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FINANCE COMMITTEE MEETING AGENDA

October 18, 2022 – 4:30 P.M.
Phelan Community Center
4128 Warbler Road, Phelan, CA 92371
& Via Conference Call (see below)

THIS MEETING WILL BE CONDUCTED PURSUANT TO THE PROVISIONS OF AB361, WHICH EFFECTIVE OCTOBER 1, 2021, MODIFIED CERTAIN REQUIREMENTS OF THE RALPH M. BROWN ACT WITH RESPECT TO REMOTE TELECONFERENCE BOARD MEETINGS DURING PERIODS OF STATE-DECLARED EMERGENCIES.

Pursuant to AB361, and as a precaution to our Board of Directors, District staff, and general public as a result of the ongoing COVID-19 pandemic, the Phelan Pinon Hills Community Services District will hold this meeting of its Board of Directors both in-person at the above location and via teleconference or video conference. Members of the public may watch and participate in the meeting by physical attendance or by Zoom or telephone conference via the remote instructions below.

REMOTE PARTICIPATION INFORMATION:

Dial-in

(669) 444-9171
Meeting ID: 818 9665 3411
Passcode: 414035

Zoom

<https://us06web.zoom.us/j/81896653411?pwd=Q2VHWnovRDU3dIVRa0ZObXhGU3hpdz09>
Meeting ID: 818 9665 3411
Passcode: 414035

One-Tap Mobile

+16694449171,,81896653411#

Remote Comment Procedure:

- You will be muted until you are called on during the public comment period.
- You will be recognized by the last 4 digits of your phone number or Zoom ID and asked if you have a comment.
 - If you do not have a comment, state “no comment.”
 - If you do have a comment, please state your name, where you live, and limit your comment to 5 minutes. After 5 minutes you may be muted so that others can comment.
- You may also email your public comment to the Board Secretary at ksevy@pphcsd.org by 4:30 p.m. on October 18, 2022. Your comment will be read into 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.



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

FINANCE COMMITTEE MEETING – 4:30 P.M.

Call to Order – Pledge of Allegiance

Roll Call1) **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. *If you are attending remotely and you wish to address the Board, please do so by the method listed on the first page of this agenda.* 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 Disbursements**5) **Review of Financials**6) **Review of Solar Project Credits & Expenses**7) **Review of Preliminary Audit Report**

- Fedak & Brown, LLP

8) **Committee Comments**9) **Review of Action Items**

- a) Prior Meeting
- b) Current Meeting

10) **Set Agenda for Next Meeting** – January 17, 202311) **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.

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

FINANCE COMMITTEE MEETING MINUTES

July 19, 2022

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

Board Members Present: Mark Roberts, Chair
Rebecca Kujawa, President

Board Members Absent: None

Staff Present: Lori Lowrance, Assistant General Manager/CFO
David Noland, Accountant
Aimee Williams, Administrative Technician II

Guests/Public: None

Call to Order

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

Director Roberts was appointed as Chair of the committee.

Roll Call

All Committee Members were present at Roll Call.

1) **Approval of Agenda**

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

2) **Public Comment** – None

3) **Approval of Minutes**

Director Roberts moved to approve the Minutes. President Kujawa seconded the motion. Motion passed unanimously.

4) **Review of Disbursements**

The Committee reviewed the disbursements.

5) **Review of Financials**

The Committee reviewed the financials.

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

The Committee reviewed the solar project credits and expenses.

7) Committee Comments

Nothing further.

8) Review of Action Items

- a) **Prior Meeting** – Completed
- b) **Current Meeting** – Verify that the cost of land for Well No. 15 is being accounted for in the Chromium-6 Project.

9) Set Agenda for Next Meeting

- Regular Meeting – October 18, 2022
- Future Special Meeting – Audit Review (Date TBD)
- Future Special Meeting – Phelan Park Expansion Financing Options (Date TBD)

10) Adjournment

With no further business before the Committee, the meeting adjourned at 4:41 p.m.

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



Cash Disbursements Report

By Payment Number

Payment Dates 09/01/2022 - 09/30/2022

Payment Number	Payment Date Payable Number	Vendor # Description	Vendor Name	Account Number	Project Account Key	Payment Amount Item Amount
495	9/15/2022 070822	FRARAM Reimb. - T2 Cert Renewal Fee	Frank J Ramirez	01-1-1-54260		60.00 60.00
496	9/28/2022 092822 092822 092822	DEBPHI Sept. Mileage - Auto Expense (Solid Was.. Sept. Mileage - Board, Solid Waste, ASB... Sept. Mileage - Solid Waste	Deborah Jeanne Philips	01-0-1-52210 01-0-1-52219 25-5-1-52210		56.88 -6.25 56.88 6.25
497	9/28/2022 09122022	LANMAR Reimb - Safety Work Boots	Lance Marckstadt	01-1-2-54680		200.00 200.00
33056	9/15/2022 090622	1322 Maintenance Bod Reimbursement for 3...	1322 Holdings LLC	01-1-0-23330		5,700.00 5,700.00
33057	9/15/2022 1469 1471 1475	ADD HEA Phelan CC & Sr. Ctr. A/C Repairs Phelan CC & Sr. Ctr Leak in Men's Restr... HV/AC Timer Replacement, Phelan & Pi...	Addison Heating & Air Conditioning	22-2-2-54620 22-2-2-54620 22-2-2-54620		1,341.80 434.00 225.80 682.00
33058	9/15/2022 42078	A CLEAN Office Carpet Cleaning	All Clean Pros, INC,	01-0-1-53150		1,180.00 1,180.00
33059	9/15/2022 2384764	AWWA Membership Renewal 08/01/22 - 07/31...	American Water Works Assn	01-0-1-54230		2,443.00 2,443.00
33060	9/15/2022 77955	APEREN Forklift Rental to Unload 12" Ductile for...	Apex Rentals	01-0-0-17000	C0095 OUTSIDE SVCS	436.00 436.00
33061	9/15/2022 091922 091922-2 091922-2	ASBCSD Sept. Meeting - Don Sept. Meeting - Rebecca Sept. Meeting - Deborah	Assn of SB County Special Districts	01-0-1-54440 01-0-1-52232 01-0-1-52239		108.00 36.00 36.00 36.00
33062	9/15/2022 15003515032 15003515032	CALTRANS Loan Pmt #32 Interest Pmt #32	California Department of Transportation	01-1-0-29740 01-1-1-91010		6,615.38 6,481.17 134.21
33063	9/15/2022 090722	CHAPOR Approved Claim Due to Meter Leak	Charissa Porcu	01-1-6-59310		100.00 100.00
33064	9/15/2022 083122 083122 4129465997	CIN UNI Uniform Rental Svcs. - Aug. Uniform Rental Svcs. - Aug. Vehicle Wash Station Supplies	Cintas Corporation	01-1-1-54680 22-2-1-54680 01-1-8-54710		531.47 448.28 46.90 36.29
33065	9/15/2022 9085-1018111	CED Color Identifiers for Generator Leads	Consolidated Electrical Distributors Inc	01-1-2-54620		411.08 411.08
33066	9/15/2022 R480359 R489133	CORE (70) 1x3 Repair Clamps (70) 1x3 Repair Clamps	Core & Main	01-1-0-13010 01-1-0-13010		4,967.50 2,483.75 2,483.75
33067	9/15/2022 083122	SBC LIENS (54) Lien Release Dues	County of San Bernardino	01-1-1-54830		1,080.00 1,080.00
33068	9/15/2022 109049	SBC PARCELS (1) Parcel Map Revision	County of San Bernardino	01-1-1-54830		2.00 2.00

Cash Disbursements Report

Payment Dates: 09/01/2022 - 09/30/2022

Payment Number	Payment Date Payable Number	Vendor # Description	Vendor Name	Account Number	Project Account Key	Payment Amount Item Amount
33069	9/15/2022	CR&R	CR&R Incorporated			969.46
	736418-4538	Trash - Oasis Yard Sept.		01-0-2-58110		279.37
	736418-4538-2	Trash - Additional Bins for Oasis Yard		01-0-2-58110		72.99
	736693-1564	Trash - Pinon Hills Park Sept.		22-0-2-58110		194.88
	736967-8478	Trash - Phelan CSD Sept.		01-0-1-58110		211.11
	736967-8478	Trash - Phelan CC Sept.		22-0-2-58110		211.11
33070	9/15/2022	DVMG	Desert Valley Medical Group Inc			60.00
	11736	DOT Physical - M. Lewis		01-0-1-54290		60.00
33071	9/15/2022	STREAM	Digital Deployment, Inc.			300.00
	6507EC66-0005	Website Hosting - Sept.		01-0-1-53170		300.00
33072	9/15/2022	DLTSOL	DLT Solutions LLC			2,420.60
	5100844A	Autodesk Annual SubscriptionRenewal		01-7-7-53170		2,420.60
33073	9/15/2022	EWIDEV	Ewing Development			12,625.00
	6192	Pinon Hills Park Retaining Wall		22-2-2-54620		5,250.00
	6193	Pinon Hills C.C. Restrooms Wall Panel R...		22-2-2-54620		7,375.00
33074	9/15/2022	CHAFED	Fedak & Brown LLP			8,424.00
	083122	Professional Svcs. - Aug.		01-0-1-53110		8,424.00
33075	9/15/2022	FRO 5743	Frontier Communications			83.02
	090722	Phones - Office 9/7 - 10/6		01-0-1-58010		83.02
33076	9/15/2022	GARDA	Garda CL West, Inc			606.54
	10707224	Armored Svcs. - Sept.		01-0-1-54200		606.54
33077	9/15/2022	GREEAR	GreenEarth Landscape			45.00
	455	Phelan Park Maint. - Sept.		22-2-2-53150		45.00
33078	9/15/2022	IB CON	IB Consulting, LLC			4,290.00
	19299	Rate & Capacity Fee Study - for June		01-1-1-53150		1,950.00
	19320	Capacity Fee Study Internal Review		01-1-1-53150		2,340.00
33079	9/15/2022	KTUA	KTUA&A Planning & Landcape Architecture			7,767.50
	34149	Phelan Community Park Project - Archit...		22-2-0-17000	C0078 OUTSIDE SVCS	7,767.50
33080	9/15/2022	LOWES	Lowe's Credit			1,614.60
	2250836	Tools for Trk #20 & #24		01-1-2-54650		922.16
	2516966	Tool Boxes & Small Tools for Trk #18		01-1-2-54650		692.44
33081	9/15/2022	ANDTRU	Mills Hardware			823.01
	083122	Inv #311263 Bulbs for Shop		01-1-1-54620		68.92
	083122	Inv #311265 U-Bolts for Racks		01-1-2-54500		40.28
	083122	Inv #311261 Sealant		01-1-2-54500		11.84
	083122	Inv #311158 ExtractorScrew Drill		01-1-2-54620		22.88
	083122	Inv #311237 Adapter		01-1-2-54620		7.85
	083122	Inv #311169 Ant Spray		01-1-2-54620		12.91
	083122	Inv #311222 Clamps, Socket		01-1-2-54620		33.37
	083122	Inv #311242 Galvanized Parts		01-1-2-54620		26.68
	083122	Inv #311221 Drill Bit, Tape Measure		01-1-2-54650		60.31
	083122	Inv #3111201- Foses & Jumper for Boos...		01-1-5-54620		70.85
	083122	Inv #311238 2" Meter Adapters		01-1-6-54620		27.98
	083122	Inv #311235 Rope		01-1-6-54620		28.00
	083122	Inv #311151 Plastic Key		01-1-6-54620		16.96
	083122	Inv #311304 Magnets to Locate Meters		01-1-6-54620		20.45
	083122	Inv #311236 - Wall Texture		22-2-2-54620		24.77
	083122	Inv #311177 - Adhesive		22-2-2-54620		7.53
	083122	Inv #31207 - (9) Tubing Vinyl & Plastic F...		22-2-2-54620		16.27
	083122	Inv #311229 - Paste, Mud, Brush Paint, ...		22-2-2-54620		127.90
	083122	Inv #311171 - Paint, LIners, Trays, Rollers		22-2-2-54620		84.44

Cash Disbursements Report

Payment Dates: 09/01/2022 - 09/30/2022

Payment Number	Payment Date Payable Number	Vendor # Description	Vendor Name	Account Number	Project Account Key	Payment Amount Item Amount
	083122	Inv #311173 - Thinner Acetone		22-2-2-54620		41.99
	083122	Inv #311249 - Gal Base Paint		22-2-2-54620		70.83
33083	9/15/2022 263390705001	OFFDEP Envelopes (3) Boxes	Office Depot	01-0-1-54530		226.24 226.24
33084	9/15/2022 I-02036228-2 I-02041366	OFFSOL Push Pins Office Supplies, Toners, Paper Clips, Pen...	Office Solutions	01-0-1-54530 01-0-1-54530		488.28 4.17 484.11
33085	9/15/2022 4472368	PATSAL Steel for Pipe Repairs	Patton Sales Corp	01-1-2-54620		352.23 352.23
33086	9/15/2022 38545 38730	PHEEXP Truck #16 - Oil Change Truck #25 - Oil Change	Phelan Express, Inc.	01-1-8-54710 01-1-8-54710		216.25 95.17 121.08
33087	9/15/2022 083122	PIT RES Postage Refill for Account 49352339	Pitney Bowes Bank Inc. Reserve Account	01-0-1-54860		500.00 500.00
33088	9/15/2022 RC736958 RC736958 RC736958 RC736958 RC736958 RC736958	RACE Phones-Internet CSD Sept Phones-Internet, CSD Credit Sept Phones-Internet Shop Sept Phones-Internet Phelan CC Credit Sept Phones-Internet Phelan CC, Sept Phones-Internet Pinon CC Sept	Race Communications	01-0-1-58010 01-0-1-58010 01-1-1-58010 22-0-1-58010 22-0-1-58010 22-0-1-58010		618.00 254.50 -100.00 204.50 -200.00 204.50 254.50
33089	9/15/2022 2061040 7056801 7067541	REBEL Clarion FM AW 32. Oil Qty. (45) Fuel - 487 Gl. Fuel - 456 Gl.	Rebel Oil Company, Inc.	01-1-2-54500 01-1-8-54410 01-1-8-54410		6,101.54 1,434.18 2,377.31 2,290.05
33090	9/15/2022 72807	SDRMA FY 2021-2022 Annual Reconciliation	Special District Risk Management Authority	01-0-0-24540		4,665.63 4,665.63
33091	9/15/2022 4754 4755	STEDES Civic Center Phase 1 Civic Center Master Plan	Steen Design Studio, Inc	01-0-0-17000 22-2-0-17000	C0002 OUTSIDE SVCS C0078 OUTSIDE SVCS	127,631.40 97,931.40 29,700.00
33092	9/15/2022 083122	STE FIL Legal Svcs. Aug.	Steve A. Filarsky	01-0-1-53120		2,975.00 2,975.00
33093	9/15/2022 26080	TOPNOT Software Support - Sept.	Top Notch Networking, LLC	01-0-1-53170		3,167.80 3,167.80
33094	9/15/2022 1095774	TOPBAR (40) Cones & (15) Delineators for Traffic...	Tops N Barricades	01-1-2-54500		1,132.45 1,132.45
33095	9/15/2022 215366 215366 215366	TURSEC Monitoring Svc. - Sept. Monitoring Svc. - Sept. Monitoring Svc. - Sept.	Turner Security, Inc	01-0-1-53150 01-1-2-53150 22-2-2-53150		373.60 46.95 211.75 114.90
33096	9/15/2022 22-2300736 820220551	USA USA Dig Safe Regulatory Fee 113 Tickets	Underground Service Alert of So. Cal.	01-1-1-53160 01-1-2-53150		317.80 111.80 206.00
33097	9/15/2022 3474770	XEROX Copier Lease 9/12 - 10/11	Xerox Corporation	01-0-1-54300		280.55 280.55
33108	9/28/2022 0049 0049	ASBCSD Sept. Meeting - Kathy Sept. Meeting - H. Bartz	Assn of SB County Special Districts	01-0-1-52238 01-0-1-54440		72.00 36.00 36.00

Cash Disbursements Report

Payment Dates: 09/01/2022 - 09/30/2022

Payment Number	Payment Date Payable Number	Vendor # Description	Vendor Name	Account Number	Project Account Key	Payment Amount Item Amount
33109	9/28/2022	ATK	Atkinson, Andelson, Loya, Ruud & Romo Professional Corp. Attorneys at Law			426.42
	657957	Mojave Adjudication Legal Svcs - July		01-0-1-53120	C0057 LEGAL	355.35
	660310	Lahontan Consulting Svcs - Re: Water Q...		01-0-1-53120	C0099 LEGAL	71.07
33110	9/28/2022	BRUMCE	Brunick, McElhane & Kennedy			1,875.00
	177	Legal Svcs. - Aug.		01-0-1-53120		931.25
	177	Legal Svcs. - Aug.		01-0-1-53120	C0085 LEGAL	62.50
	177	Legal Svcs. - Aug.		01-1-1-53120		531.25
	177	Legal Svcs. - Aug.		01-7-7-53120		31.25
	177	Legal Svcs. - Aug.		22-2-0-17000	C0078 ENGINEERING	62.50
	177	Legal Svcs. - Aug.		25-0-1-53120		256.25
33111	9/28/2022	CINFIR	Cintas			554.40
	5125367328	First Aid Supplies - CSD		01-0-1-54500		243.33
	5125367328	First Aid Supplies - CSD		22-0-1-54500		4.97
	5125367337	First Aid Supplies - Shop		01-1-1-54500		306.10
33112	9/28/2022	CED	Consolidated Electrical Distributors Inc			1,499.54
	9085-1026659	Fill Station Electrical Conduit for 110V @..		01-1-2-54620		1,097.09
	9085-1026815	Fill Station 120/208 Power		01-1-2-54620		85.91
	9085-1027019	Fill Station Electrical 120/208		01-1-2-54620		316.54
33113	9/28/2022	DONBAR	Don Bartz			344.12
	093022	Mileage Reimbursement - Sept.		01-0-1-54140		380.12
	093022	ASBCSD Meeting for Edie Bartz		01-0-1-54440		-36.00
33114	9/28/2022	VALLE	Don Gene Fish Jr.			2,450.00
	VVP-0395-1	Town Hall Meeting - July		01-0-1-53150	C0086 OUTSIDE SVCS	350.00
	VVP-0395-2	Streaming Services - Aug		01-0-1-53150	C0086 OUTSIDE SVCS	700.00
	VVP-0395-2	Streaming Services - Aug		01-7-7-53150		350.00
	VVP-0395-2	Streaming Services - Aug		22-2-2-54800		700.00
	VVP-0395-2	Streaming Services - Aug		25-5-1-54800		350.00
33115	9/28/2022	FRO 3434	Frontier Communications			182.00
	09282022	Phones - Telemetry 9/10-10/9		01-1-5-58010		182.00
33116	9/28/2022	INFOSE	Infosend Inc			8,953.68
	219978	Postage & Printing - Aug.		01-1-6-54860		5,449.02
	219978	SBC Fire Print		01-1-6-54890		43.41
	219978	Postage & Printing - Aug.		01-1-6-54890		2,145.98
	219978	Postage & Printing - Aug.		01-1-9-54800	C0049 OUTSIDE SERVICE	862.37
	219978	Postage & Printing - Aug.		22-2-2-54800		452.90
33117	9/28/2022	INLWAT	Inland Water Works Supply Co.			54,525.05
	S1054407-007	(1014 ft.) 12" Ductile Pipe		01-0-0-17000	C0095 OUTSIDE SVCS	48,620.03
	S1055390.014	(50) Meter Bushings		01-1-0-13010		1,141.61
	S1055390-005	(1) 5 1/4 Centurion Traffic Repair Kit		01-1-0-13010		323.25
	S1055390-005	(200 ft.) 1" Poly Pipe		01-1-0-13010		334.03
	S1055391.012	3/4 CTS Angle Stop		01-1-0-13010		191.15
	S1059219-002	(100)1x1/8 & (100)3/4 Meter Gaskets		01-1-2-54620		517.20
	S1059316.001	1 1/4" Poly Pipe		01-1-0-13010		2,715.30
	S1059316.001	2" Poly Coils (100 ft Coil)		01-1-0-13010		926.22
	S1059316.001	(2) 6" Flex Couplings		01-1-0-13010		486.06
	S1059316.001	8" x 10" Flex Coupling		01-1-0-13010		285.36
33118	9/28/2022	INS OF LOCAL	Institute of Local Government			625.00
	2498	TIERS Public Engagement Training for K...		01-0-1-54260		625.00
33119	9/28/2022	LIN SVC	Richard J. Linsalato			605.00
	2022092	Janitorial Svcs - CSD		01-0-1-54320		310.00
	2022092	Janitorial Svcs - Oasis		01-1-1-54320		225.00
	2022092	Janitorial Svcs - CC Windows		22-0-1-54320		70.00

Cash Disbursements Report

Payment Dates: 09/01/2022 - 09/30/2022

Payment Number	Payment Date Payable Number	Vendor # Description	Vendor Name	Account Number	Project Account Key	Payment Amount Item Amount
33120	9/28/2022 525808	PAP REC On-Site Shredding	Paper Recycling & Shredding Specialist	01-0-1-53150		68.00 68.00
33121	9/28/2022 2061311-IN 7057346-IN	REBEL Grease for Booster & Backhoe, Multi-Pu... Fuel - 425 Gl	Rebel Oil Company, Inc.	01-1-2-54620 01-1-8-54410		2,519.01 220.01 2,299.00
33122	9/28/2022 3912 3912 3912	RECESS Travel Fee for Town Hall Event Travel Fee for July Town Hall Event Travel Fee for Town Hall Event	Recess Inc.	01-1-1-54800 22-2-2-54800 25-5-1-54800		650.00 216.67 216.66 216.67
33123	9/28/2022 123548143	SITEONE Non inventory Pvc Parts	SiteOne Landscape Supply Holding, LLC	01-1-2-54620		1,912.93 1,912.93
33124	9/28/2022 100122 100122 100122	STAINS LTD/Life/AD&D - Oct. LTD/Life/AD&D - Oct. LTD/Life/AD&D - Oct.	Standard Insurance Company	01-0-1-51230 01-7-7-51230 22-0-1-51230		1,213.74 1,018.96 114.97 79.81
33125	9/28/2022 26163 VoIP1604974	TOPNOT Battery Replaced Office Phones 9/20-10/19	Top Notch Networking, LLC	01-0-1-54530 01-0-1-58010		797.65 342.85 454.80
33126	9/28/2022 09282022	TRICOM Movie Night Snack Purchases	Kiwanis Club International Inc	22-2-2-54800		780.72 780.72
33127	9/28/2022 025-393824 025-393824	TYLTEC ERP Annual Fees - Tax Liens, Utilities, M... ERP Annual Fees - UB Support - Nov.	Tyler Technologies, Inc	01-0-0-14100 01-1-6-53170		13,749.08 13,484.08 265.00
33128	9/28/2022 50555613	UNIVAR Liquid Chlorine - 566 GL	UNIVAR INC.	01-1-3-54500		2,081.26 2,081.26
33129	9/28/2022 09/14/2022	IMA SOU Base Rate & Copies	Visual Edge, Inc.	01-0-1-53150		444.79 444.79
33130	9/28/2022 81193489 81193489 81193489 81193489 81193489 81193489 81193489	WAXIE Paper Towels HANDSOAP FOR FIELD YARD RECYCLED TOILET TISSUE 1 FOR FIELD, 2... BLEACH FOR PARKS SHIPPING RECYCLED TOILET TISSUE 1 FOR FIELD, 2... TRASH BAGS FOR PARKS	Waxie Enterprises, Inc	01-1-1-54500 01-1-1-54500 01-1-1-54500 22-2-2-54500 22-2-2-54500 22-2-2-54500 22-2-2-54500		735.90 101.90 117.78 122.37 35.62 9.80 122.36 226.07
DFT0011326	9/2/2022 INV0005036 INV0005036	CALPERS 457 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		275.00 265.99 9.01
DFT0011327	9/2/2022 INV0005037 INV0005037 INV0005037 INV0005037	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		2,912.23 2,267.70 217.82 257.65 169.06
DFT0011328	9/2/2022 INV0005038 INV0005038 INV0005038	CALPERS 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		3,479.89 2,724.40 394.11 361.38
DFT0011329	9/2/2022 INV0005039 INV0005039	CALPERS CalPERS/Employer Portion CalPERS/Employer Portion	Calif Public Employees' Retirement System	01-1-0-24530 01-7-0-24530		8,098.98 6,295.11 812.02

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Payment Number	Payment Date Payable Number	Vendor # Description	Vendor Name	Account Number	Project Account Key	Payment Amount Item Amount
	INV0005039	CalPERS/Employer Portion		22-2-0-24530		804.76
	INV0005039	CalPERS/Employer Portion		25-5-0-24530		187.09
DFT0011330	9/2/2022	CALPERS	Calif Public Employees' Retirement System			23.25
	INV0005040	CalPERS Retirement/ Survivor Benefits		01-1-0-24530		18.07
	INV0005040	CalPERS Retirement/ Survivor Benefits		01-7-0-24530		1.94
	INV0005040	CalPERS Retirement/ Survivor Benefits		22-2-0-24530		2.75
	INV0005040	CalPERS Retirement/ Survivor Benefits		25-5-0-24530		0.49
DFT0011331	9/2/2022	CALPERS 457	California Public Employees' Deferred Compensation Plan			136.03
	INV0005041	457 Loan Payback		01-1-0-24560		136.03
DFT0011332	9/2/2022	EDD	Employment Development Department			955.96
	INV0005042	State Disability Ins - Payroll Taxes		01-0-0-24510		955.96
DFT0011333	9/2/2022	IRS	Internal Revenue Service			216.34
	INV0005043	Social Security - Payroll Taxes		01-0-0-24510		216.34
DFT0011334	9/2/2022	EDD	Employment Development Department			3,776.79
	INV0005044	CA State Income Tax - Payroll Taxes		01-0-0-24510		3,776.79
DFT0011335	9/2/2022	IRS	Internal Revenue Service			2,866.42
	INV0005045	Medicare - Payroll Taxes		01-0-0-24510		2,866.42
DFT0011336	9/2/2022	IRS	Internal Revenue Service			10,727.62
	INV0005046	Federal Income Tax - Payroll Taxes		01-0-0-24510		10,727.62
DFT0011337	9/1/2022	FBC-SEAN	First Bank Card			1,286.30
	083122	Rick's Cafe - Consolidation Meeting		01-0-1-54440		42.27
	083122	OWP - Water Treatment Course - Lance		01-1-1-54260		167.53
	083122	CA-NV AWWA Water Use Efficiency		01-1-1-54260		100.00
	083122	The Grandview - Tri-State Stay		01-1-1-54470		111.87
	083122	Amazon - Ear Plugs		01-1-2-54500		47.39
	083122	Amazon - 10 Pipe Sealant Conatiners for..		01-1-2-54620		132.00
	083122	UPS - Meter Reading Equipment Mailed		01-1-6-54860		54.20
	083122	Verizon Fleet GPS - Aug.		01-1-8-54300		322.15
	083122	Verizon Fleet GPS - July		01-1-8-54300		308.89
DFT0011338	9/1/2022	FBC-STEVE	First Bank Card			965.47
	083122	Ricks Cafe Staff Meeting		01-0-1-54440		126.34
	083122	Guitar Center - Cord & Mic.		01-0-1-54500		144.37
	083122	Diamond Env. Cancelled Rental		22-2-2-54500		-481.75
	083122	Diamond Env. Porta Potty Rental for Ev...		22-2-2-54500		481.75
	083122	Webstaurant Store		22-2-2-54620		273.88
	083122	Lowe's - Maint. Supplies		22-2-2-54620		97.24
	083122	HD Supplies - Flag		22-2-2-54620		80.55
	083122	Dunn Edwards Paint for Phelan Unit A		22-2-2-54620		243.09
DFT0011339	9/1/2022	VSP	Vision Service Plan			453.25
	815872433	Vision Insurance - Sept.		01-0-0-14130		453.25
DFT0011340	9/15/2022	SCE 4241-7012	Southern California Edison			207.03
	083122	Electricity - S. Dairy Mobile 8/1-8/29		01-1-3-58110		207.03
DFT0011341	9/15/2022	SCE 3752-2894	Southern California Edison			155.71
	083122	Electricity - N. Dairy Mobile 8/1-8/29		01-1-3-58110		155.71
DFT0011342	9/2/2022	AME SUP	American Fidelity Assurance			407.54
	D491842	Supplemental Life Insurance - Aug.		01-0-0-24580		407.54
DFT0011343	9/1/2022	FBC-JENNIFER	First Bank Card			1,927.65
	083122	Amazon - Ipad Glass		01-0-1-54530		22.82
	083122	Lazy Dog		01-1-1-54470		68.68
	083122	PSI Svc - Drone Test Cert		01-1-1-54500		175.00

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Payment Number	Payment Date Payable Number	Vendor # Description	Vendor Name	Account Number	Project Account Key	Payment Amount Item Amount
	083122	1 Stop Fix for Paul's Ipad		01-1-1-54530		50.00
	083122	Amazon - Operating Supplies		01-1-2-54500		141.28
	083122	Amazon - Field Supplies		01-1-2-54500		343.50
	083122	PPH Fill Station Test		01-1-2-54500		25.00
	083122	Print Dirt - Door Tags		01-1-6-54500		216.26
	083122	High Desert Lock and Safe - Trk #21, 110...		01-1-8-54710		224.95
	083122	Magnets for Trucks		01-1-8-54710		136.16
	083122	Amazon - Vehicle Brush		01-1-8-54710		68.74
	083122	MCW Team Speed Wash - Trk #28		01-1-8-54710		7.00
	083122	Amazon CD Drive		22-2-2-54530		27.99
	083122	Amazon - Phun Days Items		22-2-2-54800		24.57
	083122	Idea Stage - Solid Waste Giveaways		25-5-1-54800		395.70
DFT0011344	9/1/2022	FBC-MICHAEL	First Bank Card			168.01
	083122	A & B Hitches Vactor #113 U-bolt, axle r...		01-1-8-54710		38.73
	083122	A & B Hitches Vactor #113 Leaf Springs ...		01-1-8-54710		129.28
DFT0011345	9/1/2022	FBC-DEBORAH	First Bank Card			513.42
	083122	Alfredos Pizza - CSDA Conf. Meal		01-0-1-52229		40.00
	083122	Starbucks - CSDA Conf. Meal		01-0-1-52229		20.00
	083122	Starbucks - CSDA Conf. Meal		01-0-1-52229		20.00
	083122	Marriott - CSDA Conf. Stay		01-0-1-52229		433.42
DFT0011346	9/1/2022	FBC-ERNESTO	First Bank Card			1,396.31
	083122	OSHA - 10 Hr. Course - E. Araiza		01-1-1-54260		98.95
	083122	OSHA - 10 Hr. Course - E. Barnes		01-1-1-54260		73.95
	083122	Garden Buffet Tri-State Meal for Ernesto		01-1-1-54470		29.21
	083122	Steak & Shake - Tri-State Meal for Eric &...		01-1-1-54470		36.72
	083122	Baja Miguels - Tri-State Meals for Ernes...		01-1-1-54470		48.59
	083122	Coronado Cafe - Tri-State Meal for Erne...		01-1-1-54470		21.05
	083122	Coronado Cafe - Tri-State Meal for Erne...		01-1-1-54470		21.05
	083122	South Point - Tri-State Stay for Ernesto		01-1-1-54470		222.80
	083122	Coronado Cafe - Tri-State Meals for Ern...		01-1-1-54470		72.92
	083122	Coronado Cafe - Tri-State Meal for Erne...		01-1-1-54470		21.05
	083122	South Point - Tri State Stay for Eric		01-1-1-54470		222.80
	083122	Amazon - Emergency Lights		01-1-2-54500		280.51
	083122	Amazon - Tripod Light		01-1-2-54500		211.18
	083122	Amazon Radio Batteries		01-1-2-54500		35.53
DFT0011347	9/1/2022	FBC-LORI	First Bank Card			1,178.34
	083122	GFOA Membership for David		01-0-1-54230		150.00
	083122	Motivating Managing Course - Tracie		01-0-1-54260		275.00
	083122	Fred Pryor - Customer Svc Webinar for ...		01-0-1-54260		199.00
	083122	Marriott CSDA - Pre Conference Stay		01-0-1-54470		209.34
	083122	GFOA - Budget Award Application		01-0-1-54530		345.00
DFT0011348	9/1/2022	FBC-KIM	First Bank Card			2,251.73
	083122	Zoom - Cloud Recording		01-0-1-53170	C0086 OUTSIDE SVCS	159.96
	083122	Calendar Wiz Subscription		01-0-1-54230		14.00
	083122	Sophia Learning Membership for Aimee		01-0-1-54260		74.25
	083122	PTI - (3) Cashier & Sup Trainings		01-0-1-54260		315.00
	083122	CSDA - Board Secretary Conf.		01-0-1-54260		550.00
	083122	Crumbl - Safety Meeting		01-0-1-54260		45.00
	083122	Stater Bros. - Town Hall Ice Cream Social..		01-0-1-54440		32.08
	083122	United Airlines - Aimee Conference Airf...		01-0-1-54470		527.20
	083122	Marriott - CSDA Conf. Stay		01-0-1-54470		196.46
	083122	Pizza Factory		01-0-1-54530		42.50
	083122	Amazon - Wireless Keyboard/Mouse C...		01-0-1-54530		37.59
	083122	Cert Mail- Leak Letters		01-1-6-54860		39.34
	083122	Cert. Mail - Leak Letters		01-1-6-54860		16.86

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Payment Number	Payment Date Payable Number	Vendor # Description	Vendor Name	Account Number	Project Account Key	Payment Amount Item Amount
	083122	Sticker Mule - Solid Waste Giveaways		25-5-1-54800		201.49
DFT0011349	9/15/2022	THEGAS	The Gas Company			70.94
	091422	Gas -Pinon Hills CC 7/29-8/29		22-0-2-58110		70.94
DFT0011350	9/15/2022	THEGAS	The Gas Company			15.29
	083122	Gas - Pinon Hills Fire 7/29-8/29		22-0-2-58110		15.29
DFT0011351	9/14/2022	SCE 9515-2666	Southern California Edison			98,798.95
	073022	Electricity - Wells, Tanks		01-1-3-58110		140,747.88
	073022	Electricity - Solar Credits		01-1-3-58115		-41,948.93
DFT0011352	9/14/2022	SCE 1078-5254	Southern California Edison			1,211.64
	083122	Electricity - CC & CSD 8/9 - 9/7		22-0-2-58110		1,211.64
DFT0011353	9/14/2022	SCE 1613-6373	Southern California Edison			15.77
	083122	Electricity - R/ R Crossings 8/1 - 8/31		23-0-2-58210		15.77
DFT0011354	9/14/2022	SCE 5917-6455	Southern California Edison			24.15
	083122	Electricity - Phelan Park St. Lights 8/1 - 8...		22-2-2-58110		24.15
DFT0011355	9/14/2022	SCE 8092-3468	Southern California Edison			589.84
	082922	Electricity - NW Dairy Mobile 8/1 - 8/29		01-1-3-58110		589.84
DFT0011356	9/14/2022	SCE 7441-5755	Southern California Edison			616.09
	083122	Electricity - Pinon Hills CC 8/3 - 8/31		22-0-2-58110		616.09
DFT0011357	9/1/2022	FBC-CHRIS	First Bank Card			2,125.89
	083122	EOU - Tuition Fees		01-1-1-54260		255.00
	083122	Amazon - Ipad Case & Screen Protector		01-1-2-54500		95.82
	083122	Amazon Refund - Ipad Case Returned		01-1-2-54500		-25.48
	083122	Amazon - Ipad Case		01-1-2-54500		32.27
	083122	Amazon - Cordless Drill		01-1-2-54620		314.85
	083122	Amazon - Plug for Vactor & Tape for Hy...		01-1-2-54620		85.11
	083122	Amazon - Bumper Vise for Trk #29 & #30		01-1-2-54650		377.10
	083122	Amazon - Impact Wrench		01-1-2-54650		377.70
	083122	Amazon - Pliers		01-1-2-54650		131.30
	083122	Pipe Vise for Trk #29 & #30		01-1-2-54650		496.46
	083122	Walmart - Saw Blades		01-1-2-54650		430.96
	083122	Single Cylinder - Fuel Cap		01-1-8-54710		43.61
	083122	Safelite Refund - Svc Cancelled		01-1-8-54710		-488.81
DFT0011358	9/1/2022	FBC-GEORGE	First Bank Card			3,076.10
	083122	Adobe Subscription (7) Admin		01-0-1-53170		118.93
	083122	Adobe Subscription for Don		01-0-1-53170		10.96
	083122	Ricks Cafe - Staff Meeting		01-0-1-54440		117.57
	083122	Ricks Cafe - Staff Meeting		01-0-1-54440		101.71
	083122	Mexico Lindo - Staff Meeting		01-0-1-54440		108.68
	083122	Ricks Cafe - Meetig with Don Reg: Agen...		01-0-1-54440		38.11
	083122	AlrB&B - IPMA HR Annual Conference S...		01-0-1-54470		1,705.32
	083122	Apple - iCloud Storage		01-1-1-53170		0.99
	083122	Adobe Subscription (2) Field		01-1-1-53170		33.98
	083122	CPRS Virtual Course for Sean		01-1-1-54260		650.00
	083122	United Pacific - Trk #28 Fuel		01-1-8-54410		101.87
	083122	Silver Lake Market - Trk #28 Fuel		01-1-8-54410		31.00
	083122	The Speed Wash - Trk #28		01-1-8-54710		10.00
	083122	Team Speed Wash - Trk #28		01-1-8-54710		13.00
	083122	Adobe Subscription (2) Eng.		01-7-7-53170		33.98
DFT0011359	9/14/2022	VER AIR	Verizon Wireless			980.65
	9914822324	Phones-Jet Packs, Tablets & On-Call Aug.		01-1-1-58010		980.65

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Payment Number	Payment Date Payable Number	Vendor # Description	Vendor Name	Account Number	Project Account Key	Payment Amount Item Amount
DFT0011360	9/1/2022	FBC-DON	First Bank Card			1,646.51
	083122	Rockwood - CSDA Meal for Deborah		01-0-1-52229		92.09
	083122	Fisherman's Landing - CSDA Meal for D...		01-0-1-52229		77.99
	083122	76 - Fuel		01-0-1-54140		175.00
	083122	Shell - Fuel		01-0-1-54140		173.98
	083122	Exxon - Fuel		01-0-1-54140		175.00
	083122	Shell - Fuel		01-0-1-54140		142.47
	083122	76- Fuel		01-0-1-54140		175.00
	083122	Ricks Cafe - Meeting		01-0-1-54440		40.92
	083122	Fisherman's Landing - CSDA Meal for D...		01-0-1-54470		77.98
	083122	Rockwood - CSDA Meal for Kim		01-0-1-54470		92.09
	083122	Fisherman's Landing - CSDA Meal for Kim		01-0-1-54470		77.99
	083122	Marriott - CSDA Stay for Don		01-0-1-54470		202.06
	083122	Rockwood - CSDA Meal for Don		01-0-1-54470		92.10
	083122	Amazon - File Folders		01-0-1-54530		30.36
	083122	Amazon - (2) Self Ink Stamps		01-0-1-54530		21.48
DFT0011362	9/1/2022	FBC-CHRIS	First Bank Card			1,800.00
	081522	Rhino Bed Lining for Trk #29 & #30		01-1-8-54710		1,800.00
DFT0011363	9/14/2022	VER AIR	Verizon Wireless			3,626.13
	9914822324-2	(2) Keyboards for R. Kujawa & K. Hoffm...		01-0-1-54530		752.04
	9914822324-2	EWaste Fee		01-0-1-54530		8.00
	9914822324-2	(2) IPads for R.Kujawa & K. Hoffman		01-0-1-54530		2,585.96
	9914822324-2	(2) Pens for R.Kujawa & K. Hoffman		01-0-1-54530		280.13
DFT0011364	9/16/2022	CALPERS 457	California Public Employees' Deferred Compensation Plan			275.00
	INV0005048	Cal PERS 457/ Employer Plan: 450 717 - ...		01-1-0-24560		271.51
	INV0005048	Cal PERS 457/ Employer Plan: 450 717 - ...		22-2-0-24560		3.49
DFT0011365	9/16/2022	CALPERS	Calif Public Employees' Retirement System			2,921.54
	INV0005049	CalPERS/Employee Portion(EE)		01-1-0-24530		2,200.08
	INV0005049	CalPERS/Employee Portion(EE)		01-7-0-24530		246.12
	INV0005049	CalPERS/Employee Portion(EE)		22-2-0-24530		270.61
	INV0005049	CalPERS/Employee Portion(EE)		25-5-0-24530		204.73
DFT0011366	9/16/2022	CALPERS	Calif Public Employees' Retirement System			3,479.89
	INV0005050	CalPERS/Employee Portion(ER)		01-1-0-24530		2,734.07
	INV0005050	CalPERS/Employee Portion(ER)		01-7-0-24530		394.11
	INV0005050	CalPERS/Employee Portion(ER)		22-2-0-24530		351.71
DFT0011367	9/16/2022	CALPERS	Calif Public Employees' Retirement System			8,109.28
	INV0005051	CalPERS/Employer Portion		01-1-0-24530		6,233.35
	INV0005051	CalPERS/Employer Portion		01-7-0-24530		843.34
	INV0005051	CalPERS/Employer Portion		22-2-0-24530		806.03
	INV0005051	CalPERS/Employer Portion		25-5-0-24530		226.56
DFT0011368	9/16/2022	CALPERS	Calif Public Employees' Retirement System			23.25
	INV0005052	CalPERS Retirement/ Survivor Benefits		01-1-0-24530		17.81
	INV0005052	CalPERS Retirement/ Survivor Benefits		01-7-0-24530		2.15
	INV0005052	CalPERS Retirement/ Survivor Benefits		22-2-0-24530		2.70
	INV0005052	CalPERS Retirement/ Survivor Benefits		25-5-0-24530		0.59
DFT0011369	9/16/2022	CALPERS 457	California Public Employees' Deferred Compensation Plan			136.03
	INV0005053	457 Loan Payback		01-1-0-24560		136.03
DFT0011370	9/16/2022	EDD	Employment Development Department			952.96
	INV0005054	State Disability Ins - Payroll Taxes		01-0-0-24510		952.96
DFT0011371	9/16/2022	EDD	Employment Development Department			3,967.11
	INV0005055	CA State Income Tax - Payroll Taxes		01-0-0-24510		3,967.11

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Payment Number	Payment Date Payable Number	Vendor # Description	Vendor Name	Account Number	Project Account Key	Payment Amount Item Amount
DFT0011372	9/16/2022 INV0005056	IRS Medicare - Payroll Taxes	Internal Revenue Service	01-0-0-24510		2,803.62 2,803.62
DFT0011373	9/16/2022 INV0005057	IRS Federal Income Tax - Payroll Taxes	Internal Revenue Service	01-0-0-24510		11,065.70 11,065.70
DFT0011375	9/19/2022 816103282	VSP Vision Insurance - Oct.	Vision Service Plan	01-0-0-14130		453.25 453.25
DFT0011376	9/16/2022 6059719	AME FID Flex Spending 8/31	American Fidelity Assurance Company	01-0-0-24580		257.78 257.78
DFT0011377	9/19/2022 6061453	AME FID Flex Spending 9/15	American Fidelity Assurance Company	01-0-0-24580		257.78 257.78
DFT0011378	9/30/2022 100122PERS 100122PERS 100122PERS	CalPERS Health PERS Health Premium - Oct. - Premium PERS Health Premium - Oct. - Admin Fee PERS Health Premium - Oct. - Shared	California Public Employees' Retirement System	01-0-0-14130 01-0-1-51230 01-1-1-51230		37,093.14 36,916.78 124.21 52.15
DFT0011379	9/30/2022 100122NONPERS 100122NONPERS	CalPERS Health Non Pers Health Premium - Oct. Non Pers Health Premium - Oct.	California Public Employees' Retirement System	01-0-0-14130 01-0-1-51230		3,378.47 3,367.36 11.11
DFT0011380	9/15/2022 09282022	SCE 4241-7012 Electricity for Dairy Mobile 8/1-8/29	Southern California Edison	01-1-3-58110		0.27 0.27
DFT0011382	9/26/2022 INV0005058	EDD State Disability Ins - Payroll Taxes	Employment Development Department	01-0-0-24510		40.38 40.38
DFT0011383	9/26/2022 INV0005059	IRS Medicare - Payroll Taxes	Internal Revenue Service	01-0-0-24510		106.44 106.44
DFT0011384	9/28/2022 092122-4084	THEGAS Gas - Phelan Sr. Ctr. 8/22 - 9/21	The Gas Company	22-0-2-58110		72.85 72.85
DFT0011385	9/28/2022 092122-4585	THEGAS Gas - Phelan CC 8/22-9/21	The Gas Company	22-0-2-58110		74.99 74.99
DFT0011386	9/1/2022 083022	FBC-CHRIS Speed Tech-E-Lights & Light Bars for Trk...	First Bank Card	01-1-2-54500		1,482.32 1,482.32
DFT0011387	9/30/2022 INV0005060 INV0005060	CALPERS 457 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		275.00 264.63 10.37
DFT0011388	9/30/2022 INV0005061 INV0005061 INV0005061 INV0005061	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		2,922.99 2,375.14 299.11 192.54 56.20
DFT0011389	9/30/2022 INV0005062 INV0005062 INV0005062	CALPERS 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		3,479.89 2,729.89 394.11 355.89
DFT0011390	9/30/2022 INV0005063 INV0005063 INV0005063 INV0005063	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		8,110.89 6,419.05 902.00 727.65 62.19
DFT0011391	9/30/2022 INV0005064	CALPERS CalPERS Retirement/ Survivor Benefits	Calif Public Employees' Retirement System	01-1-0-24530		23.25 18.36

Cash Disbursements Report

Payment Dates: 09/01/2022 - 09/30/2022

Payment Number	Payment Date Payable Number	Vendor # Description	Vendor Name	Account Number	Project Account Key	Payment Amount Item Amount
	INV0005064	CalPERS Retirement/ Survivor Benefits		01-7-0-24530		2.28
	INV0005064	CalPERS Retirement/ Survivor Benefits		22-2-0-24530		2.45
	INV0005064	CalPERS Retirement/ Survivor Benefits		25-5-0-24530		0.16
DFT0011392	9/30/2022	CALPERS 457	California Public Employees' Deferred Compensation Plan			136.03
	INV0005065	457 Loan Payback		01-1-0-24560		130.39
	INV0005065	457 Loan Payback		22-2-0-24560		5.64
DFT0011393	9/30/2022	EDD	Employment Development Department			978.81
	INV0005066	State Disability Ins - Payroll Taxes		01-0-0-24510		978.81
DFT0011394	9/30/2022	IRS	Internal Revenue Service			141.94
	INV0005067	Social Security - Payroll Taxes		01-0-0-24510		141.94
DFT0011395	9/30/2022	EDD	Employment Development Department			4,043.75
	INV0005068	CA State Income Tax - Payroll Taxes		01-0-0-24510		4,043.75
DFT0011396	9/30/2022	IRS	Internal Revenue Service			2,905.43
	INV0005069	Medicare - Payroll Taxes		01-0-0-24510		2,905.43
DFT0011397	9/30/2022	IRS	Internal Revenue Service			11,449.68
	INV0005070	Federal Income Tax - Payroll Taxes		01-0-0-24510		11,449.68
Payment Total:						581,770.83

Report Summary

Fund Summary

Fund	Payment Amount
01 - WATER FUND	517,997.66
22 - PARKS & RECREATION	62,439.13
23 - STREET LIGHTING	15.77
25 - SOLID WASTE	2,333.43
Grand Total:	582,785.99

Account Summary

Account Number	Account Name	Payment Amount
01-0-0-14100	Prepaid Expense	13,484.08
01-0-0-14130	Prepaid Benefit	41,190.64
01-0-0-17000	CIP Enterprise Funds	146,987.43
01-0-0-24510	Payroll Tax Payable	56,998.95
01-0-0-24540	Worker's Compensation P...	4,665.63
01-0-0-24580	Supplemental Ins W/H Pa...	923.10
01-0-1-51230	Employee Group Insurance	1,154.28
01-0-1-52210	Board Exp - Auto Expense	-6.25
01-0-1-52219	Board - Auto Expense/Phil...	56.88
01-0-1-52229	Board - Meals,Travel Expe...	683.50
01-0-1-52232	Board - Education,Trainin...	36.00
01-0-1-52238	Board - Education,Trainin...	36.00
01-0-1-52239	Board - Education,Trainin...	36.00
01-0-1-53110	Auditing & Accounting Fe...	8,424.00
01-0-1-53120	Legal Services	4,395.17
01-0-1-53150	Outside Service	2,789.74
01-0-1-53170	Software Support	3,757.65
01-0-1-54140	Auto Expense	1,221.57
01-0-1-54200	Credit Card Fee & Bank C...	606.54
01-0-1-54230	Dues & Subscriptions	2,607.00
01-0-1-54260	Education & Training	2,083.25
01-0-1-54290	Employment Expense	60.00
01-0-1-54300	Equipment Rental / Lease	280.55
01-0-1-54320	General Maintenance	310.00
01-0-1-54440	Meeting, Seminar & Suppl...	643.68
01-0-1-54470	Travel Expense	3,180.54
01-0-1-54500	Operating Supplies	387.70
01-0-1-54530	Office Supplies	5,183.25
01-0-1-54860	Postage & Mailing	500.00
01-0-1-58010	Telephone	692.32
01-0-1-58110	Utilities	211.11
01-0-2-58110	Utilities	352.36
01-1-0-13010	Inventory - Water Field Pa...	11,370.48
01-1-0-23330	Customer Deposit - Maint...	5,700.00
01-1-0-24530	Retirement W/H Payable	34,033.03
01-1-0-24560	Retirement 457 W/H Pay...	1,204.58
01-1-0-29740	Loan Payable - CalTrans	6,481.17
01-1-1-51230	Employee Group Insurance	52.15
01-1-1-53120	Legal Services	531.25
01-1-1-53150	Outside Service	4,290.00
01-1-1-53160	Permits & Fees	111.80
01-1-1-53170	Software Support	34.97
01-1-1-54260	Education & Training	1,405.43
01-1-1-54320	General Maintenance	225.00
01-1-1-54470	Travel Expense	876.74
01-1-1-54500	Operating Supplies	823.15
01-1-1-54530	Office Supplies	50.00
01-1-1-54620	Repair & Maintenance	68.92
01-1-1-54680	Uniforms	448.28

Account Summary

Account Number	Account Name	Payment Amount
01-1-1-54800	Programs (Water)	216.67
01-1-1-54830	State & County Fees & Se...	1,082.00
01-1-1-58010	Telephone	1,185.15
01-1-1-91010	Interest Expense	134.21
01-1-2-53150	Outside Service	417.75
01-1-2-54500	Operating Supplies	5,288.07
01-1-2-54620	Repair & Maintenance	5,548.64
01-1-2-54650	Small Tools	3,488.43
01-1-2-54680	Uniforms	200.00
01-1-3-54500	Operating Supplies	2,081.26
01-1-3-58110	Utilities	141,700.73
01-1-3-58115	Utilities - Solar Credits	-41,948.93
01-1-5-54620	Repair & Maintenance	70.85
01-1-5-58010	Telephone	182.00
01-1-6-53170	Software Support	265.00
01-1-6-54500	Operating Supplies	216.26
01-1-6-54620	Repair & Maintenance	93.39
01-1-6-54860	Postage & Mailing	5,559.42
01-1-6-54890	Printing	2,189.39
01-1-6-59310	Other Operating Expenses	100.00
01-1-8-54300	Equipment Rental / Lease	631.04
01-1-8-54410	Fuel Costs	7,099.23
01-1-8-54710	Vehicle Maintenance	2,235.20
01-1-9-54800	Programs (Wtr Conservati...	862.37
01-7-0-24530	Retirement W/H Payable	4,509.11
01-7-7-51230	Employee Group Insurance	114.97
01-7-7-53120	Legal Services	31.25
01-7-7-53150	Outside Service	350.00
01-7-7-53170	Software Support	2,454.58
22-0-1-51230	Employee Group Insurance	79.81
22-0-1-54320	General Maintenance	70.00
22-0-1-54500	Operating Supplies	4.97
22-0-1-58010	Telephone	259.00
22-0-2-58110	Utilities	2,467.79
22-2-0-17000	CIP - Parks & Rec	37,530.00
22-2-0-24530	Retirement W/H Payable	4,136.12
22-2-0-24560	Retirement 457 W/H Pay...	28.51
22-2-1-54680	Uniforms	46.90
22-2-2-53150	Outside Service	159.90
22-2-2-54500	Operating Supplies	393.85
22-2-2-54530	Office Supplies	27.99
22-2-2-54620	Repair & Maintenance	15,035.29
22-2-2-54800	Programs (Park & Rec)	2,174.85
22-2-2-58110	Utilities	24.15
23-0-2-58210	Utilities - Street Lights	15.77
25-0-1-53120	Legal Services	256.25
25-5-0-24530	Retirement W/H Payable	907.07
25-5-1-52210	Board Exp - Auto Expense	6.25
25-5-1-54800	Programs (Solid Waste)	1,163.86
	Grand Total:	582,785.99

Project Account Summary

Project Account Key	Payment Amount
None	395,707.31
C0002 OUTSIDE SVCS	97,931.40
C0049 OUTSIDE SERVIC	862.37
C0057 LEGAL	355.35
C0078 ENGINEERING	62.50

Project Account Summary

Project Account Key	Payment Amount
C0078 OUTSIDE SVCS	37,467.50
C0085 LEGAL	62.50
C0086 OUTSIDE SVCS	1,209.96
C0095 OUTSIDE SVCS	49,056.03
C0099 LEGAL	71.07
Grand Total:	582,785.99



Phelan Pinon Hills Community Services District

Revenue and Expense - Ent & Gvmt Funds

Summary

For the Period Ending 09/30/2022

	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	1,792,419.92	1,404,802.64	-387,617.28	0.00	0.00	0.00	1,792,419.92	1,404,802.64	-387,617.28	4,857,747.25
Total 41 - Water Meter Charges	726,864.05	741,258.73	14,394.68	0.00	0.00	0.00	726,864.05	741,258.73	14,394.68	2,928,341.39
Total 44 - Special Assessments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	283,980.41
Total 47 - Parks	0.00	0.00	0.00	4,159.89	4,400.00	240.11	4,159.89	4,400.00	240.11	16,639.67
Total 48 - Other Income	58,662.24	65,012.47	6,350.23	87,259.86	64,858.49	-22,401.37	145,922.10	129,870.96	-16,051.14	566,519.38
Total Revenue	2,577,946.21	2,211,073.84	-366,872.37	91,419.75	69,258.49	-22,161.26	2,669,365.96	2,280,332.33	-389,033.63	8,653,228.10
Expense										
Total 50 - Water	969.31	0.00	969.31	0.00	0.00	0.00	969.31	0.00	969.31	119,000.00
Total 51 - Salary & Benefits	751,825.20	702,595.42	49,229.78	115,804.86	89,030.83	26,774.03	867,630.06	791,626.25	76,003.81	3,471,914.95
Total 52 - Board	29,288.28	18,327.02	10,961.26	1,986.69	2,549.65	-562.96	31,274.97	20,876.67	10,398.30	125,150.00
Total 53 - Professional Fee	131,071.71	86,248.49	44,823.22	4,044.12	1,347.11	2,697.01	135,115.83	87,595.60	47,520.23	525,707.25
Total 54 - Service and Supplies	432,860.59	333,469.62	99,390.97	70,354.08	44,105.77	26,248.31	503,214.67	377,575.39	125,639.28	1,977,187.91
Total 58 - Utilities	273,711.99	133,408.13	140,303.86	13,700.46	9,842.30	3,858.16	287,412.45	143,250.43	144,162.02	1,151,521.83
Total 59 - Other Expenses-Depreciation/Amort/Other	445,441.92	475,153.81	-29,711.89	23,180.70	23,174.30	6.40	468,622.62	498,328.11	-29,705.49	1,875,240.80
Total Expense	2,065,169.00	1,749,202.49	315,966.51	229,070.91	170,049.96	59,020.95	2,294,239.91	1,919,252.45	374,987.46	9,245,722.74
Net Operational Income	512,777.21	461,871.35	-50,905.86	-137,651.16	-100,791.47	36,859.69	375,126.05	361,079.88	-14,046.17	-592,494.64
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	1,444,378.65
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	35,655.65
Total 73 - Property Tax Revenue - Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	38,515.18
Total 70 - Property Tax Revenue	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,518,549.48
80 - Other Revenue										
Total 82 - Meter Installation/Fees/Connection	176,909.25	235,670.80	58,761.55	0.00	0.00	0.00	176,909.25	235,670.80	58,761.55	707,920.39
Total 86 - Penalty & Other Fees	37,758.54	49,483.21	11,724.67	0.00	0.00	0.00	37,758.54	49,483.21	11,724.67	151,094.70
Total 88 - Other	214,425.50	211,687.97	-2,737.53	49,079.82	65,440.36	16,360.54	263,505.32	277,128.33	13,623.01	1,079,918.03
Total 89 - Other Revenue	0.00	22,000.00	22,000.00	0.00	0.00	0.00	0.00	22,000.00	22,000.00	0.00
Total 80 - Other Revenue	429,093.29	518,841.98	89,748.69	49,079.82	65,440.36	16,360.54	478,173.11	584,282.34	106,109.23	1,938,933.12
Total Revenue	429,093.29	518,841.98	89,748.69	49,079.82	65,440.36	16,360.54	478,173.11	584,282.34	106,109.23	3,457,482.60

	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	22,148.68	21,671.12	477.56	0.00	0.00	0.00	22,148.68	21,671.12	477.56	255,065.00
Total 92 - Loan Expense	13,194.37	17,270.15	-4,075.78	0.00	0.00	0.00	13,194.37	17,270.15	-4,075.78	17,270.00
Total 93 - Other Expense - Tax Processing	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,510.88
Total 94 - Other Expense - CIP	208,312.65	0.00	208,312.65	0.00	0.00	0.00	208,312.65	0.00	208,312.65	833,584.08
Total 95 - Fair Market Value	25,478.05	-160,444.53	185,922.58	0.00	-108,326.14	108,326.14	25,478.05	-268,770.67	294,248.72	25,000.00
Total 99 - Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total 90 - Other Expense	269,133.75	-121,503.26	390,637.01	0.00	-108,326.14	108,326.14	269,133.75	-229,829.40	498,963.15	1,134,429.96
Total Expense	269,133.75	-121,503.26	390,637.01	0.00	-108,326.14	108,326.14	269,133.75	-229,829.40	498,963.15	1,134,429.96
Net Non-Operational Income	159,959.54	640,345.24	480,385.70	49,079.82	173,766.50	124,686.68	209,039.36	814,111.74	605,072.38	2,323,052.64
Net Income	672,736.75	1,102,216.59	429,479.84	-88,571.34	72,975.03	161,546.37	584,165.41	1,175,191.62	591,026.21	1,730,558.00



Balance Sheet - Consolidated

Account Summary

As Of 09/30/2022

	Beginning Balance 07/01/2022	09/30/2022	Change
Assets			
Current Assets			
11 - Cash			
11000 - Cash in Bank	8,946,111.57	8,792,665.23	-153,446.34
11201 - Cash-Operating Reserves	1,786,683.00	1,786,683.00	0.00
11202 - Cash-Replacement Reserves	4,778,687.15	4,778,687.15	0.00
11203 - Cash-Disaster Reserves	4,017,144.15	4,017,144.15	0.00
11204 - Cash-Debt Service	930,160.00	930,160.00	0.00
11400 - Rate Stabilization Cash Fund	325,139.00	325,139.00	0.00
Total 11 - Cash	20,783,924.87	20,630,478.53	-153,446.34
12 - Accounts Receivable			
12010 - Accounts Receivable - Water	888,445.09	891,055.06	2,609.97
12020 - AR Accounts Receivable	0.00	163.33	163.33
12150 - A/R - Accrual	46,023.22	45,824.13	-199.09
12200 - Accounts Receivable - Parks	22,657.70	1,980.00	-20,677.70
12610 - Delinquent Accounts to Tax Rc	46,661.51	69,386.09	22,724.58
12630 - Water Availability Receivable -	78,575.66	78,575.66	0.00
12640 - Water Availability Receivable -	34.80	34.80	0.00
12740 - Tax Receivable - PPHCSD	46,969.35	0.00	-46,969.35
12750 - Lease Receivable - Circle Gree	103,168.34	103,168.34	0.00
12751 - Lease Receivable - C & G Partr	297,590.03	297,590.03	0.00
12800 - Other Receivable	21,436.97	20,878.69	-558.28
12910 - Accrued Interest Receivable-G	38,714.38	0.00	-38,714.38
Total 12 - Accounts Receivable	1,590,277.05	1,508,656.13	-81,620.92
13 - Inventory			
13010 - Inventory - Water Field Parts	312,378.39	766,166.21	453,787.82
Total 13 - Inventory	312,378.39	766,166.21	453,787.82
14 - Other Current Assets			
14100 - Prepaid Expense	246,828.33	218,018.46	-28,809.87
14120 - Prepaid - Worker's Comp	37,478.19	26,932.44	-10,545.75
14130 - Pre Paid Benefit	49,352.19	43,855.27	-5,496.92
14300 - Deferred Outflows of Resourc	1,005,901.00	1,005,901.00	0.00
Total 14 - Other Current Assets	1,339,559.71	1,294,707.17	-44,852.54
Total Current Assets	24,026,140.02	24,200,008.04	173,868.02
Fixed Assets			
15 - Fixed Assets			
15100 - Land	1,315,885.87	1,315,885.87	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 Stator	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 Develop	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
15430 - Tanks	2,281,723.29	2,281,723.29	0.00
15440 - Hydrants Telemetry & Control	191,669.94	191,669.94	0.00

Balance Sheet - Consolidated

As Of 09/30/2022

	Beginning Balance 07/01/2022	09/30/2022	Change
15450 - Transmission & Dist. Mains	18,570,561.64	18,570,561.64	0.00
15480 - Meters	2,084,686.93	2,084,686.93	0.00
Total 15 - Fixed Assets	70,651,887.20	70,651,887.20	0.00
16 - Equipment			
16620 - Equipment - Computer	1,269,215.63	1,269,215.63	0.00
16630 - Equipment-Office Furnitures &	24,914.92	24,914.92	0.00
16640 - Equipment - Operation	492,463.87	492,463.87	0.00
16650 - Equipment - P	12,845.00	12,845.00	0.00
16730 - Trucks	689,706.94	749,912.33	60,205.39
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	2,913,951.90	2,974,157.29	60,205.39
17 - CIP			
17000 - CIP -	1,062,807.40	1,376,474.71	313,667.31
Total 17 - CIP	1,062,807.40	1,376,474.71	313,667.31
19 - Accumulated Depreciation			
19010 - Accm. Depreciation - ADM	-321,895.66	-331,609.20	-9,713.54
19040 - Accm. Depreciation - Parks	-1,562,930.50	-1,583,832.90	-20,902.40
19050 - Accm. Depreciation - OP	-1,368,223.34	-1,438,262.31	-70,038.97
19200 - Accm. Depreciation - Bldg & F.	-3,338,224.29	-3,362,080.35	-23,856.06
19410 - Accm. Depreciation - Wells	-2,465,676.87	-2,514,035.22	-48,358.35
19420 - Accm. Depreciation - Reservoir	-3,368,421.13	-3,407,001.54	-38,580.41
19430 - Accm. Depreciation - Tanks	-881,914.00	-898,742.31	-16,828.31
19440 - Accm. Depreciation - Hydrants	-191,669.94	-191,669.94	0.00
19450 - Accm. Depreciation - Transmis	-13,975,151.66	-14,063,205.80	-88,054.14
19470 - Accm. Depreciation - Meters	-1,200,702.55	-1,218,462.69	-17,760.14
19620 - Accm. Depreciation - Equipme	-1,192,510.41	-1,197,288.52	-4,778.11
19630 - Accm. Depreciation - Office Fu	-24,914.92	-24,914.92	0.00
19640 - Accm. Depreciation - Equipme	-130,318.65	-137,846.33	-7,527.68
19730 - Accm. Depreciation - Truck	-423,175.06	-386,601.35	36,573.71
19740 - Accm. Depreciation - Backhoe	-106,114.17	-109,662.91	-3,548.74
19750 - Accm. Depreciation - Dump Tr	-112,136.24	-120,002.67	-7,866.43
19800 - Accm. Depreciation - Other Eq	-57,130.51	-57,602.64	-472.13
19900 - Accm. Amortization	-2,341,328.50	-2,454,740.89	-113,412.39
Total 19 - Accumulated Depreciation	-33,062,438.40	-33,497,562.49	-435,124.09
Total Fixed Assets	41,566,208.10	41,504,956.71	-61,251.39
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	65,592,848.12	65,705,464.75	112,616.63
Liability			
Current Liabilities			
21 - Accounts Payable			
21100 - Accounts Payable - Trade	624,215.66	401,698.37	-222,517.29
21150 - Accounts Payable - Unclaimed	696.19	877.19	181.00
Total 21 - Accounts Payable	624,911.85	402,575.56	-222,336.29
22 - Accrued Payable			
22150 - Accrued Interest Payable	107,684.59	0.00	-107,684.59
22210 - Deferred Revenue	65,974.01	-2,610.61	-68,584.62
Total 22 - Accrued Payable	173,658.60	-2,610.61	-176,269.21
23 - Deposit			
23310 - Customer Deposits	17,501.00	17,501.00	0.00
23320 - Customer Deposit - Meter	25,500.00	17,500.00	-8,000.00

Balance Sheet - Consolidated

As Of 09/30/2022

	Beginning Balance 07/01/2022	09/30/2022	Change
23330 - Customer Deposit - Maint. Boi	5,700.00	5,666.08	-33.92
Total 23 - Deposit	48,701.00	40,667.08	-8,033.92
24 - Payroll Liability			
24410 - Accrued Payroll	111,519.80	0.00	-111,519.80
24411 - Payroll Payable	132.25	0.00	-132.25
24510 - Payroll Tax Payable	-264.50	0.00	264.50
24530 - Retirement W/H Payable	0.00	0.00	0.00
24535 - Retirement W/H Payable-Prio	23,563.76	23,563.76	0.00
24540 - Worker's Compensation Payal	3,918.77	0.00	-3,918.77
24560 - Retirement 457 W/H Payable	0.00	0.00	0.00
24580 - Supplemental Ins W/H Payabl	1,111.77	197.88	-913.89
24650 - Current P- Compensated abse	109,699.15	109,699.15	0.00
Total 24 - Payroll Liability	249,681.00	133,460.79	-116,220.21
25 - Other Current Liabilities			
25500 - Deferred Inflows of Resources	60,463.00	60,463.00	0.00
25510 - Deferred Inflow Lease - Circle	97,472.53	97,472.53	0.00
25511 - Deferred Inflow Lease - C & G	281,348.49	281,348.49	0.00
Total 25 - Other Current Liabilities	439,284.02	439,284.02	0.00
Total Current Liabilities	1,536,236.47	1,013,376.84	-522,859.63
Long Term Liabilities			
29 - Long Term Liability			
29720 - CIEDB Loan	5,756,715.92	5,540,170.16	-216,545.76
29740 - Loan Payable - CalTrans	58,865.35	52,384.18	-6,481.17
29750 - MFC Loan 2021	5,149,902.30	5,030,179.96	-119,722.34
29800 - Compensated absences	109,699.15	109,699.15	0.00
29850 - Net Pension Liability	-539,181.00	-539,181.00	0.00
Total 29 - Long Term Liability	10,536,001.72	10,193,252.45	-342,749.27
Total Long Term Liabilities	10,536,001.72	10,193,252.45	-342,749.27
Total Liability	12,072,238.19	11,206,629.29	-865,608.90
Equity			
31 - Board Designated Reserves			
31110 - Operating Reserve - Water&A	1,574,383.00	1,574,383.00	0.00
31150 - Operating Reserve - Govt Func	212,300.00	212,300.00	0.00
31210 - Debt Service Reserve - CEIDB	930,160.00	930,160.00	0.00
31220 - Water Rate Stabilization Fund	325,139.00	325,139.00	0.00
31310 - Replacement Reserve - Water	4,568,057.15	4,568,057.15	0.00
31350 - Replacement Reserve - Govt F	210,630.00	210,630.00	0.00
31410 - Disaster Reserve-Water&Adm	3,807,294.15	3,807,294.15	0.00
31450 - Disaster Reserve - Govt Fund	209,850.00	209,850.00	0.00
Total 31 - Board Designated Reserves	11,837,813.30	11,837,813.30	0.00
32 - Unrestricted			
32000 - Unrestricted Net Assets	15,772,876.44	15,772,876.44	0.00
Total 32 - Unrestricted	15,772,876.44	15,772,876.44	0.00
33 - Investment in Plant			
33110 - Investments in Utility Plant-Of	23,764,129.39	23,764,129.39	0.00
33120 - Investments in Utility Plant-P	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	53,520,609.93	53,520,609.93	0.00
Total Revenue	0.00	2,864,614.67	2,864,614.67
Total Expense	0.00	1,886,389.14	1,886,389.14
Total Equity and Current Surplus (Deficit):	53,520,609.93	54,498,835.46	978,225.53
Total Liabilities, Equity and Current Surplus (Deficit):	65,592,848.12	65,705,464.75	112,616.63



Revenue and Expense - Consolidated Summary

For the Period Ending 09/30/2022

	CURRENT			YEAR TO DATE			Annual Budget	%	
	Budget	Per	\$ (Unfav) Budget	YTD Budget	Jul - Per	\$ (Unfav) Budget			
Operational									
Revenue									
Total 40 - Water Consumption	507,376.47	373,868.14	-133,508.33	1,792,419.92	1,404,802.64	-387,617.28	4,857,747.25	28.92%	-7.98%
Total 41 - Water Meter Charges	243,355.63	246,975.69	3,620.06	726,864.05	741,258.73	14,394.68	2,928,341.39	25.31%	0.49%
Total 44 - Special Assessments	0.00	0.00	0.00	0.00	0.00	0.00	283,980.41	0.00%	0.00%
Total 47 - Parks	1,386.63	1,890.00	503.37	4,159.89	4,400.00	240.11	16,639.67	26.44%	1.44%
Total 48 - Other Income	44,764.26	50,435.68	5,671.42	145,922.10	129,870.96	-16,051.14	566,519.38	22.92%	-2.83%
Total Revenue	796,882.99	673,169.51	-123,713.48	2,669,365.96	2,280,332.33	-389,033.63	8,653,228.10	26.35%	-4.50%
Expense									
Total 50 - Water	969.31	4,620.99	-3,651.68	969.31	4,620.99	-3,651.68	119,000.00	3.88%	-3.07%
Total 51 - Salary & Benefits	289,210.02	252,080.57	37,129.45	867,630.06	791,626.25	76,003.81	3,471,914.95	22.80%	2.19%
Total 52 - Board	10,424.99	8,265.69	2,159.30	31,274.97	23,935.42	7,339.55	125,150.00	19.13%	5.86%
Total 53 - Professional Fee	48,937.00	35,795.64	13,141.36	135,115.83	105,590.13	29,525.70	525,707.25	20.09%	5.62%
Total 54 - Service and Supplies	163,463.33	147,452.85	16,010.48	503,214.67	429,730.82	73,483.85	1,977,187.91	21.73%	3.72%
Total 58 - Utilities	152,963.64	121,070.12	31,893.52	287,412.45	262,386.87	25,025.58	1,151,521.83	22.79%	2.17%
Total 59 - Other Expenses-Depreciation/Amort/Other	156,207.54	167,272.31	-11,064.77	468,622.62	498,328.06	-29,705.44	1,875,240.80	26.57%	-1.58%
Total Expense	822,175.83	736,558.17	85,617.66	2,294,239.91	2,116,218.54	178,021.37	9,245,722.74	22.89%	1.93%
Net Operational Income	-25,292.84	-63,388.66	-38,095.82	375,126.05	164,113.79	-211,012.26	-592,494.64	-27.70%	35.61%
Non-Operational									
70 - Property Tax Revenue									
Total 71 - Property Tax Revenue - Current	0.00	0.00	0.00	0.00	0.00	0.00	1,444,378.65	0.00%	0.00%
Total 72 - Property Tax Revenue - Prior Years	0.00	0.00	0.00	0.00	0.00	0.00	35,655.65	0.00%	0.00%
Total 73 - Property Tax Revenue - Other	0.00	0.00	0.00	0.00	0.00	0.00	38,515.18	0.00%	0.00%
Total 70 - Property Tax Revenue	0.00	0.00	0.00	0.00	0.00	0.00	1,518,549.48	0.00%	0.00%
80 - Other Revenue									
Total 82 - Meter Installation/Fees/Connection	58,969.75	66,275.94	7,306.19	176,909.25	235,670.80	58,761.55	707,920.39	33.29%	8.30%
Total 86 - Penalty & Other Fees	12,586.18	18,709.52	6,123.34	37,758.54	49,483.21	11,724.67	151,094.70	32.75%	7.76%
Total 88 - Other	86,086.40	91,448.04	5,361.64	263,505.32	277,128.33	13,623.01	1,079,918.03	25.66%	1.26%
Total 89 - Other Revenue	0.00	0.00	0.00	0.00	22,000.00	22,000.00	0.00	0.00%	0.00%
Total 80 - Other Revenue	157,642.33	176,433.50	18,791.17	478,173.11	584,282.34	106,109.23	1,938,933.12	30.13%	5.47%
Total Revenue	157,642.33	176,433.50	18,791.17	478,173.11	584,282.34	106,109.23	3,457,482.60	16.90%	3.07%

	CURRENT			YEAR TO DATE					
	Budget	Per	\$ (Unfav) Budget	YTD Budget	Jul - Per	\$ (Unfav) Budget	Annual Budget	%	
90 - Other Expense									
Total 91 - Interest Expense	311.56	134.21	177.35	22,148.68	21,671.12	477.56	255,065.00	8.50%	0.19%
Total 92 - Loan Expense	0.00	0.00	0.00	13,194.37	17,270.15	-4,075.78	17,270.00	100.00%	-23.60%
Total 93 - Other Expense - Tax Processing	0.00	0.00	0.00	0.00	0.00	0.00	3,510.88	0.00%	0.00%
Total 94 - Other Expense - CIP	69,437.55	0.00	69,437.55	208,312.65	0.00	208,312.65	833,584.08	0.00%	24.99%
Total 95 - Fair Market Value	0.00	0.00	0.00	25,478.05	-268,770.67	294,248.72	25,000.00	-1,075.08%	1,176.99%
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	69,749.11	134.21	69,614.90	269,133.75	-229,829.40	498,963.15	1,134,429.96	-20.26%	43.98%
Total Expense	69,749.11	134.21	69,614.90	269,133.75	-229,829.40	498,963.15	1,134,429.96	-20.26%	43.98%
Net Non-Operational Income	87,893.22	176,299.29	88,406.07	209,039.36	814,111.74	605,072.38	2,323,052.64	35.04%	26.05%
Net Income	62,600.38	112,910.63	50,310.25	584,165.41	978,225.53	394,060.12	1,730,558.00	56.53%	22.77%



Statement of Cash Flows - Phelan Pinon Hills

07/01/2022 - 09/30/2022

01 - WATER FUND

Cash Flows From Operating Activities

Total Revenue	2,729,915.82
Total Expense	1,813,350.85
Net Income	916,564.97

Adjustments to Net Income

Depr Amort Exp Accts - Depreciation & Amortization Expense Account	472,831.30
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Net Income After Adjustments	1,389,396.27
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Adjustments to reconcile Net Income to net cash provided by Operating Activities

12010 - Accounts Receivable - Water	2,609.97
12150 - A/R - Accrual	-199.09
12610 - Delinquent Accounts to Tax Roll	22,724.58
12910 - Accrued Interest Receivable-GF	-38,714.38
13010 - Inventory - Water Field Parts	453,787.82
14100 - Prepaid Expense	-28,809.87
14120 - Prepaid - Workers Comp	-10,545.75
14130 - Prepaid Benefit	-5,496.92
21100 - Accounts Payable - Trade	166,185.50
21150 - Accounts Payable - Unclaimed	-181.00
22150 - Accrued Interest Payable	107,684.59
22210 - Deferred Revenue	69,894.62
23320 - Customer Deposit - Meter	8,000.00
23330 - Customer Deposit - Maint. Bond	33.92
24410 - Accrued Payroll	99,405.96
24510 - Payroll Tax Payable	-264.50
24540 - Workers Comp Payable	3,918.77
24580 - Supplemental Ins Payable	913.89
Net cash provided by Operating Activities	538,448.16

Cash Flows From Investing Activities

16730 - Trucks	-60,205.39
17000 - CIP	-304,783.97
Net cash provided by Investing Activities	-364,989.36

Cash Flows From Financing Activities

29720 - CIEDB Loan 2012	-216,545.76
29740 - Loan Payable Cal Trans	-6,481.17
Net cash provided by Financing Activities	-223,026.93

Net Change in Cash	-49,568.13
Beginning Cash Balance	12,515,302.96
Ending Cash Balance	12,465,734.83

Statement of Cash Flows - Phelan Pinon Hills

07/01/2022 - 09/30/2022

20 - GOV'T GENERAL FUND

Cash Flows From Operating Activities

Total Revenue	65,429.59
Total Expense	-5,316.96
Net Income	70,746.55

Adjustments to Net Income

Depr Amort Exp Accts - Depreciation & Amortization Expense Account	1,287.55
Net Income After Adjustments	72,034.10

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

12800 - Other Receivable	121.72
21100 - Accounts Payable - Trade	137.50
Net cash provided by Operating Activities	71,774.88

Net Change in Cash **71,774.88**

Beginning Cash Balance **521,096.59**

Ending Cash Balance **592,871.47**

Statement of Cash Flows - Phelan Pinon Hills

07/01/2022 - 09/30/2022

22 - PARKS & RECREATION

Cash Flows From Operating Activities

Total Revenue	4,400.00
Total Expense	91,125.88
Net Income	-86,725.88

Adjustments to Net Income

Depr Amort Exp Accts - Depreciation & Amortization Expense Account	21,886.75
Net Income After Adjustments	-64,839.13

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

12200 - Accounts Receivable - Gov't	1,500.00
21100 - Accounts Payable - Trade	49,542.63
22210 - Deferred Revenue	-1,310.00
Net cash provided by Operating Activities	-114,571.76

Cash Flows From Investing Activities

17000 - CIP	-8,883.34
Net cash provided by Investing Activities	-8,883.34

Net Change in Cash **-123,455.10**

Beginning Cash Balance **5,036,742.42**

Ending Cash Balance **4,913,287.32**

Statement of Cash Flows - Phelan Pinon Hills

07/01/2022 - 09/30/2022

23 - STREET LIGHTING

Cash Flows From Operating Activities

Total Revenue	0.00
Total Expense	3,986.91
Net Income	-3,986.91
Adjustments to reconcile Net Income to net cash provided by Operating Activities	
21100 - Accounts Payable - Trade	5,855.58
Net cash provided by Operating Activities	-9,842.49
Net Change in Cash	-9,842.49
Beginning Cash Balance	31,185.85
Ending Cash Balance	21,343.36

Statement of Cash Flows - Phelan Pinon Hills

07/01/2022 - 09/30/2022

24 - GOV'T PROPERTY TAX

Cash Flows From Operating Activities

Total Revenue	10.77
Total Expense	-34,054.55
Net Income	34,065.32

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

12740 - Tax Receivable - PPHCSD	-46,969.35
Net cash provided by Operating Activities	81,034.67

Net Change in Cash **81,034.67**

Beginning Cash Balance **2,599,369.81**

Ending Cash Balance **2,680,404.48**

Statement of Cash Flows - Phelan Pinon Hills

07/01/2022 - 09/30/2022

25 - SOLID WASTE

Cash Flows From Operating Activities

Total Revenue	64,858.49
Total Expense	17,297.01
Net Income	47,561.48
Adjustments to reconcile Net Income to net cash provided by Operating Activities	
12200 - Accounts Receivable - Gov't	-22,177.70
21100 - Accounts Payable - Trade	796.08
Net cash provided by Operating Activities	68,943.10
Net Change in Cash	68,943.10
Beginning Cash Balance	80,094.99
Ending Cash Balance	149,038.09



Revenue Code - Description	Current Amount	+ 1 Month	+2 Months	+ 3 Months	+ 4 Months	Balance
500 - Payment Agreement Contract	4,829.87	356.06	588.14	102.01	39.63	5,915.71
600 - Misc Charges - Water	7,466.18	3,906.63	2,868.49	813.18	1,164.94	16,219.42
600 LIEN - Misc Charges - Water LIEN	0.00	1,116.42	483.18	0.00	35.00	1,634.60
995 - Amp - Avg Mnthly Pymnt	-3,820.41	0.00	0.00	0.00	0.00	-3,820.41
996 - Utility Unapplied Credits	-48,093.00	-3,266.71	-454.22	0.00	-2,081.84	-53,895.77
C-001 - Consumption - Residential	285,438.95	73,803.73	25,590.11	2,394.22	2,135.37	389,362.38
C-001 (WR) - Consumption - Resid (WR)	29,805.54	12,003.28	5,172.21	310.17	478.05	47,769.25
C-001 LIEN - Consumption - Residential LIEN	0.00	1,399.91	17,748.07	0.00	65.92	19,213.90
C-002 - Consumption - Commercial	2,474.06	688.30	84.00	65.92	3,039.20	6,351.48
C-007 - Consumption - Multiple Res	159.19	135.24	0.09	0.00	0.00	294.52
C-009 - Consumption - School	35,405.24	0.00	0.00	0.00	0.00	35,405.24
C-011 - Consumption - Construction	1,880.60	264.46	0.00	0.00	0.00	2,145.06
C-012 - Consumption - Fill Station	1,986.24	0.00	0.00	0.00	0.00	1,986.24
C-100 - Cutoff	0.00	270.00	180.00	0.00	180.00	630.00
C-100 LIEN - Cutoff LIEN	0.00	0.00	90.00	0.00	0.00	90.00
CHROM 6-001 - Chromium 6 Surcharge	66,419.02	12,293.99	4,660.93	1,162.12	1,506.79	86,042.85
CHROM-001LIEN - CHROM -6 LIEN	0.00	734.65	367.16	0.00	0.00	1,101.81
M-001 - Meter Charge - Residential	226,517.33	42,136.09	16,011.55	3,796.60	4,731.23	293,192.80
M-001 LIEN - Meter Chrg - Residential LIEN	0.00	7,003.04	2,890.41	0.00	584.10	10,477.55
M-002 - Meter Charge - Commercial	1,995.48	643.36	138.61	57.30	114.60	2,949.35
M-003 - Meter Charge - Fire	243.00	27.00	1.22	0.00	0.00	271.22
M-007 - Meter Charge - Multiple Res	251.07	141.36	2.19	0.00	0.00	394.62
M-009 - Meter Charge - School	3,272.59	0.00	0.00	0.00	0.00	3,272.59
M-011 - Meter Charges - Construction	950.66	37.37	0.00	0.00	0.00	988.03
M-012 - Meter Charge - Fill Station	1,030.83	0.00	0.00	0.00	0.00	1,030.83
M-015 - MISC MAN HOURS CUSTOMER SERVICE/METER	0.00	0.00	120.45	0.00	120.45	240.90
M-016 - MISC VEHICLE CHARGE CUSTOMER SERVICE/METER	0.00	0.00	68.75	0.00	13.75	82.50
M-017 - MISC PARTS USED CUSTOMER SERVICE/METER	0.00	0.00	55.00	0.00	493.40	548.40
P-001 - Penalty	0.00	15,164.44	5,860.31	1,266.66	1,873.11	24,164.52
P-001 LIEN - Penalty LIEN	0.00	1,053.26	334.42	2.31	40.40	1,430.39
P-002 - Penalty-Adjustment	0.00	0.00	35.12	0.00	-197.42	-162.30

Revenue Code - Description	Current Amount	+ 1 Month	+2 Months	+ 3 Months	+ 4 Months	Balance
P-002 LIEN - Penalty - Adjustment LIEN	0.00	0.00	978.88	0.00	0.00	978.88
P-003 - Miscellaneous Charges	0.00	400.70	100.00	-20.00	1,012.49	1,493.19
P-003 LIEN - Miscellaneous Charges LIEN	0.00	111.06	416.82	0.00	0.00	527.88
Revenue Totals:	618,212.44	170,423.64	84,391.89	9,950.49	15,349.17	898,327.63



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: AQUA MET	Aqua Metric Sales Co						Payable Count: (1) 199,939.11
INV0090764	(1,265) 3/4" Iperl Meters, (21) 1 1/2" IPerl Meter	09/30/2022	185,558.35	0.00	0.00	14,380.76	199,939.11
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-1-0-13010	Inventory - Water Field Parts		189,271.38				
01-1-0-13010	Inventory - Water Field Parts		10,667.73				
Vendor: ASBCSD	Assn of SB County Special Districts						Payable Count: (1) 70.00
09302022	Oct. Meeting - Kim & Deborah	09/30/2022	70.00	0.00	0.00	0.00	70.00
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-0-1-52239	Board - Education, Training/Philips		35.00				
01-0-1-54440	Meeting, Seminar & Supplies		35.00				
Vendor: CALTOO	C.T.W.S., LLC						Payable Count: (1) 292.00
733082	Helium Cylinder Rental	09/30/2022	292.00	0.00	0.00	0.00	292.00
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-1-9-54800	Programs (Wtr Conservation, etc)	C0049 LABOR	97.34				
22-2-2-54800	Programs (Park & Rec)		97.33				
25-5-1-54800	Programs (Solid Waste)		97.33				
Vendor: CIN UNI	Cintas Corporation						Payable Count: (2) 643.54
093022	Uniform Rental Svcs. - Sept.	09/30/2022	607.25	0.00	0.00	0.00	607.25
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-1-1-54680	Uniforms		560.35				
22-2-1-54680	Uniforms		46.90				
4132201382	Vehicle Wash Station Supplies	09/30/2022	36.29	0.00	0.00	0.00	36.29
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-1-8-54710	Vehicle Maintenance		36.29				
Vendor: SBC LIENS	County of San Bernardino						Payable Count: (1) 400.00
09302022	(20) Lien Release Docs	09/30/2022	400.00	0.00	0.00	0.00	400.00
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-1-1-54830	State & County Fees & Services		400.00				
Vendor: SBC PUBWKS	County of San Bernardino						Payable Count: (1) 5,438.75
APO034-0002	W/O AR0034 Sahara Rd Abandonment	09/30/2022	5,438.75	0.00	0.00	0.00	5,438.75
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-0-0-17000	CIP Enterprise Funds	C0002 COUNTY FEES	5,438.75				
Vendor: DONBAR	Don Bartz						Payable Count: (1) 54.00
09302022	Reimb. - Parking Fee CSDA Conf.	09/30/2022	54.00	0.00	0.00	0.00	54.00

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Payable Number	Description	Post Date	Payable Amount	Discount Amount	Shipping Amount	Tax Amount	Net Amount
Vendor: FASTEN Fastenal Company							
Payable Count: (1) 672.65							
CAVIC85434	Blue and White Marking Paint	09/30/2022	624.28	0.00	0.00	48.37	672.65
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-0-1-54470	Travel Expense		54.00				
Vendor: FBC-CHRIS First Bank Card							
Payable Count: (4) 3,929.25							
090622	Safelite - Windshield Trk# 20	09/30/2022	919.99	0.00	0.00	32.60	952.59
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-1-2-54500	Operating Supplies		672.65				
09302022	FBC Statement - Sept.	09/30/2022	388.19	0.00	0.00	19.13	407.32
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-1-2-54290	Employment Expense		99.00				
01-1-2-54500	Operating Supplies		10.76				
01-1-2-54620	Repair & Maintenance		113.05				
01-1-2-54650	Small Tools		12.90				
01-1-2-54650	Small Tools		43.03				
01-1-2-54650	Small Tools		-12.90				
01-1-2-54650	Small Tools		73.00				
01-1-8-54710	Vehicle Maintenance		68.48				
157101	Jensen-Transformer Pad for Fill Station Electrical	09/30/2022	2,036.48	0.00	0.00	0.00	2,036.48
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-1-2-54620	Repair & Maintenance		2,036.48				
733225	LED Stop/Slow Traffic Paddles	09/30/2022	468.88	0.00	25.62	38.36	532.86
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-1-2-54500	Operating Supplies		532.86				
Vendor: FBC-KATHLEEN First Bank Card							
Payable Count: (1) 930.00							
09302022	FBC Statement - Sept.	09/30/2022	930.00	0.00	0.00	0.00	930.00
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-0-1-52238	Board - Education,Training/Hoffman		930.00				
Vendor: FBC-MICHAEL First Bank Card							
Payable Count: (3) 3,117.28							
090722	CPO - (3) Impact Guns for Trks #20, 28 & 30	09/30/2022	1,584.00	0.00	0.00	122.76	1,706.76
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-1-2-54650	Small Tools		1,706.76				
093022	FBC Statement - Sept.	09/30/2022	342.16	0.00	0.00	0.00	342.16
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-1-8-54710	Vehicle Maintenance		188.57				
01-1-8-54710	Vehicle Maintenance		153.59				
366721	ACE Tools - 14" Quick Saw for Trk #28	09/30/2022	1,068.36	0.00	0.00	0.00	1,068.36

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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			
	01-1-2-54650	Small Tools		1,068.36			

Vendor: [FBC-SEAN](#) **First Bank Card** Payable Count: (1) **5,373.30**
[09302022](#) FBC Statement - Sept. 09/30/2022 5,305.55 0.00 32.00 35.75 5,373.30

Account Number	Account Name	Project Account Key	Distribution Amount
01-0-0-17000	CIP Enterprise Funds	C0084 OUTSIDE SVCS	25.60
01-0-0-17000	CIP Enterprise Funds	C0084 OUTSIDE SVCS	42.21
01-0-1-54440	Meeting, Seminar & Supplies		109.20
01-1-1-54200	Credit Card Fee & Bank Charges		77.96
01-1-1-54260	Education & Training		267.49
01-1-1-54260	Education & Training		49.99
01-1-1-54260	Education & Training		3,898.00
01-1-2-54500	Operating Supplies		96.58
01-1-2-54620	Repair & Maintenance		264.88
01-1-2-54620	Repair & Maintenance		197.88
01-1-6-54650	Small Tools		43.09
01-1-8-54710	Vehicle Maintenance		274.71
01-1-8-54710	Vehicle Maintenance		25.71

Vendor: [FBC-DEBORAH](#) **First Bank Card** Payable Count: (1) **1,125.00**
[09302022](#) FBC Statement - Sept. 09/30/2022 1,125.00 0.00 0.00 0.00 1,125.00

Account Number	Account Name	Project Account Key	Distribution Amount
01-0-1-52239	Board - Education,Training/Philips		1,125.00

Vendor: [FBC-DON](#) **First Bank Card** Payable Count: (1) **3,950.33**
[093022](#) FBC Statement - Sept. 09/30/2022 3,950.33 0.00 0.00 0.00 3,950.33

Account Number	Account Name	Project Account Key	Distribution Amount
01-0-1-52235	Board - Education,Training/Roberts		930.00
01-0-1-54140	Auto Expense		176.45
01-0-1-54140	Auto Expense		99.84
01-0-1-54140	Auto Expense		99.99
01-0-1-54140	Auto Expense		189.17
01-0-1-54260	Education & Training		930.00
01-0-1-54440	Meeting, Seminar & Supplies		61.57
01-0-1-54440	Meeting, Seminar & Supplies		56.72
01-0-1-54440	Meeting, Seminar & Supplies		62.23
01-0-1-54440	Meeting, Seminar & Supplies		38.03
01-0-1-54470	Travel Expense		152.95
01-0-1-54470	Travel Expense		245.96
01-0-1-54470	Travel Expense		375.95
01-0-1-54470	Travel Expense		59.42
01-0-1-54470	Travel Expense		80.00
01-0-1-54470	Travel Expense		392.05

Vendor: [FBC-GEORGE](#) **First Bank Card** Payable Count: (1) **4,631.90**
[09302022](#) FBC Statement - Sept. 09/30/2022 4,631.90 0.00 0.00 0.00 4,631.90

Account Number	Account Name	Project Account Key	Distribution Amount
01-0-1-53170	Software Support		118.93
01-0-1-54440	Meeting, Seminar & Supplies		82.07
01-0-1-54440	Meeting, Seminar & Supplies		42.54
01-0-1-54440	Meeting, Seminar & Supplies		124.45
01-1-1-53170	Software Support		33.98

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Payable Number	Description	Post Date	Payable Amount	Discount Amount	Shipping Amount	Tax Amount	Net Amount
01-1-1-54230	Dues & Subscriptions				0.99		
01-1-1-54260	Education & Training				77.96		
01-1-1-54260	Education & Training				3,898.00		
01-1-8-54710	Vehicle Maintenance				14.00		
01-1-9-54800	Programs (Wtr Conservation, etc) C0049 OUTSIDE SERVIC				68.34		
01-7-7-53170	Software Support				33.98		
22-2-2-54800	Programs (Park & Rec)				68.33		
25-5-1-54800	Programs (Solid Waste)				68.33		

Vendor: [FBC-JENNIFER](#) First Bank Card Payable Count: (1) 4,251.65
[093022](#) FBC Statement - Sept. 09/30/2022 4,251.65 0.00 0.00 0.00 4,251.65

Distributions

Account Number	Account Name	Project Account Key	Distribution Amount
01-0-1-54260	Education & Training		10.44
01-0-1-54530	Office Supplies		13.45
01-0-1-54530	Office Supplies		25.70
01-0-1-54530	Office Supplies		29.84
01-0-1-54530	Office Supplies		13.98
01-1-1-54260	Education & Training		32.14
01-1-1-54500	Operating Supplies		227.23
01-1-1-54530	Office Supplies		9.69
01-1-1-54530	Office Supplies		20.45
01-1-2-54500	Operating Supplies		129.16
01-1-2-54650	Small Tools		276.04
01-1-8-54710	Vehicle Maintenance		322.15
01-1-9-54800	Programs (Wtr Conservation, etc) C0049 OUTSIDE SERVIC		33.34
01-1-9-54800	Programs (Wtr Conservation, etc) C0049 OUTSIDE SERVIC		274.80
01-1-9-54800	Programs (Wtr Conservation, etc) C0049 OUTSIDE SERVIC		6.45
01-1-9-54800	Programs (Wtr Conservation, etc) C0049 OUTSIDE SERVIC		58.62
01-1-9-54800	Programs (Wtr Conservation, etc) C0049 OUTSIDE SERVIC		84.07
01-1-9-54800	Programs (Wtr Conservation, etc) C0049 OUTSIDE SERVIC		14.63
01-1-9-54800	Programs (Wtr Conservation, etc) C0049 OUTSIDE SERVIC		95.80
01-1-9-54800	Programs (Wtr Conservation, etc) C0049 OUTSIDE SERVIC		82.99
01-7-7-54260	Education & Training		166.38
01-7-7-54260	Education & Training		153.00
01-7-7-54260	Education & Training		32.21
01-7-7-54260	Education & Training		200.00
01-7-7-54530	Office Supplies		13.46
22-2-2-54800	Programs (Park & Rec)		82.99
22-2-2-54800	Programs (Park & Rec)		146.95
22-2-2-54800	Programs (Park & Rec)		60.32
22-2-2-54800	Programs (Park & Rec)		14.62
22-2-2-54800	Programs (Park & Rec)		35.32
22-2-2-54800	Programs (Park & Rec)		69.62
22-2-2-54800	Programs (Park & Rec)		6.45
22-2-2-54800	Programs (Park & Rec)		84.06
22-2-2-54800	Programs (Park & Rec)		155.79
22-2-2-54800	Programs (Park & Rec)		95.80
22-2-2-54800	Programs (Park & Rec)		33.33
22-2-2-54800	Programs (Park & Rec)		420.23
22-2-2-54800	Programs (Park & Rec)		241.28
25-5-1-54800	Programs (Solid Waste)		82.99
25-5-1-54800	Programs (Solid Waste)		161.61
25-5-1-54800	Programs (Solid Waste)		33.33
25-5-1-54800	Programs (Solid Waste)		14.62
25-5-1-54800	Programs (Solid Waste)		84.07
25-5-1-54800	Programs (Solid Waste)		95.80
25-5-1-54800	Programs (Solid Waste)		6.45

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Payable Number	Description	Post Date	Payable Amount	Discount Amount	Shipping Amount	Tax Amount	Net Amount
Vendor: FBC-KIM 093022	First Bank Card FBC Statement - Sept.	09/29/2022	4,190.52	0.00	0.00	23.58	4,214.10
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-0-1-53170	Software Support		540.00				
01-0-1-53170	Software Support	C0086 OUTSIDE SVCS	159.96				
01-0-1-53170	Software Support		14.00				
01-0-1-54260	Education & Training		2,439.84				
01-0-1-54530	Office Supplies		49.51				
01-0-1-54530	Office Supplies		97.58				
01-0-1-54530	Office Supplies		183.15				
01-0-1-54530	Office Supplies		24.57				
01-0-1-54530	Office Supplies		34.46				
01-0-1-54530	Office Supplies		-19.18				
01-0-1-54530	Office Supplies		54.41				
01-0-1-54530	Office Supplies		18.53				
01-0-1-54530	Office Supplies		39.11				
01-0-1-54530	Office Supplies		10.76				
01-0-1-54530	Office Supplies		16.53				
01-0-1-54530	Office Supplies		23.68				
01-0-1-54530	Office Supplies		119.24				
01-0-1-54530	Office Supplies		10.76				
01-0-1-54860	Postage & Mailing		16.34				
01-0-1-54860	Postage & Mailing		5.62				
01-0-1-54860	Postage & Mailing		5.62				
01-0-1-54860	Postage & Mailing		7.21				
01-0-1-54860	Postage & Mailing		5.62				
01-0-1-54860	Postage & Mailing		16.86				
01-1-1-54260	Education & Training		125.00				
01-1-1-54260	Education & Training		125.00				
01-1-6-54860	Postage & Mailing		61.82				
01-1-6-54860	Postage & Mailing		28.10				
 23459734	 Conservation/Solid Waste Giveaways	 09/30/2022	 664.58	 0.00	 0.00	 50.76	 715.34
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-1-9-54800	Programs (Wtr Conservation, etc)		357.67				
25-5-1-54800	Programs (Solid Waste)		357.67				
 23460315	 4Imprint - Water Conservation Giveaway	 09/30/2022	 469.33	 0.00	 31.76	 15.50	 516.59
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-0-9-54800	Programs (Wtr Conservation, etc)		516.59				
 Vendor: FBC-LORI 09302022	First Bank Card FBC Statement - Sept.	09/30/2022	255.00	0.00	0.00	0.00	255.00
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-0-1-54260	Education & Training		105.00				
01-0-1-54530	Office Supplies		150.00				
 Vendor: FBC-STEVE 09302022	First Bank Card FBC Statement - Sept.	09/30/2022	1,068.68	0.00	37.41	76.76	1,182.85
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-0-1-54440	Meeting, Seminar & Supplies		117.14				
22-2-2-54620	Repair & Maintenance		96.72				
22-2-2-54620	Repair & Maintenance		30.12				
22-2-2-54620	Repair & Maintenance		145.75				
22-2-2-54620	Repair & Maintenance		273.55				

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Payable Number	Description	Post Date	Payable Amount	Discount Amount	Shipping Amount	Tax Amount	Net Amount
22-2-2-54620	Repair & Maintenance				48.36		
22-2-2-54620	Repair & Maintenance				19.14		
22-2-2-54620	Repair & Maintenance				82.38		
22-2-2-54650	Small Tools				57.07		
22-2-2-54800	Programs (Park & Rec)				312.62		

Vendor: [FRO 8637](#) **Frontier Communications** Payable Count: (1) **62.71**
[09302022](#) Phones - Senior Center 9/19-10/18 09/30/2022 62.71 0.00 0.00 0.00 62.71

Distributions

Account Number	Account Name	Project Account Key	Distribution Amount
22-0-1-58010	Telephone		62.71

Vendor: [FRO 5072](#) **Frontier Communications** Payable Count: (1) **138.10**
[09302022](#) Phones - Oasis Yard 9/25-10/24 09/30/2022 138.10 0.00 0.00 0.00 138.10

Distributions

Account Number	Account Name	Project Account Key	Distribution Amount
01-1-1-58110	Utilities		138.10

Vendor: [GAOSBO](#) **G.A. Osborne Pipe & Supply Inc** Payable Count: (1) **325.19**
[101-34774](#) Weld Flanges for Well #11 Pump to Waste 09/30/2022 325.19 0.00 0.00 0.00 325.19

Distributions

Account Number	Account Name	Project Account Key	Distribution Amount
01-1-2-54620	Repair & Maintenance		325.19

Vendor: [INLWAT](#) **Inland Water Works Supply Co.** Payable Count: (4) **6,125.45**
[S1059195-001](#) (3) 6x25 & (3) 8x25 Clamps 09/28/2022 2,981.56 59.63 0.00 0.00 2,981.56

Distributions

Account Number	Account Name	Project Account Key	Distribution Amount
01-1-5-54620	Repair & Maintenance		2,981.56

[S1059204-001](#) Parts to Replace a Mueller Hydrant 09/30/2022 1,635.60 32.71 0.00 126.76 1,762.36

Distributions

Account Number	Account Name	Project Account Key	Distribution Amount
01-1-2-54620	Repair & Maintenance		1,762.36

[S1059316-002](#) (3) 8x7 1/2 Clamps 09/30/2022 464.36 9.29 0.00 35.99 500.35

Distributions

Account Number	Account Name	Project Account Key	Distribution Amount
01-1-0-13010	Inventory - Water Field Parts		500.35

[S1059428-001](#) Non-Inv Nuts to Replace Stolen on Hydrant Theft 09/30/2022 817.80 16.36 0.00 63.38 881.18

Distributions

Account Number	Account Name	Project Account Key	Distribution Amount
01-1-2-54620	Repair & Maintenance		881.18

Vendor: [KTUA](#) **KTU&A Planning & Landcape Architecture** Payable Count: (2) **3,303.75**
[33899](#) Phelan Park Clean (Grant) - Professional Svcs. Apr 07/31/2022 2,932.50 0.00 0.00 0.00 2,932.50

Distributions

Account Number	Account Name	Project Account Key	Distribution Amount
22-2-1-53150	Outside Service		2,932.50

[34272](#) Phelan Park Clean (Grant) - Professional Svcs. Aug 08/31/2022 371.25 0.00 0.00 0.00 371.25

Distributions

Account Number	Account Name	Project Account Key	Distribution Amount
22-2-1-53150	Outside Service		371.25

Vendor: [LES SCH](#) **Les Schwab Tire Centers of Central CA, INC.** Payable Count: (1) **935.25**
[58100135338](#) Vactor #115 - (4) Tires Replaced 09/30/2022 935.25 0.00 0.00 0.00 935.25

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Payable Number	Description	Post Date	Payable Amount	Discount Amount	Shipping Amount	Tax Amount	Net Amount
Vendor: LOWES	Lowe's Credit						Payable Count: (1) 368.02
093022	Month-End Statement	09/30/2022	344.80	0.00	0.00	23.22	368.02
	Distributions						
	Account Number	Account Name	Project Account Key	Distribution Amount			
	01-1-8-54710	Vehicle Maintenance		935.25			
Vendor: ANDTRU	Mills Hardware						Payable Count: (1) 772.91
09302022	Monthly Statement - Sept.	09/30/2022	717.11	0.00	0.00	55.80	772.91
	Distributions						
	Account Number	Account Name	Project Account Key	Distribution Amount			
	01-1-2-54620	Repair & Maintenance		288.55			
	01-1-6-54500	Operating Supplies		56.75			
	01-1-9-54800	Programs (Wtr Conservation, etc)	C0049 OUTSIDE SERVIC	7.57			
	22-2-2-54800	Programs (Park & Rec)		7.58			
	25-5-1-54800	Programs (Solid Waste)		7.57			
Vendor: MWA-ALTO	Mojave Basin Area Watermaster						Payable Count: (1) 408.03
44032	4th. Qtr. Admin/Bio Fees	09/30/2022	408.03	0.00	0.00	0.00	408.03
	Distributions						
	Account Number	Account Name	Project Account Key	Distribution Amount			
	01-1-3-50010	MWA/AVW Admin. & Bio Fee		408.03			
Vendor: MWA-OESTE	Mojave Basin Area						Payable Count: (1) 4,212.96
44031	4th. Qtr. Admin/Bio Fees	09/30/2022	4,212.96	0.00	0.00	0.00	4,212.96
	Distributions						
	Account Number	Account Name	Project Account Key	Distribution Amount			
	01-1-3-50010	MWA/AVW Admin. & Bio Fee		4,212.96			
Vendor: NAPA	NAPA Auto Parts						Payable Count: (1) 364.07
09302022	NAPA Statement - Sept.	09/30/2022	364.07	0.00	0.00	0.00	364.07
	Distributions						
	Account Number	Account Name	Project Account Key	Distribution Amount			
	01-1-8-54710	Vehicle Maintenance		215.33			
	01-1-8-54710	Vehicle Maintenance		-158.09			
	01-1-8-54710	Vehicle Maintenance		92.87			
	01-1-8-54710	Vehicle Maintenance		7.53			

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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				33.70		
	01-1-8-54710 Vehicle Maintenance				172.73		

Vendor: [PETCAS - Petty C...](#) **Petty Cash** Payable Count: (1) **23.81**
[093022](#) Petty Cash Reconciliation July - Sept. 09/30/2022 23.81 0.00 0.00 0.00 23.81

Distributions

Account Number	Account Name	Project Account Key	Distribution Amount
01-0-1-53150	Outside Service		10.00
01-0-1-54860	Postage & Mailing		-1.14
01-1-1-59310	Other Operating Expenses		-0.05
22-2-8-54710	Vehicle Maintenance		15.00

Vendor: [PHEEXP](#) **Phelan Express, Inc.** Payable Count: (1) **121.08**
[39457](#) Truck 27 Oil Change 09/30/2022 114.89 0.00 0.00 6.19 121.08

Distributions

Account Number	Account Name	Project Account Key	Distribution Amount
01-1-8-54710	Vehicle Maintenance		121.08

Vendor: [REBKUJ](#) **Rebecca A. Kujawa** Payable Count: (1) **38.75**
[09302022](#) Sept. Mileage - Board & ASBCSD Meetings 09/30/2022 38.75 0.00 0.00 0.00 38.75

Distributions

Account Number	Account Name	Project Account Key	Distribution Amount
01-0-1-52212	Board - Auto Expense/Kujawa		38.75

Vendor: [REBEL](#) **Rebel Oil Company, Inc.** Payable Count: (2) **7,114.89**
[7057724](#) Fuel - 545 Gl., DSL - 150 Gl. 09/30/2022 3,902.05 0.00 0.00 0.00 3,902.05

Distributions

Account Number	Account Name	Project Account Key	Distribution Amount
01-1-8-54410	Fuel Costs		3,902.05

[7058026](#) Fuel - 521 Gl. 09/30/2022 3,212.84 0.00 0.00 0.00 3,212.84

Distributions

Account Number	Account Name	Project Account Key	Distribution Amount
01-1-8-54410	Fuel Costs		3,212.84

Vendor: [SCE 2439-1773](#) **Southern California Edison** Payable Count: (1) **19.04**
[09302022](#) Electricity - Phelan Park 8/25-9/25 09/30/2022 19.04 0.00 0.00 0.00 19.04

Distributions

Account Number	Account Name	Project Account Key	Distribution Amount
22-0-2-58110	Utilities		19.04

Vendor: [SCE 1078-5254](#) **Southern California Edison** Payable Count: (1) **488.08**
[093022](#) Electricity - CC & CSD 9/8 - 10/6 09/30/2022 488.08 0.00 0.00 0.00 488.08

Distributions

Account Number	Account Name	Project Account Key	Distribution Amount
22-0-2-58110	Utilities		488.08

Vendor: [SCE 1613-6373](#) **Southern California Edison** Payable Count: (1) **15.77**
[093022](#) Electricity - R/R Crossings 9/1 - 9/30 09/30/2022 15.77 0.00 0.00 0.00 15.77

Distributions

Account Number	Account Name	Project Account Key	Distribution Amount
23-0-2-58210	Utilities - Street Lights		15.77

Vendor: [SCE 3752-2894](#) **Southern California Edison** Payable Count: (1) **126.54**
[09302022](#) Electricity - N. Dairy Mobile 8/30-9/28 09/30/2022 126.54 0.00 0.00 0.00 126.54

Open Payable Report

As Of 09/30/2022

Payable Number	Description	Post Date	Payable Amount	Discount Amount	Shipping Amount	Tax Amount	Net Amount
Vendor: SCE 4241-7012 Southern California Edison							
09302022	Electricity - S. Dairy Mobile 8/30-9/28	09/30/2022	214.75	0.00	0.00	0.00	214.75
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-1-3-58110	Utilities		126.54				
						Payable Count: (1)	214.75
Vendor: SCE 5917-6455 Southern California Edison							
09302022	Electricity - Phelan Park St. Lights 9/1-9/30	09/30/2022	24.15	0.00	0.00	0.00	24.15
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-1-3-58110	Utilities		214.75				
						Payable Count: (1)	24.15
Vendor: SCE 7441-5755 Southern California Edison							
09302022	Electricity - Pinon Hills CC 9/1-10/2	09/30/2022	433.15	0.00	0.00	0.00	433.15
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
22-0-2-58110	Utilities		433.15				
						Payable Count: (1)	433.15
Vendor: SCE 8092-3468 Southern California Edison							
09302022	Electricity - NW Dairy Mobile	09/30/2022	594.61	0.00	0.00	0.00	594.61
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-1-3-58110	Utilities		594.61				
						Payable Count: (1)	594.61
Vendor: SCE 8362-7804 Southern California Edison							
09302022	Electricity Solar Meter & Credits - Aug.	09/30/2022	605.40	0.00	0.00	0.00	605.40
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-1-3-58110	Utilities		617.61				
01-1-3-58115	Utilities - Solar Credits		-12.21				
						Payable Count: (1)	605.40
Vendor: SCE 9515-2666 Southern California Edison							
09302022	Electricity - Wells, Tanks, St. Lights, Credits	09/30/2022	7,166.84	0.00	0.00	0.00	7,166.84
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-1-3-58110	Utilities		8,025.96				
01-1-3-58115	Utilities - Solar Credits		-2,308.51				
23-3-2-58210	Utilities - Street Lights		1,449.39				
						Payable Count: (2)	113,659.60
09302022-1	Electricity - Wells, Tanks, St. Lights, Credits-Sep	09/30/2022	106,492.76	0.00	0.00	0.00	106,492.76
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-1-3-58110	Utilities		138,968.42				
01-1-3-58115	Utilities - Solar Credits		-33,925.05				
23-3-2-58210	Utilities - Street Lights		1,449.39				
						Payable Count: (1)	1,765.49
Vendor: SCE 9587-0653 Southern California Edison							
09302022	Electricity - Office & Solar Credit	09/30/2022	1,765.49	0.00	0.00	0.00	1,765.49
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-0-1-58110	Utilities		2,163.49				
01-1-3-58115	Utilities - Solar Credits		-398.00				

Open Payable Report

As Of 09/30/2022

Payable Number	Description	Post Date	Payable Amount	Discount Amount	Shipping Amount	Tax Amount	Net Amount
Vendor: STE FIL 09302022	Steve A. Filarsky Legal Services - Sept.	09/30/2022	1,582.50	0.00	0.00	0.00	1,582.50
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-0-1-53120	Legal Services		1,582.50				
Payable Count: (1)							
Vendor: TOP OPT 2990	Top Option Pest Control General Pest Control Oasis - Sept.	09/30/2022	98.00	0.00	0.00	0.00	98.00
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-1-1-53150	Outside Service		98.00				
Payable Count: (2)							
2991	General Pest Control CSD & (3) Bee Removals	09/30/2022	300.00	0.00	0.00	0.00	300.00
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-0-1-53150	Outside Service		75.00				
01-1-6-53150	Outside Service		225.00				
Vendor: TYLBUS 75147	Tyler Business Forms Yr-End Tax Forms	09/29/2022	369.21	0.00	97.47	28.61	495.29
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-0-1-54530	Office Supplies		495.29				
Vendor: TYLTEC 025-396512	Tyler Technologies, Inc UB Insite Transaction Fees 7/1 - 9/30	09/30/2022	11,207.50	0.00	0.00	0.00	11,376.60
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-1-6-53170	Software Support		11,207.50				
Payable Count: (2)							
025-396915	UB Smart Meters Notifications 7/1 - 9/30	09/30/2022	169.10	0.00	0.00	0.00	169.10
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-1-6-53170	Software Support		169.10				
Vendor: UNI SITE INV-00977121	United Site Services of California, Inc. Porta Potties Rental for Covid Site	09/30/2022	419.42	0.00	0.00	3.41	422.83
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-0-1-53150	Outside Service	C0086 OUTSIDE SVCS	422.83				
Vendor: VER FLEET 344000031608	Verizon Connect Fleet USA, LLC Fleet GPS - Aug.	09/30/2022	322.15	0.00	0.00	0.00	322.15
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-1-8-54300	Equipment Rental / Lease		322.15				
Vendor: VER AIR 9917182410	Verizon Wireless Phones - Jet Packs, Tablets & On-Call Sept.	09/30/2022	989.05	0.00	0.00	0.00	4,350.55
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-1-1-58010	Telephone		989.05				
Payable Count: (2)							
9917182410-2	IPads for General Manager & Engineering	09/30/2022	3,105.90	0.00	0.00	255.60	3,361.50
Distributions							
Account Number	Account Name	Project Account Key	Distribution Amount				
01-0-1-54530	Office Supplies		1,680.75				

Open Payable Report

As Of 09/30/2022

Payable Number	Description	Post Date	Payable Amount	Discount Amount	Shipping Amount	Tax Amount	Net Amount
	01-7-7-54530				1,680.75		
	Office Supplies						
Payable Account 99-0-0-21100						Payable Count: (69)	Total: 402,912.11

Payable Account Summary

Account	Count	Amount
99-0-0-21100 - Accounts Payable - Trade	69	402,912.11
Report Total:	69	402,912.11

Payable Fund Summary

Fund	Count	Amount
99 - POOLED CASH	69	402,912.11
Report Total:	69	402,912.11



Project Number	Project Name	Group	Type	Status	
C0002	ADMINISTRATIVE PROPERTY	Administration	Construction in Prog...	Active	
Expenses					
Account Key	Account Name	Category	Beginning Balance	Activity	Ending Balance
C0002 ARCHITECT	C0002 ARCHITECT	OUTSIDE SERVICES	0.00	180,970.95	180,970.95
C0002 BUILD	C0002 MODULAR BUILDING	Buildings	0.00	93.34	93.34
C0002 COUNTY FEES	C0002 COUNTY FEES	Fees/License	0.00	69,953.96	69,953.96
C0002 IMPROVE	C0002 IMPROVEMENTS	OUTSIDE SERVICES	0.00	60,952.26	60,952.26
C0002 LABOR	C0002 LABOR - ADMIN BUILDING	LABOR	0.00	4,417.31	4,417.31
C0002 OUTSIDE SVCS	C0002 OUTSIDE SVCS	OUTSIDE SERVICES	0.00	209,782.71	209,782.71
	Total Expenses:		0.00	526,170.53	526,170.53
	Total C0002:		0.00	526,170.53	526,170.53
C0036	HWY 138 (PPHCSD) PIPELINE REL...	Water Distribution	Construction in Prog...	COMPLETE	
Expenses					
Account Key	Account Name	Category	Beginning Balance	Activity	Ending Balance
C0036 LABOR	C0036 LABOR FOR HWY 138-PPHCSD	LABOR	0.00	-8,956.25	-8,956.25
C0036 LEGAL	C0036 LEGAL FOR HWY 138-PPHCSD	OUTSIDE SERVICES	0.00	8,956.25	8,956.25
	Total Expenses:		0.00	0.00	0.00
	Total C0036:		0.00	0.00	0.00
C0072	Mountain Well	Wells	Construction in Prog...	Active	
Expenses					
Account Key	Account Name	Category	Beginning Balance	Activity	Ending Balance
C0072 OUTSIDE SVCS	C0072 OUTSIDE SVCS - MOUNTAIN WELL	OUTSIDE SERVICES	0.00	52,484.50	52,484.50
	Total Expenses:		0.00	52,484.50	52,484.50
	Total C0072:		0.00	52,484.50	52,484.50
C0075	Reservoir 6A Pneumatic Tank	Water Distribution	Construction in Prog...	COMPLETE	
Expenses					
Account Key	Account Name	Category	Beginning Balance	Activity	Ending Balance
C0075 LABOR	C0075 LABOR - Reservoir 6A Pneumatic ...	LABOR	0.00	979.20	979.20
C0075 OUTSIDE SVCS	C0075 OUTSIDE SVCS - Reservoir 6A Pn...	OUTSIDE SERVICES	0.00	-979.20	-979.20
	Total Expenses:		0.00	0.00	0.00
	Total C0075:		0.00	0.00	0.00
C0078	Phelan Park Expansion	Parks	Construction in Prog...	Active	
Expenses					
Account Key	Account Name	Category	Beginning Balance	Activity	Ending Balance
C0078 ENGINEERING	C0078 ENGINEERING - Phelan Park Expa...	ENGINEERING	0.00	70.44	70.44
C0078 LABOR	C0078 LABOR - Phelan Park Expansion	LABOR	0.00	7,869.24	7,869.24
C0078 OUTSIDE SVCS	C0078 OUTSIDE SVCS - Phelan Park Exp...	OUTSIDE SERVICES	0.00	424,350.56	424,350.56
	Total Expenses:		0.00	432,290.24	432,290.24
	Total C0078:		0.00	432,290.24	432,290.24
C0080	Water Master Plan Update 2020	Source of Supply	Construction in Prog...	COMPLETE	
Expenses					
Account Key	Account Name	Category	Beginning Balance	Activity	Ending Balance
C0080 LABOR	C0080 LABOR - Water Master Plan Upda..	LABOR	0.00	1,662.72	1,662.72
C0080 OUTSIDE SVCS	C0080 OUTSIDE SVCS - Water Master Pl...	OUTSIDE SERVICES	0.00	-1,662.72	-1,662.72
	Total Expenses:		0.00	0.00	0.00
	Total C0080:		0.00	0.00	0.00
C0084	Meters & Installation	Water Distribution	Construction in Prog...	Active	
Expenses					
Account Key	Account Name	Category	Beginning Balance	Activity	Ending Balance

Project Balance Report

Report Dates: 07/01/2008 - 09/30/2022

Project Number	Project Name	Group	Type	Status			
C0084 OUTSIDE SVCS	C0084 OUTSIDE SVCS - Meters & Installa..	OUTSIDE SERVICES			0.00	67.81	67.81
Total Expenses:					0.00	67.81	67.81
Total C0084:					0.00	67.81	67.81

Expenses							
Account Key	Account Name	Category	Beginning Balance	Activity	Ending Balance		
C0095	Well 15 - Development / Chromi...	Wells		Construction in Prog...	Active		
C0095 OUTSIDE SVCS	C0095 OUTSIDE SVCS - WELL 15 Dvlpmn...	OUTSIDE SERVICES	0.00	371,318.66	371,318.66		
Total Expenses:			0.00	371,318.66	371,318.66		
Total C0095:			0.00	371,318.66	371,318.66		

Summary

Project Summary

Project Number	Project Name	Beginning Balance	Activity	Ending Balance
C0002	ADMINISTRATIVE PROPERTY	0.00	526,170.53	526,170.53
C0036	HWY 138 (PPHCSD) PIPELINE RELOCAT	0.00	0.00	0.00
C0072	Mountain Well	0.00	52,484.50	52,484.50
C0075	Reservoir 6A Pneumatic Tank	0.00	0.00	0.00
C0078	Phelan Park Expansion	0.00	432,290.24	432,290.24
C0080	Water Master Plan Update 2020	0.00	0.00	0.00
C0084	Meters & Installation	0.00	67.81	67.81
C0095	Well 15 - Development / Chromium M	0.00	371,318.66	371,318.66
Project Totals:		0.00	1,382,331.74	1,382,331.74

Group Summary

Group	Beginning Balance	Activity	Ending Balance
Administration	0.00	526,170.53	526,170.53
Parks	0.00	432,290.24	432,290.24
Source of Supply	0.00	0.00	0.00
Water Distribution	0.00	67.81	67.81
Wells	0.00	423,803.16	423,803.16
Group Totals:	0.00	1,382,331.74	1,382,331.74

Type Summary

Type	Beginning Balance	Activity	Ending Balance
Construction in Progress	0.00	1,382,331.74	1,382,331.74
Type Totals:	0.00	1,382,331.74	1,382,331.74



DATE: September 30, 2022
 TO: Board of Directors
 FROM: Don Bartz, General Manager/Treasurer
 BY: David Noland, Accountant

Cash / Investment Report

As of 09/30/22

Institution	Account Type	Amount	Interest Rate	Maturity Date	% of total Funds
<u>CHECKING ACCOUNTS</u>					
Flagstar Bank (DCB)	General Checking	\$ 208,644.10	0.60%	N/A	1.01%
<u>INVESTMENT ACCOUNTS</u>					
State of California	LAIF	\$20,414,777.79	1.35%	N/A	98.95%
Cnty/Change Fund/Petty Cash		\$ 7,056.64			0.03%
	TOTAL	\$ 20,630,478.53			100%

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	
07/21/2022	\$	119,722.34	\$ 49,759.85	\$ 169,482.19	
08/01/2022				\$ -	
Total	\$	1,624,522.36	\$ 1,179,621.70	\$ 2,804,144.06	\$ 2,804,144.06
OM Expenses					\$ 273,550.73
			Total Cost to Date		\$ 3,317,642.22

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	\$	268,733.30	Total Received for Fiscal Year	
2019/2020	\$	1,075,131.15	Total Received for Fiscal Year	Incl Settlement
2020/2021	\$	119,612.47	Total Received for Fiscal Year	
2021/2022	\$	1,237,537.38	Total Received for Fiscal Year	Incl PY Credits
July - Sept 2022	\$	52,123.99	Received for July only	
Oct - Dec 2022	\$	-		
Jan -Mar 2023	\$	-		
Apr - Jun 2023	\$	-		
2022/2023	\$	52,123.99	Total Received for Fiscal Year	
Total	\$	3,589,928.63	Total Credits to Date	\$ (3,589,928.63)
			Total Cost (Income)	\$ (272,286.41)

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	\$ 518,788	\$ 4,402	\$ (35,575)	\$ -	\$ 487,615	\$ 3,652,786	\$ (214,559)	\$ (143,033)	\$ (357,591)	136%	\$ 129,976
2023	\$ 538,119	\$ 4,576	\$ (35,575)	\$ -	\$ 507,120	\$ 3,430,106	\$ (222,680)	\$ (134,911)	\$ (357,591)	142%	\$ 149,485
2024	\$ 558,157	\$ 4,761	\$ (35,575)	\$ -	\$ 527,343	\$ 3,198,997	\$ (231,109)	\$ (126,482)	\$ (357,591)	148%	\$ 170,757
2025	\$ 578,806	\$ 4,957	\$ (35,575)	\$ -	\$ 548,188	\$ 2,959,140	\$ (239,857)	\$ (117,735)	\$ (357,591)	153%	\$ 193,292
2026	\$ 599,875	\$ 5,164	\$ (31,946)	\$ -	\$ 568,981	\$ 2,710,205	\$ (248,936)	\$ (108,656)	\$ (357,591)	161%	\$ 217,123
2027	\$ 621,374	\$ 5,382	\$ (32,905)	\$ -	\$ 589,471	\$ 2,451,847	\$ (258,358)	\$ (99,233)	\$ (357,591)	167%	\$ 242,476
2028	\$ 643,313	\$ 5,611	\$ (33,892)	\$ -	\$ 610,432	\$ 2,183,709	\$ (268,137)	\$ (89,454)	\$ (357,591)	173%	\$ 269,297
2029	\$ 665,702	\$ 5,851	\$ (34,909)	\$ -	\$ 631,444	\$ 1,905,422	\$ (278,287)	\$ (79,304)	\$ (357,591)	179%	\$ 297,722
2030	\$ 688,541	\$ 6,102	\$ (167,208)	\$ -	\$ 654,435	\$ 1,616,602	\$ (288,820)	\$ (68,771)	\$ (357,591)	150%	\$ 327,799
2031	\$ 711,830	\$ 6,364	\$ (37,035)	\$ -	\$ 677,159	\$ 1,316,849	\$ (299,753)	\$ (57,838)	\$ (357,591)	193%	\$ 359,466
2032	\$ 735,569	\$ 6,637	\$ (38,146)	\$ -	\$ 699,060	\$ 1,005,750	\$ (311,099)	\$ (46,492)	\$ (357,591)	201%	\$ 392,974
2033	\$ 759,768	\$ 6,922	\$ (39,290)	\$ -	\$ 720,400	\$ 682,875	\$ (322,874)	\$ (34,717)	\$ (357,591)	208%	\$ 427,321
2034	\$ 784,427	\$ 7,219	\$ (40,469)	\$ -	\$ 741,167	\$ 347,780	\$ (335,096)	\$ (22,495)	\$ (357,591)	216%	\$ 462,606
2035	\$ 809,546	\$ 7,528	\$ (41,683)	\$ -	\$ 761,463	\$ (0)	\$ (347,780)	\$ (9,812)	\$ (357,591)	224%	\$ 498,829
2036	\$ 835,125	\$ 7,849	\$ (42,933)	\$ -	\$ 781,192	\$ (0)	\$ (0)	\$ (0)	\$ -	0%	\$ 535,980
2037	\$ 861,164	\$ 8,182	\$ (44,221)	\$ -	\$ 800,045	\$ (0)	\$ -	\$ -	\$ -	0%	\$ 573,061
2038	\$ 887,663	\$ 8,528	\$ (45,548)	\$ -	\$ 818,115	\$ (0)	\$ -	\$ -	\$ -	0%	\$ 610,072
2039	\$ 914,622	\$ 8,887	\$ (46,914)	\$ -	\$ 835,408	\$ (0)	\$ -	\$ -	\$ -	0%	\$ 647,013
2040	\$ 942,041	\$ 9,259	\$ (48,322)	\$ -	\$ 852,129	\$ (0)	\$ -	\$ -	\$ -	0%	\$ 683,894
2041	\$ 970,020	\$ 9,644	\$ (49,771)	\$ -	\$ 868,349	\$ (0)	\$ -	\$ -	\$ -	0%	\$ 720,715
2042	\$ 998,559	\$ 10,042	\$ (51,265)	\$ -	\$ 884,074	\$ (0)	\$ -	\$ -	\$ -	0%	\$ 757,476
2043	\$ 1,027,668	\$ 10,454	\$ (52,802)	\$ -	\$ 899,310	\$ (0)	\$ -	\$ -	\$ -	0%	\$ 794,177
2044	\$ 1,057,347	\$ 10,881	\$ (54,387)	\$ -	\$ 914,050	\$ (0)	\$ -	\$ -	\$ -	0%	\$ 830,818
2045	\$ 1,087,596	\$ 11,324	\$ (56,018)	\$ -	\$ 928,294	\$ (0)	\$ -	\$ -	\$ -	0%	\$ 867,399
TOTAL	\$ 16,450,503	\$ 548,196	\$ (1,345,410)	\$ (198,821)	\$ 15,454,468	\$ (5,000,000)	\$ (2,151,826)	\$ (7,151,826)			\$ 8,302,643

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	\$ 268,733	\$ -	\$ (35,575)	\$ -	\$ 233,159	\$ 4,370,127	\$ (195,528)	\$ (162,064)	\$ (357,591)	0%	\$ (124,433)
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	\$ 52,124	\$ -	\$ -	\$ -	\$ 52,124	\$ 3,495,200	\$ (119,722)	\$ (49,760)	\$ (169,482)	0%	\$ (117,358)
2024	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ -
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	\$ 3,589,929	\$ -	\$ (249,023)	\$ (264,475)	\$ 3,076,430	\$ (1,624,522)	\$ (1,179,622)	\$ (2,804,144)			\$ 272,286



Phelan Piñon Hills Community Services District
Phelan, California

Annual Comprehensive Financial Report

For the Fiscal Year Ended

June 30, 2022



4176 Warbler Road | Phelan, CA



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

Annual Comprehensive Financial Report

For the Fiscal Year Ended

June 30, 2022

Working Draft Subject to Review

Prepared by:

Lori Lowrance, Administrative Services Manager

**Phelan Piñon Hills Community Services District
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2022**

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**Phelan Piñon Hills Community Services District
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2022**

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Introductory Section

Working Draft Subject to Review

Working Draft Subject to Review



[ISSUE DATE]

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, 2022. 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 Fedak & Brown LLP 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 of San Bernardino and create a Community Services District. The Phelan Piñon Hills Community Service 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 CSA56-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, participating in the election process, formerly during odd years, effective 2017 (per SB415) changed to even year election cycles. For the currently seated Board, three Directors were elected in November of 2018 and two Directors were elected in November of 2020. 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 first and third Wednesdays of each month at 6pm 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 quarterly meetings for Parks, Recreation and Street Lighting, Solid Waste and Recycling, Legislative, and Finance. These meetings are open to the Public who are encouraged to attend.

Resolution 2022-01, 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. As of June 30, 2022, the District engages twenty-six full-time, and one temporary employee. 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 the community 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 to provide safe, good tasting water to 7,189 service connections within an approximate 128 square mile service area. The water service area is almost entirely single-family residential which comprises approximately 99 percent of total water service connections.

The water infrastructure consists of 14 wells (approximately 1,000 feet deep) in six well fields, 35 reservoirs with a combined capacity of approximately 12,000,000 gallons, 4 de-sanding 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-inch to 16-inch 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 Alliance for Water Awareness and Conservation (AWAC), through the Mojave Water Agency, plus resource material to promote desert landscape. The District is also 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 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 for private party rental 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

Street light service is primarily located in the business district of Phelan. The District also has some lights at strategic intersections to help in providing safety to the community. The District considers expansion of the street lighting to other intersections 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. The District is responsible for compliance with state and federal mandates regarding solid waste and recycling and coordinates various programs and provides a variety of solid waste and recycling 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 property values due to the downturn in economic activity. 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 the District’s 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 cost 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 the impacts of the conservation 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 in an effort to minimize rate changes to customers. In 2012 and 2015, the District purchased water rights which will result in a savings of reduced water rights fees. Even after repaying the \$7.5 million loan, this purchase is estimated to save the District \$18.6 million 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 \$1,200,000 per year) expense: electricity. After loan repayment, the estimated savings due to the solar project were projected to be up to \$8.3 million over thirty years. The combined results of these two measures are savings estimated to exceed \$26.9 million 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 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. 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 maximum contaminant levels (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 \$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 \$5.9 million dollars less than the original estimate of \$17 million. 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 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 a 10-year plan 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 will help to focus development of the District. The 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 2019-05)

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 section 1122.08 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 any and all investment decisions.

Reserves Policy (Resolution 2020-02)

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 into the future.

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 operating expenses, 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 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 purpose of this policy is to establish 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.

Revenues 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 Districts 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 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 – General, 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 2021/2022:

- 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
- Completed Water Rate and Fee Study
- Implement new meter reading software and customer service portal

Engineering

The Engineering Department provides professional planning and engineering services to our 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 2021/2022:

- 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 (Tank 6A capacity mitigation) pipeline projects
- Expand GIS platform – transfer to a server-based system
- 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
- Deployment of single sign-on (SSO) GIS Portal/Enterprise server
- Phase II update to Azure Active Directory & Microsoft 365
- Wilson Ranch Road grading plan design
- Well equipping and pipeline design
- Sheep Creek Water Company consolidation management coordination and projects
- Public Water Line Map located in District website
- Vehicle Safety and Fuel Portal mobile application
- 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, and distribution facilities, 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 2020/2021:

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 2 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, 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 2021/2022:

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

Street light service is primarily located in the business district of Phelan; there are some at strategic intersections to help in providing safety to the community. The District considers expansion of the street lighting to other intersections based upon a safety need, but the District does respect the San Bernardino County “Dark Sky” ordinance and encourages residents to do the same.

Projects in Progress and/or Completed in 2021/2022:

There were no requests for street lights in 2021/2022.

Solid Waste

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

Projects in Progress and/or Completed in 2021/2022:

Two Community Clean Up Days
Tire Recycling Program
School Outreach Program
Adopt Ordinance for Uniform Residential and Commercial Solid Waste, Recycling, and Organics Collection
Earth Day Contest
Implementation of Organic Waste collection for required businesses
Expand voluntary residential collection participation
Develop new programs
Develop/expand new partnerships
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.

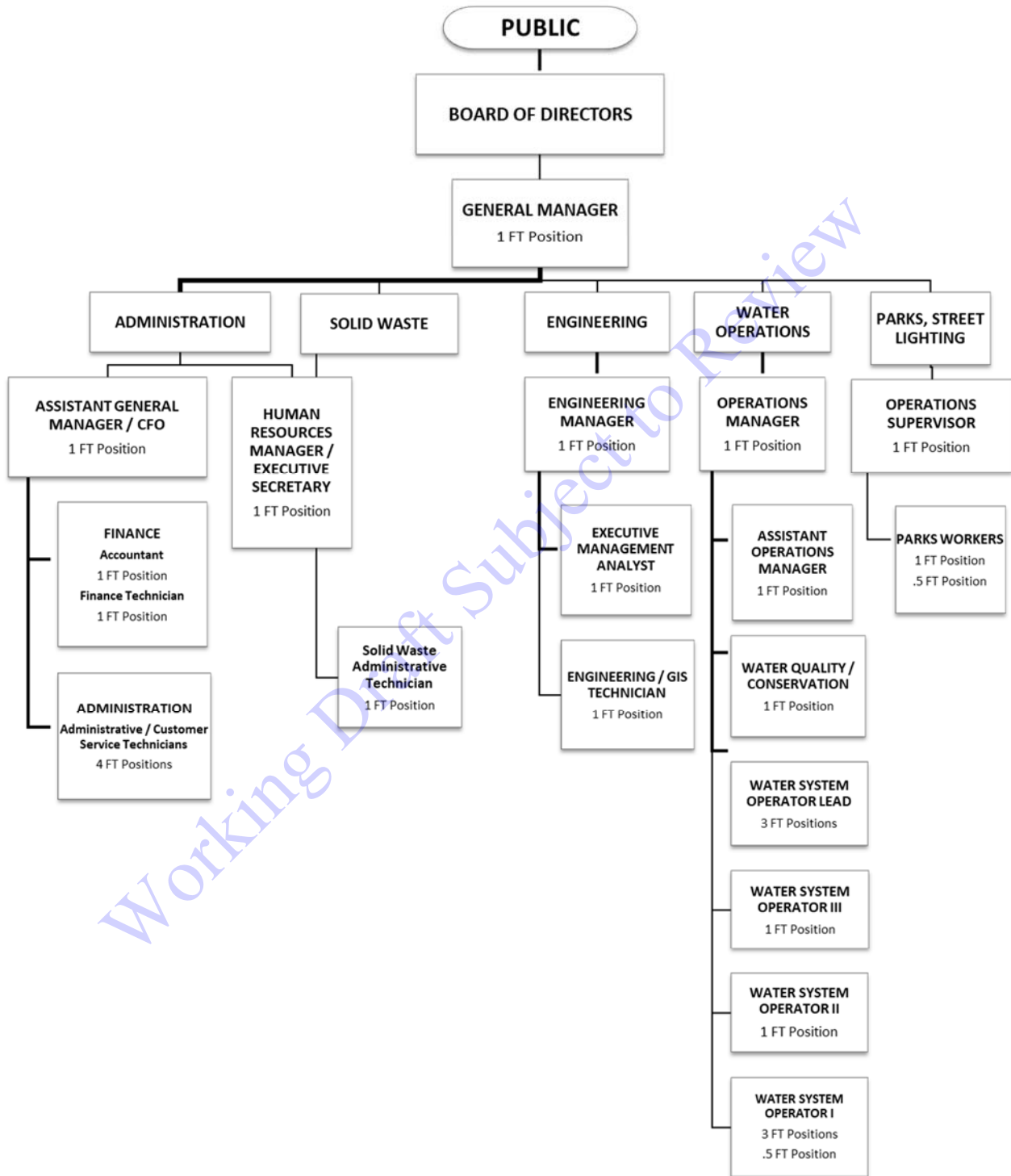
Respectfully submitted,



Don Bartz, General Manager

Organizational Chart

As of June 30, 2022



FT = 27 Full Time

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.”

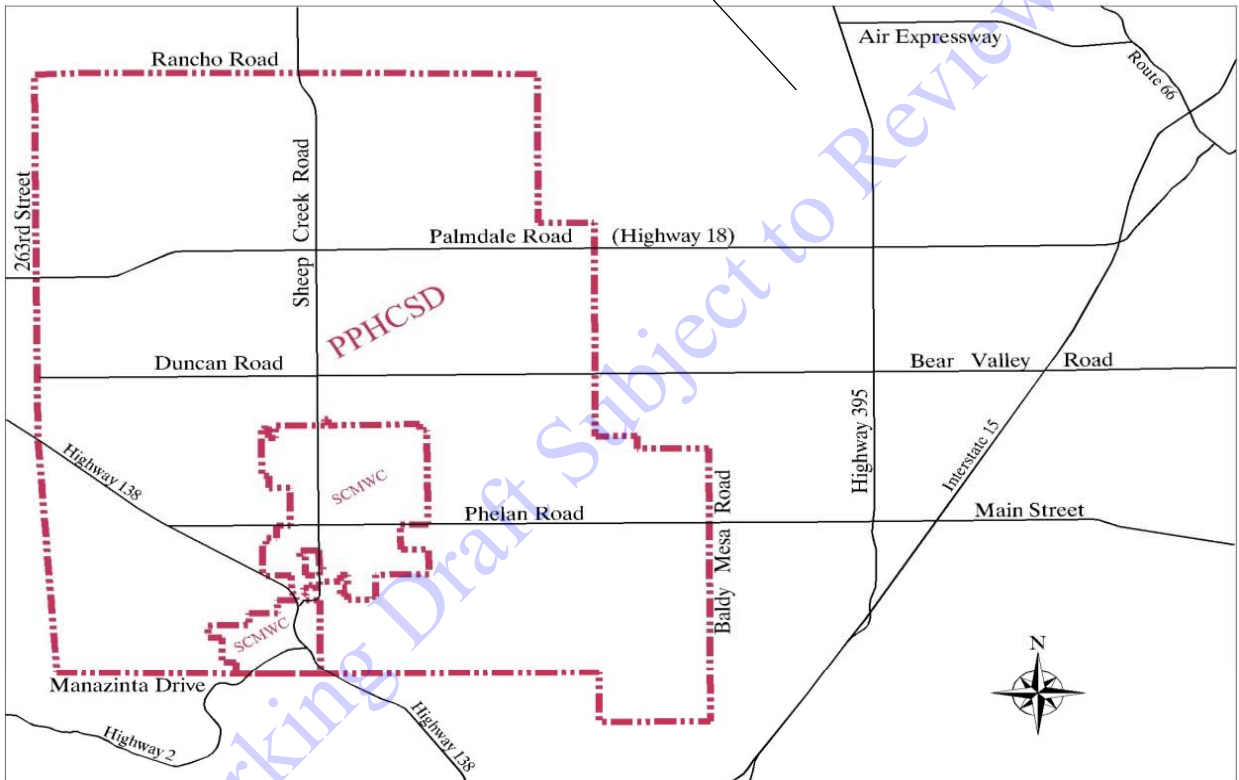
<u>Name</u>	<u>Title</u>	<u>Elected/ Appointed</u>	<u>Term Expires</u>
Rebecca Kujawa	President	Elected	2024
Deborah Philips	Vice President	Elected	2022
Kathy Hoffman	Director	Elected	2022
Charlie Johnson	Director	Elected	2022
Mark Roberts	Director	Elected	2024

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



Working Draft Subject to Review



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, 2021

Christopher P. Morill

Executive Director/CEO



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Financial Section

Working Draft Subject to Review

Working Draft Subject to Review

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, 2022, 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, 2022, 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.

Emphasis of Matter

As discussed in Note 10 of the financial statements, adjustments were recognized for the District's lessor agreements. The District has recorded a lease receivable, a deferred inflow of resources, reclassified a portion of its rental income to interest income, and has recorded a prior period adjustment to restate net position as of July 1, 2020 and 2021. Our opinion is not modified with respect to this matter.

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 62 through 68 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 69 through 86 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 [ISSUE DATE], 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 87 and 88.

Fedak & Brown LLP
Cypress, California
[ISSUE DATE]

**Phelan Piñon Hills Community Services District
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2022**

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, 2022. 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 2022, the District’s net position increased by 6.14% or \$3,096,412 to \$53,520,611 as a result of ongoing operations.
- In 2022, the District’s total revenues increased 5.90% or \$640,267 to \$11,493,429.
- In 2022, the District’s total expenses decreased by 10.87% or \$1,024,573 to \$8,397,017.

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, 2022**

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 61.

Government-wide Financial Analysis

Statements of Net Position

The following table is a summary of the statement of net position at June 30, 2022.

	Condensed Statements of Net Position					
	Governmental Activities		Business-type Activities		Total District	
	2022	As Restated 2021	2022	2021	2022	As Restated 2021
Assets:						
Current assets	\$ 8,525,081	7,673,451	14,261,106	15,205,198	22,786,187	22,878,649
Non-current assets	288,471	402,834	485,261	18,670	773,732	421,504
Capital assets, net	3,932,315	3,888,889	37,633,893	38,092,571	41,566,208	41,981,460
Total assets	12,745,867	11,965,174	52,380,260	53,316,439	65,126,127	65,281,613
Deferred outflows of resources	100,590	37,826	905,311	340,423	1,005,901	378,249
Liabilities:						
Current liabilities	106,542	118,337	1,615,860	3,457,649	1,722,402	3,575,986
Non-current liabilities	9,271	8,770	10,440,460	11,053,988	10,449,731	11,062,758
Total liabilities	115,813	127,107	12,056,320	14,511,637	12,172,133	14,638,744
Deferred inflows of resources	384,867	(210,124)	54,417	49,401	439,284	(160,723)
Net position:						
Net investment in capital assets	3,932,315	3,888,889	26,668,410	26,472,413	30,600,725	30,361,302
Unrestricted	8,413,462	7,439,486	14,506,424	12,623,411	22,919,886	20,062,897
Total net position	\$ 12,345,777	11,328,375	41,174,834	39,095,824	53,520,611	50,424,199

**Phelan Piñon Hills Community Services District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022**

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 \$53,520,611 as of June 30, 2022. 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, 2022.

	Condensed Statements of Activities					
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total District</u>	
	<u>2022</u>	<u>As Restated 2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>As Restated 2021</u>
Revenues:						
Program revenues:						
Charges for services	\$ 239,518	181,104	8,799,614	8,472,683	9,039,132	8,653,787
General revenues:						
Property taxes	1,494,147	1,387,911	22,612	17,825	1,516,759	1,405,736
Interest earnings, net	-	53,388	-	-	-	53,388
Other	342,798	304,347	594,740	435,904	937,538	740,251
Total revenues	<u>2,076,463</u>	<u>1,926,750</u>	<u>9,416,966</u>	<u>8,926,412</u>	<u>11,493,429</u>	<u>10,853,162</u>
Expenses:						
General	28,752	4,953	-	-	28,752	4,953
Parks and recreation	437,980	491,166	-	-	437,980	491,166
Street lighting	16,563	15,840	-	-	16,563	15,840
Solid waste	63,491	20,387	-	-	63,491	20,387
Water	-	-	7,510,341	8,889,244	7,510,341	8,889,244
Interest expense – investments, net	75,411	-	264,479	-	339,890	-
Total expenses	<u>622,197</u>	<u>532,346</u>	<u>7,774,820</u>	<u>8,889,244</u>	<u>8,397,017</u>	<u>9,421,590</u>
Excess before transfers	1,454,266	1,394,404	1,642,146	37,168	3,096,412	1,431,572
Transfers from(to) other funds	(436,864)	(440,000)	436,864	440,000	-	-
Change in net position	1,017,402	954,404	2,079,010	477,168	3,096,412	1,431,572
Net position, beginning of period, as restated	<u>11,328,375</u>	<u>10,373,971</u>	<u>39,095,824</u>	<u>38,618,656</u>	<u>50,424,199</u>	<u>48,992,627</u>
Net position, end 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>

Compared to prior year, net position of the District increased 6.14% or \$3,096,412 to \$53,520,611 as a result of ongoing operations.

Total revenues increased 5.90% or \$640,267 to \$11,493,429. The District's program revenues increased by \$385,345, due primarily to increases of \$347,961 in monthly meter service charge, \$251,198 in water consumption sales, which were offset by a decrease of \$279,309 in other charges for services. The District's general revenues increased by \$254,922, due primarily to increases of \$197,287 in other income, \$111,023 in property taxes, which were offset by a decrease of \$53,388 in interest earnings due to year-end fair value adjustments.

**Phelan Piñon Hills Community Services District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022**

Government-wide Financial Analysis, continued

Statements of Activities, continued

Total expenses decreased by 10.87% or \$1,024,573 to \$8,397,017 due primarily to decreases of \$609,944 in general and administrative, \$150,653 in pumping – utilities, net of solar credits, \$264,479 in interest expense related to long-term debt, and \$132,430 in interest expense related to investments, net of fair value, which were offset by an increase of \$189,017 in transmission and distribution.

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, 2022.

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	\$ 2,630,438	4,659,100	22,800	94,783	7,407,121
Change in fund balance	540,117	311,699	(384)	3,050	854,482
Fund balance, end of year	<u>\$ 3,170,555</u>	<u>4,970,799</u>	<u>22,416</u>	<u>97,833</u>	<u>8,261,603</u>

In 2022, total fund balance increased by 11.54% or \$854,482 to \$8,261,603. The General fund increased by 20.53% or \$540,117 to \$3,170,555 due primarily to revenues exceeding expenditures and transfers out. The Parks and Recreation fund increased by 6.69% or \$311,699 to \$4,970,799 due primarily to revenues exceeding expenditures and transfers in. The Street Lighting fund decreased 1.68% or \$384 to \$22,416, and the solid waste fund increased by 3.22% or \$3,050 to \$97,833.

Capital Asset Administration

Capital Assets

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total District</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Capital assets:						
Non-depreciable assets	\$ 3,370,541	3,278,756	18,766,947	19,273,599	22,137,488	22,552,355
Depreciable assets	<u>2,140,729</u>	<u>2,098,500</u>	<u>50,350,432</u>	<u>48,960,124</u>	<u>52,491,161</u>	<u>51,058,624</u>
Total capital assets	5,511,270	5,377,256	69,117,379	68,233,723	74,628,649	73,610,979
Accumulated depreciation	<u>(1,578,955)</u>	<u>(1,488,367)</u>	<u>(31,483,486)</u>	<u>(30,141,152)</u>	<u>(33,062,441)</u>	<u>(31,629,519)</u>
Total capital assets, net	<u>\$ 3,932,315</u>	<u>3,888,889</u>	<u>37,633,893</u>	<u>38,092,571</u>	<u>41,566,208</u>	<u>41,981,460</u>

At the end of fiscal year 2022, the District's capital assets (net of accumulated depreciation) amounted to \$41,566,208. Capital assets includes 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, 2022**

Long-Term Debt Administration

		Long-term Debt					
		Governmental Activities		Business-Type Activities		Total	
		2022	2021	2022	2021	2022	2021
Long-term debt:							
Long-term debt	\$	-	-	10,965,483	11,620,158	10,965,483	11,620,158
Total long-term debt	\$	-	-	10,965,483	11,620,158	10,965,483	11,620,158

Long-term debt decreased by 5.63% or \$654,675 to \$10,965,483 in 2022 primarily due to 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

The COVID-19 pandemic in the United States has caused business disruption through labor shortages and business closings. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration of the disruption. Consequently, the related financial impact on the District and the duration cannot be estimated at this time.

Management is unaware of any other 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 Administrative Services Manager, Lori Lowrance, at Phelan Pinon Hills Community Services District, 4176 Warbler Road, Phelan, California, 92371 or (760) 868-1212.



Working Draft Subject to Review

Basic Financial Statements

Working Draft Subject to Review

Phelan Piñon Hills Community Services District
Statement of Net Position
June 30, 2022

	Governmental Activities	Business-type Activities	Total
Current assets:			
Cash and cash equivalents (note 2)	\$ 8,268,490	12,515,435	20,783,925
Accrued interest receivable	-	38,714	38,714
Accounts receivable – water sales and services	-	888,445	888,445
Accounts receivable – other	43,415	46,703	90,118
Leases receivable (note 3)	166,207	-	166,207
Property taxes and assessments receivable	46,969	125,272	172,241
Materials and supplies inventory	-	312,378	312,378
Prepays and other assets	-	334,159	334,159
Total current assets	<u>8,525,081</u>	<u>14,261,106</u>	<u>22,786,187</u>
Non-current assets:			
Leases receivable (note 3)	234,551	-	234,551
Capital assets – not being depreciated (note 4)	3,370,541	18,766,947	22,137,488
Capital assets – being depreciated, net (note 4)	561,774	18,866,946	19,428,720
Net pension asset (note 7)	53,920	485,261	539,181
Total non-current assets	<u>4,220,786</u>	<u>38,119,154</u>	<u>42,339,940</u>
Total assets	<u>12,745,867</u>	<u>52,380,260</u>	<u>65,126,127</u>
Deferred outflows of resources:			
Deferred pension outflows (note 7)	100,590	905,311	1,005,901
Current liabilities:			
Accounts payable and accrued expenses	67,566	557,344	624,910
Accrued salaries and related payables	12,114	127,868	139,982
Customer deposits and unearned revenue	17,591	97,084	114,675
Accrued interest on long-term debt	-	107,685	107,685
Long-term liabilities – due within one year:			
Compensated absences (note 5)	9,271	100,428	109,699
Long-term debt (note 6)	-	625,451	625,451
Total current liabilities	<u>106,542</u>	<u>1,615,860</u>	<u>1,722,402</u>
Non-current liabilities:			
Long-term liabilities – due in more than one year:			
Compensated absences (note 5)	9,271	100,428	109,699
Long-term debt (note 6)	-	10,340,032	10,340,032
Total non-current liabilities	<u>9,271</u>	<u>10,440,460</u>	<u>10,449,731</u>
Total liabilities	<u>115,813</u>	<u>12,056,320</u>	<u>12,172,133</u>
Deferred inflows of resources:			
Deferred pension inflows (note 7)	6,046	54,417	60,463
Deferred lease inflows (note 3)	378,821	-	378,821
Total deferred inflows of resources	<u>384,867</u>	<u>54,417</u>	<u>439,284</u>
Net position (note 8):			
Net investment in capital assets	3,932,315	26,668,410	30,600,725
Unrestricted	8,413,462	14,506,424	22,919,886
Total net position	<u>\$ 12,345,777</u>	<u>41,174,834</u>	<u>53,520,611</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, 2022

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Capital Grants and Contributions	Governmental Activities	Business-type Activities	
Governmental activities:						
General	\$ 28,752	227,963	-	199,211	-	199,211
Parks and recreation	437,980	11,555	-	(426,425)	-	(426,425)
Street lighting	16,563	-	-	(16,563)	-	(16,563)
Solid waste	63,491	-	-	(63,491)	-	(63,491)
Total governmental activities	546,786	239,518	-	(307,268)	-	(307,268)
Business-type activities:						
Water	7,510,341	8,799,614	-	-	1,289,273	1,289,273
Total business-type activities	7,510,341	8,799,614	-	-	1,289,273	1,289,273
Total	\$ 8,057,127	9,039,132	-	(307,268)	1,289,273	982,005
General revenues(expense):						
Property taxes				\$ 1,494,147	22,612	1,516,759
Interest expense – investments, net				(75,411)	(264,479)	(339,890)
Other				342,798	594,740	937,538
Total general revenues, net				1,761,534	352,873	2,114,407
Transfers (to)from other funds (note 9)				(436,864)	436,864	-
Change in net position				1,017,402	2,079,010	3,096,412
Net position, beginning of year – as restated (note 10)				11,328,375	39,095,824	50,424,199
Net position, end of year				\$ 12,345,777	41,174,834	53,520,611

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, 2022

	<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	\$ 3,120,467	5,036,742	31,186	80,095	8,268,490
Accounts receivable – services	20,757	480	-	22,178	43,415
Property taxes and assessments receivable	46,969	-	-	-	46,969
Total assets	\$ 3,188,193	5,037,222	31,186	102,273	8,358,874
Liabilities:					
Accounts payable and accrued expenses	\$ 137	56,853	8,770	1,806	67,566
Accrued salaries and related payables	-	9,480	-	2,634	12,114
Customer deposits and unearned revenue	17,501	90	-	-	17,591
Total liabilities	17,638	66,423	8,770	4,440	97,271
Fund balance (note 11):					
Assigned	-	4,970,799	22,416	97,833	5,091,048
Unassigned	3,170,555	-	-	-	3,170,555
Total fund balance	3,170,555	4,970,799	22,416	97,833	8,261,603
Total liabilities and fund balance	\$ 3,188,193	5,037,222	31,186	102,273	8,358,874

Reconciliation:

Fund balance of total governmental funds	\$ 8,261,603
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	400,758
Capital assets	3,932,315
Net pension asset	53,920
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.	\$ 33,666
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.	12,886
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.	47,068
Recognized portion due to net differences in proportions are reported as deferred outflows of resources in the government-wide financial statements.	6,970
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	(18,542)
Recognized portion due to net differences between the expected and actual experience are reported as deferred inflows of resources in the government-wide financial statements.	(6,046)
Recognized portion due to lessor agreements are reported as deferred inflows of resources in the government-wide financial statements.	(378,821)
Net position of governmental activities	\$ 12,345,777

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, 2022

	<u>General</u>	<u>Parks and Recreation</u>	<u>Street Lighting</u>	<u>Solid Waste</u>	<u>Total Governmental Funds</u>
Revenues:					
Property taxes	\$ 777,641	700,327	16,179	-	1,494,147
Charges for services	227,963	11,555	-	-	239,518
Other	129	128	-	342,541	342,798
Total revenues	<u>1,005,733</u>	<u>712,010</u>	<u>16,179</u>	<u>342,541</u>	<u>2,076,463</u>
Expenditures:					
General	10,505	-	-	-	10,505
Parks and recreation	-	485,741	-	-	485,741
Street lighting	-	-	16,181	-	16,181
Solid waste	-	-	-	63,265	63,265
Interest expense – investments, net	18,247	56,556	382	226	75,411
Capital outlay	-	134,014	-	-	134,014
Total expenditures	<u>28,752</u>	<u>676,311</u>	<u>16,563</u>	<u>63,491</u>	<u>785,117</u>
Excess(deficiency) of revenues over expenditures	<u>976,981</u>	<u>35,699</u>	<u>(384)</u>	<u>279,050</u>	<u>1,291,346</u>
Other financing sources(uses) (note 9):					
Transfers in – operational	-	276,000	-	-	276,000
Transfers (out) – operational	(436,864)	-	-	(276,000)	(712,864)
Total other financing sources(uses)	<u>(436,864)</u>	<u>276,000</u>	<u>-</u>	<u>(276,000)</u>	<u>(436,864)</u>
Change in fund balance	540,117	311,699	(384)	3,050	854,482
Fund balance, beginning of year	<u>2,630,438</u>	<u>4,659,100</u>	<u>22,800</u>	<u>94,783</u>	<u>7,407,121</u>
Fund balance, end of year	<u>\$ 3,170,555</u>	<u>4,970,799</u>	<u>22,416</u>	<u>97,833</u>	<u>8,261,603</u>
Reconciliation:					
Net change in fund balance of total governmental funds				\$	854,482
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					134,014
Depreciation expense					(90,588)
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					(1,002)
Net change in pension obligations for the current period					<u>129,525</u>
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					<u>(9,029)</u>
Change in net position of governmental activities				\$	<u>1,017,402</u>

See accompanying notes to the basic financial statements

Phelan Piñon Hills Community Services District
Statement of Net Position – Enterprise Fund
June 30, 2022

		<u>Water Enterprise</u>
Current assets:		
Cash and cash equivalents	\$	12,515,435
Accrued interest receivable		38,714
Accounts receivable – water sales and services		888,445
Accounts receivable – other		46,703
Property taxes and assessments receivable		125,272
Materials and supplies inventory		312,378
Prepays and other assets		<u>334,159</u>
Total current assets		<u>14,261,106</u>
Non-current assets:		
Capital assets – not being depreciated		18,766,947
Capital assets – being depreciated, net		18,866,946
Net pension asset (note 6)		<u>485,261</u>
Total non-current assets		<u>38,119,154</u>
Total assets		<u>52,380,260</u>
Deferred outflows of resources:		
Deferred pension outflows		<u>905,311</u>
Current liabilities:		
Accounts payable and accrued expenses		557,344
Accrued salaries and related payables		127,868
Customer deposits and deferred revenue		97,084
Accrued interest on long-term debt		107,685
Long-term liabilities – due within one year:		
Compensated absences		100,428
Long-term debt		<u>625,451</u>
Total current liabilities		<u>1,615,860</u>
Non-current liabilities:		
Long-term liabilities – due in more than one year:		
Compensated absences		100,428
Long-term debt		<u>10,340,032</u>
Total non-current liabilities		<u>10,440,460</u>
Total liabilities		<u>12,056,320</u>
Deferred inflows of resources:		
Deferred pension inflows		<u>54,417</u>
Net position:		
Net investment in capital assets		26,668,410
Unrestricted		<u>14,506,424</u>
Total net position	\$	<u><u>41,174,834</u></u>

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, 2022

	Water Enterprise
Operating revenues:	
Water consumption sales	\$ 4,067,062
Monthly meter service charge	2,780,977
Chromium-6 surcharge (note 12)	834,553
Special assessment	287,748
Other charges and services	829,274
Total operating revenues	8,799,614
Operating expenses:	
Source of supply – water related purchases	15,089
Pumping – utilities	1,537,723
Pumping – solar credits	(577,786)
Transmission and distribution	1,473,907
General and administrative	3,114,810
Total operating expenses	5,563,743
Operating income before depreciation	3,235,871
Depreciation	(1,796,263)
Operating income	1,439,608
Non-operating revenues (expenses):	
Property taxes	22,612
Interest expense – long-term debt	(132,430)
Interest expense – investments, net	(264,479)
Source of supply – settlement (note 13)	44,473
Water pipeline location service charges	11,292
Solar electricity credits, net of charges – prior year	255,666
Other non-operating revenues	283,309
Other non-operating expenses	(17,905)
Total non-operating revenues, net	202,538
Net income before transfers	1,642,146
Transfers from other funds	436,864
Change in net position	2,079,010
Net position, beginning of year	39,095,824
Net position, end of year	\$ 41,174,834

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, 2022

	<u>Water Enterprise</u>
Cash flows from operating activities:	
Cash receipts from customers	\$ 9,299,748
Cash paid to employees	(2,338,161)
Cash paid to vendors and suppliers	<u>(5,882,826)</u>
Net cash provided by operating activities	<u>1,078,761</u>
Cash flows from non-capital financing activities:	
Proceeds from property taxes	16,038
Transfer of property tax revenue from General fund	436,864
Proceeds from water pipeline location service charges	<u>11,292</u>
Net cash provided by non-capital financing activities	<u>464,194</u>
Cash flows from capital and related financing activities:	
Acquisition and construction of capital assets	(1,337,585)
Principal payments on long-term debt	(654,675)
Interest payments on long-term debt	<u>(225,304)</u>
Net cash used in capital and financing activities	<u>(2,217,564)</u>
Cash flows from investing activities:	
Interest earnings	<u>(156,253)</u>
Net cash used in investing activities	<u>(156,253)</u>
Net decrease in cash and cash equivalents	<u>(830,862)</u>
Cash and cash equivalents, beginning of year	<u>13,346,297</u>
Cash and cash equivalents, end of year	<u>\$ 12,515,435</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, 2022**

	<u>Water Enterprise</u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ <u>1,439,608</u>
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation expense	1,796,263
Source of supply – settlement	44,473
Solar electricity credits, net of charges – prior year	255,666
Other non-operating revenues	283,309
Other non-operating expenses	(17,905)
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	171,571
Accounts receivable – other	17,603
Materials and supplies inventory	(11,093)
Prepays and other assets	(34,454)
Net pension asset	(466,591)
Deferred outflows of resources	(564,888)
Increase (decrease) in liabilities and deferred inflows:	
Accounts payable and accrued expenses	(1,332,392)
Accrued salaries and related payables	25,499
Customer deposits and deferred revenue	27,651
Due to other agency	(584,541)
Compensated absences	23,966
Deferred inflows of resources	<u>5,016</u>
Total adjustments	<u>(360,847)</u>
Net cash provided by operating activities	\$ <u>1,078,761</u>
Non-cash investing, capital and financing transactions:	
Change in fair value of investments	\$ <u>(268,771)</u>

See accompanying notes to the basic financial statements

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements
June 30, 2022

(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 6,900 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 and playgrounds. 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
June 30, 2022

(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.

Parks and Recreation – This fund is used to account for all parks and recreation activities within the District.

Street Lighting – This fund is used to account for all street lighting activities within the District.

Solid Waste – This fund is used to account for sanitation collection and recycling activities within the District.

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
June 30, 2022

(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.

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:

In June 2017, the GASB issued Statement No. 87 – *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

The requirements of this Statement were effective for reporting periods beginning after December 15, 2019; however, in light of the COVID-19 pandemic, the effective date has been postponed by 18 months. Earlier application is encouraged.

In June 2018, the GASB issued Statement No. 89 – *Accounting for Interest Cost incurred Before the End of a Construction Period*. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period.

This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5–22 of Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund.

This Statement also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles.

The requirements of this Statement were effective for reporting periods beginning after December 15, 2019; however, in light of the COVID-19 pandemic, the effective date has been postponed by one year. Earlier application is encouraged. The requirements of this Statement should be applied prospectively.

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
June 30, 2022

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

C. Financial Reporting, continued

In October 2021, the GASB issued Statement No. 98 – *The Annual Comprehensive Financial Report*. This Statement establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of Annual Comprehensive Financial Report and its acronym in generally accepted accounting principles for state and local governments.

This Statement was developed in response to concerns raised by stakeholders that the common pronunciation of the acronym for Annual Comprehensive Financial Report sounds like a profoundly objectionable racial slur. This Statement’s introduction of the new term is founded on a commitment to promoting inclusiveness.

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 to be cash equivalents.

3. Investments

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.

- State of California Local Area Investment Fund (LAIF)

LAIF is regulated by California Government Code (Code) Section 16429 and is under the management of the State of California Treasurer’s Office with oversight provided by the Local Agency Investment Advisory Board.

LAIF is carried at fair value based on the value of each participating dollar as provided by LAIF. The fair value of the District’s position in the LAIF is the same as the value of its pooled share. Investments in securities of the U.S. government or its agencies are carried at fair value based on quoted market prices. Bank balances are secured by the pledging of a pool of eligible securities to collateralize the District’s deposits with the bank in accordance with the Code.

4. 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.

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
June 30, 2022

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

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

5. 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

6. 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.

7. Prepaids

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

8. 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
June 30, 2022

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

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

9. 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 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 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 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.

10. 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.

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.

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
June 30, 2022

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

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

11. 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, 2020
- Measurement Date: June 30, 2021
- Measurement Period: July 1, 2020 to June 30, 2021

12. 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 has the following pension related items that qualify for reporting in this category:

- Deferred inflow 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 inflow 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.

13. 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
June 30, 2022

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

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

14. 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. 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.

15. 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
June 30, 2022

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

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

16. 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.

17. 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:

	2022
Governmental activity funds:	
General fund	\$ 3,120,467
Parks and recreation fund	5,036,742
Street lighting fund	31,186
Solid waste fund	80,095
Total	8,268,490
Business-type activity funds:	
Water fund	12,515,435
Total cash and cash equivalents	\$ 20,783,925

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

	2022
Cash on hand	\$ 2,000
Deposits held with financial institutions	169,617
Deposits held with San Bernardino County Treasurer	5,015
Deposits held with California Local Agency Investment Fund (LAIF)	20,607,293
Total	\$ 20,783,925

As of June 30 the District's authorized deposits had the following maturities:

	2022
Deposits held with California Local Agency Investment Fund (LAIF)	311 days

Authorized Deposits and Investments

The District's investment policy authorizes investments in certificates-of-deposit and the California Local Agency Investment Fund (LAIF). The District's investment policy does contain specific provisions intended to limit its exposure to interest rate risk, credit risk, custodial risk, and concentration of credit risk.

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
June 30, 2022

(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.

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 custodial credit risk for *investments* is the risk that, in the event of failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Code and the District's investment policy contain legal and policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools.

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 an investment has the greater its fair value has sensitivity to changes in market interest rates. The District's investment policy follows the Code as it relates to limits on investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates.

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
June 30, 2022

(2) Cash and Cash Equivalents, continued

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; however, LAIF is not rated.

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. The District’s deposit portfolio with a government-sponsored agency, LAIF, is 99% of the District’s total depository and investment portfolio. There were no investments in any one non-governmental issuer that represent 5.0% or more of the District’s total investments.

(3) Leases Receivable

Governmental Activities:

Changes in leases receivable at June 30 were as follows:

	Restated Balance 2021	Additions	Principal Payments	Balance 2022	Deferred Inflows
C & G Partners	\$ 409,113	-	(111,523)	\$ 297,590	\$ (281,348)
Circle Green	148,408	-	(45,240)	103,168	(97,473)
Total leases receivable	557,521	-	(156,763)	400,758	\$ (378,821)
Less: current portion	(156,763)			(166,207)	
Total non-current portion	\$ 400,758			\$ 234,551	

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, 2022, deferred lease inflows were reported at \$281,348.

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
June 30, 2022

(3) Leases Receivable, continued

Governmental Activities, continued:

C & G Partners, continued

Future payments to be received and deferred inflows as of June 30, 2022, are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Deferred Inflows</u>
2023	\$ 118,252	6,590	124,842	\$ (116,420)
2024	125,277	3,311	128,588	(116,420)
2025	<u>54,061</u>	<u>367</u>	<u>54,428</u>	<u>(48,508)</u>
Totals	297,590	<u>10,268</u>	<u>307,858</u>	<u>\$ (281,348)</u>
Less: current portion	<u>(118,252)</u>			
Total non-current	<u>\$ 179,338</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

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, 2022, deferred lease inflows were reported at \$97,473.

Future payments to be received and deferred inflows as of June 30, 2022, are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Deferred Inflows</u>
2023	\$ 47,955	2,195	50,150	\$ (46,787)
2024	50,789	865	51,654	(46,787)
2025	<u>4,424</u>	<u>10</u>	<u>4,434</u>	<u>(3,899)</u>
Totals	103,168	<u>3,070</u>	<u>106,238</u>	<u>\$ (97,473)</u>
Less: current portion	<u>(47,955)</u>			
Total non-current	<u>\$ 55,213</u>			

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
June 30, 2022

(4) Capital Assets

Governmental Activities:

Changes in capital assets at June 30 were as follows:

	<u>Balance 2021</u>	<u>Additions</u>	<u>Deletions/ Transfers</u>	<u>Balance 2022</u>
Non-depreciable assets:				
Land	\$ 2,947,622	-	-	2,947,622
Construction in progress	331,134	91,785	-	422,919
Total non-depreciable assets	<u>3,278,756</u>	<u>91,785</u>	<u>-</u>	<u>3,370,541</u>
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	12,845	42,229	-	55,074
Total depreciable assets	<u>2,098,500</u>	<u>42,229</u>	<u>-</u>	<u>2,140,729</u>
Accumulated depreciation:				
Building	(481,201)	(5,150)	-	(486,351)
Land improvements	(893,032)	(73,374)	-	(966,406)
Wells	(24,840)	-	-	(24,840)
Planning and development	(80,249)	(5,086)	-	(85,335)
Equipment	(9,045)	(6,978)	-	(16,023)
Total accumulated depreciation	<u>(1,488,367)</u>	<u>(90,588)</u>	<u>-</u>	<u>(1,578,955)</u>
Total depreciable assets, net	<u>610,133</u>	<u>(48,359)</u>	<u>-</u>	<u>561,774</u>
Total capital assets, net	<u>\$ 3,888,889</u>	<u>43,426</u>	<u>-</u>	<u>3,932,315</u>

Major governmental fund capital asset additions during fiscal year 2022, include additions to construction in progress of \$91,785 that is comprised of Phelan park expansion capital project additions: Additions to depreciable assets include \$42,229 added to equipment. There were no disposals during the fiscal year.

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
June 30, 2022

(4) Capital Assets, continued

Business-type Activities:

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

	<u>Balance 2021</u>	<u>Additions</u>	<u>Deletions/ Transfers</u>	<u>Balance 2022</u>
Non-depreciable assets:				
Land	\$ 1,722,399	32,877	-	1,755,276
Water rights	16,371,783	-	-	16,371,783
Construction in progress	1,179,417	1,173,088	(1,712,617)	639,888
Total non-depreciable assets	<u>19,273,599</u>	<u>1,205,965</u>	<u>(1,712,617)</u>	<u>18,766,947</u>
Depreciable assets:				
Building	6,155,176	131,488	-	6,286,664
Transmission and distribution mains	18,570,562	-	-	18,570,562
Reservoirs	4,187,496	-	-	4,187,496
Pumping Station	4,114,808	-	-	4,114,808
Wells	5,277,695	645,734	-	5,923,429
Tanks	2,281,723	-	-	2,281,723
Hydrants and telemetry control	191,670	-	-	191,670
Meters	2,064,367	404,549	(384,229)	2,084,687
Planning and development	3,719,487	131,028	-	3,850,515
Vehicles and equipment	2,397,140	531,438	(69,700)	2,858,878
Total depreciable assets	<u>48,960,124</u>	<u>1,844,237</u>	<u>(453,929)</u>	<u>50,350,432</u>
Accumulated depreciation:				
Building	(282,108)	(39,788)	-	(321,896)
Transmission and distribution mains	(13,621,930)	(353,222)	-	(13,975,152)
Reservoirs	(3,214,099)	(154,322)	-	(3,368,421)
Pumping Station	(3,242,745)	(95,479)	-	(3,338,224)
Wells	(2,275,733)	(189,944)	-	(2,465,677)
Tanks	(814,601)	(67,313)	-	(881,914)
Hydrants and telemetry control	(191,670)	-	-	(191,670)
Meters	(1,549,851)	(35,081)	384,229	(1,200,703)
Planning and development	(1,893,779)	(447,550)	-	(2,341,329)
Vehicles and equipment	(3,054,636)	(413,564)	69,700	(3,398,500)
Total accumulated depreciation	<u>(30,141,152)</u>	<u>(1,796,263)</u>	<u>453,929</u>	<u>(31,483,486)</u>
Total depreciable assets, net	<u>18,818,972</u>	<u>47,974</u>	<u>-</u>	<u>18,866,946</u>
Total capital assets, net	<u>\$ 38,092,571</u>	<u>1,253,939</u>	<u>(1,712,617)</u>	<u>37,633,893</u>

Major enterprise fund capital asset additions during fiscal year 2022, include additions to land of \$32,877 and construction in progress of \$1,173,088 that is comprised of the following capital project additions: Meters & installation of \$394,965, generators of \$175,426, Well 6A pneumatic tank project of \$149,494, administrative property of \$142,267, and various miscellaneous projects totaling \$310,975. Additions to depreciable assets sourcing from construction-in-progress include \$645,734 added to wells, \$531,438 added to vehicles and equipment, \$404,549 added to meters, \$131,488 added to building, and \$131,028 added to planning and development. Disposals included a meter replacement and partial disposal of \$384,229 and three vehicle dispositions of \$69,700.

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
June 30, 2022

(4) Capital Assets, continued

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

	2022
Governmental activities:	
General government	\$ 5,150
Parks and Recreation	85,438
Total governmental activities	90,588
Business type activities:	
Water Fund	1,796,263
Total business-type activities	1,796,263
Total depreciation expense	\$ 1,886,851

(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 2021	Earned	Taken	Balance 2022	Due Within One Year	Due in more than one year
\$	17,540	18,832	(17,830)	18,542	9,271	9,271

Enterprise:

	Balance 2021	Earned	Taken	Balance 2022	Due Within One Year	Due in more than one year
\$	176,890	269,601	(245,635)	200,856	100,428	100,428

(6) Long-term Debt

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

	Balance 2021	Additions	Payments	Balance 2022
State Dept of Transportation – 22784-00 \$	84,643	-	(25,778)	58,865
CIEDB – 14-101	5,968,414	-	(211,698)	5,756,716
MFC – 21-002	5,567,101	-	(417,199)	5,149,902
Total loan payable	11,620,158	-	(654,675)	10,965,483
Less: current portion	(654,615)			(625,451)
Total non-current portion	\$ 10,965,543			10,340,032

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
June 30, 2022

(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>
2023	\$	26,013	448	26,461
2024		26,252	210	26,462
2025		6,600	15	6,615
Totals		58,865	673	59,538
Less: current portion		(26,013)		
Total non-current		\$ 32,852		

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>
2023	\$	216,546	115,228	331,774
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
2028-3032		1,269,330	408,008	1,677,338
2033-2037		1,421,479	270,917	1,692,396
2038-2042		1,591,865	117,394	1,709,259
2043		340,576	3,474	344,050
Totals		5,756,716	1,330,218	7,086,934
Less: current portion		(216,546)		
Total non-current		\$ 5,540,170		

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
June 30, 2022

(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>
2023	\$ 382,892	139,330	522,222
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
2028-2032	2,314,729	296,382	2,611,111
2033-2034	812,950	34,460	847,410
Totals	5,149,902	<u>919,729</u>	<u>6,069,631</u>
Less: current portion	<u>(382,892)</u>		
Total non-current	\$ <u>4,767,010</u>		

(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. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: The Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law.

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 new 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% @ 62 years of age; 3-year final compensation.

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
June 30, 2022

(7) Defined Benefit Pension Plan, continued

The Plans' provision and benefits in effect at June 30, 2022 are summarized as follows:

	Miscellaneous Plan		
	Classic	New Classic	PEPRA
		On or after January 1, 2011 - December 31,	On or after January 1, 2013
Hire date	Prior to January 1, 2011	2012	
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 - 60	52 - 62
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	7.96%	6.92%	6.75%
Required employer contribution rates	11.59%	8.65%	7.59%

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, 2022 the contributions for the Plan were as follows:

	Miscellaneous Plan
Contributions – employer	\$ 336,660
Contributions – employee (paid by employer)	86,183
Total employer paid contributions	\$ 422,843

Net Pension Asset

As of the fiscal year ended June 30, 2022, the District reported a net pension asset for its proportionate share of the Plan as follows:

	Proportionate Share of Net Pension Asset		
	Governmental	Enterprise	Total
Miscellaneous plan \$	53,920	485,261	539,181

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
June 30, 2022

(7) Defined Benefit Pension Plan, continued

Net Pension Asset, continued

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, 2021 (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, 2020 (the valuation date), rolled forward to June 30, 2021, 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, 2021, was as follows:

	Miscellaneous
Proportion – June 30, 2021	-0.00019%
Proportion – June 30, 2022	-0.00997%
Change – (Increase)Decrease	-0.00978%

Deferred Pension Outflows (Inflows) of Resources

For the fiscal year ended June 30, 2022, the District recognized pension income of \$803,855.

At June 30, 2022 the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to the measurement date	\$ 336,660	-
Net difference between actual and expected experience	-	(60,463)
Net change in assumptions	-	-
Net difference between projected and actual earnings on plan investments	470,676	-
Net difference between actual contribution and proportionate share of contribution	128,864	-
Net adjustment due to differences in proportions of net pension liability	69,701	-
Total	\$ 1,005,901	(60,463)

As of June 30, 2022, employer pension contributions reported as deferred outflows of resources related to contributions subsequent to the measurement date of \$336,660 will be recognized as an addition to the net pension asset for the fiscal year ended June 30, 2023.

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
June 30, 2022

(7) Defined Benefit Pension Plan, continued

At June 30, 2022, 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:

Fiscal Year		Deferred Net
Ending		Outflows/(Inflows)
June 30,		of Resources
<hr/>		<hr/>
2023	\$	194,719
2024		168,778
2025		134,266
2026		111,015

Actuarial Assumptions

The total pension liability in the June 30, 2020, actuarial valuation report was determined using the following actuarial assumptions:

Valuation date	June 30, 2020
Measurement date	June 30, 2021
Actuarial cost method	Entry age normal in accordance with the requirements of GASB Statement No. 68
Actuarial assumptions:	
Discount rate	7.15%
Inflation	2.50%
Salary increases	Varies by entry age and service
Investment rate of return	7.50 % net of pension plan investment and administrative expenses; includes inflation
Mortality rate table*	Derived using CalPERS' membership data for all funds
Post retirement benefit	contract COLA up to 2.50% until purchasing power protection allowance floor on purchasing power applies, 2.50% thereafter

* 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 7.15% 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.

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
June 30, 2022

(7) Defined Benefit Pension Plan, continued

Discount Rate, continued

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

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

<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 (Asset) 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, 2022, the discount rate comparison was as follows:

	<u>Discount Rate - 1%</u>	<u>Current Discount Rate</u>	<u>Discount Rate + 1%</u>
	<u>6.15%</u>	<u>7.15%</u>	<u>8.15%</u>
District's net pension liability(asset) \$	<u>(46,259)</u>	<u>(539,181)</u>	<u>(946,672)</u>

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
June 30, 2022

(7) Defined Benefit Pension Plan, continued

Payable to the Pension Plan

At June 30, 2022, 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 67 and 68 for the Required Supplementary Schedules.

(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	\$ 3,370,541	18,766,947	22,137,488
Capital assets – being depreciated, net	561,774	18,866,946	19,428,720
Long-term debt – current portion	-	(625,451)	(625,451)
Long-term debt – long-term portion	-	(10,340,032)	(10,340,032)
Total	<u>\$ 3,932,315</u>	<u>26,668,410</u>	<u>30,600,725</u>

Unrestricted net position is designated as follows:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
General	\$ 3,322,414	-	3,322,414
Parks and recreation	4,970,799	-	4,970,799
Street lighting	22,416	-	22,416
Solid waste	97,833	-	97,833
Materials and supplies inventory	-	312,378	312,378
Prepaid expenses and other assets	-	334,159	334,159
Water operations and capital replacement	-	13,859,887	13,859,887
Total	<u>\$ 8,413,462</u>	<u>14,506,424</u>	<u>22,919,886</u>

(9) Internal Balances

Interfund Transfers

Interfund transfers consist of the following for the year ended June 30, 2022:

<u>Transfer from</u>	<u>Transfer to</u>	<u>Purpose</u>	<u>Amount</u>
<i>Interfund Operational Transfers:</i>			
General	Water	Operations	\$ 436,864
Solid Waste	Parks & Rec	Operations	<u>276,000</u>
		Total transfers	<u>\$ 712,864</u>

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
June 30, 2022

(9) Internal Balances, continued

Interfund Operational Transfers

During the fiscal year ended June 30, 2022, 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, 2022, 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.

(10) Adjustment to Net Position

In fiscal year 2022, the District implemented *GASB Statement No. 87* to recognize its lessor arrangements. The District did not have any lessee arrangements which required restatement. As a result of the implementation, the District recognized the lease receivables and deferred inflows of resources and recorded a prior period adjustment, an increase to net position, of \$15,493 at June 30, 2021.

The adjustment to net position is as follows:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Net position at July 1, 2020, as previously stated	\$ 10,373,971	38,618,656	48,992,627
Effect of adjustment to reverse recorded rental revenue	(164,947)	-	(164,947)
Effect of adjustment to record rental revenue (GASB 87)	163,207	-	163,207
Effect of adjustment to record interest income (GASB 87)	17,233	-	17,233
Total adjustments	15,493	-	15,493
Change in net position previously reported	938,911	477,168	1,416,079
Net position at June 30, 2021, as restated	\$ 11,328,375	39,095,824	50,424,199

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
June 30, 2022

(11) Fund Balance

Fund balances are presented in the following categories: non-spendable, restricted, committed, assigned, and unassigned (See Note 1.D.14 for a description of these categories). Fund balances and their funding composition at June 30, 2022 is as follows:

Fund Balance Category		
Assigned:		
Parks and recreation	\$	4,970,799
Street lighting		22,416
Solid waste		97,833
Total assigned fund balance		5,091,048
Unassigned fund balance:		
General fund		3,170,555
Total fund balance	\$	8,261,603

(12) 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 \$4.8 million toward the compliance project and has approved an additional \$3.2 million in projects to meet the state mandates. The total of approximately \$8 million for the revised projects is less than half of the original estimate of \$17 million. The District will continue to collect the surcharge from customers to recover the funds expended. At June 30, 2022, the Chromium-6 surcharge amounted to \$834,553 for the fiscal year.

(13) 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, 2022, 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
June 30, 2022

(13) 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.
- 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 \$1,000 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 \$5.0 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 2022. 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, 2022.

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

The Governmental Accounting Standards Board (GASB) has issued several pronouncements prior to June 30, 2022, that have effective dates that may impact future financial presentations.

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.

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
June 30, 2022

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

Governmental Accounting Standards Board Statement No. 91, continued

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.

Governmental Accounting Standards Board Statement No. 92

In January 2020, the GASB issued Statement No. 92 – *Omnibus 2020*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements.

The requirements of this Statement were as follows: (1) The requirements related to the effective date of Statement 87 and Implementation Guide 2019-3, reinsurance recoveries, and terminology used to refer to derivative instruments are effective upon issuance; (2) The requirements related to intra-entity transfers of assets and those related to the applicability of Statements 73 and 74 are effective for fiscal years beginning after June 15, 2020; (3) The requirements related to application of Statement 84 to postemployment benefit arrangements and those related to nonrecurring fair value measurements of assets or liabilities are effective for reporting periods beginning after June 15, 2020; and (4) The requirements related to the measurement of liabilities (and assets, if any) associated with AROs in a government acquisition are effective for government acquisitions occurring in reporting periods beginning after June 15, 2020; however, in light of the COVID-19 pandemic, the effective date has been postponed by one year. Earlier application is encouraged and is permitted by topic.

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.

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
June 30, 2022

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

Governmental Accounting Standards Board Statement No. 93, continued

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.

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.

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
June 30, 2022

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

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.

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.

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
June 30, 2022

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

Governmental Accounting Standards Board Statement No. 99, continued

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

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.

Phelan Piñon Hills Community Services District
Notes to the Basic Financial Statements, continued
June 30, 2022

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

Governmental Accounting Standards Board Statement No. 101, continued

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.

(13) 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.

Source of Supply Settlement

During the fiscal year ended June 30, 2020, the District settled a long-standing litigation with Antelope Valley Water Agency (AVWA) over the adjudication of a water basin near one of the District wells. The AVWA has billed the District for replacement water for the periods 2016 through 2020 totaling \$1,245,498. In 2021 the District accrued an additional \$327,655 totaling \$1,573,153. In 2022, the District completed its settlement payments and reversed prior year accruals of \$79,790.

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.

(14) Subsequent Event

Events occurring after June 30, 2022 have been evaluated for possible adjustment to the financial statements or disclosure as of [ISSUE DATE], 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.



Working Draft Subject to Review

Required Supplementary Information

Working Draft Subject to Review

Working Draft Subject to Review

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, 2022

	Final Budgeted Amounts	Actual Amounts	Variance Positive (Negative)
Revenues:			
Property taxes	\$ 759,737	777,641	17,904
Charges for services	180,614	227,963	47,349
Investment earnings	12,100	-	(12,100)
Other	-	129	129
Total revenues	952,451	1,005,733	53,282
Expenditures:			
Salaries and benefits	183	373	(190)
Materials and services	9,944	10,132	(188)
Interest expense – investments	-	18,247	(18,247)
Total expenditures	10,127	28,752	(18,625)
Excess of revenues over expenditures	942,324	976,981	34,657
Other financing sources(uses):			
Transfers out	(208,000)	(436,864)	(228,864)
Total other financing sources	(208,000)	(436,864)	(228,864)
Net change in fund balance	734,324	540,117	\$ (194,207)
Fund balance – beginning of period	2,630,438	2,630,438	
Fund balance – end of period	\$ 3,364,762	3,170,555	

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, 2022

	Final Budgeted Amounts	Actual Amounts	Variance Positive (Negative)
Revenues:			
Property taxes	\$ 590,000	700,327	110,327
Charges for services	16,000	11,555	(4,445)
Investment earnings	26,750	-	(26,750)
Other	-	128	128
Total revenues	632,750	712,010	79,260
Expenditures:			
Salaries and benefits	285,935	281,052	4,883
Materials and services	342,362	177,681	164,681
Utilities	3,630	27,008	(23,378)
Interest expense – investments	-	56,556	(56,556)
Capital outlay	-	134,014	(134,014)
Total expenditures	631,927	676,311	(44,384)
Excess of revenues over expenditures	823	35,699	34,876
Other financing sources(uses):			
Transfers in	-	276,000	276,000
Total other financing sources	-	276,000	276,000
Net change in fund balance	823	311,699	\$ 310,876
Fund balance – beginning of period	4,659,100	4,659,100	
Fund balance – end of period	\$ 4,659,923	4,970,799	

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, 2022

	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Property taxes	\$ 12,000	16,179	(4,179)
Total revenues	<u>12,000</u>	<u>16,179</u>	<u>(4,179)</u>
Expenditures:			
Utilities	8,568	16,181	(7,613)
Interest expense – investments	-	382	(382)
Total expenditures	<u>8,568</u>	<u>16,563</u>	<u>(7,995)</u>
Excess(deficiency) of revenues over expenditures	<u>3,432</u>	<u>(384)</u>	<u>3,816</u>
Net change in fund balance	3,432	(384) \$	<u>3,816</u>
Fund balance – beginning of period	<u>22,800</u>	<u>22,800</u>	
Fund balance – end of period	\$ <u>26,232</u>	<u>22,416</u>	

Working Draft Subject to Review

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, 2022

	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Investment earnings	\$ 31	-	(31)
Franchise fees	251,813	342,541	90,728
Total revenues	<u>251,844</u>	<u>342,541</u>	<u>90,697</u>
Expenditures:			
Salaries and benefits	6,404	44,246	(37,842)
Materials and services	56,980	19,019	37,961
Interest expense – investments	-	226	(226)
Total expenditures	<u>63,384</u>	<u>63,491</u>	<u>(107)</u>
Excess of revenues over expenditures	<u>188,460</u>	<u>279,050</u>	<u>90,590</u>
Other financing sources(uses):			
Transfers out	-	(276,000)	(276,000)
Total other financing sources	<u>-</u>	<u>(276,000)</u>	<u>-</u>
Net change in fund balance	188,460	3,050	\$ <u>90,590</u>
Fund balance – beginning of period	94,783	94,783	
Fund balance – end of period	<u>\$ 283,243</u>	<u>97,833</u>	

Phelan Pinon Hills Community Service District
Notes to the Required Supplementary Information
June 30, 2022

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.

Working Draft Subject to Review

Phelan Pinon Hills Community Service District
Schedules of the District's Proportionate Share of the Net Pension Liability (Asset) (CalPERS)
As of June 30, 2022
Last Ten Years*

	Measurement Date							
	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)	-0.00997%	-0.00997%	-0.00019%	0.00067%	0.00085%	0.00034%	-0.00064%	-0.00059%
District's proportionate share of the net pension liability(asset) \$	(539,181)	(20,746)	124,704	64,920	84,343	29,638	(43,699)	(36,475)
District's covered payroll \$	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	-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	127.83%	100.69%	95.18%	97.00%	95.74%	98.20%	103.19%	103.43%
District's proportionate share of aggregate employer contributions \$	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.

* 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, 2022
Last Ten Years***

	Fiscal Year							
	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	\$ 175,294	166,072	142,468	143,791	120,744	119,964	115,218	118,081
Contributions in relation to the actuarially determined contribution	(175,294)	(166,072)	(142,468)	(143,791)	(120,744)	(119,964)	(115,218)	(118,081)
Contribution deficiency(excess)	\$ -	-	-	-	-	-	-	-
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
Contribution's as a percentage of covered payroll	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, 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
Amortization method	(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	15 year Smoothed Market Method
Inflation	2.50%	2.63%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%
Salary increases	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Investment rate of return	7.00% (3)	7.25% (3)	7.375% (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)
Mortality	(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 fo 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.

Statistical Section

Working Draft Subject to Review

Working Draft Subject to Review

**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.

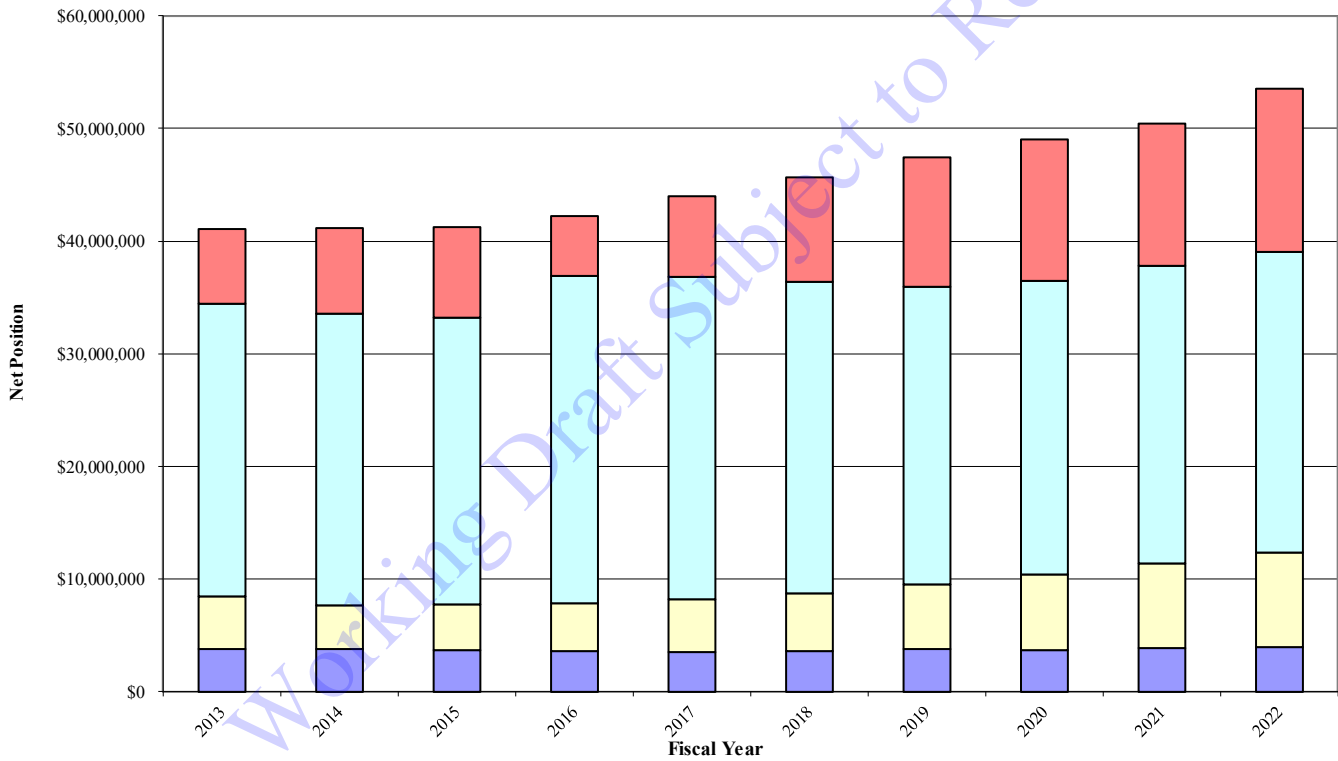
The following statistical information reflects the last ten full years of operations.

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Financial Trends These schedules contain information to help the reader understand how the District’s financial performance and well-being have changed over time.	70
Revenue Capacity These schedules contain information to help the reader assess the District’s most significant own-source revenue, water sales.	79
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.	82
Demographic Information This schedule offers demographic indicators to help the reader understand the environment within which the District’s financial activities take place.	84
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.	85

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

	Fiscal Year					
	2013	2014	2015	2016	2017	2018
Governmental activities						
Invested in capital assets, net of related debt	\$ 3,799,590	3,770,219	3,694,550	3,579,586	3,528,938	3,552,883
Unrestricted	4,652,758	3,853,719	4,092,530	4,219,715	4,659,965	5,178,587
Total governmental activities net position	8,452,348	7,623,938	7,787,080	7,799,301	8,188,903	8,731,470
Business-type activities						
Invested in capital assets, net of related debt	\$ 26,019,217	25,906,040	25,401,202	29,120,934	28,643,010	27,628,901
Unrestricted	6,568,039	7,600,621	8,052,114	5,331,237	7,127,390	9,277,089
Total business-type activities net position	32,587,256	33,506,661	33,453,316	34,452,171	35,770,400	36,905,990
Primary government						
Invested in capital assets, net of related debt	\$ 29,818,807	29,676,259	29,095,752	32,700,520	32,171,948	31,181,784
Unrestricted	11,220,797	11,454,340	12,144,644	9,550,952	11,787,355	14,455,676
Total primary government net position	\$ 41,039,604	41,130,599	41,240,396	42,251,472	43,959,303	45,637,460



Source: Phelan Pinon Hills Community Service District audited financial statements

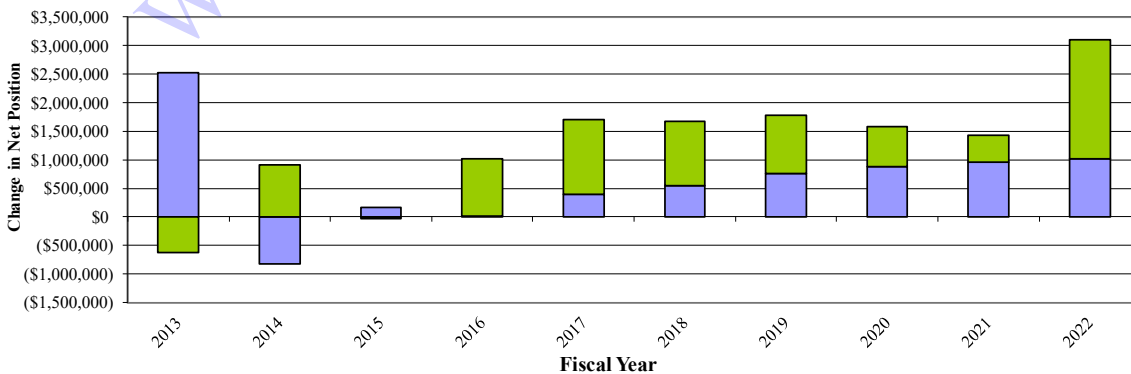
**Phelan Pinon Hills Community Services District
Net Position by Component
Last Ten Fiscal Years**

Fiscal Year			
2019	2020	As Restated 2021	2022
3,726,239	3,663,363	3,888,889	3,932,315
5,758,804	6,710,608	7,439,486	8,413,462
<u>9,485,043</u>	<u>10,373,971</u>	<u>11,328,375</u>	<u>12,345,777</u>
26,460,380	26,133,427	26,472,413	26,668,410
11,471,614	12,485,229	12,623,411	14,506,424
<u>37,931,994</u>	<u>38,618,656</u>	<u>39,095,824</u>	<u>41,174,834</u>
30,186,619	29,796,790	30,361,302	30,600,725
17,230,418	19,195,837	20,062,897	22,919,886
<u>47,417,037</u>	<u>48,992,627</u>	<u>50,424,199</u>	<u>53,520,611</u>

Working Draft Subject to Review

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

	Fiscal Year					
	2013	2014	2015	2016	2017	2018
Expenses:						
Governmental activities:						
General government	\$ -	73,381	56,457	53,281	57,367	19,600
Parks and Recreation	1,259,421	433,697	396,400	380,024	424,872	459,355
Street Lighting	13,643	13,489	13,804	13,679	12,956	13,077
Solid Waste	450	2,173	9,377	10,133	35,209	37,840
Interest expense – investments	-	-	-	-	-	-
Total governmental activities expenses	1,273,514	522,740	476,038	457,117	530,404	529,872
Business-type activities:						
Water enterprise	5,032,281	5,121,970	5,481,342	5,394,700	5,547,014	6,345,754
Total primary government expenses	6,305,795	5,644,710	5,957,380	5,851,817	6,077,418	6,875,626
Program Revenues:						
Governmental activities:						
Charges for services:						
General government	-	-	-	-	-	-
Parks and Recreation	25,199	13,065	19,758	21,488	24,220	25,098
Capital grants and contributions	2,772,000	-	-	-	-	-
Total governmental activities program revenues	2,797,199	13,065	19,758	21,488	24,220	25,098
Business-type activities:						
Charges for services – water enterprise	3,862,480	3,975,482	4,375,271	4,521,209	5,707,335	6,253,646
Assessments	303,841	299,818	295,257	309,682	299,385	296,438
Capital grants and contributions	-	-	-	436,492	125,902	-
Total business-type activities program revenues	4,166,321	4,275,300	4,670,528	5,267,383	6,132,622	6,550,084
Net (Expense)/Revenue:						
Governmental activities	1,523,685	(509,675)	(456,280)	(435,629)	(506,184)	(504,774)
Business-type activities	(865,960)	(846,670)	(810,814)	(127,317)	585,608	204,330
Total primary government net expense	657,725	(1,356,345)	(1,267,094)	(562,946)	79,424	(300,444)
General Revenues and Other Changes in Net Position:						
Governmental activities:						
Property taxes	845,706	895,649	930,801	1,003,264	1,062,550	1,127,118
Investment income	16,555	11,667	13,607	15,827	33,106	56,933
Other income	144,527	294,734	205,275	197,710	248,130	266,490
Transfers in (out)	(1,385)	(1,520,785)	(527,170)	(768,951)	(448,000)	(403,200)
Total governmental activities	1,005,403	(318,735)	622,513	447,850	895,786	1,047,341
Business-type activities:						
Property taxes	-	41,295	21,180	21,907	19,845	24,707
Investment income	29,110	13,924	37,455	23,862	27,612	74,493
Other income	209,846	190,071	199,483	311,452	237,164	428,860
Transfers in (out)	1,385	1,520,785	527,170	768,951	448,000	403,200
Total business-type activities	240,341	1,766,075	785,288	1,126,172	732,621	931,260
Total primary government	1,245,744	1,447,340	1,407,801	1,574,022	1,628,407	1,978,601
Changes in Net Position:						
Governmental activities	2,529,088	(828,410)	166,233	12,221	389,602	542,567
Business-type activities	(625,619)	919,405	(25,526)	998,855	1,318,229	1,135,590
Total primary government	\$ 1,903,469	90,995	140,707	1,011,076	1,707,831	1,678,157



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			
2019	2020	As Restated 2021	2022
12,239	8,165	4,953	28,752
455,646	457,238	491,166	437,980
12,437	14,466	15,840	16,563
51,323	39,307	20,387	63,491
-	-	-	75,411
<u>531,645</u>	<u>519,176</u>	<u>532,346</u>	<u>622,197</u>
<u>6,921,131</u>	<u>8,666,424</u>	<u>8,889,244</u>	<u>7,730,347</u>
<u>7,452,776</u>	<u>9,185,600</u>	<u>9,421,590</u>	<u>8,352,544</u>
-	-	179,283	227,963
23,105	17,143	1,821	11,555
-	-	-	-
<u>23,105</u>	<u>17,143</u>	<u>181,104</u>	<u>239,518</u>
6,415,471	6,988,852	8,180,843	8,511,866
290,188	288,222	291,840	287,748
-	-	-	-
<u>6,705,659</u>	<u>7,277,074</u>	<u>8,472,683</u>	<u>8,799,614</u>
(508,540)	(502,033)	(351,242)	(382,679)
(215,472)	(1,389,350)	(416,561)	1,069,267
<u>(724,012)</u>	<u>(1,891,383)</u>	<u>(767,803)</u>	<u>686,588</u>
1,206,628	1,281,699	1,387,911	1,494,147
143,109	135,202	53,388	-
366,645	427,169	304,347	342,798
(454,269)	(453,109)	(440,000)	(436,864)
<u>1,262,113</u>	<u>1,390,961</u>	<u>1,305,646</u>	<u>1,400,081</u>
16,399	16,235	17,825	22,612
282,611	309,495	-	-
488,197	1,297,173	435,904	550,267
454,269	453,109	440,000	436,864
<u>1,241,476</u>	<u>2,076,012</u>	<u>893,729</u>	<u>1,009,743</u>
<u>2,503,589</u>	<u>3,466,973</u>	<u>2,199,375</u>	<u>2,409,824</u>
753,573	888,928	954,404	1,017,402
1,026,004	686,662	477,168	2,079,010
<u>1,779,577</u>	<u>1,575,590</u>	<u>1,431,572</u>	<u>3,096,412</u>

Working Draft Subject to Review

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

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
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
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
All Other Governmental Funds:										
Assigned	\$ 4,658,680	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
Unassigned	-	-	-	-	-	-	-	-	-	-
Total all other government	\$ 4,658,680	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

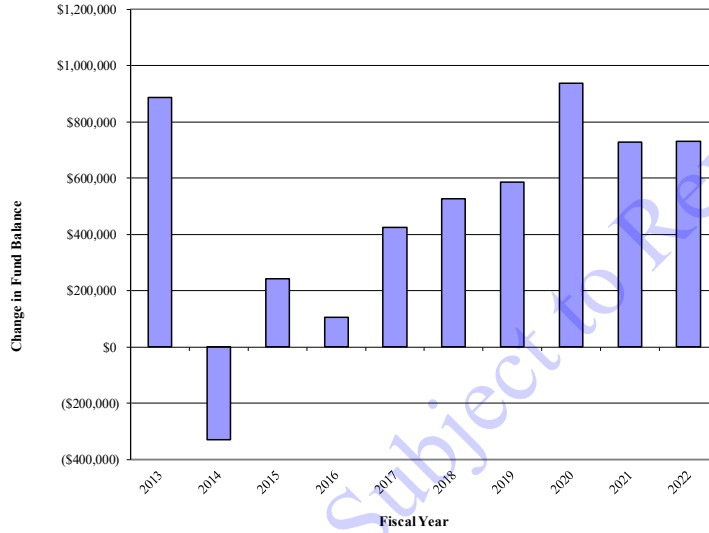


Note: * Governmental Accounting Standards Board No. 54 - *Fund Balance Reporting and Governmental Fund Type Definition* was adopted in 2011.
 ** Reporting for the General Fund was initiated in fiscal year 2014.

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**

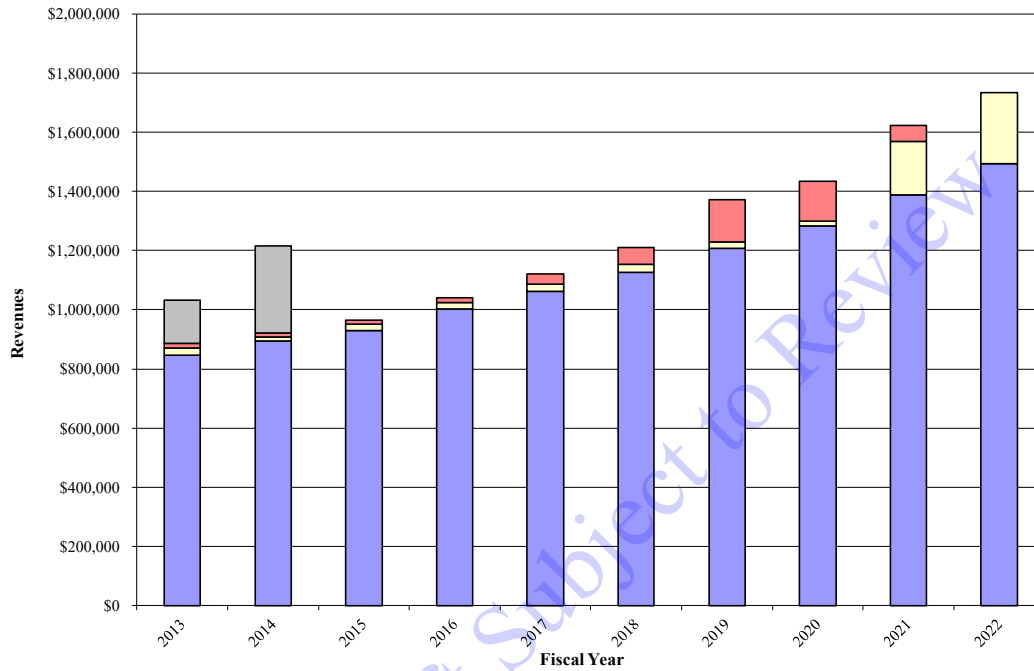
	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues	\$ 1,031,987	1,215,115	1,169,441	1,238,289	1,368,006	1,475,639	1,739,487	1,861,212	1,911,257	2,076,463
Expenditures	145,631	492,511	401,015	364,857	496,428	544,877	700,271	471,394	743,168	785,117
Excess of revenues over (under) expenditures	886,356	722,604	768,426	873,432	871,578	930,762	1,039,216	1,389,818	1,168,089	1,168,089
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
Operating transfers out	(1,385)	(1,052,785)	(534,225)	(1,091,092)	(735,998)	(570,912)	(584,269)	(653,109)	(715,000)	(712,864)
Total Other Financing Sources (Uses)	(1,385)	(1,052,785)	(527,170)	(768,951)	(448,000)	(403,200)	(454,269)	(453,109)	(440,000)	(436,864)
Net change in fund balances	\$ 884,971	(330,181)	241,256	104,481	423,578	527,562	584,947	936,709	728,089	731,225



Source: Phelan Pinon Hills Community Service District audited financial statements

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

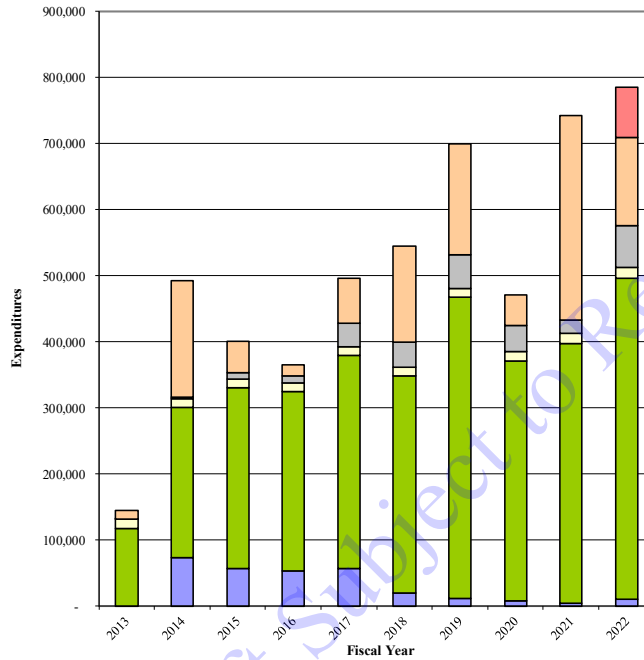
		Fiscal Year									
		2013	2014	2015	2016	2017	2018	2019	2020	As Restated 2021	2022
Property taxes	\$	845,706	895,649	930,801	1,003,264	1,062,550	1,127,118	1,206,628	1,281,699	1,387,911	1,494,147
Charges for services		25,199	13,065	19,758	21,488	24,220	25,098	23,105	17,142	181,104	239,518
Interest		16,555	11,667	13,607	15,827	33,106	56,933	143,109	135,202	53,388	-
Other		144,527	294,734	205,275	197,710	248,130	266,490	366,645	427,169	304,347	342,798
Total governmental revenues	\$	1,031,987	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



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									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General government *	\$ -	73,381	56,457	53,281	57,367	19,600	12,239	8,165	4,953	10,505
Parks and Recreation	117,895	227,373	273,906	271,147	322,514	328,981	455,646	363,072	392,210	485,741
Street Lighting	13,643	13,489	13,804	13,679	12,956	13,077	12,437	14,466	15,840	16,181
Solid Waste **	450	2,173	9,377	10,133	35,209	37,840	51,323	39,307	20,387	63,265
Capital outlay	13,643	176,095	47,471	16,617	68,382	145,379	168,626	46,384	309,778	134,014
Interest expense - investments	-	-	-	-	-	-	-	-	-	75,411
Total governmental expenditures	\$ 145,631	492,511	401,015	364,857	496,428	544,877	700,271	471,394	743,168	785,117



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 San Bernardino County</u>	<u>Unsecured San Bernardino County</u>	<u>Totals</u>	<u>Total Direct Tax Rate</u>
2013	\$ 1,263,174,951	12,969,370	1,276,144,321	1.000000%
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	1,770,471,518	22,191,400	1,792,662,918	1.000000%
2021	1,862,645,170	21,441,000	1,841,204,170	1.000000%
2022	1,927,000,757	14,775,406	1,941,776,163	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

Working Draft Subject to Review

**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
2013	\$ 3,625,890	157,581	15,225	3,798,696	1,150,776	68,000	397	1,219,173
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	921,532	104,201	6,725	1,032,458
2019	4,648,826	364,211	32,263	5,045,300	886,294	102,579	3,842	992,715
2020	5,822,499	364,154	67,574	6,254,227	910,164	96,086	10,349	1,016,599
2021	6,465,403	377,033	227,346	7,069,782	1,041,855	102,259	37,500	1,181,614
2022	6,164,063	461,884	222,092	6,848,039	1,014,109	106,597	19,338	1,140,044

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

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

Working Draft Subject to Review

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

Commodity Charge			March 1, 2013	January 1, 2014	January 1, 2015	February 1, 2016	July 1, 2016	July 1, 2017	July 1, 2018	July 1, 2019	July 1, 2020	February 1, 2021	July 1, 2021	January 1, 2022
Tiered	Tier (HCF)													
Tier 1	0-25	\$	1.69	1.89	2.02	2.50	2.22	2.35	2.39	2.53	2.53	2.64	2.80	na
Tier 2	25.01+		1.95	2.18	2.33	3.95	3.51	3.71	3.77	4.00	4.00	1.04	4.26	na
Tier 1	0-14		na	na	na	na	na	na	na	na	na	na	na	2.73
Tier 2	14.01-80		na	na	na	na	na	na	na	na	na	na	na	3.12
Tier 3	80.01+		na	na	na	na	na	na	na	na	na	na	na	7.53

Meter Charge	Bi-Monthly						Monthly					
	March 1, 2013	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"	\$ 31.37	33.75	35.77	18.96	18.96	16.97	17.90	18.16	19.16	22.28	23.62	22.80
1"	41.65	44.81	47.49	25.17	29.22	25.91	27.46	27.89	29.56	32.06	33.99	34.50
1.5"	67.35	72.45	76.80	40.70	54.87	48.24	51.34	52.21	55.54	56.51	59.91	63.75
2"	98.19	105.63	111.97	59.34	85.65	75.04	80.00	81.39	86.72	85.85	91.01	98.85
3"	170.14	183.05	194.03	102.83	157.47	137.57	146.87	149.47	159.47	178.76	189.49	210.00
4"	272.94	293.64	311.26	164.96	260.07	226.91	242.41	246.74	263.41	315.68	334.63	373.80
6"	529.93	570.12	604.32	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
8"	838.32	901.90	956.01	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

Working Draft Subject to Review

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

Customer by Type

Connection Type	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Residential	6,714	6,719	6,735	6,753	6,780	6,800	6,847	6,925	7,013	7,088
Commercial	51	51	51	49	42	67	71	74	77	80
Industrial	3	4	4	4	7	4	7	11	14	21
Other	-	-	-	-	-	-	-	-	-	-
Total	6,768	6,774	6,790	6,806	6,806	6,871	6,925	7,010	7,104	7,189

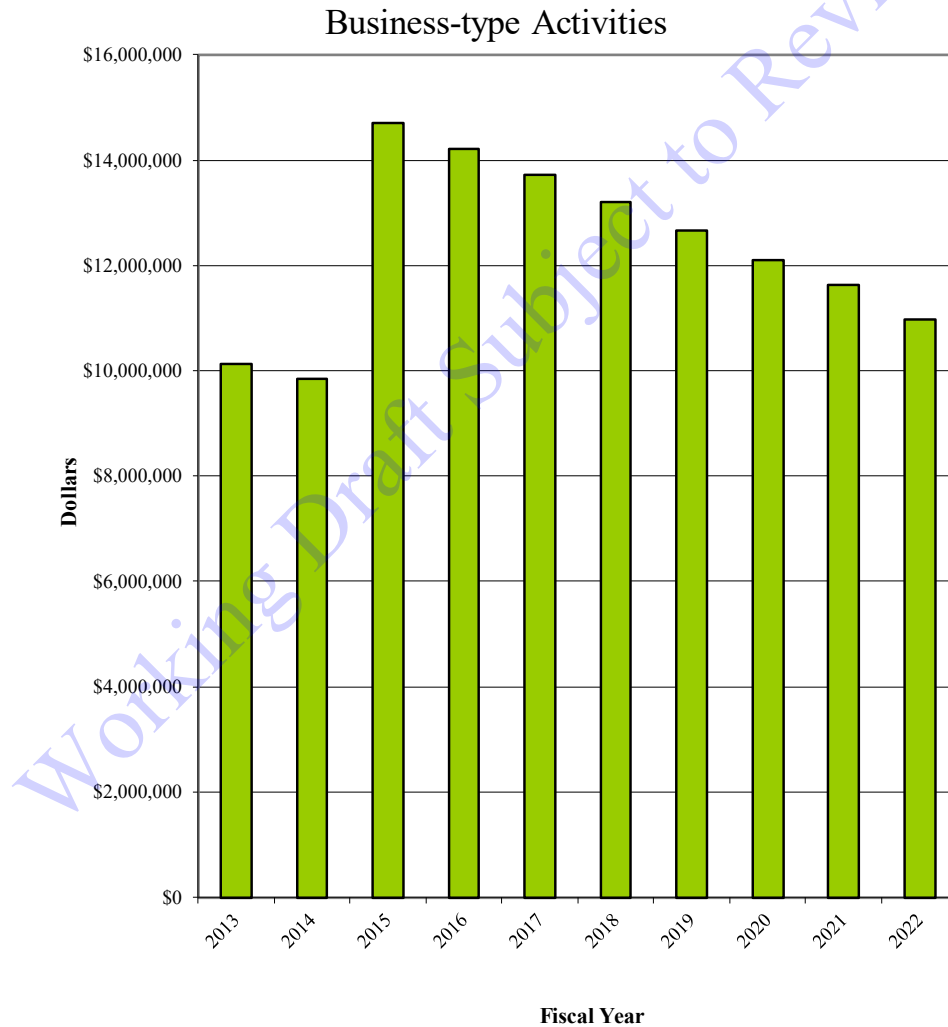
Ten Largest System Users

Customer	Percent of System Use	Percent of System Revenues	Customer Type
Snowline JUSD	8.23%	4.92%	Institutional
Wendy's Water Truck Company	0.86%	0.85%	Commercial
Boaming Huang	0.35%	0.24%	Commercial
LBJ Trucking	0.34%	0.36%	Residential
Francisco Barragan	0.28%	0.19%	Residential
Myog Cha (Grace) Pak	0.27%	0.19%	Residential
Jikai Liang	0.25%	0.17%	Residential
CMC Investments LLC	0.24%	0.18%	Residential
Daniel & Karla Betcher	0.22%	0.15%	Residential
Pacific Water Trucks	0.20%	0.21%	Residential
Totals	11.24%	7.46%	

Source: Phelan Pinon Hills Community Service District billing records

**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
2013	\$ 10,121,499	10,121,499	421.03	1.40%	1.40%
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%



Source: Phelan Pinon Hills Community Service District audited financial statements

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

	<u>2013</u>	<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>
Gross Revenues:										
Water Fund Revenues	\$ 4,405,277	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
Total Revenue	4,405,277	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
Operating Expenses:										
Water Fund Expenses	(5,032,281)	(4,862,383)	(5,104,683)	(4,120,250)	(4,070,611)	(4,016,927)	(4,521,993)	(5,069,095)	(6,137,875)	(5,563,743)
Less Depreciation	1,214,772	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
Total Water Fund Expenses	(3,817,509)	(3,633,162)	(3,846,767)	(2,845,800)	(2,594,208)	(2,092,756)	(2,511,037)	(3,088,437)	(4,252,283)	(3,767,480)
Net Revenues Water Fund	587,768	846,133	1,061,730	2,342,312	3,697,133	4,457,328	4,194,622	4,188,637	4,220,400	5,032,134
Senior and Parity Debt Service										
2002 Water Facilities	199,366	199,077	198,779	198,470	198,151	197,820	189,146	188,999	-	-
2012 Water Rights Acquisition	26,240	268,852	351,719	350,061	349,925	349,787	327,651	330,825	331,294	331,774
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
2021 Loan Refinance	-	-	-	-	-	-	-	-	522,222	522,222
Combined Total Annual Debt	\$ 225,606	467,929	713,879	932,584	941,610	931,659	873,177	903,878	879,978	880,457
Debt Service Coverage (times)	2.61	1.81	1.49	2.51	3.93	4.78	4.80	4.63	4.80	5.72

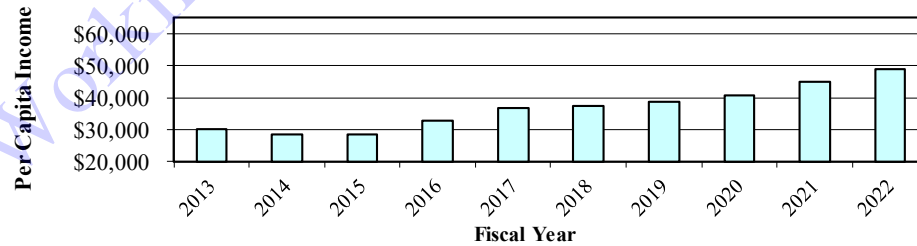
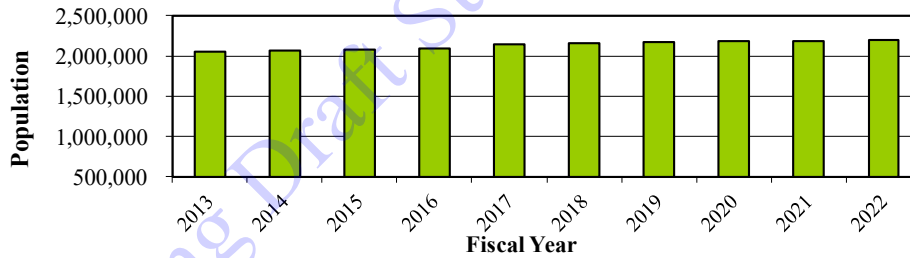
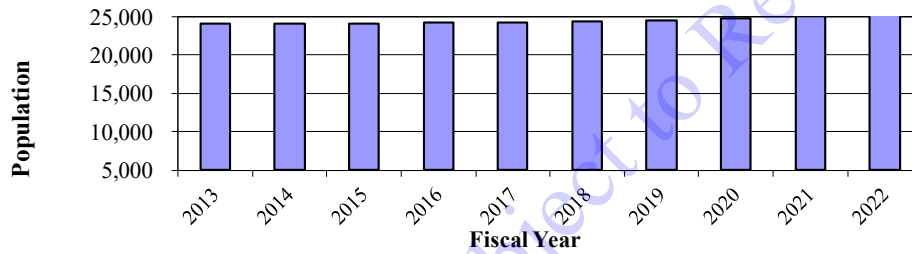
Source: Phelan Pinon Hills Community Service District audited financial statements

Working Draft Subject to Review

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
2013	24,040	12.6%	2,059,699	145,710	30,081
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



Sources: California Department of Finance and California Labor Market Info

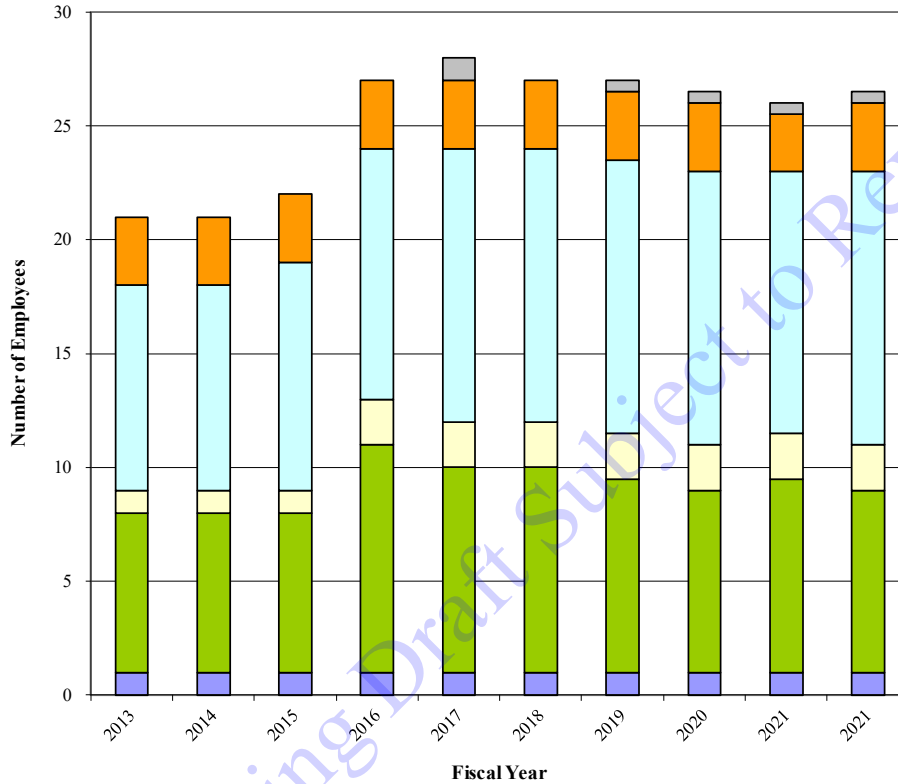
Notes:

- (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	2013	2014	2015	2016	2017	2018	2019	2020	2021	2021	2022
General Manager	1	1	1	1	1	1	1	1	1	1	1
Administration	7	7	7	10	9	9	9	8.0	8.5	8	8
Engineering	1	1	1	2	2	2	2	2	2	2	3
Water Operations	9	9	10	11	12	12	12	12	12	12	11.5
Parks & Recreation	3	3	3	3	3	3	3	3	3	3	2.5
Street Lighting	0	0	0	0	0	0	0	0	0	0	0
Solid Waste	0	0	0	0	1	0	1	0.5	0.5	0.5	1
	21	21	21	22	27	28	27	27	27	27	27



Source: Phelan Pinon Hills Community Services District Records

**Phelan Pinon Hills Community Services District
Miscellaneous Statistics
June 30, 2022**

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)	7,189

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	4,909
Number of Commercial Customers	116

Misc. Statistical Information

Population	25,058
Service Area	128 square miles
Employees	26 Full-time, 1 Temp
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

Working Draft Subject to Review

Working Draft Subject to Review

**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, 2022, 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 [ISSUE DATE].

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.

Fedak & Brown LLP
Cypress, California
[ISSUE DATE]

Working Draft Subject to Review