

**CALAVERAS PUBLIC UTILITY DISTRICT**  
**506 W. St. Charles, Street San Andreas, CA 95249**

**BOARD OF DIRECTORS MEETING: 5:00 PM**  
**March 19, 2024**

Jack Tressler  
President of the Board

Director Richard Blood  
Director Brady McCartney

Director J.W. Dell 'Orto  
Director Kevin Sparks

Calaveras Public Utility District hereby provides notice that it will convene its regularly scheduled public meetings of the Board of Directors at the District Office. If you are unable to attend in person, we encourage you to attend remotely as follows:

- **Join the Conference Call Meeting**
- **Dial-in number (US): 1(669)900-9128**
- **Join the online ZOOM meeting:**
- <https://us02web.zoom.us/j/81691372893?pwd=azVkSFN3ZmJrU2V0aS85Vk92YThtZz09>
- **Meeting ID: 816 9137 2893**
- **Meeting Passcode code: 545381**

*Please mute your call before joining. This will limit technical difficulties with audio. Only unmute your call if the President has requested public comment on an item. Upon completing your comments, please mute your call again. Do not put the call on hold, as hold music can ruin the call for all other participants. If that occurs, or in the event of disruptive conduct, staff reserves the right to disconnect that caller. Do no talk over the top of any other callers. Conversations must be one at a time.*

**AGENDA**

- 1. CALL THE MEETING TO ORDER**
- 2. ROLL CALL OF DIRECTORS**
  - a. President Jack Tressler
  - b. Director Richard Blood
  - c. Director J.W. Dell 'Orto
  - d. Director Brady McCartney
  - e. Director Kevin Sparks
- 3. PLEDGE OF ALLEGIANCE**
- 4. PUBLIC COMMENT (Limit: 3 min/person)**

*At this time, members of the public may address the Board on any matter within its jurisdiction which is not on the agenda. The public is encouraged to work with staff to place items on the agenda for Board consideration. No action can be taken on matters not listed on the agenda. Comments are limited to 3 minutes per person.*

**5. CONSENT ITEMS**

*Consent items should be considered together as one motion. Any item(s) requested to be removed will be considered after the motion to approve the Consent Items.*

- a. February 20, 2024, Special Board Minutes
- b. Claim Summary

Action: Roll call Vote

Consider motion to approve consent item a-b.

**ITEMS FOR BOARD DISCUSSION AND/OR ACTION**

*Board action may occur on any identified agenda item. Any member of the public may directly address the Board on any identified agenda item of interest, either before or during the Board's consideration of that item.*

**6. LETTER OF SUPPORT**

Action Requested: Discussion and Roll Call Vote

Review the letter of support for The Utica Water And Power Authority's Federal Energy Regulatory Commission Conduit Exemption Applications For Utica P-2019 And Angels P-2699.

- a. Letter of Support for Utica FERC Exemption
- b. Resolution 2024-03 Supporting The Utica Water And Power Authority's Federal Energy Regulatory Commission Conduit Exemption Applications For Utica P-2019 And Angels P-2699

**7. BOARD POWER POINT WORKSHOP ON BOARD OF DIRECTORS 101**

Action Requested: Information Only

District Legal Counsel, Adam Brown will give a brief presentation.

- a. Board/Staff Communication; Policy 1020
- b. Duties of the President; Policy 4110
- c. Board Meetings; 4200-4230

**8. CONSIDERATION AND ACCEPTANCE OF FINANCIAL STATEMENTS FOR FISCAL YEAR ENDING JUNE 30, 2023**

Action Requested: Discussion & Roll Call Vote

Review and accept the Financial Statements for Fiscal Year Ending June 30, 2023

**9. BUDGET UPDATE 2023/24**

Action Requested: Discussion

Review current Income and Expenses through February 29, 2024.

**10. RESOLUTION 2024-04 UPDATE POLICY 4130 – DIRECTOR  
COMPENSATION, BENEFITS AND REIMBURSEMENT OF EXPENSES**

Action Requested: Roll Call Vote

Approve Resolution 2024-04, which will update the Board Director compensation as per Board Policy 4130 to include dental/vision insurance coverage.

**11. REPORTS**

*The purpose of these reports is to provide information on projects, programs, staff actions, and committee meetings that are of general interest to the Board and public. No decisions are to be made on these issues.*

- a. Legal Counsel's Report
- b. Water System Superintendent's Report
- c. Engineer's Report
- d. General Manager's Report
  - i. Mokelumne River Voluntary Agreements Update
  - ii. Form 700s Reminder
- e. Directors' Comments: Directors may make brief announcements or brief reports on their own activities. They may ask questions for clarification, make a referral to staff or take action to have staff place a matter of business on the future agenda.

**12. CLOSED SESSION**

PUBLIC EMPLOYEE PERFORMANCE EVALUATION (Government Code Section 54957)

Title: General Manager

**13. RESOLUTION 2024-05 APPROVING THE SECOND AMENDMENT TO  
EMPLOYMENT AGREEMENT FOR GENERAL MANAGER**

Action Requested: Roll Call Vote

Approve Resolution 2024-05 Approving the Second Amendment to Employment Agreement for General Manager.

**14. ADJOURNMENT**

If there is no other Board business the President will adjourn to its next regular meeting scheduled for April 16, 2024, at 5:00 p.m.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Office at (209) 754-9442. Notification in advance of the meeting will enable CPUD to make reasonable arrangements to ensure accessibility to this meeting. Any documents that are made available to the Board before or at the meeting, not privileged or otherwise protected from disclosure, and related to agenda items, will be made available at CPUD for review by the public.

Regular Meeting

5:00 pm

DIRECTORS PRESENT: Jack Tressler (6:12pm)  
Richard Blood  
J.W. Dell'Orto  
Brady McCartney

MEMBERS ABSENT: Kevin Sparks

STAFF PRESENT: Travis Small, General Manager  
Adam Brown, District Legal Counsel  
Carissa Bear, Clerk of the Board

OTHERS PRESENT: None

1. CALL THE MEETING TO ORDER: The special meeting was called to order by Vice President Blood at 5:01 P.M.
2. ROLL CALL OF DIRECTORS: Directors Blood, Dell'Orto, and McCartney were present. Directors Tressler and Sparks were absent (Director Tressler arrived later in the meeting (see below).
3. PLEDGE OF ALLEGIANCE
4. PUBLIC COMMENT (Limit 3 minutes per person/15 minutes per subject): None
5. CONSENT ITEMS
  - a. January 16, 2024, Regular Board Minutes
  - b. February 8, 2024, Special Board Minutes
  - c. Claim Summary

Director Dell'Orto inquired if the District is getting close to the budget amount for the Master Plan. Mr. Small informed the Board that there is still room. Director Blood asked what the estimated final cost of the Master Plan will be. He also asked if the Planning Grant will cover the Master Plan. Mr. Small informed him that the Planning Grant will cover it. Mr. Small did not have the exact number in front of him, but he believed it was \$160,000 plus the cost of diving. Director Dell'Orto stated that he did not remember the cost being close to \$180,000. Director Blood asked if the diving would be included in the Planning Grant as well; Mr. Small confirmed it would. Director Blood thought the Master Plan was supposed to be completed in August 2023. Mr. Small agreed that it was supposed to be completed in 2023. A motion was made by Director Dell'Orto, seconded by Director McCartney, to approve Consent Items a-c. A roll call vote was taken. Directors Dell'Orto, McCartney, and Blood voted yes. Motion carried 3-0.

6. BOARD POWER POINT WORKSHOP ON BOARD OF DIRECTORS 101
  - a. Board/Staff Communication; Policy 1020

- b. Duties of the President; Policy 4110
- c. Board Meetings; 4200-4230

Adam Brown, District Legal Counsel, asked to postpone this agenda item until a full Board could be present. Director Blood agreed.

#### 7. CSDA BOARD OF DIRECTORS CALL FOR NOMINATIONS SEAT A

Mr. Small informed the Board that he received a letter from California Special Districts Association (CSDA) informing the District of a vacant seat. If the Board is interested, they can nominate someone for the position. The District has not really participated in CSDA, so Mr. Small does not have a recommendation. Mr. Brown informed the Board that if they are not interested, they can just pass over this agenda item. Mr. Blood asked what relationship the District has with CSDA. Mr. Small informed him that CSDA offers templates, training, etc. Mr. Blood asked if they were part of ACWA. Mr. Small responded that they are not part of ACWA, but they work in conjunction with them. The Board decided not to nominate anyone. Director Dell'Orto stated that if anyone reaches out to the District for support, the Board would like to be notified.

#### 8. CERBT ACCOUNT UPDATE AND QUARTERLY STATEMENTS NOTIFICATION AS OF DECEMBER 31, 2023

Mr. Small explained that California Employers' Retiree Benefit Trust (CERBT) is set up by the District to fund Other Post-Employment Benefits (OPEB). This is a product offered by California Public Employees' Retirement System (CalPERS). The District has not contributed in a few years due to the District having a high percentage amount funded. The account is continuing to grow off the interest. Mr. Small is looking for guidance from the Board on the percentage the District would like to be funded. He proposed the idea of funding the retiree health with this fund. Director McCartney expressed his interest in that idea. Mr. Small informed the Board that they would need to create a policy for it. Director Blood would love to see a policy created. Mr. Brown informed the Board that is not currently referenced in the reserve policy. Director Dell'Orto would like to see the policy state a percentage range that is acceptable for the District to be in. He would also like a statement directing the District to review and make changes once the balance drops below the percentage range. The Board and Mr. Small had a discussion regarding the discount rate. Director Blood thanked Mr. Small for reviewing the account with him. Mr. Small informed the Board that he will bring this back when he receives another statement. At that point they can discuss a policy further.

#### 9. FISCAL YEAR 2023/2024 BUDGET UPDATE

Mr. Small informed the Board that he made a couple corrective journal entries. One of them being to the salaries. A payroll was split between two fiscal years. Currently the District's water sales are less than budgeted. This is due to the winter months; he is confident that it will pick back up with warmer weather. The monthly update on the loan covenant ratio is 6.49. Mr. Small went over the current vs. actual of the 2023/24 FY Budget. Director Dell'Orto requested for the previous General Manager's name to be removed from El Dorado Savings Bank. He explained that he and Ms. Bear are working on it. The Board and Mr. Small discussed options for future investments.

#### 10. REPORTS

- a. Legal Counsel's Report

No report this month.

- b. Water System Superintendent's Report

Mr. Small presented the Monthly Maintenance Report on behalf of Mathew Roberts. He informed the Board that Mr. Roberts also included a memo with his report this month. The memo went over an issue with the On-Site Chlorine Generation (OSG). Mr. Small borrowed a programming laptop from his old colleagues at Stockton. He was able to reload a local Programmable Logic Controller (PLC) which got the OSG back up and running. Mr. Small recommended to the Board that the District purchase a laptop for things like this. Director Dell'Orto asked if any reporting data was lost. Mr. Small ensured that no data was lost; recorded history is stored in Supervisory Control and Data Acquisition (SCADA). Mr. Small informed the Board that during this issue, the District stayed in compliance with all state requirements. As a courtesy, Mr. Roberts informed Robert Lapp with the State Water Resources Control Board, Division of Drinking Water. Director Dell'Orto inquired how long the District can go on the alternative disinfection plan. Mr. Small is confident that alternative disinfection process can be used for a good amount of time.

c. District Engineer Report

Mr. Small reported that the Water Master Plan is still in progress. This month, the figures were updated for the fire hydrants throughout the system. This information was used to update the water module.

d. General Manager's Report

Mr. Small's report has already been covered.

e. Director's Comments:

Director Blood reported that he attended the Calaveras Public Power Authority (CPPA) meeting. A price increase was projected but surprisingly, Pacific Gas and Electric (PGE) is lowering the infrastructure rates. Director Blood also attended the Upper Mokelumne River Watershed Authority (UMRWA) meeting. He reported that a director at East Bay Municipal Utility District (EBMUD) is leaving and will be now working for Calaveras County Water District (CCWD) as their Resource Manager. UMRWA is needing to get a bridge loan for their forestry project; EBMUD has volunteered to underwrite it.

**\*\* President Tressler entered the meeting at 6:12 pm. \*\***

11. CLOSED SESSION

Director Blood recommended moving the General Manager's evaluation to the next Board Meeting when a full Board can be present. The Board agreed.

12. ADJOURNMENT

There being no further business to come before the Board, Vice President Blood adjourned the meeting at 6:16 pm.

Respectfully Submitted,



Carissa Bear, Secretary/Clerk of the Board

**CALAVERAS PUBLIC UTILITY DISTRICT**

**CLAIM SUMMARY # 2-2024**

**DATE: February 2024**

The claims listed on the schedules attached to this summary have been examined and found to be correct and proper demands against the Calaveras Public Utility District.

Claims Submitted	\$ 175,329.98
Payroll Submitted	\$ 76,705.76
Employee Reimbursement	\$ 206.08
P/R Tax Deposits	\$ 32,747.95
<b>Sub-total</b>	<b>\$ 284,989.77</b>

Claim Summary Approved for	<b>\$ 284,989.77</b>
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Clerk of the Board, Calaveras Public Utility District

Calaveras Public Utility District  
Expenses by Vendor Detail  
February 2024

Name	Date	Memo	Account	Amount
<b>ACWA-Health</b>				
	02/28/2024	Dental / Vision / Life	5220 · Dental/Vision/Life Insurance	1,652.65
Total ACWA-Health				1,652.65
<b>Aire Serv</b>				
	02/29/2024	OFFSET CREDIT	5437 · Repairs & Maintenance-Office	942.76
Total Aire Serv				942.76
<b>Alpha Analytical Labs, Inc.</b>				
	02/01/2024	January Lab Sampling	5685 · Lab & Sampling	1,875.25
Total Alpha Analytical Labs, Inc.				1,875.25
<b>Amazon Capital Services</b>				
	02/20/2024	Safety Strobe Lights Truck #1	5532 · Repairs & Maintenance-Auto	75.04
Total Amazon Capital Services				75.04
<b>American Fidelity Assurance</b>				
	02/28/2024	Employee 125 Plan February 2024 Inv# D692825	5275 · Employee Section 125 Plan	638.88
Total American Fidelity Assurance				638.88
<b>American Fidelity Assurance Co.(Flex)</b>				
	02/01/2024	Employee 125 PP 1/15	5275 · Employee Section 125 Plan	483.31
	02/28/2024	Employee 125 PP 1/1/2024 & 2/1/24	5275 · Employee Section 125 Plan	966.62
	02/28/2024	Employee 125 PP 2/15/2024	5275 · Employee Section 125 Plan	483.31
	02/28/2024	Employee 125 PP 3/1/2024	5275 · Employee Section 125 Plan	483.31
Total American Fidelity Assurance Co.(Flex)				2,416.55
<b>Aqua-Metric Sales, Co</b>				
	02/28/2024	30 IPerl Cable Trpl 3 wire	5555 · Meters-Meter Repairs	1,000.36
Total Aqua-Metric Sales, Co				1,000.36
<b>AT &amp; T</b>				
	02/05/2024	San Andreas Tank Circuit	5480 · Telephone	51.88
	02/05/2024	Hydro #3	5480 · Telephone	310.88
	02/05/2024	San Andreas Tank	5480 · Telephone	309.11
Total AT & T				671.87
<b>AT &amp; T</b>				
	02/15/2024	(209)286-1502 Hydro #3	5480 · Telephone	65.39
	02/29/2024	2/15/2024 030 378 3224 001	5480 · Telephone	65.54
Total AT & T				130.93
<b>AT&amp;T</b>				
	02/28/2024	Shop Internet & Phone	5480 · Telephone	123.84
Total AT&T				123.84
<b>Cal-Waste</b>				
	02/15/2024	Office	5760 · Sewer & Garbage	174.15
	02/15/2024	Shop	5760 · Sewer & Garbage	415.11



**Calaveras Public Utility District  
Expenses by Vendor Detail  
February 2024**

Name	Date	Memo	Account	Amount
Total Cal-Waste				589.26
<b>Cal PERS</b>				
	02/14/2024	Employer Contributions - Unfunded Accrued Liability, Classic, 1017, CalPERS, 2023/2024	5230 · Retirement Benefits-CalPERS	9,388.00
		Employer Contribution, Classic, 1017, CalPERS, 01/28/2024 - 02/10/2024	2312 · Retirement-PERS	3,682.83
		Employer Contribution, PEPRA, 26507, CalPERS, 01/28/2024 - 02/10/2024	2312 · Retirement-PERS	2,701.06
	02/27/2024	PA Billing Active Premium - March	5200 · Medical Benefits	33,225.57
	02/27/2024	PA Billing Employer Share of Retired Premium - March	5210 · Medical Benefits-Retiree	5,630.64
	02/27/2024	Employer Contribution, Classic, 1017, CalPERS, 02/11/2024 - 02/24/2024	5230 · Retirement Benefits-CalPERS	3,682.83
	02/27/2024	Employer Contribution, PEPRA, 26507, CalPERS, 02/11/2024 - 02/24/2024	5230 · Retirement Benefits-CalPERS	2,701.06
Total Cal PERS				<u>61,011.99</u>
<b>Calaveras Auto Supply</b>				
	02/05/2024	Loom, clamps Spade Terminal Truck #1	5548 · Materials & Supplies-T&D	23.02
	02/05/2024	Electrical Parts Truck #1	5548 · Materials & Supplies-T&D	72.96
	02/05/2024	Battery Glencoe	5545 · Materials & Supplies-Pumping	323.32
	02/05/2024	Battery Water Treatment Plant	5547 · Materials & Supplies-Treatment	372.07
Total Calaveras Auto Supply				<u>791.37</u>
<b>Calaveras Enterprise</b>				
	02/15/2024	Inv# 51064 Board Vacancy Ad	5415 · Advertising	216.00
Total Calaveras Enterprise				<u>216.00</u>
<b>Calaveras Public Power Agency</b>				
	02/15/2024	CPUD Warehouse	5743 · Electricity-Office	295.55
	02/15/2024	Glencoe Booster Pump	5741 · Electricity-Hydros	435.38
	02/15/2024	CPUD Office	5743 · Electricity-Office	170.08
	02/15/2024	Jeff Davis WTP	5742 · Electricity-Treatment	1,509.00
	02/15/2024	Licking Fork Pumping Station	5740 · Electricity-T & D	634.00
Total Calaveras Public Power Agency				<u>3,044.01</u>
<b>Carbon Copy Inc.</b>				
	02/28/2024	Printing	5464 · Printing	70.00
Total Carbon Copy Inc.				<u>70.00</u>
<b>Care Free Lawns</b>				
	02/15/2024	January 2024 Monthly Maintenance	5670 · Facility Maintenance	150.00
Total Care Free Lawns				<u>150.00</u>
<b>Comcast</b>				
	02/15/2024	Main Office	5480 · Telephone	3.50
Total Comcast				<u>3.50</u>
<b>Comcast Business (VE)</b>				
	02/28/2024	Business Voice Edge	5480 · Telephone	294.78
Total Comcast Business (VE)				<u>294.78</u>
<b>Costco</b>				

Calaveras Public Utility District  
Expenses by Vendor Detail  
February 2024

Name	Date	Memo	Account	Amount
	02/15/2024	Membership Renewal	5475 · Office Supplies	60.00
Total Costco				60.00
<b>Country Feed and More</b>				
	02/01/2024	Straw	5548 · Materials & Supplies-T&D	64.32
Total Country Feed and More				64.32
<b>Fischer, Merle</b>				
	02/02/2024	Medical Reimbursement	5210 · Medical Benefits-Retiree	1,051.10
Total Fischer, Merle				1,051.10
<b>Foothill Sanitary Septic</b>				
	02/28/2024	Septic Pumping 1601 W. Forty Rd	5535 · Repairs & Maintenance-Treatment	635.00
Total Foothill Sanitary Septic				635.00
<b>Garrett's Cross Connection Control</b>				
	02/15/2024	Backflow Testing x 11	4233 · Backflow Testing Fee	385.00
Total Garrett's Cross Connection Control				385.00
<b>GEI Consultants, Inc.</b>				
	02/15/2024	Chief Dam Safety Engineer Services	5695 · Consultants-Dam	167.00
Total GEI Consultants, Inc.				167.00
<b>Grainger</b>				
	02/05/2024	Safety Glasses, Eye Wash Bottle	5566 · Safety Equipment	136.17
	02/05/2024	Bi-Focal Safety Glasses	5566 · Safety Equipment	76.85
	02/05/2024	6v Battery	5548 · Materials & Supplies-T&D	36.68
	02/15/2024	Chisel Bits	5548 · Materials & Supplies-T&D	82.84
	02/15/2024	Eyewash Repl. Pull Strap & Nozzle Assembly Repl. Pk2	5547 · Materials & Supplies-Treatment	201.07
	02/28/2024	Quick Connect Filter	5548 · Materials & Supplies-T&D	97.53
Total Grainger				631.14
<b>Granite Data Solutions</b>				
	02/15/2024	Adobe Acrobat Pro Subscription Renewal	5470 · Software Programs & Updates	875.00
Total Granite Data Solutions				875.00
<b>Hill Rivkins Brown &amp; Associates</b>				
	02/15/2024	Legal Services January 2024	5645 · Legal Services	2,212.50
Total Hill Rivkins Brown & Associates				2,212.50
<b>Hobgood's Cleaning Service</b>				
	02/28/2024	February Janitorial Services	5670 · Facility Maintenance	160.00
Total Hobgood's Cleaning Service				160.00
<b>Hunt &amp; Sons Inc.</b>				
	02/15/2024	Fuel	5540 · Fuel	1,257.33
	02/28/2024	Fuel	5540 · Fuel	1,054.10
Total Hunt & Sons Inc.				2,311.43
<b>Jackson Tire</b>				

**Calaveras Public Utility District  
Expenses by Vendor Detail  
February 2024**

<b>Name</b>	<b>Date</b>	<b>Memo</b>	<b>Account</b>	<b>Amount</b>
	02/05/2024	Tires for Vehicle #006	5532 · Repairs & Maintenance-Auto	1,336.64
	02/05/2024	Tires for Vehicle #007	5532 · Repairs & Maintenance-Auto	1,082.56
Total Jackson Tire				2,419.20
<b>Larry Bain, CPA</b>				
	02/28/2024	June 30,2023 Audit	5630 · Accounting Services	10,400.00
Total Larry Bain, CPA				10,400.00
<b>Lowe's</b>				
	02/15/2024	Morton Salt Crystals	5547 · Materials & Supplies-Treatment	2,091.72
Total Lowe's				2,091.72
<b>Martin Marietta</b>				
	02/29/2024	Road Base - Moke Hill	5548 · Materials & Supplies-T&D	202.81
	02/29/2024	Road Base - Stock Shop	5548 · Materials & Supplies-T&D	165.22
Total Martin Marietta				368.03
<b>Matrix Trust Company</b>				
	02/15/2024	457 Plan PPE 2/10/2024	2317 · 457 Plan	998.44
	02/29/2024	PR Date 2/24/2024	2317 · 457 Plan	959.78
Total Matrix Trust Company				1,958.22
<b>McMaster-Carr</b>				
	02/02/2024	Pipe Fitting & Flow Adjustment Valve	5535 · Repairs & Maintenance-Treatment	163.69
	02/02/2024	Flow Adjustment Valve	5535 · Repairs & Maintenance-Treatment	155.56
	02/15/2024	Flow Adjustment Valve & Pipe Fitting	5535 · Repairs & Maintenance-Treatment	466.68
Total McMaster-Carr				785.93
<b>Mission IT Solutions</b>				
	02/01/2024	Monthly IT Services	5632 · IT & Computer Support	1,928.00
Total Mission IT Solutions				1,928.00
<b>Motherlode Answering Service</b>				
	02/15/2024	Answering Services	5606 · Answering Service	554.84
Total Motherlode Answering Service				554.84
<b>Pace Supply</b>				
	02/05/2024	Parts for Distribution	5548 · Materials & Supplies-T&D	1,302.09
	02/05/2024	Safety Glasses	5566 · Safety Equipment	88.90
	02/05/2024	Parts for Distribution	5548 · Materials & Supplies-T&D	4.54
	02/05/2024	Shop Parts	5548 · Materials & Supplies-T&D	186.54
	02/16/2024	Restock T&D Parts - Inv#059079268-4	5548 · Materials & Supplies-T&D	552.62
	02/16/2024	Restock T&D Parts - Inv#059226847-1	5548 · Materials & Supplies-T&D	496.04
	02/16/2024	Restock T&D Parts - Inv#059226847	5548 · Materials & Supplies-T&D	1,789.82
Total Pace Supply				4,420.55
<b>Parcel Quest</b>				
	02/28/2024	2024 Renewal	5470 · Software Programs & Updates	2,399.00

**Calaveras Public Utility District  
Expenses by Vendor Detail  
February 2024**

Name	Date	Memo	Account	Amount
Total Parcel Quest				2,399.00
<b>Peterson-Brustad, Inc.</b>				
	02/06/2024	Water Master Plan	5635 · Engineering-Non-Capital	27,502.13
	02/29/2024	Inv# 14727 January Services Water Master Plan	5690 · Grant Writers	3,900.75
Total Peterson-Brustad, Inc.				<u>31,402.88</u>
<b>Petty Cash</b>				
	02/21/2024	Lien Release & Copy 12/5/2023	5605 · Administration Services	22.00
	02/21/2024	Lien Release x 2 1/4/2024	5605 · Administration Services	40.00
	02/21/2024	Lien Release 1/11/2024	5605 · Administration Services	20.00
	02/21/2024	Lien Release 1/18/2024	5605 · Administration Services	20.00
	02/21/2024	Lien Release 2/8/2024	5605 · Administration Services	20.00
	02/21/2024	B. McCartney California Disability deduction error	2314 · SDI	1.10
Total Petty Cash				<u>123.10</u>
<b>PG&amp;E - ENERGY STATEMENT</b>				
	02/01/2024	Warehouse Light	5740 · Electricity-T & D	10.90
	02/01/2024	Warehouse Light	5740 · Electricity-T & D	10.90
	02/01/2024	Schaad's	5741 · Electricity-Hydros	71.67
	02/05/2024	Golden Hills Tank	5740 · Electricity-T & D	3.35
	02/05/2024	Andreas Vista Tank	5740 · Electricity-T & D	13.83
	02/05/2024	District Office	5743 · Electricity-Office	266.10
	02/15/2024	Hydro # 2Hwy 26 3MI E/Moke Hill	5741 · Electricity-Hydros	117.63
	02/15/2024	Hydro #3 Hwy 49 Chili Gulch	5741 · Electricity-Hydros	316.72
	02/28/2024	Hydro #1	5741 · Electricity-Hydros	264.37
	02/28/2024	Schaad's	5741 · Electricity-Hydros	78.63
	02/28/2024	Prindle Rd	5741 · Electricity-Hydros	11.04
Total PG&E - ENERGY STATEMENT				<u>1,165.14</u>
<b>PGE-NON ENERGY INVOICES</b>				
	02/15/2024	Schaad's	5741 · Electricity-Hydros	197.86
	02/15/2024	Hydro #1	5741 · Electricity-Hydros	7.75
	02/15/2024	Hydro #2	5741 · Electricity-Hydros	7.75
	02/15/2024	Hydro #3	5741 · Electricity-Hydros	7.75
Total PGE-NON ENERGY INVOICES				<u>221.11</u>
<b>Pitney Bowes (Reserve Acct)</b>				
	02/28/2024	Postage Refill	5462 · Postage	1,500.00
Total Pitney Bowes (Reserve Acct)				<u>1,500.00</u>
<b>Rammco</b>				
	02/28/2024	CPUD Clothing	5592 · CPUD-Other Clothing	1,172.90
Total Rammco				<u>1,172.90</u>
<b>Rutledge Security Systems, LLC</b>				

**Calaveras Public Utility District  
Expenses by Vendor Detail  
February 2024**

Name	Date	Memo	Account	Amount
	02/15/2024	Security Camera Monitoring	5680 · Security	330.00
Total Rutledge Security Systems, LLC				330.00
<b>Safe T Lite</b>				
	02/15/2024	Traffic Cones	5548 · Materials & Supplies-T&D	569.39
Total Safe T Lite				569.39
<b>Safety Center, Inc</b>				
	02/02/2024	Traffic Control & Flagging	5335 · Training	1,940.00
	02/28/2024	Lockout / Tagout, Blockout	5335 · Training	1,700.00
Total Safety Center, Inc				3,640.00
<b>San Andreas Sanitary District</b>				
	02/28/2024	Office	5760 · Sewer & Garbage	120.16
	02/28/2024	Shop	5760 · Sewer & Garbage	102.58
Total San Andreas Sanitary District				222.74
<b>SEIU Local 1021</b>				
	02/15/2024	Union Dues PPE 2/10/2024	2322 · SEIU Union Dues	491.56
	02/28/2024	Union Dues PPE 2/24/2024	2322 · SEIU Union Dues	491.56
Total SEIU Local 1021				983.12
<b>Sender's Market Inc.</b>				
	02/15/2024	Tap Carded, Drill Bit, Wrench Tap, 4 Port Charger Inv# K70558	5548 · Materials & Supplies-T&D	74.59
	02/15/2024	Dawn, Storage Box Inv# 158205	5536 · Repairs & Maintenance-T&D	55.70
	02/15/2024	Paint Brush, Paint	5475 · Office Supplies	79.35
Total Sender's Market Inc.				209.64
<b>SWRCB ACCOUNTING OFFICE</b>				
	02/15/2024	Inv# LW-1042633 Annual Fees 7/1/2023 - 6/30/2024	5460 · Permits	6,493.36
Total SWRCB ACCOUNTING OFFICE				6,493.36
<b>Texas Life Insurance Company</b>				
	02/16/2024	T. Small	5275 · Employee Section 125 Plan	35.00
Total Texas Life Insurance Company				35.00
<b>Treat's General Store</b>				
	02/02/2024	Office Repairs	5437 · Repairs & Maintenance-Office	9.63
	02/02/2024	Emergency Flares, Manure Forks	5548 · Materials & Supplies-T&D	153.52
	02/02/2024	Plastic Pails	5548 · Materials & Supplies-T&D	38.57
	02/02/2024	Distilled Water	5547 · Materials & Supplies-Treatment	35.34
	02/02/2024	Crew Water	5548 · Materials & Supplies-T&D	38.43
	02/02/2024	Truck #10 Propane Cyl, Fire Tool, Aim n Flame	5548 · Materials & Supplies-T&D	92.19
	02/02/2024	Paint Supplies	5548 · Materials & Supplies-T&D	71.29
Total Treat's General Store				438.97
<b>USA Blue Book</b>				
	02/05/2024	Graduated Cylinder Inv# 00241309	5547 · Materials & Supplies-Treatment	58.23

**Calaveras Public Utility District  
Expenses by Vendor Detail  
February 2024**

Name	Date	Memo	Account	Amount
	02/05/2024	Safety Glasses Inv# 00252952	5566 · Safety Equipment	91.77
	02/15/2024	Lamp Assbly for Turbidity Sensors, Transfer Pipe, Hatch Potassium Iodide Powder Inv# 00263035	5547 · Materials & Supplies-Treatment	456.67
Total USA Blue Book				606.67
<b>Verizon Wireless</b>				
	02/01/2024	District Cell Phones	5480 · Telephone	1,403.21
	02/16/2024	Special Circuits	5480 · Telephone	59.66
	02/28/2024	District Cell Phones	5480 · Telephone	1,020.01
Total Verizon Wireless				2,482.88
<b>Volcano Telephone</b>				
	02/01/2024	13900 Hwy 26	5480 · Telephone	56.95
	02/01/2024	1601 West Forty	5480 · Telephone	56.95
	02/01/2024	10727 Ponderosa Way	5480 · Telephone	56.95
	02/01/2024	3089 Ridge Rd	5480 · Telephone	53.32
	02/01/2024	Treatment Plant	5480 · Telephone	62.14
	02/01/2024	Schaad's Hydro	5480 · Telephone	87.55
	02/01/2024	Special Circuit	5480 · Telephone	56.95
	02/01/2024	Schaad's Hydro	5480 · Telephone	56.95
	02/01/2024	Treatment Plant Broadband	5480 · Telephone	126.90
	02/01/2024	Treatment Plant Long Distance	5480 · Telephone	2.13
Total Volcano Telephone				616.79
<b>Weber, Ghio &amp; Associates</b>				
	02/16/2024	Garamendi Hydro Site Evaluation	5635 · Engineering-Non-Capital	652.50
	02/16/2024	SRF Administration & Project Management	5635 · Engineering-Non-Capital	2,889.25
	02/16/2024	FEMA -4683- DR- CA Category Z- Indirect & Direct Admin Costs	5635 · Engineering-Non-Capital	228.00
Total Weber, Ghio & Associates				3,769.75
<b>Wells Fargo Bank - C. Bear</b>				
	02/15/2024	Google Storage, Backblaze, Quickbooks, Zoom	5470 · Software Programs & Updates	167.08
	02/15/2024	Office Supplies	5475 · Office Supplies	1,064.27
	02/15/2024	Staff Training	5335 · Training	268.69
Total Wells Fargo Bank - C. Bear				1,500.04
<b>Wells Fargo Bank - M Roberts</b>				
	02/16/2024	Employee Recognition	5290 · Employee Recognition	27.83
	02/16/2024	Training	5335 · Training	64.11
	02/16/2024	Suction Valve, Diaphragm, Unloader Assy, Plunger Intake Unloader, Oil Filter Element, Gasket	5547 · Materials & Supplies-Treatment	1,814.02
	02/16/2024	Tire Repair Truck #007	5532 · Repairs & Maintenance-Auto	25.00
	02/16/2024	Pesticide Application Training - T. Woden	5430 · License, Cerifications, Fees	200.00
	02/16/2024	Overtime Meals	5280 · Employee Overtime Meals	57.86
	02/16/2024	Sodium Hypochlorite, Carboy Dep. Hasa 15gl	5550 · Chemicals	813.62
Total Wells Fargo Bank - M Roberts				3,002.44

**Calaveras Public Utility District  
 Expenses by Vendor Detail  
 February 2024**

Name	Date	Memo	Account	Amount
<b>Wells Fargo Bank - T Small</b>				
	02/16/2024	Leadership Meeting	5335 · Training	58.71
	02/16/2024	Quickbooks	5470 · Software Programs & Updates	72.00
	02/16/2024	District Office Repairs	5437 · Repairs & Maintenance-Office	179.57
Total Wells Fargo Bank - T Small				<u>310.28</u>
<b>Wells Fargo Banks</b>				
	02/28/2024	Client Analysis Fee	5610 · Bank Charges	149.96
Total Wells Fargo Banks				<u>149.96</u>
<b>Western Hydrologics, LLP</b>				
	02/16/2024	Stream Gaging Services	5635 · Engineering-Non-Capital	1,106.49
Total Western Hydrologics, LLP				<u>1,106.49</u>
<b>Wilbur-Ellis</b>				
	02/16/2024	Chemicals - Milestone, Esplanade, Roundup, Garlon, Rainier, Dye	5550 · Chemicals	1,700.31
Total Wilbur-Ellis				<u>1,700.31</u>
				<u><u>175,329.98</u></u>

**CALAVERAS PUBLIC UTILITY DISTRICT**

MEMORANDUM

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March 19, 2024

TO: BOARD OF DIRECTORS

FROM: TRAVIS SMALL, GENERAL MANAGER

SUBJECT: LETTER OF SUPPORT FOR UTICA WATER AND POWER AUTHORITY  
FEDERAL ENERGY REGULATORY COMMISSION CONDUIT EXEMPTION  
APPLICATIONS

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**RECOMMENDATION:**

Adopt a resolution of support for Utica Water and Power Authority's Federal Energy Regulatory Commission Conduit Exemption Applications for Utica P-2019 and Angels P-2699, and authorize the Calaveras Public Utility District President to sign a comment letter supporting the process.

**SUMMARY:**

The Utica Water and Power Authority (Utica) performed a long-term operational alternatives study in 2022, and determined pursuing Federal Energy Regulatory Commission (FERC) Conduit Exemptions for both of its powerhouses was the best course of action. Over the next two years, Utica staff worked with consultants and legal counsel to prepare draft FERC exemption applications for both of its powerhouses. On December 20, 2023, these draft applications were circulated to more than 60 potentially interested parties. Comments on Utica's draft applications are due on March 25, 2024.

Calaveras Public Utility District (CPUD) staff supports Utica's efforts to secure Conduit Exemptions for its two powerhouses, and associated surrender of water supply infrastructure, and recognizes the benefits to the Joint Powers Authority (consisting of City of Angels Camp and Union Public Utility District) and the Calaveras County community at large. Staff is confident that if the Exemptions are granted Utica will continue to comply with applicable local, state, and federal regulations while continuing to provide safe and reliable water deliveries to the community they serve.



## **BACKGROUND:**

The primary purpose of Utica is to operate and maintain a 27-mile-long water supply system delivers water to the Union Public Utility District (UPUD), City of Angels Camp (COA) and 25 water contractors. Water conveyed by Utica is the sole public water supply for nearly 10,000 people in the Murphys, Douglas Flat, Vallecito, Six Mile Village, Carson Hill, and Angels Camp communities and more than 1,000 acres of agricultural land. To help offset the maintenance cost of the water supply system, Utica operates two small hydroelectric powerhouses, each operating under a FERC license, P-2019 Utica Project, and P-2699 Angels Project.

Both of Utica's federal licenses include the powerhouses and associated water conveyance facilities. They are both 30-year term licenses that will expire in 2033. The purpose of FERC licenses is to ensure the licensee (Utica) is safely operating its facilities and that the power and water conveyance facilities conform with the environmental and other needs of the public waterways. The existing federal licenses provide a solid framework for Utica and others to manage water flows and meet community needs. Prior to 2033, Utica would need to apply for new FERC licenses for its two projects. The upcoming relicensing process would take at least five years and could cost the Utica and the communities it serves up to \$10 million to complete. For context, Utica's annual budget is around \$3 million.

Given the financial and operational challenges presented by FERC relicensing, in 2020 the Utica Board performed an in-depth Operational Alternatives Analysis to examine options for the long-term operations of the Authority's two federally licensed hydropower facilities. Of the options analyzed, seeking small Conduit Exemptions from FERC (and associated license surrender of part of the water conveyance system) was selected as the best course of action. Pursuing an exemption requires an application process similar to relicensing. If FERC approves exemptions for the Utica and Angels projects, FERC relicensing every 30 years would no longer be required. It would lead to permanent FERC authorization to operate the powerhouses, with all of the water conveyance system continuing to operate as it does now, but under local authorization and control.

To determine whether Utica was a good candidate for FERC exemptions, Utica staff worked closely with FERC staff in Washington D.C. to provide information about Utica's system, operations, and purpose. In 2022, FERC staff in D.C. confirmed that, at a staff level, Utica was deemed to be a good candidate to apply for exemptions.

In late 2022, Utica began working with a consulting team of regulatory, environmental, and engineering consultants to work on the process of applying for FERC Conduit Exemptions. The goal is to convert the existing Angels Hydroelectric Project to the Angels Powerhouse Project and the Utica Hydroelectric Project to the Murphys Powerhouse Project. As part of the Conduit Exemption process, Utica is also seeking to surrender portions of its existing water conveyance system, meaning they would no longer be

regulated by FERC. They would remain under the regulatory oversight of the Department of Water Resources Division of Safety of Dams (DSOD).

Over the course of 2023, Utica staff and its consultants met with many key stakeholders, conferred with specialty FERC legal counsel, and moved forward with the process of drafting an Initial Consultation Document (ICD) in the form of two draft FERC Conduit Exemption applications. This process culminated with Utica distributing draft FERC Conduit Exemption application documents to all interested parties on Wednesday December 20, 2023. The draft FERC Conduit Exemption Applications documents can be viewed here on Utica's website here: <https://www.uticawater.com/exemption/>

**NEXT STEPS:**

If the CPUD Board adopts a resolution of support and authorizes the Board President to sign a comment letter, these documents will be formally submitted to Utica prior to the March 25, 2024, comment deadline.

**FINANCIAL CONSIDERATIONS:**

None.



# Calaveras Public Utility District

**DIRECTORS**  
Jack Tressler  
Richard Blood  
J.W. Dell'Orto  
Brady McCartney  
Kevin Sparks

**GENERAL MANAGER**  
Travis Small

March 19, 2024

Joel Metzger  
General Manager  
Utica Water and Power Authority  
1168 Booster Way  
Angels Camp, CA 95222

**Re: Support for UWPA's Draft Applications to the Federal Energy Regulatory Commission for Conduit Exemptions for Utica P-2019 and Angels P-2699**

Dear Mr. Metzger,

I am writing on behalf of the Calaveras Public Utility District (CPUD) Board of Directors ("Board") to express support for the Utica Water and Power Authority's (UWPA) Federal Energy Regulatory Commission (FERC) Conduit Exemption applications for UWPA's two hydropower projects: Utica P-2019 and Angels P-2699.

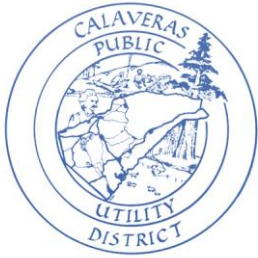
The Calaveras Public Utility District was established on January 19, 1934, as a publicly owned utility to provide water to San Andreas, Mokelumne Hill, and outlying areas in Calaveras County. The District owns and operates the Middle Fork Dam FERC Project Number P-7506, which has a small powerhouse at the base of the dam. The District also owns 2 other dams regulated by the California Division Safety of Dams (DSOD) and operates a water conveyance system that provides potable water to nearly 2,000 service connections in a disadvantaged community.

After reviewing the draft applications circulated by UWPA on December 20, 2023, CPUD staff found no omissions or concerns with the regard to the characterization of this critically important water supply system, the environmental resources, and the Conduit Exemption and Surrender proposals.

With CPUD being a similar-sized agency, the Board recognizes that the Union Public Utility District (UPUD) and City of Angels Camp (COA) receive their sole water supply from UWPA, which is used to serve the residential, commercial, and agricultural needs of nearly 10,000 people living in the communities of Murphys, Douglas Flat, Vallecito, Six Mile Village, Carson Hill, and Angels Camp.

**Mission Statement**

*Calaveras Public Utility District (CPUD) is dedicated to providing an environmentally sustainable, reliable & cost-effective drinking water supply. As good stewards, our local water resources shall be maintained for public benefit implementing sound policies and practices ensuring inclusiveness with openness in all matters of the District.*



# Calaveras Public Utility District

## DIRECTORS

Jack Tressler  
Richard Blood  
J.W. Dell'Orto  
Brady McCartney  
Kevin Sparks

## GENERAL MANAGER

Travis Small

In the observation of CPUD, UWPA has clearly demonstrated its ability to be an excellent steward of the natural resources it manages, and the Board is confident that if the FERC exemptions are approved UWPA will continue to comply with applicable local, state, and federal regulations, while continuing to fulfill its mission of providing a reliable water supply to the community.

On behalf of the Calaveras Public Utility District Board of Directors, we strongly support UWPA's applications for FERC Conduit Exemptions for Utica Project P-2019 and Angels Project P-2699.

The Board urges the FERC to authorize the Conduit Exemptions after the final applications are submitted.

Sincerely,

Jack Tressler  
Board President  
Calaveras Public Utility District

### Mission Statement

*Calaveras Public Utility District (CPUD) is dedicated to providing an environmentally sustainable, reliable & cost-effective drinking water supply. As good stewards, our local water resources shall be maintained for public benefit implementing sound policies and practices ensuring inclusiveness with openness in all matters of the District.*

**CALAVERAS PUBLIC UTILITY DISTRICT**

**RESOLUTION 2024-03**

**A RESOLUTION OF THE CALAVERA PUBLIC UTILITY DISTRICT SUPPORTING  
THE UTICA WATER AND POWER AUTHORITY'S FEDERAL ENERGY  
REGULATORY COMMISSION CONDUIT EXEMPTION APPLICATIONS FOR  
UTICA P-2019 AND ANGELS P-2699**

**WHEREAS**, The Calaveras Public Utility District (CPUD) was established on January 19, 1934, as a publicly owned utility to provide water to San Andreas, Mokelumne Hill, and outlying areas of Calaveras County; and

**WHEREAS**, Between 1934 and the 1970s, CPUD operated open water supply ditches / canals, and continues to operate three reservoirs (up to 2,000-acre feet), and one hydroelectric powerhouse at the base of Schaad's Dam in West Point; and

**WHEREAS**, CPUD's hydropower project, including Schaad's Dam, is regulated by the Federal Energy Regulatory Commission (FERC), and its other reservoirs and dams are regulated by the Department of Water Resources Division of Safety of Dams; and

**WHEREAS**, CPUD is supportive of UWPA taking steps to pursue regulatory efficiencies and operate its water supply system in a more streamlined and cost-effective manner, which will reduce the financial burden Calaveras County residents who rely on it; and

**WHEREAS**, CPUD supports UWPA's efforts to apply for Federal Energy Regulatory Commission (FERC) Conduit Exemptions and License Surrenders for the Utica Project 2019 and Angels Project 2699.

**NOW, THEREFORE, BE IT RESOLVED**, by the Calaveras Public Utility District that the Board President is hereby authorized to sign the comment letter attached hereto in Exhibit 1 supporting UWPA's FERC Exemption applications for Utica P-2019 and Angels P-2699 and submit said letter to UWPA prior to the March 25, 2024, comment deadline.

The foregoing resolution was duly approved and adopted by the Board of Directors of the Calaveras Public Utility District at a regular meeting on the 19th day of March 2024 by the following vote:

AYES:

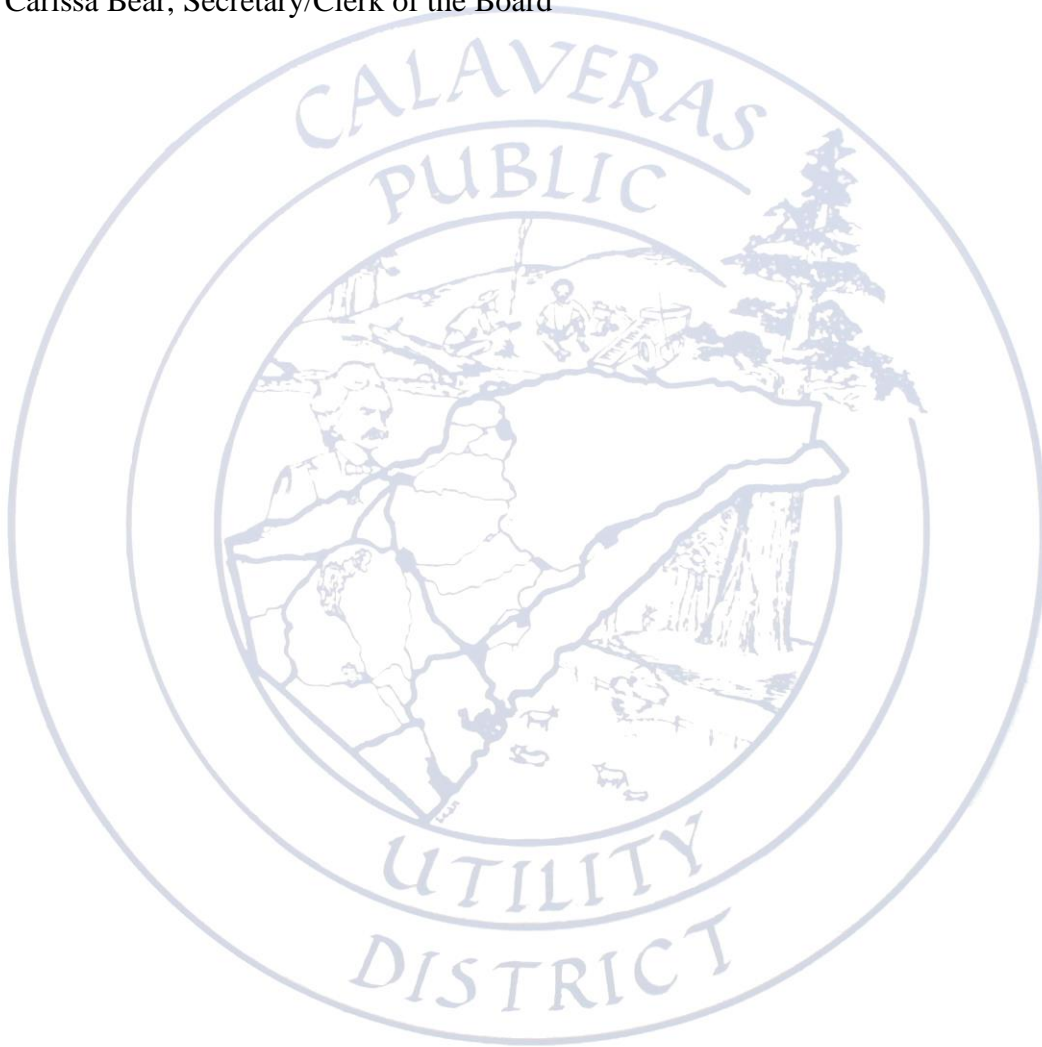
NOES:

ABSENT:

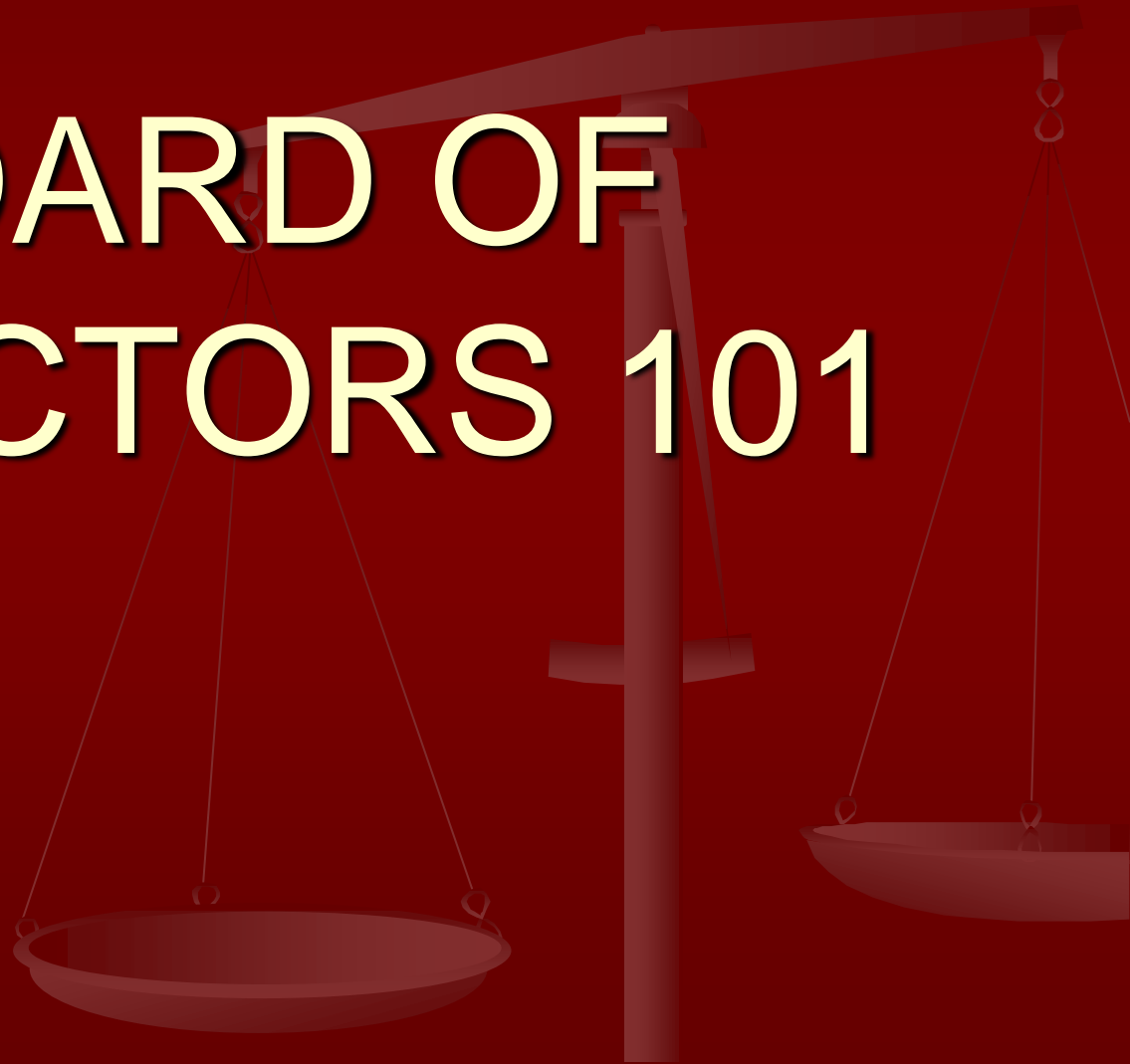
ABSTAIN:

Signed: \_\_\_\_\_  
Jack Tressler, President of the Board of Directors

Attest: \_\_\_\_\_  
Carissa Bear, Secretary/Clerk of the Board

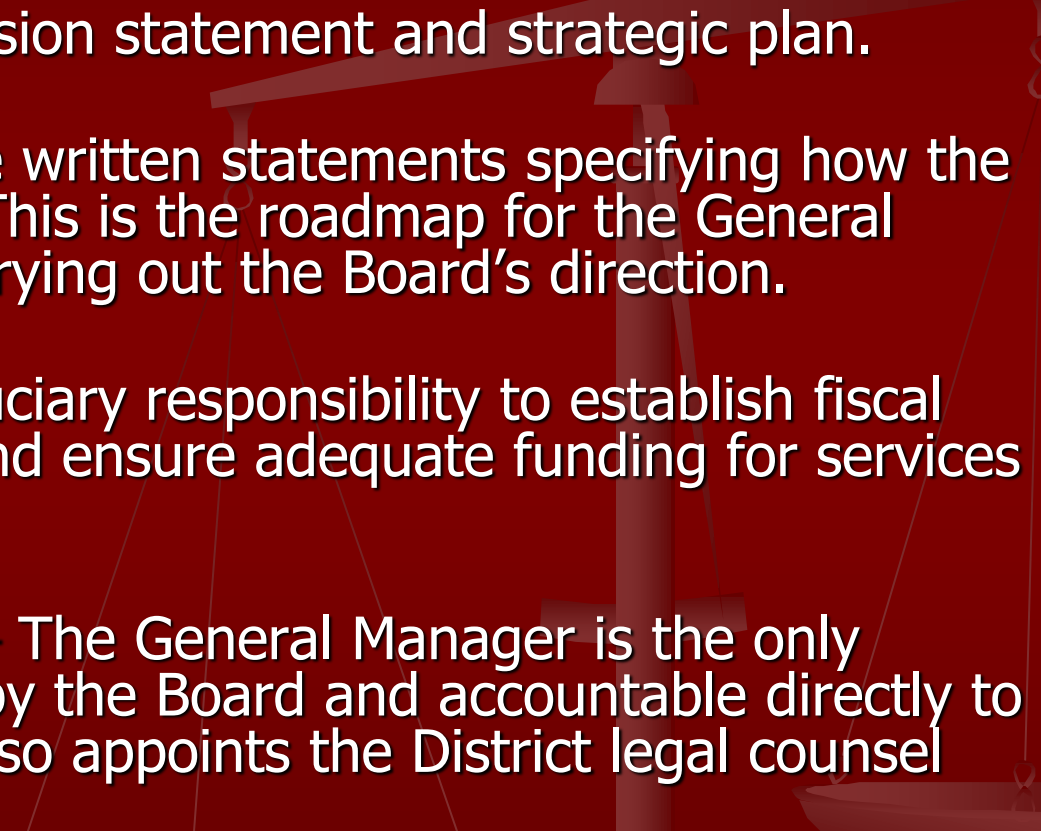


# BOARD OF DIRECTORS 101



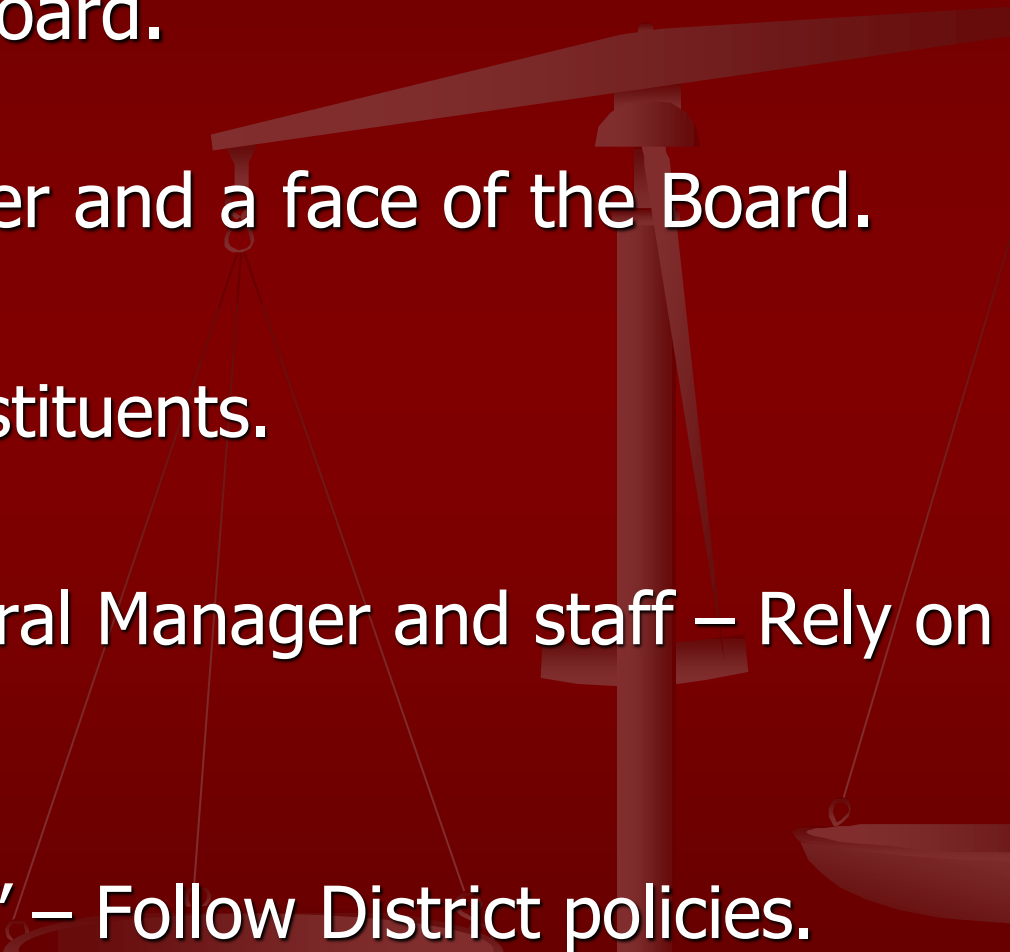
# What is the Role of the Board?

The Board of Directors has five main functions in every district:

- Sets Direction – e.g. mission statement and strategic plan.
  - Establishes Policies – the written statements specifying how the District does business. This is the roadmap for the General Manager and staff in carrying out the Board's direction.
  - Oversees Finances – fiduciary responsibility to establish fiscal policies, adopt budget and ensure adequate funding for services and infrastructure.
  - Hires General Manager – The General Manager is the only District employee hired by the Board and accountable directly to the Board. The Board also appoints the District legal counsel and auditor.
- 



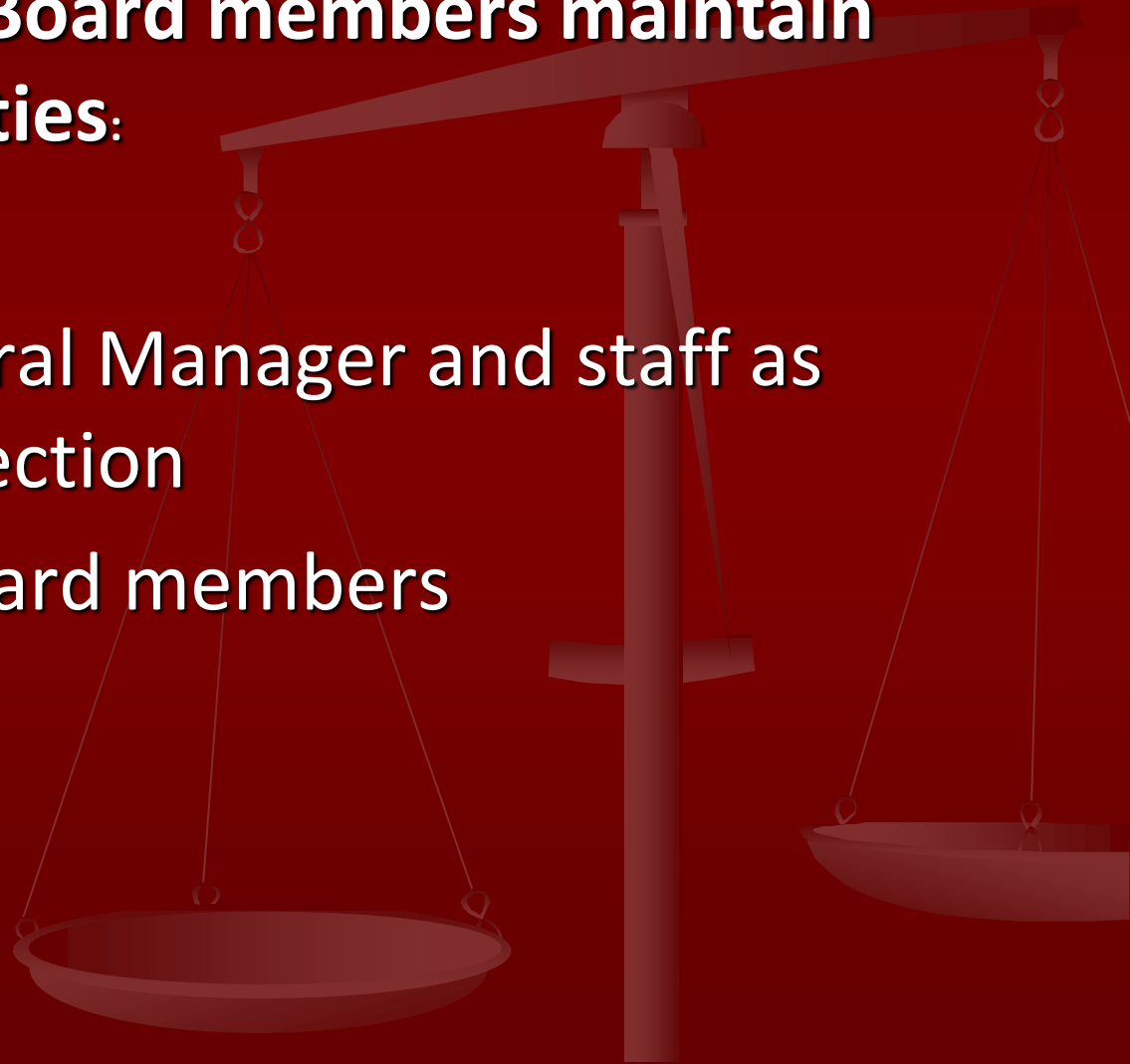
# What is the Role of a Director?

- One vote on the Board.
  - A community leader and a face of the Board.
  - Responsive to Constituents.
  - Respectful of General Manager and staff – Rely on your team.
  - “Stay in Your Lane” – Follow District policies.
- 

# Effective Directors

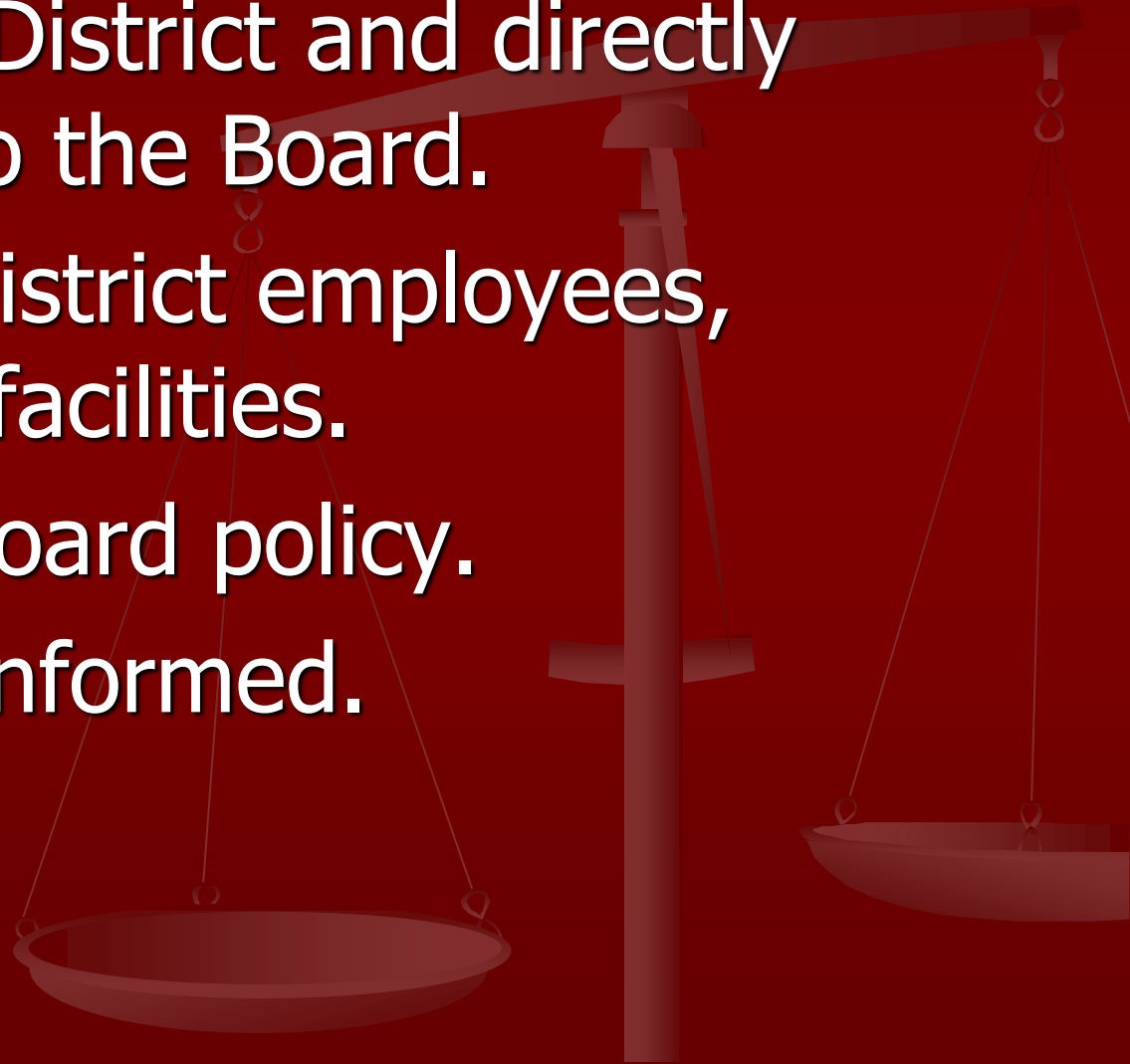
**The most effective Board members maintain the following priorities:**

- Serve the public
- Support the General Manager and staff as they carry out direction
- Respect fellow Board members
- Seek consensus



# What is the Role of the General Manager?

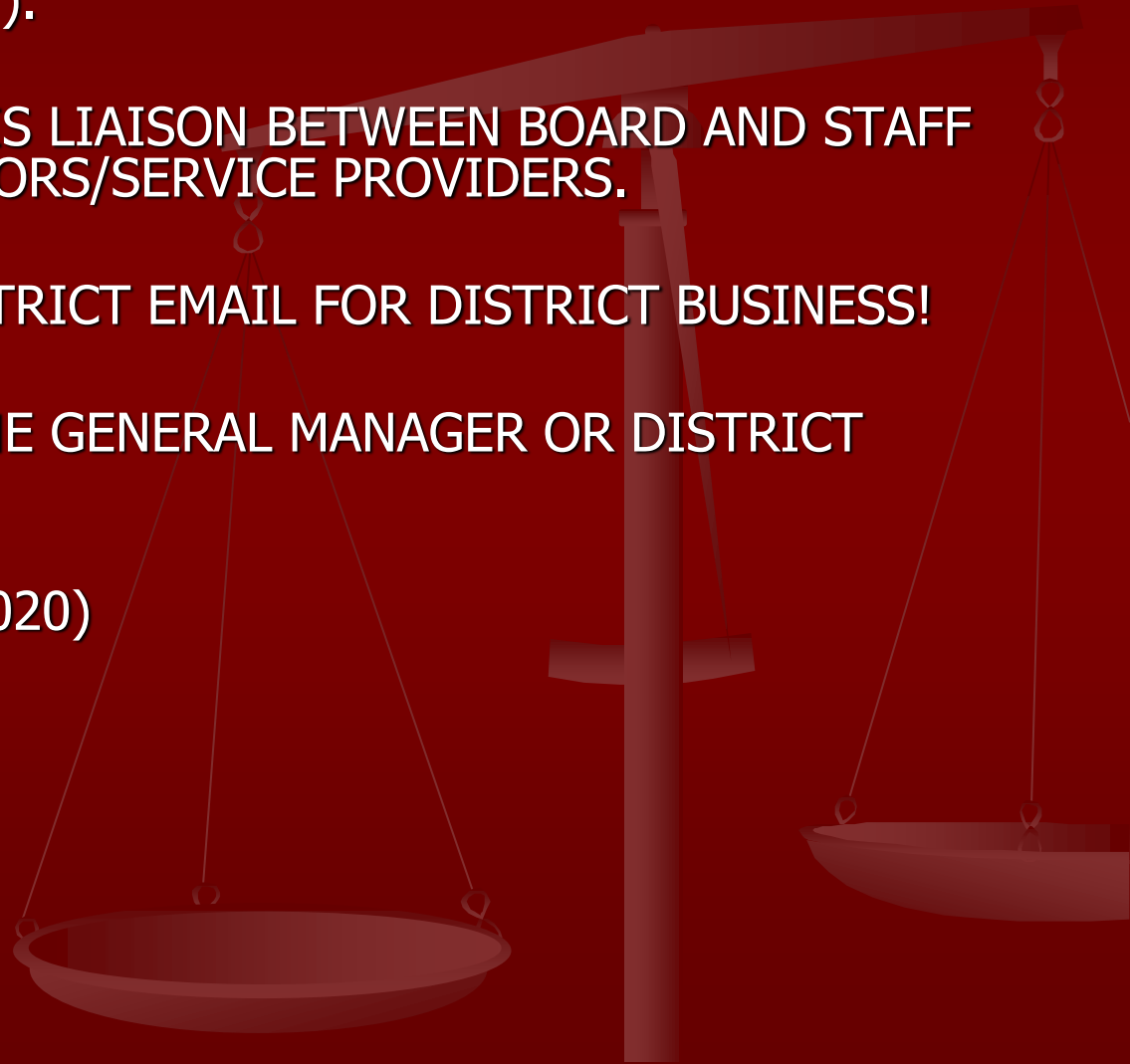
- Operates the District and directly accountable to the Board.
- Manages all District employees, activities and facilities.
- Implements Board policy.
- Keeps Board informed.



# BOARD/STAFF COMMUNICATIONS

- ALL INQUIRIES MADE VIA THE GENERAL MANAGER AT ALL TIMES (the "FUNNEL").
- GENERAL MANAGER IS LIAISON BETWEEN BOARD AND STAFF AND DISTRICT VENDORS/SERVICE PROVIDERS.
- USE ONLY YOUR DISTRICT EMAIL FOR DISTRICT BUSINESS!
- IF IN DOUBT, ASK THE GENERAL MANAGER OR DISTRICT COUNSEL!

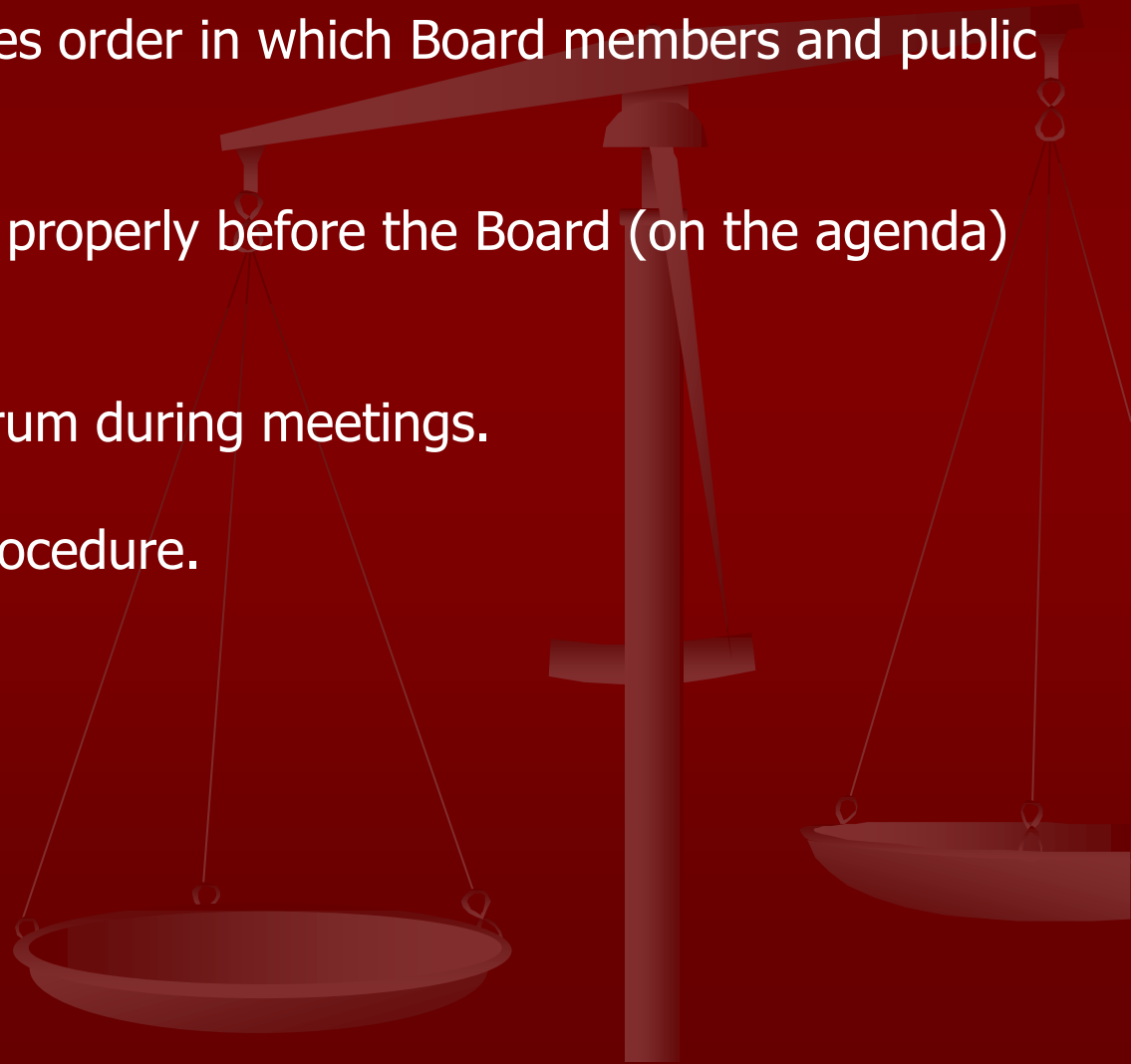
(Ref. CPUD Policy No. 1020)



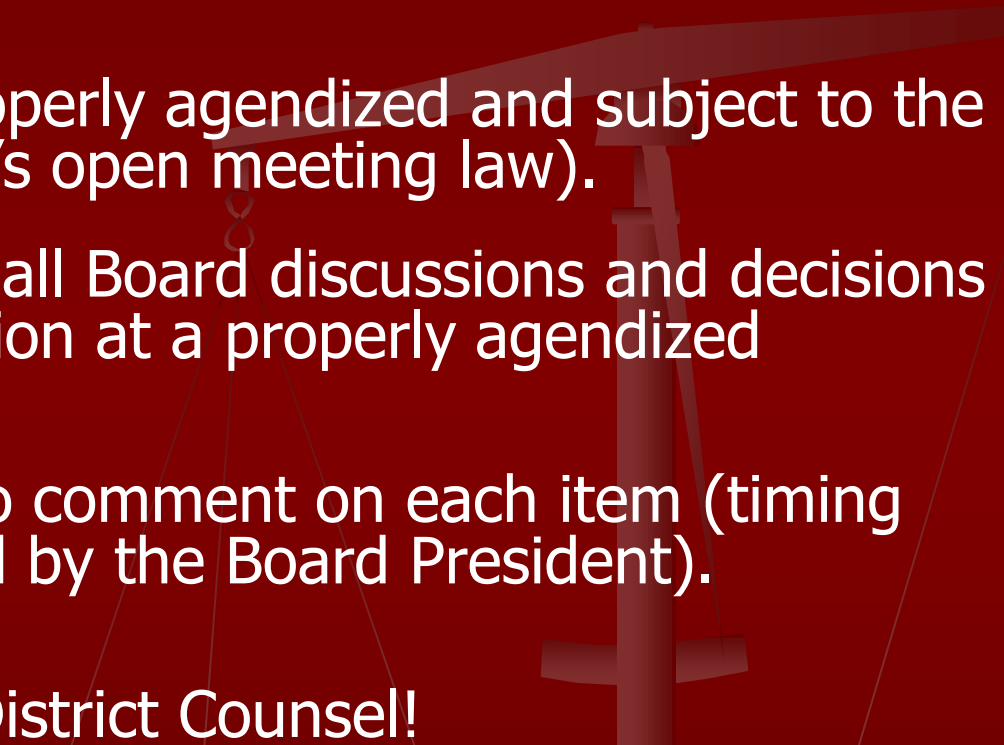
# DUTIES OF THE PRESIDENT

- Runs the meeting – decides order in which Board members and public may speak on an item.
- Keeps discussion to items properly before the Board (on the agenda) and within its jurisdiction.
- Maintains order and decorum during meetings.
- Rules on parliamentary procedure.

(Ref. CPUD Policy No. 4110)



# BOARD MEETINGS

- Board action may only be taken on items listed on the agenda.
  - Meetings must be properly agendized and subject to the Brown Act (California's open meeting law).
  - With few exceptions, all Board discussions and decisions must be in open session at a properly agendized meeting.
  - Public has the right to comment on each item (timing and order determined by the Board President).
  - When in doubt, ask District Counsel!
- 

# A Director's Best Practices

- Do your homework: Read all Board packets and materials in advance of meetings.
- Don't play "gotcha": Share questions with the General Manager in advance of the Board meeting.
- Listen first, speak second: Prioritize understanding the perspectives of others.
- Build an expertise: Find an important issue that other Board members are not already invested in and become a leader, such as on LAFCO, environmental sustainability, etc.
- Stick to principles, not positions: Develop strong and well-considered principles, rather than digging heels into one position without considering other solutions.
- Oppose the action, not the implementation: When necessary, vote "No" on a Board agenda item, but don't undermine or obstruct the successful implementation of Board-approved decisions. Support and respect the actions of the Board as a whole.

(Source: CSDA Special District Board Members Handbook (2019))

CALAVERAS PUBLIC UTILITY DISTRICT POLICIES

Policy Name:	1020 – BOARD/STAFF COMMUNICATIONS		
Approval Authority:	CPUD BOARD OF DIRECTORS	Adopted:	3/10/2020
Resolution No.	Resolution 2020-3	Revised:	

Objectives: Effective governance of the District relies on the cooperative efforts of the District’s elected Board, who set policy and priorities, and the District’s staff members, who analyze problems and issues, make appropriate recommendations, and implement and administer Board policies. It is the responsibility of District staff to ensure Board members have access to information and to ensure such information is communicated completely and with candor to those making the request. However, Board members should avoid intrusion into those areas that are the responsibility of District staff. Individual Board members must avoid intervening in staff decision-making, the development of staff recommendations, scheduling of work, and executing department priorities. This is necessary to protect District staff from undue influence and pressure from individual Board members and to allow staff to execute priorities given by management and the Board without fear of reprisal.

Role of the Board: As the legislative body for the District, the Board is responsible for approving the District’s budget, setting policy goals and objectives and adopting strategic plans. The primary functions of the District staff members, at the direction of the General Manager, are to execute Board policy and other Board actions and to keep the Board well informed.

Individual members of the Board should not make attempts to pressure or influence staff decisions, recommendations, workloads, schedules, and department priorities. If a Board member wishes to influence the actions, decisions, recommendations, workloads, work schedule, and priorities of staff, that member must prevail upon the Board to do so as a matter of Board policy.

Board members also have a responsibility of information flow. It is critical that they make extensive use of staff and agency reports and Board meeting minutes. Board members should come to meetings prepared; having read the agenda packet materials and supporting documents, as well as any additional information or memoranda provided on District projects or evolving issues. Additional information may be requested from staff, if necessary.

Individual Board members, as well as the Board as a whole, are permitted complete freedom of access to any information requested of staff and shall receive the full cooperation and candor of staff in being provided with any requested information. All requests shall be routed through the General Manager. The General Manager or Legal Counsel will pass critical information to all Board members.

There are limited restrictions when information cannot be provided. Draft documents (e.g. staff reports in progress, etc.) are under review and not available for release until complete and after review



by District staff. In addition, there are legal restrictions on the District's ability to release certain personnel information even to members of the Board. Any concerns Board members may have regarding the release of information or the refusal of staff to release information, should be discussed with Legal Counsel for clarification.

**Policies:** There shall be mutual respect from both staff and Board members of their respective roles and responsibilities at all times. There is a need for access to staff by Directors and at the same time, unlimited access could result in work priority conflicts for staff.

**Purpose:** The purpose of the policies listed below is to facilitate Board/staff communications consistent with these principles.

1020.1 All requests for information or questions by the Board to staff outside of a Board or Committee meeting, shall be directed to the General Manager or Legal Counsel, as appropriate and shall include the desired time and date for receiving the information. The General Manager or Legal Counsel, as appropriate, will confirm the date they can provide the information. So that all Board members are equally informed, all written informational material requested by any Director shall be submitted by the General Manager to all Board members with the notation indicating which Board member requested the information. If a Board member requests information from any other member of the staff, staff may either direct the matter to the General Manager or may ask the Board member to contact the General Manager directly.

1020.2 Individual Directors cannot directly assign work to staff members. Board initiated projects will follow organizational channels, through the General Manager, unless there is an emergency. As no formal procedure will answer all cases, the following should be considered as a guide and used with restraint and judgment:

- a) Directors should clear all short-term requests of Staff with the General Manager prior to contacting individual members of the staff and, in most cases, the General Manager should direct and handle the request for the Director.
- b) For long-term, involved studies or where the matter includes confidential material, the General Manager should be contacted and the subject matter discussed with the full Board at a Board meeting prior to staff working on the assignments.

1020.3 At Board meetings and other public meetings, respectful communication is expected. Staff is encouraged to give their professional recommendations, and the Board should recognize that staff may make recommendations that could be viewed as unpopular with the public and with individual Board members. Board members may request clarification and ask questions of staff at public meetings, and Directors are encouraged to participate in healthy discussions amongst each other regarding items under discussion on the Agenda. However, Directors should refrain from debate with staff at Board meetings about staff recommendations or other items being discussed. Staff must recognize that the Board, as the decision maker, is free to reject or modify a staff recommendation and that the Board's wishes will be implemented by staff even if it was contrary to a staff recommendation.

1020.4 Directors shall not attempt to coerce or influence staff in the making of recommendations, the awarding of contracts, the selection of consultants, the processing of any projects or applications,

or the granting of permits. Directors shall not attempt to change or interfere with the operating policies and practices of any District department through interaction with staff. Individual Directors should discuss these items with the General Manager to get clarification or raise concerns.

1020.5 Board members should not make public comments critical of the performance of a District staff member. Any concerns by a Director over the behavior or work of a District employee during a Board meeting should be directed to the General Manager privately to ensure the concern is resolved. All complaints about employees from Directors should be submitted privately to the General Manager or, if a complaint concerns the General Manager, to Legal Counsel.

1020.6 Staff will respect the right of Directors to refuse to provide information or answers to staff and recognize that Directors may be bound by other rules of law or procedure that do not permit the Director to speak about the subject matter presented. If a Director violates any of the policies regarding communications as stated in this policy, any member of staff has the right to request that the Director speak directly with the General Manager about the subject matter presented without any fear of reprisal.

CALAVERAS PUBLIC UTILITY DISTRICT POLICIES

Policy Name:	4110 – DUTIES OF THE BOARD PRESIDENT AND OFFICERS		
Approval Authority:	CPUD BOARD OF DIRECTORS	Adopted:	3/10/2020
Resolution No.	Resolution 2020-3	Revised:	

At the regular Board of Directors meeting in December, the Directors shall elect one of their members as Board President and another member as Vice President. Term of office for each shall be one year. The elected Board President and Vice President may succeed him or herself in office for a maximum of two terms, upon being duly re-elected by the Board each term. Should the Board President or Vice President vacate his/her term, a replacement shall be appointed at the next regular or special meeting by a majority vote of the Board to complete the term of the replaced officer.

4110.1 Presiding Officer:

The President of the Board of Directors shall serve as the presiding officer at all Board meetings.

In the absence or disability of the President, the Vice President of the Board of Directors shall serve as the presiding officer over all meetings of the Board. If the President and Vice President of the Board are both absent or disabled, the remaining members present shall select one of themselves to act as temporary presiding officer of the meeting.

The presiding officer shall have the same rights as the other members of the Board in voting, introducing motions, resolutions and ordinances, and any discussion of questions that follow said actions. The presiding officer may move, second, debate, and vote from the chair.

4110.2 Duties Regarding Meetings:

The President shall preside over and conduct all meetings of the Board of Directors, shall carry out the resolutions and orders of the Board of Directors, and shall exercise such other powers and perform such other duties as the Board of Directors shall prescribe including, but not limited to, the following:

- a) Call the meeting to order at the appointed time;
- b) Announce the business to come before the Board in its proper order;
- c) Enforce the Board's policies in relation to the order of business and the conduct of meetings;
- d) Recognize persons who desire to speak, and protect the speaker who has the floor from disturbance or interference;
- e) Explain what the effect of a motion would be if it is not clear to every member;
- f) Restrict discussion to the question when a motion is before the Board;
- g) Rule on parliamentary procedure;
- h) Put motions to a vote, and state clearly the results of the vote; and
- i) Preserve order and decorum.

4110.3 Responsibilities:

Responsibilities of the President include, but are not limited to, the following:

- a) Sign all instruments, act, and carry out stated requirements and the will of the Board;
- b) Sign the minutes of the Board meeting following their approval;
- c) Appoint and disband all temporary (ad hoc) committees;
- d) Call such meetings of the Board as he/she may deem necessary, giving notice as prescribed by law;
- e) Coordinate the preparation of meeting agendas with the General Manager;
- f) Confer with the General Manager or designee on crucial matters which may occur between Board of Directors meetings;
- g) Be responsible for the orderly conduct of all Board meetings;
- h) Be the spokesperson for the Board; and
- i) Perform other duties as authorized by the Board.

CALAVERAS PUBLIC UTILITY DISTRICT POLICIES

Policy Name:	4200 – BOARD ACTIONS AND DECISIONS		
Approval Authority:	CPUD BOARD OF DIRECTORS	Adopted:	3/10/2020
Resolution No.	Resolution 2020-3	Revised:	

4200.1 Actions by the Board of Directors include but are not limited to the following:

4200.1.1 Adoption or rejection of regulations or policies;

4200.1.2 Adoption or rejection of a resolution;

4200.1.3 Adoption or rejection of an ordinance;

4200.1.4 Approval or rejection of any contract or expenditure;

4200.1.5 Approval or rejection of any proposal which commits District funds or facilities, including employment and dismissal of personnel; and,

4200.1.6 Approval or disapproval of matters that require or may require the District or its employees to take action and/or provide services.

4200.2 Action can only be taken by the vote of the majority of the Board of Directors. Three (3) Directors represent a quorum for the conduct of business.

4200.2.1 A member abstaining in a vote is considered as absent for that vote. A member abstaining due to a conflict of interest does not count towards a quorum.

4200.2.1.1 Example. If three of five Directors are present at a meeting, a quorum exists and business can be conducted unless the abstention is due to a conflict of interest. However, if one Director abstains on a particular action and the other two cast "aye" votes, no action is taken because a "majority of the Board" did not vote in favor of the action.

4200.2.1.2 Example. If an action is proposed requiring a two-thirds vote and two Directors abstain, the proposed action cannot be approved because four of the five Directors would have to vote in favor of the action.

4200.2.1.3 Example. If a vacancy exists on the Board and a vote is taken to appoint an individual to fill said vacancy, three Directors must vote in favor of the appointment for it to be approved. If two of the four Directors present abstain, the appointment is not approved.

4200.3 The Board may give directions that are not formal action. Such directions do not require formal process. Such directions include the Board's directives and instructions to the General Manager.

4200.3.1 The President shall determine by consensus a Board directive and shall state it for clarification. Should any two Directors challenge the statement of the President, a voice vote may be requested.

4200.3.2 A formal motion may be made to place a disputed directive on a future agenda for Board consideration, or to take some other action (such as refer the matter to the General Manager for review and recommendation, etc.).

4200.3.3 Informal action by the Board is still Board action and shall only occur regarding matters that appear on the agenda for the Board meeting during which said informal action is taken.

4200.3.4 Nothing in this policy prevents the Board from providing direction to the General Manager in response to public comments or under Board member or General Manager comments, as allowed under the Brown Act. No vote or action shall be taken.

CALAVERAS PUBLIC UTILITY DISTRICT POLICIES

Policy Name:	4205 – BOARD MEETING AGENDA		
Approval Authority:	CPUD BOARD OF DIRECTORS	Adopted:	3/10/2020
Resolution No.	Resolution 2020-3	Revised:	

4205.1 Agenda preparation. The General Manager, in cooperation with the Board President, shall prepare an agenda for each regular and special meeting of the Board of Directors in accordance with the Brown Act. Any Director may contact the General Manager and request an item to be placed on the agenda no later than 3:00 P.M. on the day that is 48 hours prior to the closing of the agenda for the next meeting date.

4205.2 Public requests. Any member of the public may request that a matter directly related to District business be placed on the agenda of a regularly scheduled meeting of the Board of Directors, subject to the following conditions:

4205.2.1 The request must be in writing and be submitted to the General Manager or Board Secretary together with supporting documents and information, if any, at least seven business days prior to the date of the meeting.

4205.2.2 The General Manager shall be the sole judge of whether the public request is or is not a "matter directly related to District business" and shall respond as soon as possible.

4205.2.3 The General Manager shall determine the timing of when the item will be placed on the agenda.

4205.2.4 The public member requesting the agenda item may appeal the General Manager’s decision at the next regular meeting of the Board of Directors. Any Director may request that the item be placed on the agenda of the Board’s next regular meeting.

4205.2.5 No matter which is legally a proper subject for consideration by the Board in closed session will be accepted under this policy.

4205.2.6 The Board of Directors may place limitations on the total time to be devoted to a public request issue at any meeting, and may limit the time allowed for any one person to speak on the issue at the meeting.

4205.3 Agenda descriptions. All Board agendas shall include an unambiguous description of each item on the agenda to be discussed, including closed session items. The General Manager shall ensure that the description gives notice to the public of the essential nature of business to be considered.

4205.4 Agenda posting. Agendas for regular meetings shall be posted 72 hours in advance of the

meeting and agendas for special meetings shall be posted 24 hours in advance of the meeting. The posting must occur in a place that is freely accessible to the public and on the District's website. The internet posting shall occur on the District's primary website homepage with a direct link to the current agenda. The agenda shall also be accessible in an open format.

4205.5 Agenda packages. When distributing agenda packages and other materials to members of the Board of Directors, those materials should be provided to all members at the same time. Staff shall, if practicable, endeavor to provide the agenda package at the end of business day Thursday prior to the regular Board meeting, but in no event, less than 72 hours. Agenda packages, except for closed session materials, should also be made available to the public once distributed to the Board, by posting on the District website in the same manner as the agenda.

4205.6 Public comment.

4205.6.1 For regular meetings the Board shall provide the public with an opportunity to address not only any item on the agenda but any item within the subject matter jurisdiction of the District.

4205.6.2 For special meetings, the Board shall provide the public with an opportunity to address any item on the agenda.

4205.6.3 The Board may not prohibit public criticism, but shall control the order of the proceedings, including placing reasonable time limits on public comment.

4205.6.4 The Board may not require members of the public to give names or sign a register as a condition of attendance or speaking.

4205.7 Closed sessions. The Board may conduct a closed session during a noticed meeting for certain matters, as identified on the agenda, where it is necessary to conduct business in private. Major reasons for permissible closed sessions, as authorized by the Brown Act, include real property transactions, labor negotiations, and pending or anticipated litigation. The Board shall allow public comment on any closed session item before going into closed session.

4205.8 Items not on the agenda. The Board shall not discuss or take action on any item that does not appear on the posted agenda except that the Board may act on items not on the agenda to address emergency situations, subsequent need items, and hold-over items from a continued previous meeting held within the prior five days. The Board may also respond to public comments and make announcements.



CALAVERAS PUBLIC UTILITY DISTRICT POLICIES

Policy Name:	4210 – BOARD MEETING CONDUCT		
Approval Authority:	CPUD BOARD OF DIRECTORS	Adopted:	3/10/2020
Resolution No.	Resolution 2020-3	Revised:	

4210.1 Rules of order. Meetings of the Board of Directors shall be conducted by the President in a manner consistent with the policies of the District. Policy No. 4230, “Rules of Order for Board and Committee Meetings,” shall be used as a general guideline for meeting protocol.

4210.2 Agenda timing. All Board meetings shall commence at the time stated on the agenda and shall be guided by same. The placement of an item on the agenda shall not be deemed a requirement that the items proceed in any particular order. The Board President may alter the order in which agenda items shall be considered for discussion and/or action by the Board.

4210.3 Conduct of meetings. The following concepts shall be applied to Board meetings:

4210.3.1 The meetings shall be conducted in an open and fair manner.

4210.3.2 The public shall be given ample opportunity to participate in the meetings.

4210.3.3 Due process principles shall apply to quasi-judicial proceedings, or as otherwise required by law.

4210.3.4 The meetings shall proceed in a manner that enables the Board to consider problems to be solved and make wise decisions intended to solve the problems.

4210.3.5 The Board may receive, consider and take any needed action with respect to reports of accomplishment of District operations.

4210.3.6 Noticed public hearings shall be conducted in an orderly fashion, with the Board President establishing the order of the proceedings.

4210.3.7 The Board may weigh and determine the credibility of evidence and public comment.

4210.4 Public comment. Public comment on items on the agenda, and general public comment at a regular Board meeting for matters within the jurisdiction of the Board of Directors, shall be as follows:

4210.4.1 Three minutes may be allotted to each speaker and a maximum of 15 minutes to each subject matter.

4210.4.2 The Board president may allow additional per speaker and per subject comment time when necessary for a full and fair proceeding.

4210.4.3 No disruptive conduct shall be permitted at any Board meeting. Persistence in disruptive conduct shall be grounds for summary termination, by the Board President, of that person's privilege of address.

4210.5 Disruption of meetings. Willful disruption of any of the meetings of the Board of Directors shall not be permitted. If the President finds that there is willful disruption of any meeting of the Board, he/she may do the following:

4210.5.1 Notify the disrupting parties to immediately stop the conduct and that they will be asked to leave the meeting if the behavior continues.

4210.5.2 If the behavior continues after notice, order the disrupting parties out of the room and conduct the Board's business without them present.

4210.5.3 In cases of extreme disruption, clear the room of all members of the public, and conduct the Board's business without them present.

4210.5.4 Duly accredited representatives of the news media, whom the President finds not to have participated in the disruption, shall be permitted to remain in the meeting.

CALAVERAS PUBLIC UTILITY DISTRICT POLICIES

Policy Name:	4215 – BROWN ACT COMPLIANCE – OPEN MEETING REQUIREMENTS		
Approval Authority:	CPUD BOARD OF DIRECTORS	Adopted:	3/10/2020
Resolution No.	Resolution 2020-3	Revised:	

4215.1 The Brown Act. The Legislature adopted the Brown Act, commonly referred to as California’s “Open Meetings Law” in 1964. The Brown Act is contained in Government Code section 54950 *et seq.* The Brown Act is broadly construed and compliance is constitutionally mandated.

4215.2 Compliance with Brown Act. All meetings of the Board of Directors shall comply with the Brown Act, as such may be amended by the Legislature from time to time

4215.2.1 Meetings occur whenever the majority of the Board of Directors meets to discuss District business.

4215.2.2 “Member of the Board” includes newly elected and appointed officials prior to assuming office.

4215.2.3 All Board meetings shall be open and freely accessible to the public, including those with disabilities.

4215.2.4 Meetings through the use of intermediaries, serial communications, text messages or emails are prohibited.

4215.2.5 The Board shall only take action during a properly noticed meeting.

4215.3 Committees. Standing committees created by formal action of the Board shall comply with the Brown Act.

CALAVERAS PUBLIC UTILITY DISTRICT POLICIES

Policy Name:	4220 – MINUTES OF BOARD MEETINGS		
Approval Authority:	CPUD BOARD OF DIRECTORS	Adopted:	3/10/2020
Resolution No.	Resolution 2020-3	Revised:	

4220.1 Duty to keep minutes. The Secretary of the Board of Directors shall keep minutes of all regular and special meetings of the Board.

4220.1.1 Copies of a meeting’s minutes shall be distributed to Directors as part of the information packet for the next regular meeting of the Board, at which time the Board will consider approving the minutes as presented or with modifications. Once approved by the Board, the official minutes shall be kept in a fireproof vault or in a fire-resistant, locked cabinet.

4220.1.2 Motions, resolutions or ordinances shall be recorded in the minutes as having passed or failed. The motion makers, and individual votes will be recorded. A unanimous vote shall be recorded as a vote in favor by each member.

4220.1.3 All resolutions and ordinances adopted by the Board shall be numbered consecutively, starting new at the beginning of each year.

4220.1.4 In addition to other information that the Board may deem to be of importance, the following information (if relevant) shall be included in each meeting’s minutes:

- Date, place and type of each meeting;
- Directors present and absent by name;
- Administrative staff present by name;
- Call to order;
- Time and name of late arriving Directors;
- Time and name of early departing Directors;
- Names of Directors absent during any agenda item upon which action was taken;
- Summary record of staff reports;
- Summary record of public comment regarding matters not on the agenda, including names of commentators;
- Approval of the minutes or modified minutes of preceding meetings;
- Approval of financial reports;
- Record by number (a sequential range is acceptable) of all warrants approved for payment;
- Complete information as to each subject of the Board’s deliberation;
- Record of the vote of each Director on every action item for which the vote was not unanimous;

- Resolutions and ordinances described as to their substantive content and sequential numbering;
- Record of all contracts and agreements, and their amendment, approved by the Board;
- Approval of the annual budget;
- Approval of all polices, rules and/or regulations;
- Approval of all dispositions of District assets;
- Approval of all purchases of District assets; and,
- Time of meeting's adjournment.

CALAVERAS PUBLIC UTILITY DISTRICT POLICIES

Policy Name:	4225 – REVIEW OF ADMINISTRATIVE DECISIONS		
Approval Authority:	CPUD BOARD OF DIRECTORS	Adopted:	3/10/2020
Resolution No.	Resolution 2020-3	Revised:	

4225.1 Code of Civil Procedure § 1094.6. The provisions of California Code of Civil Procedure §1094.6 shall be applicable to judicial review of all administrative decisions of the Board of Directors pursuant to the provisions of §1094.5 of said code. The provisions of §1094.6 shall prevail over any conflicting provision and any otherwise applicable law, rule, policy or regulation of the District, affecting the subject matter of an appeal.

4225.1.1 In accordance with §1094.6, the time to seek judicial relief shall be 90 days following the date in which the Board’s decision becomes final.

4225.1.2 No person aggrieved by a Board decision shall be allowed to seek judicial relief unless they shall have first raised that issue before the Board and provided the Board with an opportunity to address the issue.

4225.1.3 No person aggrieved by a Board decision shall be allowed to seek judicial relief unless they shall have first exhausted all available administrative remedies made available by the District.

4225.2 Applicability. This policy affects those administrative decisions rendered by the Board of Directors following a proceeding at which notice and an opportunity to be heard has been provided.

4225.3 Purpose. The purpose of this policy is to ensure efficient administration of the District, and the expeditious review of decisions rendered by the Board of Directors.

4225.4 Claims. Nothing in this policy shall be deemed to waive the claims filing requirements of the District when damages are being sought.

## CALAVERAS PUBLIC UTILITY DISTRICT POLICIES

Policy Name:	4230 – RULES OF ORDER FOR CONDUCT OF BOARD AND COMMITTEE MEETINGS		
Approval Authority:	CPUD BOARD OF DIRECTORS	Adopted:	3/10/2020
Resolution No.	Resolution 2020-3	Revised:	

### 4230.1 General:

4230.1.1 Action items shall be brought before and considered by the Board by motion in accordance with this policy. These rules of order are intended to be informal and applied flexibly. The Board prefers a flexible form of meeting and, therefore, does not conduct its meetings under formalized rules - Robert's Rules of Order.

4230.1.1.1 If a Director believes order is not being maintained or procedures are not adequate, then he/she should raise a point of order - not requiring a second - to the President. If the ruling of the President is not satisfactory to the Director, then it may be appealed to the Board. A majority of the Board will govern and determine the point of order.

### 4230.2 Obtaining the Floor:

4230.2.1 Any Director desiring to speak should address the President and, upon recognition by the President, may address the subject under discussion.

### 4230.3 Motions:

4230.3.1 Any Director, including the President, may make or second a motion. A motion shall be brought and considered as follows:

4230.3.1.1 A Director makes a motion; another Director seconds the motion; and the President states the motion.

4230.3.2 Once the motion has been stated by the President, it is open to discussion and debate. After the matter has been fully debated, and after the public in attendance has had an opportunity to comment, the President will call for the vote.

4230.3.2.1 If the public in attendance has had an opportunity to comment on the proposed action, any Director may move to immediately bring the question being debated to a vote, suspending any further debate. The motion must be made, seconded, and approved by a majority vote of the Board.

4230.4 Secondary Motions: Ordinarily, only one motion can be considered at a time and a motion must be disposed of before any other motions or business are considered. There are a few exceptions to this general rule, though, where a secondary motion concerning the main motion may be made and considered before voting on the main motion.

4230.4.1 Motion to Amend: A main motion may be amended before it is voted on, either by the consent of the Directors who moved and seconded, or by a new motion and second.

4230.4.2 Motion to Table: A main motion may be indefinitely tabled before it is voted on by motion made to table, which is then seconded and approved by a majority vote of the Board.

4230.4.3 Motion to Postpone: A main motion may be postponed to a certain time by a motion to postpone, which is then seconded and approved by a majority vote of the Board.

4230.4.4 Motion to Refer to Committee: A main motion may be referred to a Board committee for further study and recommendation by a motion to refer to committee, which is then seconded and approved by a majority vote of the Board.

4230.4.5 Motion to Close Debate and Vote Immediately: As provided above, any Director may move to close debate and immediately vote on a main motion.

4230.4.6 Motion to Adjourn: A meeting may be adjourned by motion made, seconded, and approved by a majority vote of the Board before voting on a main motion.

4230.5 Decorum:

4230.5.1 The President shall take whatever actions are necessary and appropriate to preserve order and decorum during Board meetings, including public hearings. The President may eject any person or persons making personal, impertinent or slanderous remarks, refusing to abide by a request from the President, or otherwise disrupting the meeting or hearing.

4230.5.2 The President may also declare a short recess during any meeting.

4230.6 Amendment of Rules of Order:

4230.6.1 By motion made, seconded and approved by a majority vote, the Board may, at its discretion and at any meeting: a) temporarily suspend these rules in whole or in part; b) amend these rules in whole or in part; or, c) both.



**CALAVERAS PUBLIC UTILITY DISTRICT**

**FINANCIAL STATEMENTS**

**FISCAL YEAR ENDED JUNE 30, 2023**

# CALAVERAS PUBLIC UTILITY DISTRICT

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# LARRY BAIN, CPA

An Accounting Corporation

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## **INDEPENDENT AUDITOR'S REPORT**

Board of Directors  
Calaveras Public Utility District  
San Andreas, CA

### **Opinion**

We have audited the accompanying financial statements of the business-type activity and the fiduciary fund of Calaveras Public Utility District, as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Calaveras Public Utility District as of June 30, 2023, and the changes in financial position and cash flows for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Calaveras Public Utility District and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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 Calaveras Public Utility District's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### **Auditor's Responsibilities for the Audit 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 generally accepted 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, including omissions, 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 generally accepted 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 Calaveras Public Utility 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 Calaveras Public Utility 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.

### **Other Matters**

#### *Required Supplementary Information*

The Calaveras Public Utility District has not presented the Management Discussion and Analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be part of, the basic financial statements.

The required supplementary information other than MD&A, as listed in the table of contents on page 25 as Schedule of the Plan's Proportionate Share of the Net Pension Liability, page 26 as Schedule of District Contributions and page 27 as the District's Other Postemployment Benefits (OPEB) Plan Schedule of Changes in the District's Net OPEB Liability and Related Ratios, is presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB), who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Larry Bain, CPA*

Larry Bain, CPA,  
An Accounting Corporation  
February 9, 2024

# CALAVERAS PUBLIC UTILITY DISTRICT

## STATEMENT OF NET POSITION JUNE 30, 2023

Current Assets	
Cash	\$ 125,338
Investments	2,840,679
Accounts receivable	310,927
Grants receivable	282,152
Interest receivable	11,565
Prepaid accounts	119,325
Deposits-ACWA	27,240
Leases receivable	905
Total current assets	3,718,131
Noncurrent Assets	
Restricted cash	10,600
Leases receivable	1,114,011
Capital assets	
Nondepreciable capital assets	
Land	150,436
Construction in progress	35,049
Depreciable capital assets	
Building and improvements	408,387
Dam	270,529
Pumping equipment	1,501,025
Treatment	7,955,751
Transmission and distribution	8,894,482
General	452,944
Less accumulated depreciation	(8,153,539)
Total depreciable capital assets-net	11,329,579
Total capital assets (net of accumulated depreciation)	11,515,064
Total noncurrent assets	12,639,675
Total assets	16,357,806
Deferred Outflows of Resources	
Deferred outflows-pension	932,658
Deferred outflows-OPEB	205,775
Total deferred outflows of resources	1,138,433
Current Liabilities	
Accrued expenses	531,286
Current portion-long term liabilities	129,470
Total current liabilities	660,756
Noncurrent Liabilities	
Compensated absences	36,999
Note payable	1,795,907
Lease payable	119,419
Net pension liability	1,541,316
Net OPEB liability	314,711
Total long-term liabilities	3,808,352
Total liabilities	4,469,109
Deferred Inflows of Resources	
Deferred inflows-pension	523,117
Deferred inflows-OPEB	258,468
Deferred inflows-leases	1,086,879
Total deferred inflows of resources	1,868,464
Net Position	
Net investment in capital assets	9,407,833
Restricted	10,600
Unrestricted	1,740,233
Total net position	\$ 11,158,666

The notes to financial statements are an integral part of this statements

## CALAVERAS PUBLIC UTILITY DISTRICT

### STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Operating revenue	
Water sales	\$ 2,366,538
Hydro electric charges	153,950
Hookup fees	23,985
Total operating revenues	<u>2,544,473</u>
Operating expenses	
Hydro expense	14,573
Pumping	197,406
Water treatment	102,312
Transmission and distribution	374,050
Personnel services	1,705,832
Contractual services	119,713
Administration and general	343,281
Depreciation	385,903
Total operating expenses	<u>3,243,070</u>
Operating income (loss)	<u>(698,597)</u>
Nonoperating revenue (expenses)	
Interest income	102,658
Rents and leases	29,355
Other	17,418
Gain on sale of assets	17,043
Grant revenue	92,655
County taxes	143,084
Interest expense	(56,452)
Nonoperating revenues (expenses)	<u>345,761</u>
Decrease in net position	(352,836)
Net position, beginning of fiscal year	<u>11,511,502</u>
Net position, end of fiscal year	<u>\$ 11,158,666</u>

The notes to financial statements are an integral part of this statements

**CALAVERAS PUBLIC UTILITY DISTRICT**

**STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Cash flows from operating activities:	
Cash receipts from customers	\$ 2,467,195
Cash payments to suppliers for goods and services	(780,512)
Cash payments to employees for services and benefits	(1,655,939)
Net cash provided by operating activities	30,744
Cash flows from noncapital and related financing activities:	
Proceeds from property tax and assessments	143,084
Proceeds from rents and leases	31,450
Proceeds from miscellaneous items	17,418
Net cash provided by noncapital financing activities	191,952
Cash flows from capital and related financing activities:	
Additions to capital assets	(2,051,721)
Cash received from sale of assets	18,001
Principal payment on long-term debt	(79,678)
Interest paid on long-term debt	(56,452)
Proceeds from grant reimbursements	53,776
Net cash provided (used) by capital and related financing activities	(2,116,074)
Cash flows from investing activities:	
Interest received on investments	96,338
Net increase (decrease) in cash and cash equivalents	(1,797,040)
Cash and cash equivalents, beginning of fiscal year	4,773,657
Cash and cash equivalents, end of fiscal year	\$ 2,976,617
<b>Reconciliation of cash and cash equivalents to the balance sheet:</b>	
Cash	\$ 125,338
Investments	2,840,679
Restricted cash	10,600
<b>Cash and cash equivalents, end of fiscal year</b>	<b>\$ 2,976,617</b>
Reconciliation of operating income (loss) to net cash provided by operating activities	
Operating income (loss)	\$ (698,597)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:	
Depreciation	385,903
Changes in assets and liabilities:	
Accounts receivable	(77,278)
Prepaid expenses	(11,160)
Deposits	(11,258)
Accrued expenses	376,170
Deferred revenue	
OPEB liability	43,126
GASB 68-pension adjustments	16,036
Compensated absences	7,802
Net cash provided by operating activities	\$ 30,744

The notes to financial statements are an integral part of this statements

**CALAVERAS PUBLIC UTILITY DISTRICT**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>CERBT OPEB Trust Fund</u>
<u>Assets</u>	
Cash and investments	<u>\$ 1,119,463</u>
Total Assets	<u><u>\$ 1,119,463</u></u>
 <u>Net Position</u>	
Held in trust for OPEB benefits	<u><u>\$ 1,119,463</u></u>

The notes to financial statements are an integral part of this statements



**CALAVERAS PUBLIC UTILITY DISTRICT**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	CERBT OPEB Trust Fund
Additions:	
Employer contributions	\$ -
Total contributions	
Investment income (loss):	
Net adjustment to fair value of investments	67,071
Total additions (deductions)	67,071
Change in plan net position	67,071
Net Position:	
Held in trust for OPEB benefits:	
Beginning of fiscal year	1,052,392
End of fiscal year	\$ 1,119,463

The notes to financial statements are an integral part of this statements

# CALAVERAS PUBLIC UTILITY DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2023

### Note 1: Summary of Significant Accounting Policies

The Calaveras Public Utility District operates under the Public Utility District Act, Division 7, of the Public Utilities Code, State of California. The Act permits formation of multipurpose government agencies to provide public services on a regional basis. In accordance with the Act, voters approved creating the Calaveras Public Utility District to provide domestic water to unincorporated communities of San Andreas and Mokelumne Hill. The District's governing body is a Board of Directors comprised of 5 members with 4 year staggered terms.

#### A. Reporting Entity

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

No operations of other entities met the aforementioned oversight criteria for inclusion or exclusion from the accompanying financial statements in accordance with GASB.

#### B. Basis of Presentation

The District's basic financial statements are prepared in conformity with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the United States of America.

#### Fund Financial Statements

The proprietary fund financial statements provide information about the District's funds. Separate statements for each fund category - *proprietary and fiduciary* - are presented. The emphasis of fund financial statements is on major individual funds, each of which is displayed in a separate column. All remaining funds are aggregated and reported as non-major funds.

Proprietary fund financial statements include a Statement of Net Position; a Statement of Revenues, Expenses, and Changes in Net Position; and a Statement of Cash Flows.

Proprietary funds are accounted for using the "*economic resources*" measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) are included on the Statement of Net Position. The Statement of Revenues, Expenses, and Changes in Net Position presents increases (revenues) and decreases (expenses) in total Net Position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

**CALAVERAS PUBLIC UTILITY DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2023**

Note 1: Summary of Significant Accounting Policies (Continued)

B. Basis of Presentation (Continued)

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

The District reports on the following proprietary fund:

Water Fund

This fund accounts for the activities of treating and distributing water to the residents in the District and the general operations.

The District reports the following fiduciary fund type:

The Fiduciary fund is used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. Fiduciary funds use the “economic resources” measurement focus and the accrual basis of accounting.

CERBT OPEB Trust Fund

Accounts for accumulation of resources associated with the District’s other post-employment benefits (OPEB) trust fund used for administration of health insurance for retirees.

C. Basis of Accounting

These financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned or, for property tax revenues, in the period for which levied. Expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligible requirements have been satisfied. This is a basis of accounting that conforms to accounting principles generally accepted in the United States of America.

D. Prepaid Expenses

Accounts for prepaid liability insurance, prepaid healthcare insurance and prepaid department of water resources dam fees.

E. Cash Equivalents

For purpose of the statement of cash flows, the District considers cash and cash equivalents as short term, highly liquid investments that are both readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. This includes cash with Calaveras County and deposits with the State of California Local Agency Investment Fund (LAIF).

F. Budgetary Reporting

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

**CALAVERAS PUBLIC UTILITY DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2023**

Note 1: Summary of Significant Accounting Policies (Continued)

G. Use of Estimates in the Preparation of Financial Statements:

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

H. Capital Contributions

Transmission and distribution system assets contributed to the District by installers are capitalized at the installers estimated cost, which approximates fair value at the time of the District's acquisition, and is recorded as capital contributions when received.

I. Estimated Insurance Liabilities

The District maintains an insurance policy with Association of California Water Agencies Joint Powers Insurance Authority (ACWA/JPIA) that provides limits of liability of for general liability, auto and an additional umbrella policy. The District also maintains workers compensation insurance through ACWA/JPIA, with a pooled self-insurance.

J. Net Position

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

*Net investment in capital assets*-This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of invested in capital assets, net of related debt. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

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

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

K. Restricted and Unrestricted Resources:

When both restricted and unrestricted resources are available for use, the District uses restricted resources first, and then unrestricted resources as needed.

L. Compensated Absences

Compensated absences represent the vested portion of accumulated vacation. In accordance with GASB 16, the liability for accumulated leave includes all salary - related payments that are directly and incrementally connected with leave payments to employees.

**CALAVERAS PUBLIC UTILITY DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2023**

Note 1: Summary of Significant Accounting Policies (Continued)

M. Property Taxes

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

N. Capital Assets

Capital assets, recorded at historical cost or estimated historical cost if actual historical cost is not available. Capital assets include land, buildings, water system, equipment, office furniture and vehicles. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Depreciation is recorded on the straight-line basis over the useful life of the assets as follows:

<u>Assets</u>	<u>Useful Life</u>
Building and improvements	20-50 years
Equipment and Infrastructure	5-100 years

O. Pensions

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

P. GASB Statement No. 87

In June 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 87, *Leases* (GASB Statement No. 87), 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 also establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Implementation of this Statement had a significant effect on the District's financial statements starting fiscal year ended June 30, 2022.

**CALAVERAS PUBLIC UTILITY DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2023**

Note 1: Summary of Significant Accounting Policies (Continued)

P. GASB Statement No. 87 (Continued)

The District acts as the lessor for real property used for two cell tower operators. The District recognizes leases receivable and deferred inflows of resources in the financial statements. Variable payments based on future performance of the lessee or usage of the underlying asset are not included in the measurement of the lease receivable.

At the commencement of a lease, the District initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflows of resources are initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflows of resources are recognized as revenue over the life of the lease term in a systematic and rational method.

Key estimates and judgments include how the District determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

Note 2: Cash and Investments

Cash and investments are reported on the balance sheet as follows:

Cash and investments	\$ 2,966,017
Restricted cash and investments	<u>10,600</u>
Total cash and investments	<u><u>\$ 2,976,617</u></u>

Cash and investments at June 30, 2023, consisted of the following:

Checking	\$ 125,037
Savings	10,600
Petty cash	301
Certificates of deposit	766,095
Calaveras County treasury	7,575
Money market	593,859
LAIF	<u>1,473,150</u>
Total cash and investments	<u><u>\$ 2,976,617</u></u>

Note 2: Cash and Investments (Continued)

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

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

**CALAVERAS PUBLIC UTILITY DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2023**

Note 2: Cash and Investments (Continued)

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

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

**B. Disclosures Relating to Interest Rate Risk**

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

Investment Type	Totals	Remaining Maturity (in Months)	
		12 Months or Less	13-48 Months
Money Market*	\$ 593,859	\$ 593,859	\$ -
State Investment Pool*	1,473,150	1,473,150	
Totals	<u>\$ 2,067,009</u>	<u>\$ 2,067,009</u>	<u>\$ -</u>

\*Not subject to categorization

**C. Concentrations of Credit Risk**

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

**D. Custodial Credit Risk**

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposit or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment of collateral securities that are in the possession of another party. The California Government Code and the District's

# CALAVERAS PUBLIC UTILITY DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2023

### Note 2: Cash and Investments (Continued)

#### D. Custodial Credit Risk (Continued)

investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits; The California Government Code requires that a financial institution secured deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the government unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure the District's deposits by pledging first deed mortgage notes having a value of 150% of the secured public deposits.

At June 30, 2023, the District's deposit balance was \$921,140, and the carrying amount was \$2,125,803. The difference between the bank balance and the carrying amount was due to normal outstanding checks and deposits in transit. Of the bank balance, \$1,223,086 was covered by the Federal Depository Insurance and the remainder in commercial banks was covered by collateral held in the pledging bank's trust department in the District's name or by the terms. Deposits held in UBS business services accounts above the FDIC insured limits flow into a triple "A" rated money market fund.

#### E. Investment in State Investment Pool

LAIF is included in the State's Pooled Money Investment Account. The total amount invested by all public agencies in the State's Pooled Money Investment Account approximates \$231.57 billion. Of the \$231.57 billion managed by the State Treasurer, 100% is invested in non-derivative financial products and 1.88% is invested in structured notes and asset-backed securities. The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by state statute.

The District maintains a cash account with the Calaveras County Treasurer in an investment pool. The District's funds are managed in accordance with the investment policy of the County Treasury. On a quarterly basis the Treasurer allocates interest to participants based upon their average daily balances. Required disclosure information regarding the categorization of investments and investment risk can be found in the County's financial statements. The Calaveras County's financial statements may be obtained by contacting the County of Calaveras Auditor-Controller's office at 891 Mountain Ranch Road, San Andreas, CA 95249.

Required disclosures for the District's investment in the Calaveras County Investment Pool at June 30, 2023 are as follows:

### Note 3: Leases Receivable

The District derives a portion of its revenue from the rental of real property based on a fixed lease amounts to organizations used for cellular towers. Two leases are treated as finance leases for accounting purposes under Governmental Accounting Board Statement No. 87. The initial lease terms have an assumed start date of July 1, 2021 for periods between thirty four years 10 months and forty one years six months remaining on the leases, and can be terminated by the lessee at any time and without cause by giving the District written notice of termination. Early termination is not expected. The rents ranged from \$1,265 to \$1,322 per month and the cell tower leases increase by 15% each 5 year renewal period. Lease receivables consist of an agreement with the cell tower operators for their right-to-use of a portion of facilities owned by the District. The calculated interest rate used is based on an assumed 3% borrowing rate. For the fiscal year ended June 30, 2023, the District recognized \$918 in lease revenue and \$30,132 in interest revenue related to these leases.



**CALAVERAS PUBLIC UTILITY DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2023**

Note 3: Leases Receivable (Continued)

A summary of changes in lease receivable for the fiscal year ended June 30, 2023 is as follows:

	Balance 7/1/2022	Additions	Adjustments	Balance 6/30/2023	Due Within One Year
Leases receivable	\$ 1,115,834	\$ -	\$ (918)	\$ 1,114,916	\$ 918

Fiscal Year Ending June 30	Principal	Interest	Total
2024	\$ 932	\$ 33,652	\$ 34,584
2025	919	33,783	34,701
2026	988	33,702	34,690
2027	2,619	33,695	36,315
2028	3,512	33,637	37,149
2029-2033	23,814	166,584	190,398
2034-2038	52,434	159,811	212,245
2039-2043	109,014	147,008	256,022
2044-2048	167,982	126,338	294,320
2049-2053	242,640	95,706	338,346
2054-2058	264,568	54,208	318,776
2059-2063	204,041	22,084	226,124
2064	41,452	528	41,980
Total	\$ 1,114,916	\$ 940,733	\$ 2,055,650

Note 4: Capital Assets

Capital asset activity for the fiscal year ended June 30, 2023 was as follows:

	Balance 7/1/2022	Additions	Retirements/ Adjustments	Balance 6/30/2023
Capital assets not being depreciated				
Land	\$ 150,436	\$ -	\$ -	\$ 150,436
Construction in progress	1,585,568	26,451	(1,576,970)	35,049
Total capital assets, not being depreciated	1,736,004	26,451	(1,576,970)	185,485
Capital assets, being depreciated				
Buildings	337,953	70,434		408,387
Dam	270,529			270,529
Pumping plant	1,480,730	20,295		1,501,025
Treatment	4,501,660	3,454,091		7,955,751
Transmission and distribution	8,777,497	174,847	(57,862)	8,894,482
General plant & administration	452,944			452,944
Total capital assets, being depreciated	15,821,313	3,719,667	(57,862)	19,483,118
Less accumulated depreciation:	(7,824,540)	(385,903)	56,904	(8,153,539)
Total capital assets, being depreciated, net	7,996,773	3,333,764	(958)	11,329,579
Total capital assets, net	\$ 9,732,777	\$ 3,360,215	\$ (1,577,928)	\$ 11,515,064

**CALAVERAS PUBLIC UTILITY DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2023**

Note 5: Long-Term Liabilities

Long-term liabilities consisted of the following at June 30, 2023:

	Balance 7/1/2022.	Additions	Adjustments	Balance 6/30/2023	Due Within One Year
Compensated absences	\$ 48,646	\$ 46,701	\$ (38,899)	\$ 56,448	\$ 19,450
Note payable	1,957,469		(79,678)	1,877,791	81,884
Lease payable		156,555	(8,999)	147,556	28,137
Net pension liability (Note 6)	868,994	672,322		1,541,316	
Net OPEB liability (Note 8)	106,045	208,666		314,711	
Total	<u>\$ 2,981,154</u>	<u>\$ 1,084,244</u>	<u>\$ (127,576)</u>	<u>\$ 3,937,822</u>	<u>\$ 129,470</u>

A.

**Compensated Absences**

District employees accumulate earned but unused vacation benefits that can be converted to cash at termination or retirement from employment. The amount of the compensated absences at June 30, 2023 was \$56,448.

**B. Note Payable**

On April 1, 2021, the district entered into an installment sale agreement with First Foundation Bank to finance the Clearwell Water Tank Replacement project. The amount financed was \$2,035,000, which included \$2,000,000 proceeds of debt and \$35,000 cost of issuance. The term of the loan is from April 1, 2021 to April 1, 2041 with an interest rate of 2.75%. The annual requirement to amortize the loan is as follows:

Fiscal Year	Principal	Interest	Total
Ending June 30			
2024	\$ 81,884	\$ 51,081	\$ 90,929
2025	84,150	48,813	90,039
2026	86,481	46,483	132,964
2027	88,876	44,089	135,359
2028	91,337	41,627	132,964
2029-2033	603,648	194,136	797,784
2034-2039	584,381	80,440	664,821
2039-2041	257,034	8,894	265,928
Total	<u>\$ 1,877,791</u>	<u>\$ 515,563</u>	<u>\$ 2,310,788</u>

**C. Lease payable**

On March 10, 2023 the District entered into a lease agreement with John Deere Financial for the lease purchase of a Backhoe. The amount financed was \$156,555. The term of the loan is from March 10, 2023 to February 10, 2028. The annual requirement to amortize the lease is as follows:

Fiscal Year	Principal	Interest	Total
Ending June 30			
2024	\$ 28,137	\$ 8,357	\$ 36,494
2025	29,932	6,564	36,496
2026	31,841	4,654	36,495
2027	33,872	2,623	36,495
2028	23,774	557	24,331
Total	<u>\$ 147,556</u>	<u>\$ 22,755</u>	<u>\$ 170,311</u>

**CALAVERAS PUBLIC UTILITY DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2023**

Note 6: Defined Benefit Pension Cost-Sharing Employer Plan

The net pension liability represents the District’s obligation to fully fund the pensions of its current and prior employees based on the service they provided to the District over a number of prior years. In the past, accounting standards required that no liability be shown for this obligation, even though it did legally exist, as long as the District made its required contributions to the pension plan each year. This resulted in reporting pension expense each year that included both the cost of offering pension benefits to the District’s current employees for services they performed that year as well as catch-up contributions related to prior year employee service. The new standard improves the accounting for annual pension expense because the recognition of the net pension liability eliminates the need to include catch-up contributions in current year pension expense. The pension expense recognized by the District each year will now be designed to capture only the cost of providing pension benefits to employees related to their service in the current year, with a few adjustments necessitated by varying investment returns and other conditions because actuarial results cannot predict future events with complete precision. As a result, the District’s pension expense recognized under GASB 68 will generally be lower than what has previously been recognized.

**A. General Information about the Pension Plans**

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

**Benefits Provided** – CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members hired prior to January 1, 2013 with five years of total service are eligible to retire at age 50, after January 1, 2013 at age 62 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law.

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

	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	2.7% @ 55	2% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50-55	52 - 67
Monthly benefits , as a % of eligible	2.2% to 2.7%	1.0% to 2.0%
Required employee contribution rates	8.00%	6.75%
Required employer contribution rates	13.35%	7.47%

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

**CALAVERAS PUBLIC UTILITY DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2023**

Note 6: Defined Benefit Pension Cost-Sharing Employer Plan (Continued)

liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2023, the contributions recognized as part of pension expense for each Plan were as follows:

Contributions-employer	\$	194,268
Contributions-employee (paid by employer)	\$	30,780

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

As of June 30, 2023, the District reported net pension liabilities for its proportionate share of the net pension liability of the Plan as follows:

Miscellaneous Plan	\$	1,541,316
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The District's net pension liability for each Plan is measured as the proportionate share of the net pension liability. The net pension liability of each of the Plans is measured as of June 30, 2022, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021 rolled forward to June 30, 2022 using standard update procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

The District's proportionate share of the net pension liability as of June 30, 2022 and 2023 was as follows:

Proportion - June 30, 2022	0.04577%
Proportion - June 30, 2023	0.03294%
Change - Increase (Decrease)	-0.01283%

For the year ended June 30, 2023, the District recognized pension expense of \$141,609. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 30,953	\$ (20,731)
Changes in assumptions	157,939	
Net difference between projected and actual earnings on pension plan investments	282,328	
Difference between actual and proportionate share of contributions		(186,412)
Change in proportion	267,170	(315,974)
District contributions subsequent to the measurement date	194,268	
Total	<u>\$ 932,658</u>	<u>\$ (523,117)</u>

\$194,268 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024.

**CALAVERAS PUBLIC UTILITY DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2023**

Note 6: Defined Benefit Pension Cost-Sharing Employer Plan (Continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<b>Measurement Period</b>	
<b>Ended June 30:</b>	
2024	\$ (61,899)
2025	(38,090)
2026	57,397
2027	(172,681)
Thereafter	-

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

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.50%
Projected Salary Increase	Varies by Entry Age and
Investment Rate of Return	6.90%

**Discount Rate** – The discount rate used to measure the total pension liability was 6.90% for each Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 6.90 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 6.90 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

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

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

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

**CALAVERAS PUBLIC UTILITY DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2023**

Note 6: Defined Benefit Pension Cost-Sharing Employer Plan (Continued)

<b>Asset Class</b>	<b>New Strategic Allocation</b>	<b>Real Return Years 1-10 (1)(2)</b>
Global equity-cap weighted	30.0%	4.45%
Global equity non-cap weighted	12.0%	3.84%
Private equity	13.0%	7.28%
Treasury	5.0%	27.00%
Mortgage backed securities	5.0%	50.00%
Investment grade corporates	10.0%	1.56%
High yield	5.0%	2.27%
Emerging market debt	5.0%	2.48%
Private debt	5.0%	3.57%
Real assets	15.0%	3.21%
Leverage	-5.0%	-0.59%

(1) An expected inflation of 2.30% used for this period

(2) Figures are based on the 2021-22 Asset Liability Management study.

**Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** – The following presents the District’s proportionate share of the net pension liability for each Plan, calculated using the discount rate for each Plan, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	<b>Discount Rate -1% (5.90%)</b>	<b>Current Discount Rate (6.90%)</b>	<b>Discount Rate +1% (7.90%)</b>
Miscellaneous	\$ 2,504,471	\$ 1,541,316	\$ (748,878)

Note 7: Deferred Compensation Plan

Employees of Calaveras Public Utility District may elect to participate in a deferred compensation plan, as defined in the Internal Revenue Code Section 457. The contributions to the plan are voluntary. All amounts of compensation deferred under the plans, all property and rights purchased with these amounts, and all income attributable to those amounts, property or rights are (until paid or made available to the employees or beneficiaries) solely the property and rights of the employees and their beneficiaries. No part of the principal or income of the trust shall revert to the employer or be used for or diverted for purposes other than for the exclusive benefit of participants and their beneficiaries. The district selected VALIC and FTJ as the trustees of the plan assets. Each employee has the option to select either trustee.

Note 8: Other Postemployment Benefits (OPEB)

General Information about the OPEB Plan

On June 1, 2004, the Board of Directors passed a resolution to establish health benefit vesting requirements for future retirees under public employees’ medical and hospital care act, whereas an employee who is with Calaveras Public Utility District for 5 years or longer and who has met other vesting requirements as defined by Government Code 20079, shall receive up to a maximum 100% of the health benefit for the employee premium plus 90% of the additional premium required for enrollment of family members in selected plans. The total District expense on the pay as you go basis for postretirement health benefits in the 2020-21 fiscal year was \$61,800. As of June 30, 2023, five retired employees were receiving postretirement health benefits.

**CALAVERAS PUBLIC UTILITY DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2023**

Note 8: Other Postemployment Benefits (OPEB) (Continued)

***Plan Description***

Calaveras Public Utility's (CPUD) Post-Retirement Healthcare Plan is a single-employer defined benefit healthcare plan administered by CalPERS. CalPERS provides medical insurance benefits only to eligible retirees and their spouse. The District approved post-retirement health insurance benefits for all of its employees based on employees as of June 30, 2004 under the Public Employees' Medical and Hospital Care Act (PEMHCA).

**Benefits Provided**

The retiree benefits for employees hired prior to June 4, 2004 are entitled to receive the same benefits as active employees noted above if they qualify for CalPERS retirement. Those hired after June 4, 2004 are entitled to receive medical only lifetime benefits with required service of 20 years and the plan paying 50% of premiums after 10 years of service and an additional 5% for each additional year of service with a maximum district contribution of 100%. The minimum age for receiving benefits is 50 and the District cap is the State contributions. The plan also provides coverage for eligible spouses. For employees who are eligible to participate in the plan the District will contribute the health benefit cost for the retiree and eligible spouse up to 100% of the PERS Choice plan. A retiree with less than the required years of service with the District will receive no benefit, unless they have previous employment qualifying them for CalPERS retirement, in which case they are eligible to receive the CalPERS minimum at the time of retirement. The CalPERS minimum is set by law. The retiree is on the same medical plan as the District's active employees, however monthly rates for coverage of covered active and retired employees are computed separately.

**Employees Covered By Benefit Terms**

At the OPEB liability measurement date of June 30, 2022, the following employees were covered by the benefit terms:

Retirees currently receiving benefit payments	5
Active employees	11
Total	<u>16</u>

**Contributions**

The District's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the actuarially determined contribution of the employer (ADC), an amount actuarially determined in accordance with the parameters of GASB Statement 75. The ADC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The District chose a 30 year period to amortize the unfunded actuarial liability.

The contribution requirement of plan members is established by the District's Board of Directors. The 2019-20 fiscal year contribution was based on the actuarially determined contribution using entry age actuarial cost with normal costs calculated as a level percentage of payroll, as required by GASB 75. For the fiscal year ending June 30, 2021 measurement, the District contributed \$0 towards the unfunded actuarial liability (UAL). The District chose CalPERS CERBT as the trustee for the plan. The District also paid the retiree premiums for fiscal year end June 30, 2021 valuation directly to health insurance providers totaling \$64,288. Plan members receiving benefits contributed \$0 of the total premiums.

*Net OPEB Liability:* At June 30, 2023 the District reported a net OPEB liability of \$314,711. The net OPEB liability was measured as of June 30, 2022 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation with a valuation date of June 30, 2021.

**CALAVERAS PUBLIC UTILITY DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2023**

Note 8: Other Postemployment Benefits (OPEB) (Continued)

**Actuarial Assumptions**

The net OPEB liabilities as of the June 30, 2022 measurement date was determined using the following actuarial assumptions:

Valuation date	June 30, 2021
Measurement date	June 30, 2022
Actuarial Assumptions:	
Discount rate	6.50%
Healthcare trend rates	5.50%
Salary increase	3.00%
Inflation	2.75%
Investment rate of return	6.50%

**OPEB Assets**

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

<u>Asset Class</u>	<u>Asset Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Global equity	49.00%	5.25%
Fixed income	23.00%	0.99%
Treasury securities	5.00%	0.45%
REIT's	20.00%	4.50%
Cash	3.00%	3.90%
Total	<u>100.00%</u>	

(1): The estimated yield of 3.00% for commodities was obtained from various sources, and is an estimate amount. Using these figures, the weighted-average real rate of return is estimated to be 3.81%. Adding estimated inflation of 2.75%, we obtain 6.56% as an estimate of the expected rate of return, which is the rounded to 6.50%

The OPEB assets are held by CalPERS CERBT, the trustee for the OPEB assets. The OPEB assets are not FDIC insured there is no bank guarantee and the assets may lose value. The investments are in strategy 1 which is the least conservative of the 3 risk levels offered by the trustee. The investment objective is to seek returns that reflect the broad investment performance of the financial markets through capital appreciation and investment income. There is no guarantee that the portfolio will achieve its investment objective.

The discount rate used to measure the total OPEB liability was 6.5 percent. The projection of cash flows used to determine the discount rate assumed the District's contributions will continue based upon the current OPEB funding policy. Based on those assumptions, the OPEB plans fiduciary net position was projected to be available to make projected future benefit payments for current members for all future years. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments determine the total OPEB liability.



**CALAVERAS PUBLIC UTILITY DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2023**

Note 8: Other Postemployment Benefits (OPEB) (Continued)

**Changes in the Net OPEB Liability**

The table below shows the changes in the total OPEB liability, the Plan Fiduciary Net Position (i.e. fair value of Plan assets), and the net OPEB liability during the measurement period ending on June 30, 2022.

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
	(a)	(b)	(a-c)
Balances at 6/30/2022	\$ 1,321,464	\$ 1,215,419	\$ 106,045
Changes for the year:			
Service cost	44,738		44,738
Interest	83,221		83,221
Benefit changes			-
Difference between expected and actual experience			-
Assumption changes			-
Contribution-employer		82,287	(82,287)
Net investment income		(162,686)	162,686
Benefit payments	(82,287)	(82,287)	-
Administrative expense		(308)	308
Net changes	45,672	(162,994)	208,666
Balances at 6/30/23	\$ 1,367,136	\$ 1,052,425	\$ 314,711

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

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

	1% Decrease 5.50%	Discount Rate 6.50%	1% Increase 7.50%
Net OPEB liability (asset)	\$ 474,629	\$ 314,711	\$ 181,531

**Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate**

	1% Decrease 4.50%	Trend Rate 5.50%	1% Increase 6.50%
Net OPEB liability (asset)	\$ 181,754	\$ 314,711	\$ 471,345

**CALAVERAS PUBLIC UTILITY DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2023**

Note 8: Other Postemployment Benefits (OPEB) (Continued)

**OPEB Expense and Deferred Outflows and Deferred Inflows of Resources Related to OPEB**

For the fiscal year ended June 30, 2023, the District recognized OPEB expense of \$43,126. OPEB expense represents the change in the net OPEB liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, and actuarial assumptions or methods. At June 30, 2023, the District reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (126,550)
Changes in assumptions	1,641	(12,027)
Net difference between projected and actual earnings on OPEB plan investments	204,134	(119,891)
District contributions subsequent to measurement date	100,457	
Totals	\$ 306,232	\$ (258,468)

\$100,457 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2024.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30,	
2024	\$ (4,348)
2025	(4,810)
2026	(9,977)
2027	29,986
2028	(18,348)
Thereafter	(45,196)
Total	\$ (52,693)

Note 9: Commitments and Contingent Liabilities

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

**Engineering and Other Significant Commitments**

The District has ongoing commitments related for engineering and professional services including an unfinished contract with Peterson, Brustad Inc. for \$122,295, for the water master plan.

Note 10: Subsequent Events

Subsequent events were evaluated by management through February 9, 2024 the date these financial statements were available for distribution.

**CALAVERAS PUBLIC UTILITY DISTRICT**

**REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF DISTRICT CONTRIBUTIONS  
JUNE 30, 2023**

<u>Reporting date</u>	<u>District's proportion of the net pension liability (asset)</u>	<u>District's proportionate share of the net pension liability (asset)</u>	<u>District's covered-employee payroll</u>	<u>District's proportionate share of the net pension liability (asset) (asset) as a percentage of its covered-employee payroll</u>	<u>Plan fiduciary net position as a percentage of the total pension liability</u>
6/30/2015	0.02420%	\$598,151	\$356,336	167.86%	83.03%
6/30/2016	0.02896%	\$794,436	\$406,081	195.63%	78.27%
6/30/2017	0.02913%	\$1,011,935	\$486,149	208.15%	76.29%
6/30/2018	0.02949%	\$1,162,316	\$524,788	221.48%	70.71%
6/30/2019	0.03039%	\$1,145,237	\$489,302	234.06%	72.30%
6/30/2020	0.03096%	\$1,239,811	\$535,124	231.69%	70.70%
6/30/2021	0.03159%	\$1,332,360	\$458,114	290.84%	70.69%
6/30/2022	0.04577%	\$868,994	\$481,105	180.62%	69.12%
6/30/2023	0.03294%	\$1,541,316	\$763,747	201.81%	79.55%

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

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

**CALAVERAS PUBLIC UTILITY DISTRICT**

**REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF DISTRICT CONTRIBUTIONS  
JUNE 30, 2023**

<u>Reporting date</u>	<u>Contractually required contribution</u>	<u>Contributions in relation to the contractually required contribution</u>	<u>Contribution deficiency (excess)</u>	<u>District's covered employee payroll</u>	<u>Contribution as a percentage of covered employee payroll</u>
6/30/2015	\$42,626	(\$42,626)	\$0	\$356,336	11.96%
6/30/2016	\$80,005	(\$80,005)	\$0	\$406,081	19.70%
6/30/2017	\$93,795	(\$93,795)	\$0	\$486,149	19.29%
6/30/2018	\$107,494	(\$107,494)	\$0	\$524,788	20.48%
6/30/2019	\$124,795	(\$124,795)	\$0	\$489,302	25.50%
6/30/2020	\$135,428	(\$135,428)	\$0	\$535,124	25.31%
6/30/2021	\$144,802	(\$144,802)	\$0	\$458,114	31.61%
6/30/2022	\$170,220	(\$170,220)	\$0	\$481,105	35.38%
6/30/2023	\$194,268	(\$194,268)	\$0	\$763,747	25.44%

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

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

**CALAVERAS PUBLIC UTILITY DISTRICT**

**OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLAN SCHEDULE OF  
CHANGES IN THE DISTRICT'S NET OPEB LIABILITY AND RELATED RATIOS  
JUNE 30, 2023**

Last 10 Fiscal Years\*

<b>Total OPEB liability</b>	<u>6/30/2018</u>	<u>6/30/2019</u>	<u>6/30/2020</u>	<u>6/30/2021</u>	<u>6/30/2022</u>	<u>6/30/2023</u>
Service cost	\$ 64,167	\$ 66,092	\$ 61,515	\$ 37,424	\$ 38,547	\$ 44,738
Interest	73,752	80,053	82,578	80,659	84,505	83,221
Changes in benefit terms		(64,768)				
Differences between expected and actual experience			(127,847)		(54,051)	
Changes of assumptions			2,481		(15,463)	
Benefit payments	(39,817)	(42,135)	(42,931)	(53,563)	(64,288)	(82,287)
Net change in total OPEB liability	98,102	39,242	(24,204)	64,520	(10,750)	45,672
Total OPEB liability-beginning	1,154,554	1,252,656	1,291,898	1,267,694	1,332,214	1,321,464
Total OPEB liability-ending (a)	<u>\$ 1,252,656</u>	<u>\$ 1,291,898</u>	<u>\$ 1,267,694</u>	<u>\$ 1,332,214</u>	<u>\$ 1,321,464</u>	<u>\$ 1,367,136</u>

**Plan fiduciary net position**

Contributions-employer	\$ 113,478	\$ 130,394	\$ 107,431	\$ 93,563	\$ 64,288	\$ 82,287
Net investment income	53,030	50,121	47,779	31,547	261,813	(162,686)
Benefit payments from trust	(39,817)	(42,135)	(42,931)	(53,563)	(64,288)	(82,287)
Administrative expenses	(260)	(338)	(165)	(439)	(361)	(308)
Net change in plan fiduciary net position	126,431	138,042	112,114	71,108	261,452	(162,994)
Plan fiduciary net position-beginning	506,272	632,703	770,745	882,859	953,967	1,215,419
Plan fiduciary net position-ending (b)	<u>\$ 632,703</u>	<u>\$ 770,745</u>	<u>\$ 882,859</u>	<u>\$ 953,967</u>	<u>\$ 1,215,419</u>	<u>\$ 1,052,425</u>
District's net OPEB liability (a-b)	<u>\$ 619,953</u>	<u>\$ 521,153</u>	<u>\$ 384,835</u>	<u>\$ 378,247</u>	<u>\$ 106,045</u>	<u>\$ 314,711</u>

Plan FNP as a percentage of the total OPEB liability	51%	60%	70%	72%	92%	77%
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Covered-employee payroll	\$ 446,005	\$ 661,238	\$ 702,715	\$ 573,557	\$ 617,615	\$ 756,372
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District's net OPEB as a % of covered-employee payroll	139%	79%	55%	66%	17%	42%
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Valuation Date	6/30/2017	6/30/2017	6/30/2019	6/30/2019	6/30/2021	6/30/2021
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\* Amounts presented above were determined as of June 30. Additional years will be presented as they become available.

CALAVERAS PUBLIC UTILITY DISTRICT

MEMORANDUM

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March 19, 2024

TO: BOARD OF DIRECTORS

FROM: Travis Small, General Manager

SUBJECT: Budget Summary

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I am pleased to provide you with an update on the budget for Fiscal Year ending June 30, 2024.

The budget has been updated to reflect corrective journal entries in the District's Capital Expenditures. The work for the capital expenditures occurred in the last fiscal year and was paid in the current fiscal year. The District's audited financial statements are on an Accrued Basis and this journal correction is found in the management discussion of the audit.

The district's income from water sales is at expectations and expenses are slightly less than budgeted.

The monthly update on the loan covenant ratio is at 5.85.

Included in this budget update are the checking account balance, the investment account balances and the account receivable balance for water sales. The water sales account receivables balance at the end of the month will always be a high number since the district sends out the bills on or near the 27<sup>th</sup> of each month.

The District has started working on a Draft Budget for the Fiscal Year ending June 30, 2025 and held a Finance Committee meeting on March 7<sup>th</sup>, 2024.



Respectfully submitted,

Travis Small

General Manager

Calaveras Public Utility District  
 Fiscal Year Ending June 30, 2024  
 Income and Expense Summary  
 Accrual Basis

Total Income	\$	2,406,995
Operational Expenses	\$	<u>1,699,039</u>
Income before Debt Payments	\$	707,956
Debt Payments	\$	<u>103,381</u>
Income after Debt Payments	\$	604,576
Capital Expenditures	\$	<u>36,651</u>
Income after Capital Expenditures (If Positive to Reserves, Negative funded from Reserves)	\$	<u><u>567,925</u></u>

**Cash, Short-Term Investments and Accounts Receivable  
 Summary**

Cash Assets as of 2/29/2024:

Checking Account	\$	233,569.46
LAIF	\$	1,234,395.02
UBS- Short Term Investment	\$	801,513.24
El Dorado Savings - 1	\$	300,761.07
El Dorado Savings - 2	\$	<u>290,072.68</u>
Cash and Short Term Investment Totals	\$	<u><u>2,860,311.47</u></u>

Accounts Receivable as of 2/29/2024

Water Sales	\$	<u><u>260,961.86</u></u>
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# Calaveras Public Utility District

## Income with Expense Categories

### Accrual Basis

	<u>Division</u>	<u>Actual 23-24</u>	<u>FY 2023-24</u>	
Income		\$ 2,234,238	\$ 3,282,200	68.1%
Grants		\$ 81,977	\$ 483,000	17.0%
Loan Payment Surcharge (\$133,000/yr)		\$ 90,780	\$ 133,000	68.3%
Rate Stabilization Reserves (To Balance Budget				
Total Income		<u>\$ 2,406,995</u>	<u>\$ 3,898,200</u>	61.7%
Expense Categories			Budgeted	
	<u>Division</u>		<u>FY 2023-24</u>	
Salaries	100	\$ 510,957	\$ 995,119	51.3%
Benefits	200	\$ 528,257	\$ 923,591	57.2%
Conferences, Meetings and Training	300	\$ 18,714	\$ 37,300	50.2%
Administration Expenses	400	\$ 215,976	\$ 331,837	65.1%
Operations Expense	500	\$ 182,791	\$ 332,110	55.0%
Outside Services	600	\$ 218,936	\$ 439,354	49.8%
Equipment Rent, Taxes, and Utilities	700	\$ 126,790	\$ 314,802	40.3%
Debt Payments	900	\$ 103,381	\$ 170,064	60.8%
Total Expenses		<u>\$ 1,905,800</u>	<u>\$ 3,544,177</u>	53.8%
Net Income (Minus 800 Expenses)		<u>\$ 501,195</u>	<u>\$ 354,023</u>	
Capital Outlay	800	\$ 36,651	\$ 1,074,000	3.4%



# Calaveras Public Utility District

## Loan Covenant Balance Sheet

	<u>Division</u>	Actual FY 23-24	Budget FY 2023-24	
Income		\$ 2,234,238	\$ 3,415,200	65.4%
Grants		\$ 81,977	\$ 483,000	17.0%
Loan Payment Surcharge (\$147737.87/yr) To be Paid over 18 yrs		\$ 90,780	\$ 133,000	68.3%
Operating - Reserves (For Covenant Ratio)				
Rate Stabilization Reserves (To Balance Budget)				
Total Income		<u>\$ 2,406,995</u>	<u>\$ 3,898,200</u>	61.7%
 Expense Categories				
	<u>Division</u>			
Salaries	100	\$ 510,957	\$ 995,119	51.3%
Benefits	200	\$ 528,257	\$ 923,591	57.2%
Conferences, Meetings and Training	300	\$ 18,714	\$ 37,300	50.2%
Administration Expenses	400	\$ 215,976	\$ 331,837	65.1%
Operations Expense	500	\$ 182,791	\$ 332,110	55.0%
Outside Services	600	\$ 218,936	\$ 439,354	49.8%
Equipment Rent, Taxes, and Utilities	700	\$ 126,790	\$ 314,802	40.3%
Total Operational Expenses		<u>\$ 1,699,039</u>	<u>\$ 3,241,149</u>	52.4%
Net Operational Income		\$ 604,576	\$ 524,087	115.4%
 Debt Payments	 900	 <u>\$ 103,381</u>	 <u>\$ 132,964</u>	 77.8%
 Loan Covenant Ratio must be above 1.20 as required in loan documents				
		5.85	3.94	
Ratio = Net Operational Income/Debt Payment				

**Calaveras Public Utility District**  
**Budgeted Revenue Accounts Detail**  
**For the Fiscal Year Ending June 30, 2024**  
**Cash Basis**

Revenue	GL CODE	Actual FY 23-24	Budgeted FY 23-24
Water Sales- Res	4110	\$ 1,500,697	\$ 2,565,119
Water Sales - Comm	4112	\$ 456,073	\$ 470,151
Water Sales - AG	4170	\$ 1,766	\$ 6,776
Water Sales - MISC	4180	\$ 52,396	\$ 60,154
Pipeline Hydro	4200	\$ 21,770	\$ 57,000
Schaads Hydro	4210	\$ 47,761	\$ 45,000
RRF -Surcharge	4211	\$ -	
Install Fees	4230	\$ -	\$ 15,000
Turn On Fees	4231	\$ -	
Connection Fees	4232	\$ 1,925	\$ 35,000
Cell Site Leases	4240	\$ 18,507	\$ 29,000
Investment Interest	4800	\$ 2,920	\$ 2,500
LAIF Interest	4923	\$ 23,840	\$ 4,500
County Taxes	4932	\$ 104,643	\$ 120,000
MHSD Revenue	4975	\$ 1,940	
Grant Revenue	4994	\$ 81,977	\$ 483,000
MISC Revenue	4995	\$ -	
Work Done for Others	4996	\$ -	\$ 5,000
<b>Total Income</b>		<b>\$ 2,316,215</b>	<b>\$ 3,898,200</b>

**Calaveras Public Utility District**  
**Salaries and Benefit Expenditure Account Detail**  
**For the Fiscal Year Ending June 30, 2024**  
**Accrual Basis**

Salaries	Division	100	\$	510,957	\$	995,119	51.3%
Benefits	Division	200	\$	528,257	\$	923,591	57.2%

Division	GL	Description	Actual FY 23-24	Budget FY 23-24
100	5100	Executive Salary	\$ 71,914	\$ 135,000
100	5110	Administration Salaries	\$ 103,235	\$ 233,035
100	5120	Operations Salaries	\$ 292,925	\$ 569,525
100	5130	Overtime Compensation	\$ 23,131	\$ 31,500
100	5140	On Call Pay	\$ 19,752	\$ 26,059
100	5150	Holiday Pay	\$ 47,276	\$ 50,566
100	5160	Vacation Pay	\$ 36,531	\$ 37,041
100	5170	Sick Pay	\$ 28,039	\$ 44,449
200	5200	Medical Benefits	\$ 249,595	\$ 345,000
200	5205	Executive Car Allowance	\$ 2,400	\$ 3,600
200	5210	Medical Benefits - Retiree (Pay as you Go)	\$ 49,357	\$ 108,000
200	5220	Dental/Vision/ Life Insurance	\$ 8,560	\$ 30,899
200	5230	Retirement Benefits - Calpers	\$ 156,767	\$ 212,348
200	5240	Other Post Employment Benefits (OPEB)	\$ -	
200	5250	Medical Tax, Social Security and SUI	\$ 54,824	\$ 149,701
200	5260	Worker's Compensation Insurance	\$ 5,474	\$ 71,844
200	5270	Education Assistance	\$ -	
200	5280	Employee Overtime Meals	\$ 170	\$ 1,200
200	5290	Employee Recognition	\$ 1,110	\$ 1,000
		Salaries	\$ 510,957	\$ 1,127,174
		Salaries (Reduced Sick, Holiday and Vacation)	\$ 510,957	\$ 995,119
		Benefits	\$ 528,257	\$ 923,591

**Calaveras Public Utility District  
 Conferences, Meetings, and Training  
 Expenditure Accounts Detail  
 For the Fiscal Year Ending June 30, 2024  
 Accrual Basis**

Conferences, Meetings and Training	Division	300	\$ 18,714	\$ 37,300	50.2%
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Division	GL	Description	Actual FY 23- 24	Budget FY 23- 24
300	5310	Board Meetings - Director Fees	\$ 6,200	\$ 9,000
300	5315	Seminars & Conferences - Board	\$ 103	\$ 5,000
300	5320	Seminars & Conferences - Staff	\$ 5,062	\$ 6,200
300	5325	Mileage Reimbursement, Parking, Tolls, Conference or Training Meals	\$ -	\$ 1,500
300	5330	Auto Rental	\$ -	\$ 1,200
300	5335	Training	\$ 7,348	\$ 14,400











**Calaveras Public Utility District  
 Capital Projects Expenditure Account Detail  
 For the Fiscal Year Ending June 30, 2024  
 Accrual Basis**

Capital Projects	Division	800	\$ 36,651	\$ 1,074,000	3.4%
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Division	GL	Description	Actual FY 23-24	FY Budget 23-24
800	5810	Land Purchases	\$ -	\$ -
800	5820	Easements and Water Rights	\$ -	\$ -
800	5830	Buildings	\$ -	\$ 29,000
800	5840	Equipment-Capital	\$ -	\$ 150,000
800	5850	Engineering-Capital	\$ 21,631	\$ 263,293
800	5860	Construction-Capital	\$ 15,020	\$ 606,707
800	5870	Materials for Capital Projects	\$ -	\$ 25,000
800	5880	District Personnel-Capital	\$ -	-



## RESOLUTION 2024-04

### RESOLUTION ADOPTING BOARD POLICY 4130 REGARDING DIRECTOR COMPENSATION, BENEFITS AND EXPENSE REIMBURSEMENT

**WHEREAS**, the Board of Directors of the Calaveras Public Utility District, a public agency formed and existing under the California Public Utility District Act, Public Utilities Code Section 15501, *et seq.*, is responsible for the governance of the District pursuant to its statutory authorization; and

**WHEREAS**, the Board of Directors is statutorily authorized to adopt District ordinances, resolutions, policies and procedures to ensure the proper and orderly function of the District, its services and operations in providing a safe and reliable drinking water supply to its residents; and

**WHEREAS**, the Board of Directors of the Calaveras Public Utility District has determined to update and revise District policies pertaining to the proper governance, function and operation of the District; and

**WHEREAS**, the Board of Directors finds that it is in the best interests of the District and the public to update District policies from time to time to bring them into compliance with existing law and best practices, and to promote public participation, transparency and consistency; and

**WHEREAS**, in light of the substantial time commitment required to serve on the Board of Directors, and the legal and fiduciary responsibilities attendant thereto in the performance of their obligations to the District and its ratepayers, the Board of Directors finds that it is in the best interests of the District to adopt the attached Policy 4130 regarding Director Compensation, Benefits and Expense Reimbursement, in order to update Director compensation, provide for Director participation in District employee health benefits and to establish procedures for the reimbursement of expenses incurred in connection with District business in accordance with applicable state law;

**NOW, THEREFORE, IT IS HEREBY RESOLVED** by the Board of Directors of the Calaveras Public Utility District as follows:

1. That the attached Policy 4130, **Director Compensation, Benefits and Expense Reimbursement Policy**, is hereby adopted by the Board of Directors; and
2. That the aforesaid Policy 4130 hereby amends, restates and supersedes any and all prior and currently existing policies of this District pertaining to the subject matter set forth therein; and
3. That unless otherwise amended, restated or superseded herein, all other District policies and procedures presently in existence shall remain unaltered and shall continue in full force and effect.

The foregoing resolution was duly approved and adopted by the Board of Directors of the Calaveras Public Utility District at a regular meeting on the 19th day of March 2024 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

\_\_\_\_\_  
Jack Tressler, President, Board of Directors

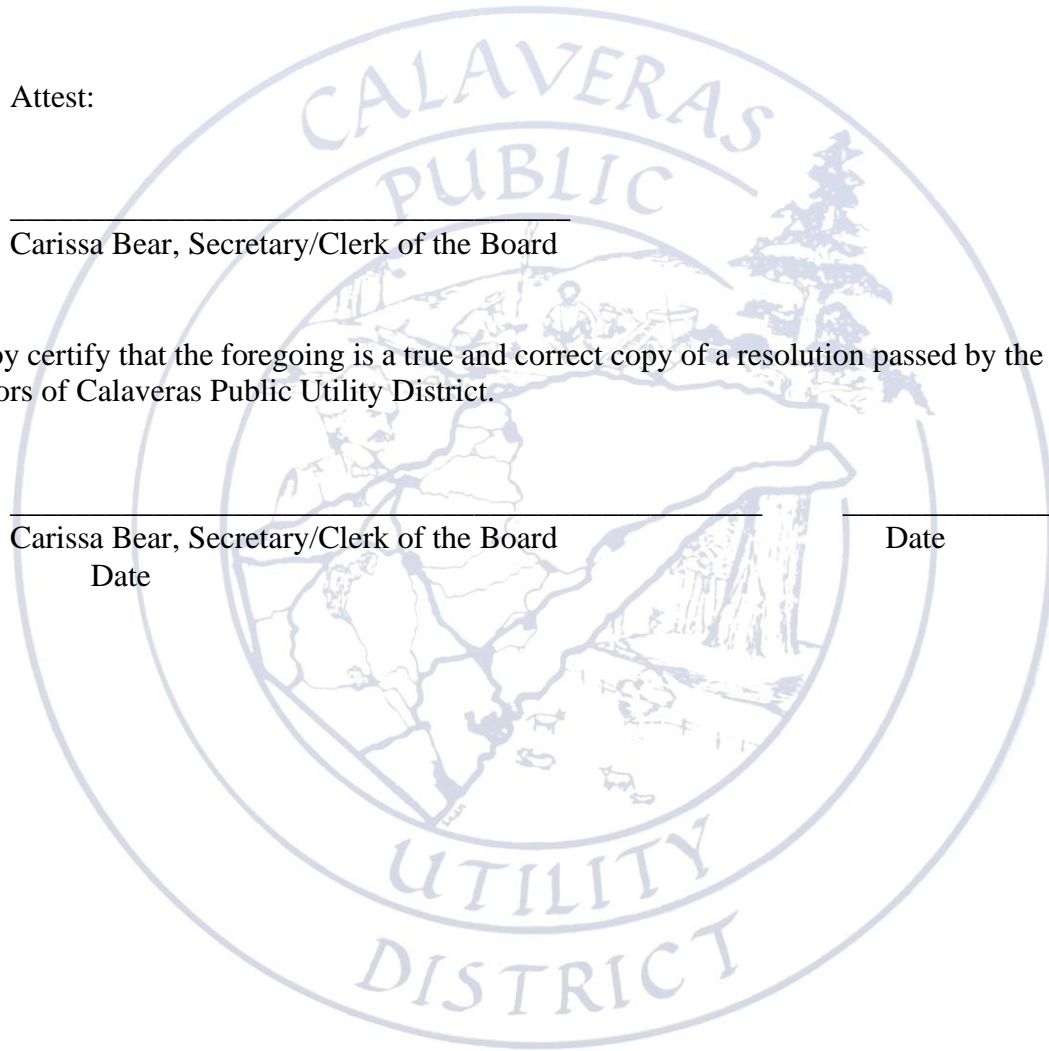
Attest:

\_\_\_\_\_  
Carissa Bear, Secretary/Clerk of the Board

I hereby certify that the foregoing is a true and correct copy of a resolution passed by the Board of Directors of Calaveras Public Utility District.

\_\_\_\_\_  
Carissa Bear, Secretary/Clerk of the Board  
Date

\_\_\_\_\_  
Date



CALAVERAS PUBLIC UTILITY DISTRICT POLICIES

Policy Name:	4130 – DIRECTOR COMPENSATION, BENEFITS AND REIMBURSEMENT OF EXPENSES		
Approval Authority:	CPUD BOARD OF DIRECTORS	Adopted:	
Resolution No.	Resolution No. 2023-15	Revised:	

**4130.1 Purpose of the Policy**

This document sets forth the policy of the Calaveras Public Utility District concerning Directors’ compensation, benefits and the payment of actual and necessary expenses incurred in the performance of official duties and is intended to comply with the requirements of Government Code sections 53201 *et seq.*; 53232 through 53232.4; and California Public Utilities Code Section 16002.

**4130.2 Directors’ Compensation**

Each member of the Board of Directors of the District will be entitled to receive \$100 per day for each day’s attendance at meetings of the Board, or for each day’s service rendered as a member of the Board by request of the Board, in accordance with Public Utilities Code section 16002(b). Internal Revenue Code section 3401(c) requires Directors of the District to be considered employees for income reporting purposes. A Director must complete form W-4 and are encouraged to sign up for direct deposit. A Director may choose to voluntarily serve on the board and receive no compensation for meeting attendance (Directors who voluntarily serve will still be eligible for health and welfare benefits and for expenses eligible for reimbursements).

**4130.3 Types of Service for Which Compensation Will Be Provided**

Applicable law (Public Utilities Code section 16002 and Government Code section 53232.1) permits the District to compensate Directors for each day’s attendance at meetings of the Board, or for each day’s service rendered as a Director, subject to a written policy adopted in a public meeting. A Director can be compensated for up to 10 days per calendar month of service in accordance with the Board’s adoption of Resolution No. 2021-13 The District encourages Directors to take advantage of opportunities to be informed concerning matters of interest to the District, and to inform others of the activities and interests of the District. The General Manager or his or her designee will provide to the Board monthly a list of meetings attended by each Director for which the Director has been compensated under this policy. Directors will be compensated (for up to 10 days per calendar month, \$4800 per year) for attending the following types of meetings:

(A) A meeting conducted pursuant to the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5 of the Government Code).

(B) Representation of the District at a public event, if that representation has been previously approved at a meeting of the Board and the member delivers a written report regarding the member's representation to the Board at the board meeting immediately following the public event.

(C) Representation of the District at a public meeting or a public hearing conducted by another public agency, if that representation has been previously approved at a meeting of the Board and the member delivers a report regarding the member's representation to the Board at the board meeting immediately following the public meeting or public hearing.

(D) Representation of the District at a meeting of a public benefit nonprofit corporation on whose Board the District has membership if that representation has been previously approved at a meeting of the District's Board and the member delivers a written report regarding the member's representation to the Board at the Board meeting immediately following the corporation's meeting.

(E) Participation in a training program on a topic that is directly related to the District if that representation has been previously approved at a meeting of the Board and the member delivers a written report regarding the member's participation to the Board at the Board meeting immediately following the training program.

(F) Committee meetings of the Board, attended as a member of the committee;

(G) Other meetings necessary for the disposition of duties assigned to a Board committee, attended by a member of the committee;

(H) Meetings, water industry events or office visits of a substantial duration concerning substantive District business as requested and approved for payment by the General Manager or the Board President; and

(I) In connection with business, educational and ceremonial meetings, functions, and conferences for which the District has prepaid for a Director's attendance, the Director shall attend such events. If the Director is unable to attend the pre-paid event, the Director shall immediately notify the District. If the District cannot obtain a refund of fees paid, then the District shall bill the Director for reimbursement for all amounts paid, unless the Director's failure to attend the event arises from circumstances beyond the control of the Director.

#### **4130.4 Health and Welfare Benefits**

The District is authorized under California Government Code section 53200 *et seq.* to provide health and welfare benefits to its employees, retired employees, and current

Directors of the District. Under this policy, each active Director is entitled to receive Dental and Vision Insurance through the Association of California Water Agencies Joint Power Insurance Authority (ACWA JPIA). The benefit is for the Director plus eligible dependents.

#### **4130.5 Reimbursement of Directors' Expenses**

##### **Policy and General Rules**

The District encourages Directors to attend conferences, seminars and other meetings that require their participation or provide an opportunity to be informed concerning matters of interest to the District. Each Director is entitled to reimbursement for the reasonable and prudent expenditures (i.e., registration fees, travel, meals, lodging, and other actual and necessary expenses) incurred in the performance of his or her official duties. When a Director pre-pays expenses (e.g., registration, airfare, hotel), the Director may submit such items for expense reimbursement prior to the meeting occurrence.

A Director may use his or her personal funds for meeting registration. The District will reimburse the Director for the actual amount of the registration, if properly reported and documented in accordance with this policy.

The District's annual budget will set an appropriate level of funding for payment of Directors' expenses.

Any exceptions for expenses that do not come within the District's expense reimbursement policy must be approved by the Board in a public meeting in advance of the time when the expense will be incurred. (Government Code, §53232.2, subd. (f).) Any question concerning the propriety of a particular expense should be resolved by the Board before the expense is incurred.

#### **4130.6 Reimbursable Expenses**

Directors' direct expenses for attendance at meetings and events authorized by this policy, including registration fees, reasonable travel, lodging, and meal costs, and other actual necessary expenses, will be paid by the District in accordance with the guidelines and per diem rates for an accountable expense reimbursement plan as defined in the United States Internal Revenue Service's Publication 463 ("Travel, Entertainment, Gift and Car Expenses") and Publication 1542 ("Per Diem Rates (For Travel Within the Continental United States)") (collectively, the "IRS Publications"), as such may be amended from time to time.

The following expenses are authorized business-related expenditures:

- a. **Personal Vehicle Mileage.** A Director will be reimbursed for actual vehicle travel miles at the rate authorized under the IRS Publications for all meetings attended and services provided. A Director will be considered to have accounted for personal vehicle expenses by indicating the actual miles traveled, the business purpose of the travel, and the date of travel on the approved District expense reimbursement form and submitted. The District will not reimburse Directors for any other personal vehicle expenses.
- b. **Hotel Expenses.** A Director will be reimbursed for reasonable lodging expenses incurred in accordance with this Policy when a Director attends conferences, seminars, or meetings, if the Director stays at the hotel or other lodging listed in the event's registration materials at the group rate obtained for the event. If a Director travels on District business for which no hotel is designated or is unable to book lodging at a specified conference rate, he or she may either (a) be reimbursed at the per diem hotel rate provided in the IRS Publications for the city in which the hotel is located; or (b) use the Director's personal funds to pay for hotel charges, in which case the District will reimburse the Director for actual charges, but only up to three times the maximum per diem hotel rate provided for in the IRS Publications for the event location.
- c. **Meals.** A Director may be reimbursed for the cost of meals while attending authorized conferences, seminars, or meetings away from the District based on the per meal rate provided for in the IRS Publications. A Director may either (a) report meals at the IRS per diem rate or (b) use the Director's personal funds to pay for meals, in which case the District will reimburse the Director for actual charges, but only up to three times the maximum per diem meal rates provided for in the IRS Publications. If a Director is not traveling for a full day, defined as from 12:01 a.m. to 12:00 Midnight, the per diem meal/incidental allowance will be prorated according to the actual hours of travel unless a Director uses his or her personal funds to pay for meals, in which case the District will reimburse the Director for actual charges for meals incurred while traveling, but only up to three times the maximum meal rate provided for in the IRS Publications. If the District prepays the cost of one or more meals with a meeting, function or conference registration, a Director must attend the prepaid meals. If a Director fails to attend a pre-paid meal, a Director may not submit a claim for reimbursement for an alternative meal taken in lieu of the pre-paid meal.
- d. **Incidental Allowance.** Tips for meals will be reimbursed up to a maximum of 15% of the cost of the reimbursable portion of any meal in accordance with the tip shown on the receipt attached to an expense reporting form. The District will reimburse the Director for tips given to transportation drivers, baggage porters, bellhops and hotel housekeepers that are reasonable and customary for the area. A Director may be reimbursed for toll charges and parking fees up to the actual amount expended.



- e. Common Carrier Travel. When personal vehicle use for District business is impractical due to time and/or distance, a Director may use regularly scheduled commercial carriers for travel. Consistent with scheduling needs and the most-direct route, a Director traveling by plane, train, rental vehicle, bus, or taxi will travel at the least-expensive fare available for the date and time of the travel. When possible, travel should be planned to permit use to use advanced fares. Long-term parking must be used at airports for travel exceeding 24 hours. The District will reimburse the Director for the actual amount of the fare and related, necessary expenses (e.g., baggage fees), if properly reported in accordance with this policy.
- f. Telephone/Fax/Cellular/Internet. A Director will be reimbursed for actual telephone, fax and reasonable internet expenses incurred for District business. Telephone bills should identify which calls were made for District business. For cellular calls when the Director has a particular number of minutes included in the Director's plan, the Director can identify the percentage of calls made for District business.

#### **4130.7** Types of Expenses for Which Reimbursement Will Not be Provided.

Director expenses that are not deemed to be reimbursable business expenses may include, but are not limited to:

- a. Barber and/or beauty shop charges;
- b. Fines for traffic or parking violations;
- c. Expenses of any person accompanying a Director on a District-approved trip or event;
- d. Personal telephone calls;
- e. Fitness/Health Facility or Massages;
- f. Alcoholic beverages;
- g. Entertainment expenses (movies, sporting events, etc.);
- h. Non-Mileage vehicle expenses; and
- i. Charitable contributions

#### **4130.8** Expense Reporting Procedures

To be reimbursed for any expense authorized under this Policy, within 60 days of incurring the expense, a Director must fill out and sign a District-provided expense report form. The expense report form is designed to ensure that Directors' expense reimbursements comply with the requirements of Government Code section 53232.3 and the IRS Publications. Accordingly, the General Manager will review each expense report form, and sign it to indicate compliance with the requirements of this policy. In all cases when a Director seeks reimbursement for expenses incurred while attending a conference, seminar or other meeting, a copy of the conference registration form must either be attached to his or her expense report or on file at the District (e.g. copy attached to check request or purchasing card paperwork). In addition, a Director will

be required to attach the following documentation to his or her expense reimbursement report as a condition of receiving reimbursement for an appropriately-incurred business expense:

- a. **Personal Vehicle Mileage.** To verify mileage, the General Manager or designee will document personal vehicle mileage, using tools such as Google or MapQuest, which will be attached to the Director's expense report.
- b. **Lodging Expenses.** If a Director wishes to be reimbursed for lodging expenses, he or she must attach to the expense report an itemized bill issued by the hotel and a copy of the credit card receipt or other proof of the Director's payment. Except when attending a conference, seminar or other meeting and using the available group rate booked for the event, the District will reimburse a Director only for the actual amount of the hotel expenses incurred up to a maximum amount equal to three times the applicable per diem rate shown in the IRS Publications.
- c. **Meal Expenses.** If a Director wishes to be reimbursed for meal expenses at the IRS per diem rate, he or she may fill out the expense report form and claim the expense without further documentation. If a Director pays for meals with his or her own funds, he or she must attach to the expense report an itemized bill, copy of a credit card receipt or other proof of the Director's payment. In such cases, the District will reimburse a Director only for the actual amount of the meal expense incurred up to a maximum amount of three times the applicable per diem rate shown in the IRS Publications.
- d. **Common Carrier Travel.** A Director must attach to his or her expense report the fare, coupon, or itemized bill from a travel agency, airline, rental vehicle, bus, or train showing the actual amount expended for such travel. A boarding pass, conference badge, business receipt from the destination or other documentation indicating the travel occurred must be attached to the Director's expense report.
- e. **Incidental Expenses.** Whenever possible, a Director should obtain a receipt for incidental expenses such as tolls and parking fees. For incidental expenses where no receipt is available, such as tips and parking meter costs, a reimbursement request for such expenses may be claimed on the District approved expense report. Certification that such expenses were related to District business, reasonable, appropriate, and actually incurred by the Director is made when signing the District approved expense report form.

In all cases, the Director will remain responsible for filing an expense report and attaching the appropriate documentation obtained by the Director in conformance with paragraphs a. through e. above. Flat-rate advances or payments of expenses are prohibited under Government Code section 53232.2, except for per diem payments authorized in accordance with the IRS Publications.

A Director must substantiate all expenses on an expense report with the appropriate documentation attached within 60 days of incurring or paying the expense. An expense report submitted after the 60 days will only be paid if approved by the Board at a regular meeting. Any mis- or late-reported expenses incurred by a Director will not meet the requirements of the IRS Publications and will be considered income to the affected Director. To comply with the applicable tax laws, the District will issue to a Director a Form W-2 including all mis- or late-reported expenses as income.

#### **4130.9 Disclosure**

To comply with reporting requirements of Government Code section 53232.3, the District will prepare a list of the meetings attended by each Director for which the District provided compensation, and a list of the amount and purpose of each expense reimbursement paid by the District to each Director. This information will be included with the agenda materials for each regular monthly Board of Directors meeting. At the next regular Board meeting, Directors also must provide either an oral or written report of meetings and other authorized events attended for which they were compensated by the District. If multiple officials attended the same event, a joint report may be made.

All expenses are subject to verification that they comply with this Policy. Directors should keep in mind that some expenditures may be subject to reporting under the Political Reform Act and other laws. All District expenditures are public records subject to disclosure under the Public Records Act, except that the District will ensure that no Director personal information, such as credit card numbers and home addresses, is provided to the public in the event of a request for such records.

#### **4130.10 Penalties**

Government Code Section 53232.4 defines the penalties for falsifying or misusing public funds. The penalties include: (1) loss of the violator's reimbursement privileges; (2) restitution of misused District funds; (3) civil penalties of up to \$1,000 per day for each day of violation and three times the value of the public resources misused; and (4) criminal prosecution and lifetime bar from holding public office. The Board will report any violation of this Policy to the appropriate authorities.

#### **4130.11 Payment of Compensation and Expenses**

All reimbursable expenses as outlined in this policy will be paid within the next payroll cycle upon receipt of a completed expense reporting form approved by the General Manager or designee.

#### **4130.12 Policy Review**

This Policy shall be reviewed at least biennially.

# Maintenance Report

## February 2024

LOCATION	DESCRIPTION OF WORK	STATUS
<b>Jeff Davis WTP</b>	Monthly operation and maintenance	Complete
	Routine water sampling and State reporting, WTP compliance Items	Complete
	Treated Water = 16,756,574 Gallons	Complete
	Sold Water = 11,864,451 Gallons	Complete
	Jeff Davis Reservoir 10' Below Spill	Ongoing
	Dam Vegetation Maintenance	Ongoing
	Septic Tank pumping	Complete
<b>Warehouse Shop</b>	Routine Operation's	Ongoing
<b>South Fork Pump Station</b>	Weekly routine checks	Complete
	Raw Water Pumped = 0 Acre Feet	Ongoing
	10 " over Spill	Ongoing
<b>Schaads Reservoir</b>	Weekly checks	Complete
	Schaads Metered Acc. 347,700 gallons	Ongoing
	Both Hydro's running	Ongoing
	0-10' below Spill	Ongoing
	CCWD Pump Data (West Point) = 0 acre Feet	Ongoing
	Dam Vegetation Management	Ongoing
<b>Glencoe Pump Station</b>	Weekly checks - routine monitoring	Complete
<b>Ponderosa PRV Hydro</b>	Weekly checks - routine monitoring	Complete
<b>MCV PRV Hydro</b>	Weekly checks - routine monitoring	Complete
<b>Garamendi's PRV Hydro</b>	Weekly checks - routine monitoring	Complete
<b>San Andreas Distribution</b>	Routine operations, sampling	Complete
<b>Moke Hill Distribution</b>	Routine operations, sampling	Complete
	Leak 4" A.C Pipe (Blow-off)	Complete
<b>Glencoe Distribution</b>	Routine operations	Complete
	Transmission ARV Replacement (Sky High)	Complete
<b>Paloma Distribution</b>	Routine operations, sampling	Complete
<b>Rail Road Flat Distribution</b>	Routine operations, sampling	Complete
<b>Red Hawk Res.</b>	Routine operations	Complete
	Dam vegetation Maintenance	Ongoing
<b>Safety/Training</b>	Asbestos Cement Pipe Refresher (Environmental Safety Training)	Complete
	Lock out Tag Out Training	Complete
<b>Spray Program</b>	Pre-emergent	Ongoing
	Cal-Fire Brushing main Line (Moke Hill)	Ongoing
<b>Vehicle Maintenance</b>	008 Sonora Ford Maint. & Water leak	Complete
<b>Other</b>	121 USA tags completed	Complete
	22 Customer service/work orders	Complete
	Monthly meter reading	Complete
	Complaints- 0 Pressure/ 0 odor/ Color	Complete

**RESOLUTION NO. 2024-05**

**A RESOLUTION OF THE BOARD OF DIRECTORS APPROVING THE SECOND AMENDMENT TO EMPLOYMENT AGREEMENT FOR GENERAL MANAGER**

WHEREAS, on or about October 19, 2021, the District and General Manager executed an "Employment Agreement for General Manager" ("Employment Agreement"); and

WHEREAS, on or about March 14, 2023, the District and General Manager executed an "Amendment to Employment Agreement for General Manager (the "Amendment"); and

WHEREAS, the Board of Directors and the General Manager wish to amend the General Manager's Employment Agreement as set forth in the attached Second Amendment to Employment Agreement for General Manager" (the "Second Amendment"); and,

WHEREAS, the Board of Directors of the Calaveras Public Utility District has determined that it is in the best interests of the District to adopt the attached Second Amendment;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors hereby accepts and approves the Amendment in substantially the form attached hereto, and hereby authorizes and directs the President of the Board to execute the Amendment on behalf CPUD.

The foregoing resolution was duly introduced and adopted by the Board of Directors of the Calaveras Public Utility District at its regular meeting on March 19, 2024 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

\_\_\_\_\_  
Jack Tressler  
President, Board of Directors

Attest:

\_\_\_\_\_  
Carissa Bear, Clerk of the Board/Secretary

I hereby certify that the foregoing is a true and correct copy of a resolution passed by the Board of Directors of Calaveras Public Utility District.

\_\_\_\_\_  
Carissa Bear Clerk of the Board/Secretary

\_\_\_\_\_  
Date

**SECOND AMENDMENT TO EMPLOYMENT AGREEMENT  
FOR GENERAL MANAGER**

This Second Amendment to Employment Agreement for General Manager (this "Second Amendment") is entered into by and between the Calaveras Public Utility District (hereinafter referred to as "District"), a public utility district formed and existing under the laws of the State of California pursuant to section 15501 et seq. of the Public Utilities Code, and Travis Small (hereinafter referred to as "General Manager").

**RECITALS**

**WHEREAS**, on or about October 19, 2021, the District and General Manager executed an "Employment Agreement for General Manager", a true and correct copy of which is attached hereto as Exhibit A and incorporated by reference herein; and

**WHEREAS**, on or about March 14, 2023, the District and General Manager executed an "Amendment to Employment Agreement for General Manager", a true and correct copy of which is attached hereto as Exhibit B and incorporated by reference herein; and

**WHEREAS**, during a regularly scheduled meeting of the Board of Directors on March 19, 2024, the Board of Directors of the District in open session voted to adopt this Second Amendment to Employment Agreement for General Manager.

Now, therefore, in consideration of the mutual promises set forth herein, and for good and valuable consideration, the receipt of which is hereby acknowledged, the District and General Manager agree to this Second Amendment to Employment Agreement for General Manager as follows:

1. Existing Section 4.1, Annual Salary is deleted in its entirety and replaced with the following:

Section 4.1        Annual Salary. Effective January 1, 2024, as compensation for the services to be performed hereunder, Employee shall receive an annual salary at a rate of \$150,000.00 per year, payable every two weeks, less all applicable deductions.

Employee shall be eligible for consideration for an increase in his annual salary effective January 1 of each year, which the Board may award if the Board determines, in its sole discretion, that Employee's performance during the previous calendar year has met or exceeded the Board's expectations. Said determination shall be made during Employee's annual performance evaluation, which shall take place in December of the previous calendar year (or at such other time as may be determined by the Board in its discretion).

2. Except as otherwise modified herein, all other terms and conditions of the Employment Agreement for General Manager dated October 19, 2021 and as amended by the Amendment to Employment Agreement for General Manager

dated March 14, 2023, are unchanged and shall remain in full force and effect, and are incorporated herein.

3. Each party to this Second Amendment acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by any party or anyone acting on behalf of any party which are not embodied herein, and that no other agreement, statement or promise or understanding not contained in this agreement shall be valid or binding on either party.

Executed on this 19<sup>th</sup> day of March, 2024 at San Andreas, California.

CALAVERAS PUBLIC UTILITY DISTRICT

By \_\_\_\_\_

Name: Jack Tressler

Title: President

Attest:

By \_\_\_\_\_

Name: Carissa Bear

Title: Clerk of the Board/Secretary

Approved as to form:

By \_\_\_\_\_

Name: Adam Brown

Title: District General Counsel

GENERAL MANAGER

\_\_\_\_\_

Travis Small