129.29

Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-1-2-54620	Repair & Maintenance		129.29				

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Payable Number	Description	Post Date	Payable Amount	Discount Amount	Shipping Amount	Tax Amount	Net Amount
Vendor: CHA HAY 093023	Charles Hays September Mileage - CSDA, Board, Solid Waste	09/30/2023	477.89	0.00	0.00	0.00	477.89
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-0-1-52210	Board Exp - Auto Expense		-7.34				
01-0-1-52214	Board - Auto Expense/Hays		477.89				
25-5-1-52210	Board Exp - Auto Expense		7.34				
						Payable Count: (1)	477.89
Vendor: CIN UNI 4168034296	Cintas Corporation Vehicle Wash Station Supplies	09/30/2023	36.27	0.00	0.00	2.81	39.08
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-1-8-54710	Vehicle Maintenance		39.08				
						Payable Count: (2)	788.02
po-05558	Uniform Rental Svcs. - Sept.	09/30/2023	748.94	0.00	0.00	0.00	748.94
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-1-1-54680	Uniforms		708.50				
22-2-1-54680	Uniforms		40.44				
Vendor: CED 9085-1040045	Consolidated Electrical Distributors Inc Beekley Rd. Vault Transfer Switch	09/30/2023	2,758.50	0.00	0.00	0.00	2,758.50
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-1-5-54620	Repair & Maintenance		2,758.50				
						Payable Count: (3)	4,126.75
9085-1040481	Duplexes for Well 15	09/30/2023	10.05	0.00	0.00	0.88	10.93
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-0-0-17000	CIP Enterprise Funds	C0095 OUTSIDE SVCS	10.93				
9085-1040520	Conduit and Nipples for Well 15	09/30/2023	1,357.32	0.00	0.00	0.00	1,357.32
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-0-0-17000	CIP Enterprise Funds	C0095 OUTSIDE SVCS	1,357.32				
Vendor: CORE T442913	Core & Main (8) 6x12 Clamps	09/30/2023	1,888.00	0.00	0.00	146.32	2,034.32
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-1-0-13010	Inventory - Water Field Parts		2,034.32				
						Payable Count: (2)	4,338.66
T600714	12" Butterfly Discharge Valve 6" MJ for Well 15	09/30/2023	2,304.34	0.00	0.00	0.00	2,304.34
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-0-0-17000	CIP Enterprise Funds	C0095 OUTSIDE SVCS	2,304.34				
Vendor: DEBPHI 093023	Deborah Jeanne Philips Sept. Mileage - Board, Leg., ASBCSD, SW	09/30/2023	103.49	0.00	0.00	0.00	103.49
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-0-1-52210	Board Exp - Auto Expense		-6.55				
01-0-1-52219	Board - Auto Expense/Philips		103.49				
25-5-1-52210	Board Exp - Auto Expense		6.55				
						Payable Count: (1)	103.49
Vendor: DVMG 13084-1	Desert Valley Medical Group Inc Medical Screening - S. Madrigal, E. D. Cruz	08/31/2023	350.00	0.00	0.00	0.00	350.00
						Payable Count: (2)	410.00

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Payable Number	Description	Post Date	Payable Amount	Discount Amount	Shipping Amount	Tax Amount	Net Amount
Distributions							
	Account Number	Account Name	Project Account Key	Distribution Amount			
	01-0-1-54290	Employment Expense		350.00			
13084-2	Medical Screening - DOT L. Marckstadt	09/30/2023	60.00	0.00	0.00	0.00	60.00
Distributions							
	Account Number	Account Name	Project Account Key	Distribution Amount			
	01-0-1-54290	Employment Expense		60.00			
Vendor: FBC-CHARLES	First Bank Card - Charles					Payable Count: (1)	112.33
093023	FBC Statement - September	09/30/2023	112.33	0.00	0.00	0.00	112.33
Distributions							
	Account Number	Account Name	Project Account Key	Distribution Amount			
	01-0-1-52224	Board - Meals,Travel Expenses/Hays		77.74			
	01-0-1-52224	Board - Meals,Travel Expenses/Hays		34.59			
Vendor: FBC-GREG	First Bank Card - Greg					Payable Count: (1)	662.46
093023	FBC Statement - September	09/30/2023	662.46	0.00	0.00	0.00	662.46
Distributions							
	Account Number	Account Name	Project Account Key	Distribution Amount			
	01-0-1-52226	Board - Meals,Travel Expenses/Snyder		662.46			
Vendor: FBC-CHRIS	First Bank Card					Payable Count: (4)	4,917.42
091223	VV Chevrolet- Trk 23 Cooling Shutter Replacement	09/30/2023	1,455.14	0.00	0.00	0.00	1,455.14
Distributions							
	Account Number	Account Name	Project Account Key	Distribution Amount			
	01-1-8-54710	Vehicle Maintenance		1,455.14			
093023	FBC Statement - Oct.	09/30/2023	644.73	0.00	0.00	0.00	644.73
Distributions							
	Account Number	Account Name	Project Account Key	Distribution Amount			
	01-1-2-54500	Operating Supplies		17.19			
	01-1-2-54620	Repair & Maintenance		124.83			
	01-1-2-54620	Repair & Maintenance		48.72			
	01-1-2-54620	Repair & Maintenance		146.59			
	01-1-2-54620	Repair & Maintenance		83.30			
	01-1-2-54650	Small Tools		42.00			
	01-1-2-54650	Small Tools		182.10			
1123774282	Airgas-Mig Welding Wire & Supplies- Well 15 Spools	09/30/2023	778.50	0.00	0.00	0.00	778.50
Distributions							
	Account Number	Account Name	Project Account Key	Distribution Amount			
	01-0-0-17000	CIP Enterprise Funds		778.50			
4049862	Amazon - Pipe Threader for Electrical Conduit	09/30/2023	2,039.05	0.00	0.00	0.00	2,039.05
Distributions							
	Account Number	Account Name	Project Account Key	Distribution Amount			
	01-1-2-54650	Small Tools		2,039.05			
Vendor: FBC-SEAN	First Bank Card					Payable Count: (2)	1,769.99
1123495702	Airgas- Well 15 Welding Materials for 12" Spools	08/31/2023	982.59	0.00	0.00	0.00	982.59
Distributions							
	Account Number	Account Name	Project Account Key	Distribution Amount			
	01-0-0-17000	CIP Enterprise Funds	C0095 OUTSIDE SVCS	982.59			
093023	FBC Statement - Sept.	09/30/2023	787.40	0.00	0.00	0.00	787.40
Distributions							
	Account Number	Account Name	Project Account Key	Distribution Amount			
	01-0-0-17000	CIP Enterprise Funds	C0095 OUTSIDE SVCS	40.08			
	01-0-0-17000	CIP Enterprise Funds	C0095 OUTSIDE SVCS	169.68			

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Payable Number	Description	Post Date	Payable Amount	Discount Amount	Shipping Amount	Tax Amount	Net Amount
01-0-1-54440	Meeting, Seminar & Supplies				60.22		
01-0-1-54440	Meeting, Seminar & Supplies				100.71		
01-1-1-54260	Education & Training				95.09		
01-1-1-54260	Education & Training				3.42		
01-1-1-54260	Education & Training				115.79		
01-1-6-54500	Operating Supplies				202.41		

Vendor: [FBC-DEBORAH](#) First Bank Card Payable Count: (1) 1,179.36
[093023](#) FBC Statement - September 09/30/2023 1,179.36 0.00 0.00 0.00 1,179.36

Distributions

Account Number	Account Name	Project Account Key	Distribution Amount
01-0-1-52219	Board - Auto Expense/Philips		52.15
01-0-1-52219	Board - Auto Expense/Philips		47.38
01-0-1-52229	Board - Meals,Travel Expenses/Philips		6.65
01-0-1-52229	Board - Meals,Travel Expenses/Philips		25.17
01-0-1-52229	Board - Meals,Travel Expenses/Philips		12.45
01-0-1-52229	Board - Meals,Travel Expenses/Philips		23.00
01-0-1-52229	Board - Meals,Travel Expenses/Philips		28.02
01-0-1-52229	Board - Meals,Travel Expenses/Philips		25.72
01-0-1-52229	Board - Meals,Travel Expenses/Philips		6.45
01-0-1-52229	Board - Meals,Travel Expenses/Philips		7.65
01-0-1-52229	Board - Meals,Travel Expenses/Philips		11.83
01-0-1-52229	Board - Meals,Travel Expenses/Philips		15.52
01-0-1-52229	Board - Meals,Travel Expenses/Philips		917.37

Vendor: [FBC-DON](#) First Bank Card Payable Count: (1) 3,570.55
[093023](#) FBC Statement - Sept. 09/30/2023 3,570.55 0.00 0.00 0.00 3,570.55

Distributions

Account Number	Account Name	Project Account Key	Distribution Amount
01-0-1-54140	Auto Expense		172.49
01-0-1-54140	Auto Expense		175.00
01-0-1-54140	Auto Expense		142.88
01-0-1-54140	Auto Expense		137.21
01-0-1-54440	Meeting, Seminar & Supplies		41.75
01-0-1-54440	Meeting, Seminar & Supplies		85.27
01-0-1-54440	Meeting, Seminar & Supplies		40.48
01-0-1-54440	Meeting, Seminar & Supplies		67.90
01-0-1-54440	Meeting, Seminar & Supplies		41.02
01-0-1-54440	Meeting, Seminar & Supplies		86.87
01-0-1-54470	Travel Expense		49.52
01-0-1-54470	Travel Expense		108.68
01-0-1-54470	Travel Expense		1,193.64
01-0-1-54470	Travel Expense		1,227.84
01-0-1-54470	Travel Expense		599.96
01-0-1-54470	Travel Expense		-599.96

Vendor: [FBC-GEORGE](#) First Bank Card Payable Count: (2) 4,513.13
[091523](#) Costco - Workstation - Engineering Department 09/30/2023 2,669.36 0.00 0.00 0.00 2,669.36

Distributions

Account Number	Account Name	Project Account Key	Distribution Amount
01-7-7-54530	Office Supplies		2,669.36

Distributions

Account Number	Account Name	Project Account Key	Distribution Amount
01-0-1-53170	Software Support		263.89
01-0-1-54440	Meeting, Seminar & Supplies		124.23
01-0-1-54440	Meeting, Seminar & Supplies		37.62
01-0-1-54440	Meeting, Seminar & Supplies		39.40

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Payable Number	Description	Post Date	Payable Amount	Discount Amount	Shipping Amount	Tax Amount	Net Amount
	01-0-1-54530				64.15		
	01-0-1-54530				489.36		
	01-1-1-53170				47.98		
	01-1-1-54530				128.16		
	01-1-1-54530				116.34		
	01-1-1-54530				86.99		
	01-1-2-53170				0.99		
	01-1-8-54410				83.25		
	01-1-8-54410				57.98		
	01-1-8-54410				116.01		
	01-7-7-53170				47.98		
	01-7-7-54470				40.87		
	01-7-7-54470				35.54		
	01-7-7-54470				8.40		
	01-7-7-54470				46.23		
	01-7-7-54470				8.40		

Vendor: [FBC-HEATHER](#) First Bank Card Payable Count: (1) 423.09
[093023](#) FBC Statement - Sept. 09/30/2023 423.09 0.00 0.00 0.00 423.09

Distributions

Account Number	Account Name	Project Account Key	Distribution Amount
01-0-1-54530	Office Supplies		21.13
01-0-1-54530	Office Supplies		12.64
01-0-1-54530	Office Supplies		28.36
01-0-1-54530	Office Supplies		67.32
01-0-1-54530	Office Supplies		156.43
01-0-1-54530	Office Supplies		45.75
01-1-6-54860	Postage & Mailing		72.36
01-1-6-54860	Postage & Mailing		12.35
01-1-6-54860	Postage & Mailing		6.75

Vendor: [FBC-JENNIFER](#) First Bank Card Payable Count: (2) 3,387.79
[091223](#) Vistaprint - Solid Waste Giveaways for Phun Days 09/30/2023 613.98 0.00 0.00 47.58 661.56

Distributions

Account Number	Account Name	Project Account Key	Distribution Amount
25-5-1-54800	Programs (Solid Waste)		661.56

[093023](#) FBC Statement - Sept. 09/30/2023 2,726.23 0.00 0.00 0.00 2,726.23

Distributions

Account Number	Account Name	Project Account Key	Distribution Amount
01-0-1-53170	Software Support		100.00
01-0-1-54500	Operating Supplies		32.29
01-0-1-54530	Office Supplies		61.94
01-0-1-54530	Office Supplies		461.18
01-0-1-54530	Office Supplies		76.65
01-0-1-54530	Office Supplies		19.46
01-0-1-54530	Office Supplies		24.33
01-1-1-54500	Operating Supplies		248.71
01-1-1-54500	Operating Supplies		32.30
01-1-1-54500	Operating Supplies		97.06
01-1-1-54500	Operating Supplies		97.67
01-1-1-54500	Operating Supplies		31.19
01-1-1-54500	Operating Supplies		107.70
01-1-1-54500	Operating Supplies		147.98
01-1-1-54530	Office Supplies		63.12
01-1-1-54530	Office Supplies		19.04
01-1-1-54530	Office Supplies		26.90
01-1-1-54530	Office Supplies		42.64
01-1-6-53170	Software Support		120.00

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Payable Number	Description	Post Date	Payable Amount	Discount Amount	Shipping Amount	Tax Amount	Net Amount
	01-1-8-54710	Vehicle Maintenance			111.96		
	01-1-9-54800	Programs (Wtr Conservation, etc)			25.00		
	01-1-9-54800	Programs (Wtr Conservation, etc)			83.73		
	01-1-9-54800	Programs (Wtr Conservation, etc)			9.02		
	22-2-2-54800	Programs (Park & Rec)			25.00		
	22-2-2-54800	Programs (Park & Rec)			441.92		
	22-2-2-54800	Programs (Park & Rec)			83.74		
	22-2-2-54800	Programs (Park & Rec)			126.68		
	22-2-2-54800	Programs (Park & Rec)			9.02		

Vendor: [FBC-KIM](#) **First Bank Card** Payable Count: (2) **3,822.74**
[091923](#) Amazon - Compost Tumblers 09/30/2023 3,297.00 0.00 0.00 255.60 3,552.60

Distributions

Account Number	Account Name	Project Account Key	Distribution Amount
25-5-1-54800	Programs (Solid Waste)	C0106 GRANT	3,552.60

Vendor: [FBC-LORI](#) **First Bank Card** Payable Count: (1) **300.00**
[093023](#) FBC Statement - September 09/30/2023 270.14 0.00 0.00 0.00 270.14

Distributions

Account Number	Account Name	Project Account Key	Distribution Amount
01-0-1-53170	Software Support		4.64
01-0-1-53170	Software Support		14.00
01-0-1-54260	Education & Training		42.50
01-0-1-54530	Office Supplies		176.69
25-5-1-54530	Office Supplies		32.31

Vendor: [FBC-LORI](#) **First Bank Card** Payable Count: (1) **300.00**
[093023](#) FBC Statement - Sept. 09/30/2023 300.00 0.00 0.00 0.00 300.00

Distributions

Account Number	Account Name	Project Account Key	Distribution Amount
01-0-1-54230	Dues & Subscriptions		150.00
01-0-1-54530	Office Supplies		150.00

Vendor: [FBC-STEVE](#) **First Bank Card** Payable Count: (1) **788.13**
[093023](#) FBC Statement - Sept. 09/30/2023 788.13 0.00 0.00 0.00 788.13

Distributions

Account Number	Account Name	Project Account Key	Distribution Amount
22-2-2-54620	Repair & Maintenance		216.43
22-2-2-54620	Repair & Maintenance		367.75
22-2-2-54620	Repair & Maintenance		203.95

Vendor: [FRO 3434](#) **Frontier Communications** Payable Count: (1) **196.80**
[100923](#) Phones - Telemetry 9/10-10/9 09/30/2023 196.80 0.00 0.00 0.00 196.80

Distributions

Account Number	Account Name	Project Account Key	Distribution Amount
01-1-5-58010	Telephone		196.80

Vendor: [GATE HOU](#) **GateHouse Media California Holdings, Inc.** Payable Count: (1) **2,541.10**
[5814159](#) SW Ordinance Publishing 08/31/2023 2,541.10 0.00 0.00 0.00 2,541.10

Distributions

Account Number	Account Name	Project Account Key	Distribution Amount
25-5-1-54110	Advertising		2,541.10

Vendor: [GEOMON](#) **GEO-Monitor, Inc.** Payable Count: (1) **811.50**
[27339](#) Routine Samples 09/30/2023 811.50 0.00 0.00 0.00 811.50

Distributions

Account Number	Account Name	Project Account Key	Distribution Amount
01-1-4-53140	Laboratory Analysis		811.50

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Payable Number	Description	Post Date	Payable Amount	Discount Amount	Shipping Amount	Tax Amount	Net Amount
Vendor: USABB INV00136328	HD Supply, Inc. (5) Liquid Fill Guage	09/30/2023	322.08	0.00	0.00	0.00	322.08
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-1-5-54620	Repair & Maintenance		322.08				
INV00145576	Chlorine Pump & Injectors for Well 15	09/30/2023	2,075.43	0.00	0.00	0.00	2,075.43
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-0-0-17000	CIP Enterprise Funds	C0095 OUTSIDE SVCS	2,075.43				
Vendor: IB CON 19506	IB Consulting, LLC Water Rate Study 2023 - Consent Item Approved 9/27	08/31/2023	12,190.00	0.00	0.00	0.00	12,190.00
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-0-1-53150	Outside Service		2,190.00				
01-0-1-53150	Outside Service		10,000.00				
Vendor: INS PAC 0000027	Inspire PAC Dance & Fitness Classes - June	07/31/2023	450.00	0.00	0.00	0.00	450.00
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
22-2-2-54800	Programs (Park & Rec)		450.00				
0000028	Dance & Fitness Classes - July	07/31/2023	300.00	0.00	0.00	0.00	300.00
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
22-2-2-54800	Programs (Park & Rec)		300.00				
Vendor: PUMCHE 325	Jon Ray Lee Well 8 Water Meter Testing	09/30/2023	255.00	0.00	0.00	0.00	255.00
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-1-3-54620	Repair & Maintenance		255.00				
Vendor: MAR CON 605848	Martinez Concrete Well 15 Concrete Slabs, Material & Labor	09/30/2023	15,300.00	0.00	0.00	0.00	15,300.00
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-0-0-17000	CIP Enterprise Funds	C0095 OUTSIDE SVCS	15,300.00				
Vendor: ANDTRU 093023	Mills Hardware Month-End Statement - September	09/30/2023	721.89	0.00	0.00	56.43	778.32
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-1-2-54620	Repair & Maintenance		106.64				
01-1-2-54620	Repair & Maintenance		7.53				
01-1-2-54620	Repair & Maintenance		39.29				
01-1-2-54620	Repair & Maintenance		22.60				
01-1-2-54620	Repair & Maintenance		10.76				
01-1-2-54620	Repair & Maintenance		54.35				
01-1-2-54620	Repair & Maintenance		18.30				
01-1-2-54620	Repair & Maintenance		53.85				
01-1-2-54620	Repair & Maintenance	C0110 OUTSIDE SVCS	104.43				
01-1-2-54620	Repair & Maintenance		24.76				
01-1-3-54620	Repair & Maintenance		14.60				
01-1-3-54620	Repair & Maintenance		64.60				
01-1-5-54620	Repair & Maintenance		24.21				
01-1-5-54620	Repair & Maintenance	C0110 OUTSIDE SVCS	2.36				

Open Payable Report

As Of 09/30/2023

Payable Number	Description	Post Date	Payable Amount	Discount Amount	Shipping Amount	Tax Amount	Net Amount
	01-1-5-54620	Repair & Maintenance			49.19		
	01-1-5-54620	Repair & Maintenance			79.69		
	01-1-5-54620	Repair & Maintenance			30.09		
	22-2-2-54620	Repair & Maintenance			40.93		
	22-2-2-54620	Repair & Maintenance			15.07		
	22-2-2-54620	Repair & Maintenance			15.07		
Vendor: NAPA	NAPA Auto Parts						Payable Count: (1)
093023	Month-End Statement September	09/30/2023	667.37	0.00	0.00	51.41	718.78
	Distributions						
	Account Number	Account Name	Project Account Key	Distribution Amount			
	01-1-2-54620	Repair & Maintenance		81.88			
	01-1-3-54620	Repair & Maintenance		286.71			
	01-1-3-54620	Repair & Maintenance		238.48			
	01-1-3-54620	Repair & Maintenance		38.78			
	01-1-5-54620	Repair & Maintenance		53.57			
	01-1-8-54710	Vehicle Maintenance		8.61			
	01-1-8-54710	Vehicle Maintenance		10.75			
Vendor: PATSA	Patton Sales Corp						Payable Count: (1)
4692111	Steel for Pipe Stands at Well 15	09/30/2023	748.05	0.00	0.00	0.00	748.05
	Distributions						
	Account Number	Account Name	Project Account Key	Distribution Amount			
	01-0-0-17000	CIP Enterprise Funds	C0095 OUTSIDE SVCS	748.05			
Vendor: R & C	R & C Compliance Management Service						Payable Count: (1)
8862	Annual Fuel Tank Testing at Oasis Yard	09/30/2023	750.00	0.00	0.00	0.00	750.00
	Distributions						
	Account Number	Account Name	Project Account Key	Distribution Amount			
	01-1-1-54320	General Maintenance		750.00			
Vendor: REBKU	Rebecca A. Kujawa						Payable Count: (1)
093023	Sept. Mileage - ASBCSD Meeting	09/30/2023	34.80	0.00	0.00	0.00	34.80
	Distributions						
	Account Number	Account Name	Project Account Key	Distribution Amount			
	01-0-1-52212	Board - Auto Expense/Kujawa		34.80			
Vendor: RED BRICK	Red Brick Solutions LLC						Payable Count: (1)
091323	Civic Center - Partial Phase 2 WQMP	09/30/2023	6,500.00	0.00	0.00	0.00	6,500.00
	Distributions						
	Account Number	Account Name	Project Account Key	Distribution Amount			
	22-2-0-17000	CIP - Parks & Rec	C0078 OUTSIDE SVCS	6,500.00			
Vendor: ARMELE	Rodger Ashby						Payable Count: (1)
8289182023	Electric Work - Site 1B, 1A, 1C, 2C, Well 15	09/30/2023	3,375.00	0.00	0.00	0.00	3,375.00
	Distributions						
	Account Number	Account Name	Project Account Key	Distribution Amount			
	01-1-3-54620	Repair & Maintenance		3,375.00			
Vendor: SCE 2439-1773	Southern California Edison						Payable Count: (1)
092423	Electricity - Phelan Park 8/24-9/24	09/30/2023	14.98	0.00	0.00	0.00	14.98
	Distributions						
	Account Number	Account Name	Project Account Key	Distribution Amount			
	22-0-2-58110	Utilities		14.98			
Vendor: SCE 1613-6373	Southern California Edison						Payable Count: (1)
093023	Electricity - R/R Crossing 9/1-9/30	09/30/2023	18.27	0.00	0.00	0.00	18.27

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Payable Number	Description	Post Date	Payable Amount	Discount Amount	Shipping Amount	Tax Amount	Net Amount
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
23-0-2-58210	Utilities - Street Lights		18.27				
Vendor: SCE 3752-2894	Southern California Edison				Payable Count: (1)		158.57
092723	Electricity - N. Dairy Mobile 8/29-9/27	09/30/2023	158.57	0.00	0.00	0.00	158.57
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-1-3-58110	Utilities		158.57				
Vendor: SCE 4241-7012	Southern California Edison				Payable Count: (1)		197.94
092723	Electricity - Dairy Mobile 8/29-9/27	09/30/2023	197.94	0.00	0.00	0.00	197.94
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-1-3-58110	Utilities		197.94				
Vendor: SCE 5917-6455	Southern California Edison				Payable Count: (1)		28.51
093023	Electricity - Phelan Park St. Lights 9/1-9/30	09/30/2023	28.51	0.00	0.00	0.00	28.51
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
22-2-2-58110	Utilities		28.51				
Vendor: SCE 7441-5755	Southern California Edison				Payable Count: (1)		333.06
100123	Electricity - Pinon Hills CC 8/31-10/1	09/30/2023	333.06	0.00	0.00	0.00	333.06
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
22-0-2-58110	Utilities		333.06				
Vendor: SCE 7695-0442	Southern California Edison				Payable Count: (1)		25.87
092723	Electricity - Fill STation 8/29-9/27	09/30/2023	25.87	0.00	0.00	0.00	25.87
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-0-2-58110	Utilities		25.87				
Vendor: SCE 8362-7804	Southern California Edison				Payable Count: (1)		25.87
092723	Electricity - Fill STation 8/29-9/27	09/30/2023	25.87	0.00	0.00	0.00	25.87
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-1-3-58110	Utilities		653.13				
Vendor: SCE 8362-7804	Southern California Edison				Payable Count: (1)		653.13
092723	Electricity - Solar Meter 8/29-9/27	09/30/2023	653.13	0.00	0.00	0.00	653.13
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-1-3-58110	Utilities		653.13				
Vendor: STEDES	Steen Design Studio, Inc				Payable Count: (3)		6,105.68
4879	County Fees - Civic Center Project	08/31/2023	1,212.00	0.00	0.00	0.00	1,212.00
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-0-0-17000	CIP Enterprise Funds	C0002 COUNTY FEES	1,212.00				
4890	County Fees - Civic Center Project	09/30/2023	2,906.68	0.00	0.00	0.00	2,906.68
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-0-0-17000	CIP Enterprise Funds	C0002 COUNTY FEES	2,906.68				
4891	County Fees - Phelan Park Project	09/30/2023	1,987.00	0.00	0.00	0.00	1,987.00
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
22-2-0-17000	CIP - Parks & Rec	C0078 COUNTY FEES	1,987.00				
Vendor: THEGAS	The Gas Company				Payable Count: (2)		82.26
093023	Gas - Pinon Hills 8/25-9/27	09/30/2023	65.99	0.00	0.00	0.00	65.99

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Payable Number	Description	Post Date	Payable Amount	Discount Amount	Shipping Amount	Tax Amount	Net Amount
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
22-0-2-58110	Utilities		65.99				
093023-6781	Gas - Pinon Hills Fire 8/25-9/27	09/30/2023	16.27	0.00	0.00	0.00	16.27
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
22-0-2-58110	Utilities		16.27				
Vendor: TOP OPT	Top Option Pest Control				Payable Count: (2)		696.00
3581	Pest Control - CSD, (7) Bee Removals	09/30/2023	600.00	0.00	0.00	0.00	600.00
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-0-1-53150	Outside Service		75.00				
01-1-6-53150	Outside Service		525.00				
3582	Pest Control - Oasis Yard	09/30/2023	96.00	0.00	0.00	0.00	96.00
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-1-1-53150	Outside Service		96.00				
Vendor: TYLTEC	Tyler Technologies, Inc				Payable Count: (1)		1,800.00
025-440263	Licenses for Mass Meter Swap	09/30/2023	1,800.00	0.00	0.00	0.00	1,800.00
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-1-6-53170	Software Support		1,800.00				
Vendor: USA	Underground Service Alert of So. Cal.				Payable Count: (1)		825.50
920230545	(466)Tickets	09/30/2023	825.50	0.00	0.00	0.00	825.50
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-1-2-53150	Outside Service		825.50				
Vendor: VER FLEET	Verizon Connect Fleet USA, LLC				Payable Count: (1)		341.10
340000047592	Fleet GPS - September	09/30/2023	341.10	0.00	0.00	0.00	341.10
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-1-8-54300	Equipment Rental / Lease		341.10				
Vendor: VER AIR	Verizon Wireless				Payable Count: (2)		2,602.34
9945828099	Phones, Jet Packs, Tablets, On Call - August	08/31/2023	1,216.12	0.00	0.00	0.00	1,216.12
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-1-1-58010	Telephone		1,216.12				
9945828099-1	Phones, Jet Packs, Tablets, On Call September	09/30/2023	1,386.22	0.00	0.00	0.00	1,386.22
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-1-1-58010	Telephone		1,386.22				
Vendor: WALL GROUP	Wallace Group, a California Corporation				Payable Count: (1)		1,830.00
60481	Civic Center - Specs Review	09/30/2023	1,830.00	0.00	0.00	0.00	1,830.00
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-0-0-17000	CIP Enterprise Funds	C0002 OUTSIDE SVCS	1,830.00				
Vendor: WIEDRU	Wienhoff & Associates Inc				Payable Count: (1)		64.00
116529	Background Checks - E. De La Cruz & S. Madrigal	09/30/2023	64.00	0.00	0.00	0.00	64.00

Open Payable Report

As Of 09/30/2023

Payable Number	Description	Post Date	Payable Amount	Discount Amount	Shipping Amount	Tax Amount	Net Amount
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-0-1-54290	Employment Expense		64.00				
Payable Account 99-0-0-21100						Payable Count: (77)	Total: 181,228.59

Payable Account Summary

Account	Count	Amount
99-0-0-21100 - Accounts Payable - Trade	77	181,228.59
Report Total:	77	181,228.59

Payable Fund Summary

Fund	Count	Amount
99 - POOLED CASH	77	181,228.59
Report Total:	77	181,228.59



Project Number	Project Name	Group	Type	Status	
C0002	ADMINISTRATIVE PROPERTY	Administration	Construction in Pro...	Active	
Expenses					
Account Key	Account Name	Category	Beginning Balance	Activity	Ending Balance
C0002 ARCHITECT	C0002 ARCHITECT	OUTSIDE SERVICES	0.00	204,970.95	204,970.95
C0002 BUILD	C0002 MODULAR BUILDING	Buildings	0.00	93.34	93.34
C0002 COUNTY FEES	C0002 COUNTY FEES	Fees/License	0.00	88,712.30	88,712.30
C0002 IMPROVE	C0002 IMPROVEMENTS	OUTSIDE SERVICES	0.00	66,751.26	66,751.26
C0002 LABOR	C0002 LABOR - ADMIN BUILDING	LABOR	0.00	8,940.51	8,940.51
C0002 OUTSIDE SVCS	C0002 OUTSIDE SVCS	OUTSIDE SERVICES	0.00	294,519.47	294,519.47
	Total Expenses:		0.00	663,987.83	663,987.83
	Total C0002:		0.00	663,987.83	663,987.83
C0072	Mountain Well	Wells	Construction in Pro...	Active	
Expenses					
Account Key	Account Name	Category	Beginning Balance	Activity	Ending Balance
C0072 OUTSIDE SVCS	C0072 OUTSIDE SVCS - MOUNTAIN W...	OUTSIDE SERVICES	0.00	106,869.13	106,869.13
	Total Expenses:		0.00	106,869.13	106,869.13
	Total C0072:		0.00	106,869.13	106,869.13
C0078	Phelan Park Expansion	Parks	Construction in Pro...	Active	
Expenses					
Account Key	Account Name	Category	Beginning Balance	Activity	Ending Balance
C0078 COUNTY FEES	C0078 COUNTY FEES - Phelan Park Ex...	Fees/License	0.00	22,145.58	22,145.58
C0078 ENGINEERING	C0078 ENGINEERING - Phelan Park Ex...	ENGINEERING	0.00	70.44	70.44
C0078 LABOR	C0078 LABOR - Phelan Park Expansion	LABOR	0.00	8,691.57	8,691.57
C0078 OUTSIDE SVCS	C0078 OUTSIDE SVCS - Phelan Park Ex...	OUTSIDE SERVICES	0.00	520,286.76	520,286.76
	Total Expenses:		0.00	551,194.35	551,194.35
	Total C0078:		0.00	551,194.35	551,194.35
C0084	Meters & Installation	Water Distribution	Construction in Pro...	Active	
Expenses					
Account Key	Account Name	Category	Beginning Balance	Activity	Ending Balance
C0084 OUTSIDE SVCS	C0084 OUTSIDE SVCS - Meters & Instal...	OUTSIDE SERVICES	0.00	2,612.78	2,612.78
	Total Expenses:		0.00	2,612.78	2,612.78
	Total C0084:		0.00	2,612.78	2,612.78
C0095	Well 15 - Development / Chromi...	Wells	Construction in Pro...	Active	
Expenses					
Account Key	Account Name	Category	Beginning Balance	Activity	Ending Balance
C0095 LABOR	C0095 LABOR - WELL 15 Dvlpmnt/Chr...	LABOR	0.00	57,078.56	57,078.56
C0095 OUTSIDE SVCS	C0095 OUTSIDE SVCS - WELL 15 Dvlp...	OUTSIDE SERVICES	0.00	1,786,461.05	1,786,461.05
	Total Expenses:		0.00	1,843,539.61	1,843,539.61
	Total C0095:		0.00	1,843,539.61	1,843,539.61
C0103	Project 3A Grant for 500 meters	Water Distribution	Construction in Pro...	COMPLETE	
Revenues					
Account Key	Account Name	Category	Beginning Balance	Activity	Ending Balance
C0103 REVENUE	C0103 REVENUE - Project 3A Grant/5...	Revenue	0.00	-75,000.00	-75,000.00
	Total Revenues:		0.00	-75,000.00	-75,000.00
	Total C0103:		0.00	-75,000.00	-75,000.00
C0109	Reservoir 6A - 2	Tanks	Construction in Pro...	Active	
Expenses					
Account Key	Account Name	Category	Beginning Balance	Activity	Ending Balance
C0109 LABOR	C0109 LABOR - Reservoir 6A - 2 (Chr...	LABOR	0.00	483.18	483.18

Project Balance Report

Report Dates: 07/01/2008 - 09/30/2023

Project Number	Project Name	Group	Type	Status			
C0109 LAND		C0109 LAND - Reservoir 6A - 2 (Chrom... Land			0.00	25,000.00	25,000.00
C0109 OUTSIDE SVCS		C0109 OUTSIDE SVCS - Reservoir 6A - ... OUTSIDE SERVICES			0.00	31,504.50	31,504.50
		Total Expenses:			0.00	56,987.68	56,987.68
		Total C0109:			0.00	56,987.68	56,987.68

Summary**Project Summary**

Project Number	Project Name	Beginning Balance	Activity	Ending Balance
C0002	ADMINISTRATIVE PROPERTY	0.00	663,987.83	663,987.83
C0072	Mountain Well	0.00	106,869.13	106,869.13
C0078	Phelan Park Expansion	0.00	551,194.35	551,194.35
C0084	Meters & Installation	0.00	2,612.78	2,612.78
C0095	Well 15 - Development / Chromium	0.00	1,843,539.61	1,843,539.61
C0103	Project 3A Grant for 500 meters	0.00	-75,000.00	-75,000.00
C0109	Reservoir 6A - 2	0.00	56,987.68	56,987.68
Project Totals:		0.00	3,150,191.38	3,150,191.38

Group Summary

Group	Beginning Balance	Activity	Ending Balance
Adminstration	0.00	663,987.83	663,987.83
Parks	0.00	551,194.35	551,194.35
Tanks	0.00	56,987.68	56,987.68
Water Distribution	0.00	-72,387.22	-72,387.22
Wells	0.00	1,950,408.74	1,950,408.74
Group Totals:	0.00	3,150,191.38	3,150,191.38

Type Summary

Type	Beginning Balance	Activity	Ending Balance
Construction in Progress	0.00	3,150,191.38	3,150,191.38
Type Totals:	0.00	3,150,191.38	3,150,191.38

Solar Project and Credits Report

					<u>Running Balance</u>
Cost of Solar Project:	\$	5,239,947.43			\$ 5,239,947.43
Loan Received:	\$	5,000,000.00			\$ (5,000,000.00)
Loan Payments:		Principal	Interest	Total	
Total Pmts 01/2015-06/2020	\$	1,028,328.62	\$ 909,777.59	\$ 1,938,106.21	
07/13/2020	12 \$	104,326.80	\$ 74,468.84	\$ 178,795.64	
01/04/2021	\$	106,282.93	\$ 72,512.71	\$ 178,795.64	
08/13/2021	\$	147,792.30	\$ 21,689.89	\$ 169,482.19	
02/01/2022	\$	118,069.37	\$ 51,412.82	\$ 169,482.19	
08/01/2022	\$	119,722.34	\$ 49,759.85	\$ 169,482.19	
02/01/2023	\$	121,398.45	\$ 48,083.74	\$ 169,482.19	
08/01/2023	\$	123,098.03	\$ 46,384.16	\$ 169,482.19	
02/01/2024	\$	-	\$ -	\$ -	
Total	\$	1,869,018.84	\$ 1,274,089.60	\$ 3,143,108.44	\$ 3,143,108.44
OM Expenses					\$ 344,700.12
Total Cost to Date					\$ 3,727,755.99

Edison Credits Received:

		Credits Received	
2015/2016	\$	102,606.65	Total Received for Fiscal Year
2016/2017	\$	363,593.28	Total Received for Fiscal Year
2017/2018	\$	370,590.41	Total Received for Fiscal Year
2018/2019	\$	128,314.95	Total Received for Fiscal Year
2019/2020	\$	1,075,131.15	Total Received for Fiscal Year
2020/2021	\$	119,612.47	Total Received for Fiscal Year
2021/2022	\$	1,237,537.38	Total Received for Fiscal Year
2022/2023	\$	789,567.65	Total Received for Fiscal Year
July - Sept 2023	\$	61,805.20	
Oct - Dec 2023			
Jan -Mar 2024			

Scenario 09/11/2014 Revised 09/2021

Terms Turnkey System, Annual O&M, 10 Year Performance Guarantee @90%

Terms 25 Year Module Warranty, 10 Year Balance of System Warranty, 30 Year Lifecycle

Financing Structure 20 Yr Loan Term, 3.75% interest rate, Origination Fees and Financing Fees May Apply, \$0 Annual Payment Escalation

Estimate

EOY	Utility Savings	REC Sales	O&M Expense	Pre-COD	Net Operating Savings	Principal Balance	Principal Payment	Interest Payment	Total Debt Service	DSCR	Net Cash Flow
Y0	\$ -	\$ -	\$ -	\$ (198,821)	\$ (198,821)	\$ 5,000,000					\$ (198,821)
2016	\$ 416,265	\$ 3,484	\$ (35,575)	\$ -	\$ 384,174	\$ 4,828,314	\$ (171,686)	\$ (185,905)	\$ (357,591)	107%	\$ 26,583
2017	\$ 431,833	\$ 3,623	\$ (35,575)	\$ -	\$ 399,882	\$ 4,650,130	\$ (178,184)	\$ (179,407)	\$ (357,591)	112%	\$ 42,290
2018	\$ 447,984	\$ 3,768	\$ (35,575)	\$ -	\$ 416,177	\$ 4,465,201	\$ (184,929)	\$ (172,662)	\$ (357,591)	116%	\$ 58,586
2019	\$ 464,738	\$ 3,919	\$ (35,575)	\$ -	\$ 433,082	\$ 4,273,272	\$ (191,929)	\$ (165,662)	\$ (357,591)	121%	\$ 75,491
2020	\$ 482,119	\$ 4,076	\$ (35,575)	\$ -	\$ 450,620	\$ 4,074,078	\$ (199,194)	\$ (158,398)	\$ (357,591)	126%	\$ 93,029
2021	\$ 500,151	\$ 4,239	\$ (35,575)	\$ -	\$ 468,815	\$ 3,867,345	\$ (206,733)	\$ (150,858)	\$ (357,591)	131%	\$ 111,223
2022	\$ 318,788	\$ 12,212	\$ (35,575)	\$ -	\$ 295,425	\$ 3,652,786	\$ (214,559)	\$ (143,033)	\$ (357,591)	136%	\$ (62,166)
2023	\$ 333,890	\$ 12,790	\$ (35,575)	\$ -	\$ 311,105	\$ 3,430,106	\$ (222,680)	\$ (134,911)	\$ (357,591)	142%	\$ (46,486)
2024	\$ 349,708	\$ 13,396	\$ (35,575)	\$ -	\$ 327,529	\$ 3,198,997	\$ (231,109)	\$ (126,482)	\$ (357,591)	148%	\$ (30,062)
2025	\$ 366,276	\$ 14,031	\$ (35,575)	\$ -	\$ 344,732	\$ 2,959,140	\$ (239,857)	\$ (117,735)	\$ (357,591)	153%	\$ (12,859)
2026	\$ 383,628	\$ 14,696	\$ (31,946)	\$ -	\$ 366,378	\$ 2,710,205	\$ (248,936)	\$ (108,656)	\$ (357,591)	161%	\$ 8,786
2027	\$ 401,803	\$ 15,392	\$ (32,905)	\$ -	\$ 384,290	\$ 2,451,847	\$ (258,358)	\$ (99,233)	\$ (357,591)	167%	\$ 26,699
2028	\$ 420,838	\$ 16,121	\$ (33,892)	\$ -	\$ 403,067	\$ 2,183,709	\$ (268,137)	\$ (89,454)	\$ (357,591)	173%	\$ 45,476
2029	\$ 440,775	\$ 16,885	\$ (34,909)	\$ -	\$ 422,751	\$ 1,905,422	\$ (278,287)	\$ (79,304)	\$ (357,591)	179%	\$ 65,160
2030	\$ 461,657	\$ 17,685	\$ (167,208)	\$ -	\$ 312,134	\$ 1,616,602	\$ (288,820)	\$ (68,771)	\$ (357,591)	150%	\$ (45,457)
2031	\$ 483,528	\$ 18,522	\$ (37,035)	\$ -	\$ 465,015	City Loan 21-002	New Loan for A	\$ (357,591)	\$ (357,591)	193%	\$ 107,424
2032	\$ 506,435	\$ 121,398	\$ 48,084	\$ -	\$ 675,917	\$ 1,005,750	\$ (311,099)	\$ (46,492)	\$ (357,591)	201%	\$ 318,326
2033	\$ 530,427	\$ 20,319	\$ (39,290)	\$ -	\$ 511,456	\$ 682,875	\$ (322,874)	\$ (34,717)	\$ (357,591)	208%	\$ 153,865
2034	\$ 555,556	\$ 21,282	\$ (40,469)	\$ -	\$ 536,369	\$ 347,780	\$ (335,096)	\$ (22,495)	\$ (357,591)	216%	\$ 178,778
2035	\$ 581,876	\$ 22,290	\$ (41,683)	\$ -	\$ 562,483	\$ (0)	\$ (347,780)	\$ (9,812)	\$ (357,591)	224%	\$ 204,892
2036	\$ 609,442	\$ 23,346	\$ (42,933)	\$ -	\$ 589,855	\$ (0)	\$ (0)	\$ 0	\$ -	0%	\$ 589,855
2037	\$ 638,315	\$ 24,452	\$ (44,221)	\$ -	\$ 618,546	\$ (0)	\$ -	\$ -	\$ -	0%	\$ 618,546
2038	\$ 668,555	\$ 25,610	\$ (45,548)	\$ -	\$ 648,617	\$ (0)	\$ -	\$ -	\$ -	0%	\$ 648,617
2039	\$ 700,227	\$ 26,823	\$ (46,914)	\$ -	\$ 680,136	\$ (0)	\$ -	\$ -	\$ -	0%	\$ 680,136
2040	\$ 733,401	\$ 28,094	\$ (48,322)	\$ -	\$ 713,173	\$ (0)	\$ -	\$ -	\$ -	0%	\$ 713,173
2041	\$ 768,146	\$ 29,425	\$ (49,771)	\$ -	\$ 747,800	\$ (0)	\$ -	\$ -	\$ -	0%	\$ 747,800
2042	\$ 804,536	\$ 30,819	\$ (51,265)	\$ -	\$ 784,090	\$ (0)	\$ -	\$ -	\$ -	0%	\$ 784,090
2043	\$ 842,651	\$ 32,279	\$ (52,802)	\$ -	\$ 822,128	\$ (0)	\$ -	\$ -	\$ -	0%	\$ 822,128
2044	\$ 882,572	\$ 33,808	\$ (54,387)	\$ -	\$ 861,993	\$ (0)	\$ -	\$ -	\$ -	0%	\$ 861,993
2045	\$ 924,384	\$ 35,410	\$ (56,018)	\$ -	\$ 903,776	\$ (0)	\$ -	\$ -	\$ -	0%	\$ 903,776
TOTAL	\$ 16,450,503	\$ 650,194	\$ (1,259,181)	\$ (198,821)	\$ 15,642,696		\$ (4,700,247)	\$ (2,093,987)	\$ (7,151,826)		\$ 8,490,870

Actual

FYE	Utility Savings	REC Sales	O&M Expense	Other Exp	Net Operating Savings	Principal Balance	Principal Payment	Interest Payment	Total Debt Service	DSCR	Net Cash Flow
Y0	\$ -	\$ -	\$ -	\$ (239,947)	\$ (239,947)	\$ 5,000,000	\$ (85,046)	\$ (65,104)	\$ (150,150)		\$ (390,097)
2016	\$ 102,607	\$ -	\$ (35,575)	\$ -	\$ 67,032	\$ 4,914,954	\$ (174,905)	\$ (182,686)	\$ (357,591)	19%	\$ (290,559)
2017	\$ 363,593	\$ -	\$ (35,575)	\$ (24,528)	\$ 303,491	\$ 4,740,049	\$ (181,525)	\$ (176,066)	\$ (357,591)	85%	\$ (54,101)
2018	\$ 370,590	\$ -	\$ (35,575)	\$ -	\$ 335,016	\$ 4,558,524	\$ (188,396)	\$ (169,195)	\$ (357,591)	94%	\$ (22,576)
2019	\$ 128,315	\$ -	\$ (35,575)	\$ -	\$ 92,740	\$ 4,370,127	\$ (195,528)	\$ (162,064)	\$ (357,591)	0%	\$ (264,851)
2020	\$ 1,075,131	\$ -	\$ (35,575)	\$ -	\$ 1,039,556	\$ 4,174,600	\$ (202,929)	\$ (154,663)	\$ (357,591)	0%	\$ 681,965
2021	\$ 119,612	\$ -	\$ (35,575)	\$ -	\$ 84,038	\$ 3,971,671	\$ (210,610)	\$ (146,982)	\$ (357,591)	0%	\$ (273,554)
2022	\$ 1,237,537	\$ -	\$ (35,575)	\$ -	\$ 1,201,963	\$ 3,761,062	\$ (265,862)	\$ (73,103)	\$ (338,964)	0%	\$ 862,998
2023	\$ 789,568	\$ -	\$ (35,575)	\$ -	\$ 753,993	\$ 3,495,200	\$ (241,121)	\$ (97,844)	\$ (338,964)	0%	\$ 415,029
2024	\$ 61,805	\$ -	\$ (35,575)	\$ -	\$ 26,231	\$ 3,254,079	\$ (123,098)	\$ (46,384)	\$ (169,482)	0%	\$ (143,252)
2025	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ -
2026	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ -
2027	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ -
2028	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ -
2029	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ -
2030	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ -
2031	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ -
2032	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ -
2033	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ -
2034	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ -
2035	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ -
2036	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ -
2037	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ -
2038	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ -
2039	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ -
2040	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ -
2041	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ -
2042	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ -
2043	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ -
2044	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ -
2045	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ -
TOTAL	\$ 4,248,759	\$ -	\$ (320,172)	\$ (264,475)	\$ 3,664,112		\$ (1,869,019)	\$ (1,274,090)	\$ (3,143,108)		\$ 521,003



DATE: October 17, 2023
 TO: Board of Directors
 FROM: Don Bartz, General Manager/Treasurer
 BY: David Noland, Finance Supervisor

Cash / Investment Report 30-Sep

Institution	Account Type	Amount	Interest Rate	Maturity Date	Market Value	% of total Funds
<u>CHECKING ACCOUNTS</u>						
Flagstar Bank (DCB)	Checking / Sweep	\$ 12,849.98	2.50%	N/A	\$ 12,849.98	0.05%
<u>INVESTMENT ACCOUNTS</u>						
State of California	LAIF	\$40,597.65	3.50%	N/A	\$ 40,597.65	0.15%
California CLASS	JP Investment Pool	\$12,455,995.48	5.48%	N/A	\$ 12,455,995.48	46.37%
Flagstar Bank (DCB)	Savings	\$830,683.21	3.95%	N/A	\$ 830,683.21	3.09%
Flagstar Bank (DCB)	CD (1 yr.)	\$2,500,000.00	4.53%	11/9/2023	\$ 2,500,000.00	9.31%
Flagstar Bank (DCB)	CD (1 yr.)	\$1,000,000.00	4.83%	11/29/2023	\$ 1,000,000.00	3.72%
Flagstar Bank (DCB)	CD (2 yr.)	\$5,000,000.00	4.57%	11/29/2024	\$ 5,000,000.00	18.61%
Flagstar Bank (DCB)	CD (2 yr.)	\$1,000,000.00	4.08%	5/8/2025	\$ 1,000,000.00	3.72%
Flagstar Bank (DCB)	CD (3 yr.)	\$1,000,000.00	4.30%	11/29/2025	\$ 1,000,000.00	3.72%
Flagstar Bank (DCB)	CD (4 yr.)	\$1,000,000.00	4.15%	11/29/2026	\$ 1,000,000.00	3.72%
Charles Schwab	US Treasury (3 yr.)	\$994,000.00	4.25%	11/29/2025	\$ 978,313.39	3.70%
Charles Schwab	CD (2 yr.)	\$250,000.00	4.80%	5/19/2025	\$ 248,158.50	0.93%
Charles Schwab	CD (3 yr.)	\$250,000.00	4.60%	5/15/2026	\$ 246,683.50	0.93%
Charles Schwab	CD (3 yr.)	\$250,000.00	4.65%	5/19/2026	\$ 247,028.00	0.93%
Charles Schwab	CD (3 yr.)	\$21,000.00	4.50%	5/29/2026	\$ 20,701.02	0.08%
Charles Schwab	CD (4 yr.)	\$250,000.00	4.50%	5/17/2027	\$ 247,200.00	0.93%
<u>MISC ACCOUNTS</u>						
Cnty/Change Fund/Petty Cash		\$ 7,219.62		N/A	\$ 7,219.62	0.03%
TOTAL		\$ 26,862,345.94			\$ 26,835,430.35	100%

Statement on Compliance with Investment Policy

The District is in compliance with the adopted Investment Policy

Statement of Ability to Meet Required Expenditures for the Next Six Months

Based upon currently budgeted revenues and expenditures, the District has sufficient financial resources to meet the anticipated expenditures for the next six months of 10/1/2023 through 4/1/2024