



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

BOARD OF DIRECTORS REGULAR MEETING: 3:00 PM
March 8, 2022

President J.W. Dell 'Orto
President of the Board

Director Richard Blood
Director Jack Tressler

Director Brady McCartney

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. No attendance will be permitted by the public at the District office until further notice.

- **Join the Conference Call meeting**
- **Dial-in number (US): 1(669)900-9128**
- **Join the online ZOOM meeting:**
<https://us02web.zoom.us/j/81514083058?pwd=UWdBT0FOMHIQRIBzQUNtZnZVcHdEUT09>
- **Meeting ID: 815 1408 3058**
- **Meeting Passcode code: 075725**

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**
 - President J.W. Dell 'Orto
 - Director Richard Blood
 - Director Brady McCartney
 - Director Jack Tressler

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. **RESOLUTION NO. 2022-6: A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CALAVERAS PUBLIC UTILITY DISTRICT PROCLAIMING A LOCAL EMERGENCY PERSISTS, RE-RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY THE GOVERNOR ON MARCH 4, 2020, AND RE-AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE BOARD OF DIRECTORS OF THE CALAVERAS PUBLIC UTILITY DISTRICT FOR THE PERIOD MARCH 8, 2022 TO APRIL 8, 2022 PURSUANT TO BROWN ACT PROVISIONS.**

Action Requested: Roll Call Vote

Approval of Resolution No. 2022-6 Declaring and Re-ratifying the State of Emergency and Authorizing Remote Teleconference Meetings of the Board of Directors Due to the Covid-19 Emergency.

6. **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. Minutes of Regular Board meeting of February 8, 2022
- b. Claim Summary

Action: Roll call Vote

Consider motion to approve consent items for items 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.

7. **CONSIDERATION AND ACCEPTANCE OF FINANCIAL STATEMENTS FOR FISCAL YEAR ENDING ON JUNE 30, 2021**

Action Requested: Roll Call Vote

Consider motion to approve Financial Statements for Fiscal Year ending on June 30, 2021.

8. CONSIDERATION OF PROPOSAL FROM CONDOR EARTH TO PREPARE AN EMERGENCY ACTION PLAN (EAP) FOR THE REDHAWK DAM.

Action Requested: Roll Call Vote

Approve proposal from Condor Earth to prepare an Emergency Action Plan (EAP) for the Redhawk Dam, at a cost not to exceed \$15,872.

9. ACWA JPIA - 2021/22 RISK CONTROL GRANT PROGRAM

Action Requested: No Action

Calaveras Public Utility District's Risk Control Grant submission has been chosen as one of JPIA's 2021/22 recipients of \$10,000.

10. REVIEW OF DISTRICT TEMPORARY ADVISORY (AD HOC) COMMITTEES AND ASSIGNMENTS

Action Requested: No Action

- a. The Board President shall dissolve existing Ad Hoc committees, consider the creation of the same or new committees and make assignments as needed.

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. District Engineer Report/Clearwell Project Update
- d. General Manager's Report
- e. Director's 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 a future agenda.

12. ADJOURNMENT

If there is no other Board business the President will adjourn to its next regular meeting scheduled for April 12, 2022, at 3:00 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.

RESOLUTION NO. 2022-6

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CALAVERAS PUBLIC UTILITY DISTRICT PROCLAIMING A LOCAL EMERGENCY PERSISTS, RERATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY THE GOVERNOR ON MARCH 4, 2020, AND RE-AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE BOARD OF DIRECTORS OF THE CALAVERAS PUBLIC UTILITY DISTRICT FOR THE PERIOD MARCH 8, 2022 TO APRIL 8, 2022 PURSUANT TO BROWN ACT PROVISIONS.

WHEREAS, the Calaveras Public Utility District (the “District”) is committed to preserving and nurturing public access and participation in meetings of the Board of Directors; and

WHEREAS, all meetings of the District’s Board of Directors are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend, participate, and watch the District’s Board of Directors conduct their business; and

WHEREAS, the Brown Act, Government Code section 54953(e), makes provision for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition is that a state of emergency is declared by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558; and

WHEREAS, a proclamation is made when there is an actual incident, threat of disaster, or extreme peril to the safety of persons and property within the jurisdictions that are within the District’s boundaries, caused by natural, technological or human-caused disasters; and

WHEREAS, it is further required that state or local officials have imposed or recommended measures to promote social distancing, or, the legislative body meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, the Board of Directors previously adopted a Resolution, Number 2021-10 on September 27, 2021, finding that the requisite conditions exist for the District’s Board of Directors to conduct remote teleconference meetings without compliance with paragraph (3) of subdivision (b) of section 54953; and

WHEREAS, as a condition of extending the use of the provisions found in section 54953(e), the Board of Directors must reconsider the circumstances of the state of emergency that exists in the District, and the Board of Directors has done so; and

WHEREAS, the Board of Directors reconsidered the circumstances of the state of emergency that exists in the District and adopted Resolution No. 2022-5 reaffirming the continued state of

emergency in the District and reauthorizing remote meetings of Board of Directors meetings through March 8, 2021; and

WHEREAS, emergency conditions persist in the District, specifically, the State of Emergency declared by the Governor on March 4, 2020 due to the Covid-19 pandemic; and

WHEREAS, guidance from the State of California, which has been followed by the Calaveras County Department of Public Health, recommends or mandates social distancing and face coverings in certain settings to prevent the spread of Covid-19; and

WHEREAS, the Board of Directors does hereby find that that the rise in SARS-CoV-2 Delta Variant during the Covid-19 pandemic has caused, and will continue to cause, conditions dangerous to the safety of persons within the District that are likely to be beyond the control of services, personnel, equipment, and facilities of the District, and desires to affirm a local emergency exists and re-ratify the proclamation of state of emergency by the Governor of the State of California; and

WHEREAS, as a consequence of the local emergency persisting, the Board of Directors does hereby find that the Board of Directors of the District shall continue to conduct its meetings without compliance with paragraph (3) of subdivision (b) of Government Code section 54953, as authorized by subdivision (e) of section 54953, and that such legislative bodies shall continue to comply with the requirements to provide the public with access to the meetings as prescribed in paragraph (2) of subdivision (e) of section 54953; and

WHEREAS, the District has implemented virtual meeting protocols which comply with the requirements of paragraph (2) of subdivision (e) of section 54953, by providing for public participation through online meeting attendance and the opportunity to provide comment during the Board meeting both verbally or via email.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE CALAVERAS PUBLIC UTILITY DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Affirmation that Local Emergency Persists. The Board of Directors hereby considers the conditions of the state of emergency in the District and proclaims that a local emergency persists throughout the District, and Covid-19 has caused, and will continue to cause, an unreasonable risk of harm to the safety of persons within the District that are likely to be beyond the control of the services, personnel, equipment and facilities of the District.

Section 3. Re-ratification of Governor's Proclamation of a State of Emergency. The Board hereby ratifies the Governor of the State of California's Proclamation of State of Emergency, effective as of its issuance date of March 4, 2020.

Section 4. Remote Teleconference Meetings. The General Manager and Board of Directors are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of

this Resolution including, continuing to conduct open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.

Section 5. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of (i) April 8, 2022, or such time as the Board of Directors adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the Board of Directors of the District may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953.

PASSED AND ADOPTED by the Board of Directors of the Calaveras Public Utility District this 8th day of March, 2021, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Signed: _____
J.W. Dell'Orto, President of the Board of Directors

Attest: _____
Carissa Bear, Secretary/Clerk of the Board

Regular Meeting

3:00 pm

DIRECTORS PRESENT: J.W. Dell'Orto
Richard Blood
Brady McCartney

MEMBERS ABSENT: Jack Tressler

STAFF PRESENT: Travis Small, General Manager
Adam Brown, District Legal Counsel
Carissa Bear, Clerk of the Board
Mathew Roberts, Water System Superintendent
Tyla Daries, District Engineering Technician

OTHERS PRESENT: Jeff Meyer, Western Hydrologics

- a. CALL THE MEETING TO ORDER: The regular meeting was called to order by President Dell'Orto at 3:03 P.M.
- b. ROLL CALL OF DIRECTORS: Directors Dell'Orto, Blood and McCartney were present. Director Tressler was absent.
- c. PLEDGE OF ALLEGIANCE
- d. PUBLIC COMMENT (Limit 3 minutes per person/15 minutes per subject): None
- e. RESOLUTION NO. 2022-5: A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CALAVERAS PUBLIC UTILITY DISTRICT PROCLAIMING A LOCAL EMERGENCY PERSISTS, RE-RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY THE GOVERNOR ON MARCH 4, 2020, AND RE-AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE BOARD OF DIRECTORS OF THE CALAVERAS PUBLIC UTILITY DISTRICT FOR THE PERIOD FEBRUARY 8, 2022 TO MARCH 8, 2022 PURSUANT TO BROWN ACT PROVISIONS.

A motion was made by Director Blood, seconded by Director McCartney, to approve Resolution No. 2022-5. A roll call vote was taken. Directors Dell'Orto, Blood, and McCartney voted yes; none opposed. Motion carried 3-0.

f. CONSENT ITEMS

- a) Minutes of Regular Board Meeting of January 11, 2022
- b) Minutes of Special Board Meeting of January 25, 2022
- c) Claim Summary

Director Blood inquired about the Water Loss Program invoiced by WGA. Tyla Daries, District Engineering Technician explained. A motion was made by Director McCartney, seconded by Director Blood, to approve Consent Items a-c. A roll call vote was taken. Directors Dell'Orto, Blood and McCartney voted yes; none opposed. Motion carried 3-0.

G. CALAVERAS PUBLIC UTILITY DISTRICT WATER RIGHTS COMPLIANCE AND HYDROPOWER GENERATING EVALUATION.

Travis Small, General Manager, introduced Jeff Meyer with Western Hydrologics. Mr. Meyer gave a presentation reviewing his progress on the District's water rights and gaging compliance. The Board and Mr. Meyer discussed his presentation. President Dell'Orto requested that the General Manager bring back quotes for bubblers as a budget amendment when that time comes.

*Jeff Meyer exited the meeting at 3:57 p.m.

H. PRESIDENT'S SPECIAL RECOGNITION AWARD

Mr. Small informed the Board that Calaveras Public Utility District has been recognized by ACWA/JPIA for the President's Special Recognition Awards for the Workers Compensation Program and the Liability Program. President Dell'Orto asked Mr. Small to thank the staff for their effort in keeping the District safe.

I. CONSIDERATION TO MOVE APRIL BOARD MEETING

Mr. Small informed the Board that he will be out of town for the regular scheduled April Board meeting and asked for the Board to move the meeting to April 12, 2022. A motion was made by Director Blood, seconded by Director McCartney, to move the regular April Board Meeting to April 12, 2022. A roll call vote was taken. Directors Dell'Orto, Blood and McCartney voted yes; non opposed. Motion carried 3-0.

j. REPORTS

a. Legal Counsel's Report:

No report.

b. Water System Superintendent's Report:

Mathew Roberts, Water System Superintendent, was not in the office and had a poor internet connection. He asked Mr. Small to give his report. Mr. Small went over the monthly maintenance report. He also informed the Board that the MCC project is happening tomorrow, February 9, 2022. The Board and Mr. Small had a discussion about specifics of the project.

c. District Engineer Report/Clearwell Project Update

Mrs. Daries shared some photos of the Clearwell Tank Project. She gave an update on the project. Once the metal for the project is delivered, the crew will be able to start the construction of the tank. She believes construction will take place in mid-March.

d. General Manager's Report:

Mr. Small went over his report.

e. Director's Comments:

President Dell'Orto reported to the Board about the Ad Hoc meeting he had with Mr. Small and Calaveras County Water District.

Director Blood reported to the Board about the UMWRA meeting he attended.

k. ADJOURNMENT

There being no further business to come before the Board, President Dell'Orto adjourned the meeting at 4:29 pm.

Respectfully Submitted,



Carissa Bear, Clerk of the Board

CALAVERAS PUBLIC UTILITY DISTRICT

CLAIM SUMMARY # 761

DATE: February 2022

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	\$248,884.51
Payroll Submitted	\$ 47,153.60
P/R Tax Deposits	\$ 21,524.64
Sub-total	\$ 317,562.75

Net Additions	
Net Deductions	
Claim Summary Approved for	\$ 317,562.75



Clerk of the Board, Calaveras Public Utility District

Calaveras Public Utility District Expenses by Vendor Detail

February 2022

Name	Date	Memo	Account	Amount
ACWA-Health				
	02/04/2022	March employee dental/vision	5643 · Medical Insurance	1,367.26
Total ACWA-Health				1,367.26
American Fidelity Assurance				
	02/04/2022	October, November, December, January	5646 · 125 Plan	854.40
Total American Fidelity Assurance				854.40
AT & T				
	02/04/2022	Shop/Internet	5432 · T & D Misc. Maint. Utilities	209.55
Total AT & T				209.55
AT&T				
	02/22/2022	Phone/Internet at Shop	5432 · T & D Misc. Maint. Utilities	89.55
Total AT&T				89.55
Brawner Automotive Repair				
	02/22/2022	Truck #4 Maint.	5424 · T & D Equip. Repair & Oper.	826.01
	02/22/2022	Dump Truck Maint.	5424 · T & D Equip. Repair & Oper.	99.72
Total Brawner Automotive Repair				925.73
Cal-Waste				
	02/23/2022	Shop	5422 · T & D Contract Services	360.24
	02/23/2022	Office	5623 · Contract Services	151.13
Total Cal-Waste				511.37
Calaveras Auto Supply				
	02/22/2022	Materials & Supplies	5424 · T & D Equip. Repair & Oper.	13.61
Total Calaveras Auto Supply				13.61
Calaveras Power Agency				
	02/23/2022	CPUD Warehouse	5432 · T & D Misc. Maint. Utilities	58.09
	02/23/2022	Glencoe Booster Pump	5432 · T & D Misc. Maint. Utilities	130.72
	02/23/2022	CPUD Office	5621 · Office Utilities	121.81
	02/23/2022	Jeff Davis WTP	5432 · T & D Misc. Maint. Utilities	713.20
	02/23/2022	South Fork Pump Station	5230 · Utilities Pumping Power	28,030.00
Total Calaveras Power Agency				29,053.82
Campbell Construction				
	02/22/2022	Clearwell Tank Phase 1 - Final Progress Pay	1190 · Construction in Progress	27,588.00
Total Campbell Construction				27,588.00

Calaveras Public Utility District Expenses by Vendor Detail

February 2022

Name	Date	Memo	Account	Amount
Carbon Copy Inc.				
	02/04/2022	Printer/Copier Contract	5623 · Contract Services	66.11
Total Carbon Copy Inc.				<u>66.11</u>
Care Free Lawns				
	02/04/2022	Landscape Contract	5623 · Contract Services	150.00
Total Care Free Lawns				<u>150.00</u>
Comcast				
	02/23/2022	Telephone/Internet	5621 · Office Utilities	290.04
Total Comcast				<u>290.04</u>
Computer Firemen				
	02/23/2022	IT Services	5623 · Contract Services	200.00
Total Computer Firemen				<u>200.00</u>
Costco				
	02/23/2022	Annual Membership	5620 · Materials & Supplies	60.00
Total Costco				<u>60.00</u>
De Lage Landen Financial Services Inc.				
	02/23/2022	Printer/Copier Contract	5623 · Contract Services	87.85
Total De Lage Landen Financial Services Inc.				<u>87.85</u>
Ditch Witch West				
	02/23/2022	Vacuum Excavation System	5424 · T & D Equip. Repair & Oper.	67,691.21
Total Ditch Witch West				<u>67,691.21</u>
Environmental Safety Training Prof.				
	02/04/2022	Asbestos Training	5429 · T & D Safety & Education	810.00
Total Environmental Safety Training Prof.				<u>810.00</u>
ESRI				
	02/23/2022	GIS License	5683 · Dues, Subscriptions, Fees	2,750.00
Total ESRI				<u>2,750.00</u>
Fischer, Merle				
	02/04/2022	February Post Retirement Health Reimbursement	5647 · OPEB - Retirement	765.23
Total Fischer, Merle				<u>765.23</u>
GEI Consultants, Inc.				
	02/23/2022	Chief Dam Safety Engineer Services	5623 · Contract Services	307.00

Calaveras Public Utility District Expenses by Vendor Detail

February 2022

Name	Date	Memo	Account	Amount
Total GEI Consultants, Inc.				307.00
Hill Rivkins Brown & Associates				
	02/23/2022	Legal Services	5682 · Audit & Legal	2,714.00
Total Hill Rivkins Brown & Associates				2,714.00
Hobgood's Cleaning Service				
	02/23/2022	Janitorial Services	5623 · Contract Services	160.00
Total Hobgood's Cleaning Service				160.00
Hunt & Sons Inc.				
	02/04/2022	Fuel	5424 · T & D Equip. Repair & Oper.	928.42
	02/23/2022	Fuel	5424 · T & D Equip. Repair & Oper.	1,136.70
Total Hunt & Sons Inc.				2,065.12
Lehigh Hanson				
	02/23/2022	Materials & Supplies	5421 · T & D Maint. Mat. & Supp.	603.61
Total Lehigh Hanson				603.61
Lowe's				
	02/23/2022	Hot Water Heater for Shop	5421 · T & D Maint. Mat. & Supp.	420.26
Total Lowe's				420.26
Matrix Trust Company				
	02/04/2022	457 Plan Payroll 1/15/22	2317 · 457 Plan	300.00
		457 Plan Payroll 1/31/22	2317 · 457 Plan	300.00
Total Matrix Trust Company				600.00
Moe, James				
	02/22/2022	Boot Reimbursement	5429 · T & D Safety & Education	200.00
	02/22/2022	Fee	5683 · Dues, Subscriptions, Fees	10.00
	02/22/2022	Water Certificate License Renewal- Required Education Hours	5429 · T & D Safety & Education	140.00
Total Moe, James				350.00
Motherlode Answering Service				
	02/23/2022	Answering Service Contract	5623 · Contract Services	306.00
Total Motherlode Answering Service				306.00
PG&E - ENERGY STATEMENT				
	02/04/2022	Golden Hills Tank	5432 · T & D Misc. Maint. Utilities	10.07
	02/04/2022	Warehouse Light	5432 · T & D Misc. Maint. Utilities	11.94
	02/04/2022	Warehouse Light	5432 · T & D Misc. Maint. Utilities	11.94

Calaveras Public Utility District Expenses by Vendor Detail

February 2022

Name	Date	Memo	Account	Amount
	02/04/2022	Schaads Hydro	5201 · Schaads Hydro Cost	100.10
	02/04/2022	Moke Hill Tank	5432 · T & D Misc. Maint. Utilities	10.52
	02/23/2022	Garamendi's Hydro #3	5200 · Pipeline Hydro Cost	211.13
	02/23/2022	MCV Hydro #2	5200 · Pipeline Hydro Cost	173.39
	02/23/2022	Ponderosa Hydro #1	5200 · Pipeline Hydro Cost	86.97
	02/23/2022	Office	5621 · Office Utilities	285.96
	02/23/2022	San Andreas Tank	5432 · T & D Misc. Maint. Utilities	13.88
Total PG&E - ENERGY STATEMENT				915.90
PGE-NON ENERGY INVOICES				
	02/23/2022	Hydro 1	5200 · Pipeline Hydro Cost	7.75
	02/23/2022	Hydro 2	5200 · Pipeline Hydro Cost	7.75
	02/23/2022	Hydro 3	5200 · Pipeline Hydro Cost	7.75
	02/23/2022	Schaads Hydro	5201 · Schaads Hydro Cost	197.86
Total PGE-NON ENERGY INVOICES				221.11
Postmaster				
	02/04/2022	Postage	5622 · Postage & Box Rent	750.00
Total Postmaster				750.00
Ron DuPratt Ford				
	02/04/2022	2022 F550	5424 · T & D Equip. Repair & Oper.	88,689.00
Total Ron DuPratt Ford				88,689.00
Rovera, Wyatt				
	02/09/2022	Boot Reimbursement	5429 · T & D Safety & Education	200.00
	02/22/2022	Fee	5683 · Dues, Subscriptions, Fees	12.00
Total Rovera, Wyatt				212.00
Rutledge Security Systems, LLC				
	02/23/2022	Intrusion Alarm Monitoring	5421 · T & D Maint. Mat. & Supp.	330.00
Total Rutledge Security Systems, LLC				330.00
San Andreas Print Shop				
	02/23/2022	Office Materials & Supplies	5620 · Materials & Supplies	101.83
Total San Andreas Print Shop				101.83
San Andreas Sanitary District				
	02/04/2022	Shop Utilities	5432 · T & D Misc. Maint. Utilities	97.04
	02/04/2022	Office Utilities	5621 · Office Utilities	97.04

Calaveras Public Utility District Expenses by Vendor Detail

February 2022

Name	Date	Memo	Account	Amount
Total San Andreas Sanitary District				194.08
SEIU Local 1021				
	02/07/2022	Union Dues 1/15/2022	2322 · SEIU Union Dues	459.74
	02/07/2022	Union Dues 1/31/2022	2322 · SEIU Union Dues	459.74
Total SEIU Local 1021				919.48
Sender's Market Inc.				
	02/04/2022	Materials & Supplies	5421 · T & D Maint. Mat. & Supp.	17.35
Total Sender's Market Inc.				17.35
Staples Credit Plan				
	02/04/2022	Office Supplies	5620 · Materials & Supplies	363.42
Total Staples Credit Plan				363.42
Treat's General Store				
	02/04/2022	Materials & Supplies	5421 · T & D Maint. Mat. & Supp.	158.30
	02/04/2022	Materials & Supplies	5322 · Water Treatment Supplies	108.13
	02/04/2022	Materials & Supplies	5620 · Materials & Supplies	25.51
Total Treat's General Store				291.94
Verizon Wireless				
	02/04/2022	Phone Utilities	5432 · T & D Misc. Maint. Utilities	762.45
Total Verizon Wireless				762.45
Volcano Telephone				
	02/04/2022	Hydro #1 Ponderosa	5200 · Pipeline Hydro Cost	46.20
	02/04/2022	Water Treatment Plant	5322 · Water Treatment Supplies	46.20
	02/04/2022	Hydro #2 MCV	5200 · Pipeline Hydro Cost	46.20
	02/04/2022	Water Treatment Plant	5322 · Water Treatment Supplies	43.50
	02/04/2022	Pump Station	5322 · Water Treatment Supplies	46.20
	02/04/2022	Schaads Hydro	5322 · Water Treatment Supplies	86.51
	02/04/2022	Schaads Hydro	5201 · Schaads Hydro Cost	46.20
	02/04/2022	Water Treatment Plant	5322 · Water Treatment Supplies	62.00
	02/04/2022	Taxes & Charges	5322 · Water Treatment Supplies	48.67
	02/04/2022	Broadband/Internet 2092937600	5322 · Water Treatment Supplies	56.95
	02/04/2022	Credit applied	5200 · Pipeline Hydro Cost	-1.95
Total Volcano Telephone				526.68
Weber, Ghio & Associates				

Calaveras Public Utility District Expenses by Vendor Detail

February 2022

Name	Date	Memo	Account	Amount
	02/23/2022	General Engineering Services	5684 · Engineering-Admin.	285.00
	02/23/2022	Clearwell Phase I Construction Management	1190 · Construction in Progress	1,494.56
	02/23/2022	Clearwell Phase II Construction Management	1190 · Construction in Progress	9,414.30
Total Weber, Ghio & Associates				<u>11,193.86</u>
Wells Fargo Bank - C. Bear				
	02/23/2022	Materials & Supplies	5620 · Materials & Supplies	284.18
Total Wells Fargo Bank - C. Bear				<u>284.18</u>
Wells Fargo Bank - M Roberts				
	02/23/2022	Materials & Supplies	5322 · Water Treatment Supplies	1,384.01
Total Wells Fargo Bank - M Roberts				<u>1,384.01</u>
Western Hydrologics, LLP				
	02/23/2022	Water Rights Compliance	5623 · Contract Services	717.50
Total Western Hydrologics, LLP				<u>717.50</u>
				<u><u>248,884.51</u></u>

Calaveras Public Utility District

Management Report

June 30, 2021

LARRY BAIN, CPA

AN ACCOUNTING CORPORATION

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

COMMUNICATION OF SIGNIFICANT DEFICIENCIES

Board of Directors,

We have audited the financial statements of the Calaveras Public Utility District as of and for the fiscal year ended June 30, 2021, and have issued our report thereon dated February 21, 2022. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

Internal Control over Financial Reporting

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

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

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

A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider findings 2021-001 to 2021-005 in the schedule of findings following this report to be significant deficiencies in the District's internal control.

Calaveras Public Utility District's Response to Findings

The Calaveras Public Utility District's separate written response to the significant deficiencies identified in our audit and any follow up for subsequent year corrections has not been subjected to the audit procedures applied in the audit of the financial statements and accordingly, we do not express an opinion on the responses.

Purpose of this Report

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

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

Larry Bain, CPA
An Accounting Corporation
February 21, 2022

**CALAVERAS PUBLIC UTILITY DISTRICT
SCHEDULE OF FINDINGS
June 30, 2021**

Significant Deficiencies Not Deemed Material Weakness

Finding 2021-001-Duplicate Payments

During our search for unaccrued accounts payable we noted the District double paid \$10,143.30 to Pace Supply with check #23289 on September 14, 2021. The initial payment was made on August 31, 2021 with check #23259. We were informed that the vendor gave the District a credit for the double paid check, which has since been used.

During our testing of the bank reconciliation we noted another double paid check to Technical Systems Inc. in the amount of \$10,176.86 with check #22707 dated November 24, 2020. The original check was dated May 31, 2020 with check #22382. The double paid check was listed as an outstanding check as of June 30, 2021 and did not appear to have been cashed by the vendor. The double payment also resulted in overstating the transmission and distribution capital asset account.

Recommendation: We recommend more careful attention to detail, and consider using of a paid stamp when making vendor payments, to avoid duplicate payments.

We also recommend the District issue a stop payment at the bank for check #22707 written to Technical Systems Inc. for \$10,176.86. The District should then void the check in QuickBooks. We proposed a journal entry as of June 30, 2021 to true up cash and capital assets as a result of this double paid check.

Finding 2021-002-Vendor Discounts

We noted that Pace Supply offers a 2% discount if the payment is made within 25 days of the invoice date. The District does not appear to be taking advantage of the discount. The District paid this vendor \$50,412.35 during the 2020/21 fiscal year and would have saved \$1,008.25 had this discount been taken.

Recommendation: We recommend reviewing the terms of all vendor invoices and taking the vendor discounts when offered.

Finding 2021-003-Backdated Checks

During our testing of cash we noted the District backdated \$29,053 checks, where the checks were written in July 2021, but posted in the general ledger to June 2021. This included check #23153 written to ACWA for \$22,094 to pay the 2021/22 insurance. The district recorded the offset to this backdated check to prepaid expense at June 30, 2021, when it was not prepaid. We proposed a journal entry to reverse the prepaid expense and reclassified the other backdated checks to accounts payable.

Recommendation: We recommend not backdating checks at fiscal year-end.

Finding 2021-004-Deposits in Transit

During our testing of cash we noted \$4,552.75 deposits in transit on the bank reconciliation for items dating back to 2019 and 2020. These items were not deposits in transit as of June 30, 2021.

Recommendation: We recommend reviewing and correcting the deposits in transit on the bank reconciliation.

Finding 2021-005-Segregation of Duties

We noted the District had a lack of segregation of duties, as one person is capable of handling all aspects of processing transactions from beginning to end. A lack of segregation of duties increases the risk of potential errors or irregularities occurring without being detected; however, due to a limited number of personnel an adequate segregation of duties is not possible without incurring additional costs. We have noted this comment in previous audits.

Recommendation: We recommend segregating incompatible duties to the greatest extent possible.

LARRY BAIN, CPA

AN ACCOUNTING CORPORATION

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

February 21, 2022

To the Board of Directors
Calaveras Public Utility District

We have audited the financial statements of the business-type activities of Calaveras Public Utility District for the year ended June 30, 2021, and have issued our report thereon dated February 21, 2022. Professional standards require that we provide you with the following information related to our audit.

Our responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated January 6, 2022, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

Planned Scope and Timing of the Audit

We performed the audit field work according to the planned scope and timing previously communicated to the Board of Directors in the engagement letter dated January 6, 2022.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by Calaveras Public Utility District are described in Note 1 to the financial statements. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. There were no prior period adjustments posted in the June 30, 2021 financial statements.

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

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

Actuarial estimates for calculating the Other Postemployment Benefit liability and the Pension Benefit liability and the associated deferred inflows and outflows.

Difficulties Encountered in performing the Audit

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

Corrected any uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management passed on posting a journal entry to accrue the Cal Fire work agreement liability in the amount of \$2,096, to accrue an additional accounts payable for \$10,632 and to remove \$4,366 from accounts payable that was accrued in error.

Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated February 21, 2022.

Management Consultation with Other Independent Accountants

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

Other Audit Findings or Issues

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

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

Very truly yours,

Larry Bain, CPA
An Accounting Corporation

CALAVERAS PUBLIC UTILITY DISTRICT
FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2021

DRAFT

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

We have audited the accompanying business-type activities and the fiduciary fund of the Calaveras Public Utility District as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our Responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinion

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

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.

DRAFT

*Larry Bain, CPA,
An Accounting Corporation
February 21, 2022*

CALAVERAS PUBLIC UTILITY DISTRICT

STATEMENT OF NET POSITION JUNE 30, 2021

Current Assets	
Cash	\$ 1,779,990
Investments	4,341,399
Accounts receivable	238,674
Grants receivable	190,290
Interest receivable	2,434
Prepaid accounts	66,998
Deposits-ACWA	11,706
Total current assets	6,631,491
Noncurrent Assets	
Capital assets	
Nondepreciable capital assets	
Land	150,436
Construction in progress	579,957
Depreciable capital assets	
Building and improvements	337,953
Dam	270,529
Pumping equipment	1,480,730
Treatment	4,428,260
Transmission and distribution	8,614,717
General	78,199
Less accumulated depreciation	(7,454,483)
Total depreciable capital assets-net	7,755,905
Total capital assets (net of accumulated depreciation)	8,486,298
Total noncurrent assets	8,486,298
Total assets	15,117,789
Deferred Outflows of Resources	
Deferred outflows-pension	285,297
Deferred outflows-OPEB	78,279
Total deferred outflows of resources	363,576
Current Liabilities	
Accrued expenses	103,874
Current portion-long term liabilities	92,906
Total current liabilities	196,780
Noncurrent Liabilities	
Compensated absences	13,605
Note payable	1,957,469
Net pension liability	1,332,360
Net OPEB liability	378,247
Total long-term liabilities	3,681,681
Total liabilities	3,878,460
Deferred Inflows of Resources	
Deferred inflows-pension	97,287
Deferred inflows-OPEB	106,179
Total deferred inflows of resources	203,466
Net Position	
Net investment in capital assets	8,393,393
Unrestricted	3,006,047
Total net position	\$ 11,399,439

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

CALAVERAS PUBLIC UTILITY DISTRICT

**STATEMENT OF NET POSITION
JUNE 30, 2021**

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, 2021

Operating revenue	
Water sales	\$ 2,193,886
Hydro electric charges	72,130
Hookup fees	77,360
Total operating revenues	<u>2,343,376</u>
Operating expenses	
Source of supply	
Hydro expense	26,331
Pumping	134,383
Water treatment	133,567
Transmission and distribution	869,842
Administration and general	1,060,835
Depreciation	351,301
Total operating expenses	<u>2,576,259</u>
Operating income (loss)	<u>(232,883)</u>
Nonoperating revenue (expenses)	
Interest income	38,434
Rents and leases	29,553
Other	49,926
Grant revenue	393,458
County taxes	132,282
Bond issuance cost	(35,000)
Nonoperating revenues (expenses)	<u>608,653</u>
Decrease in net position	375,770
Net position, beginning of fiscal year	<u>11,023,669</u>
Net position, end of fiscal year	<u>\$ 11,399,439</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, 2021**

Cash flows from operating activities:	
Cash receipts from customers	\$ 2,323,327
Cash payments to suppliers for goods and services	(1,242,997)
Cash payments to employees for services and benefits	(953,176)
Net cash provided by operating activities	127,154
Cash flows from noncapital and related financing activities:	
Proceeds from property tax and assessments	132,282
Proceeds from rents and leases	29,553
Proceeds from miscellaneous items	49,926
Net cash provided by noncapital financing activities	211,761
Cash flows from capital and related financing activities:	
Additions to capital assets	(846,205)
Proceeds of debt	2,000,000
Proceeds from grant reimbursements	203,168
Net cash provided by capital and related financing activities	1,356,963
Cash flows from investing activities:	
Interest received on investments	47,094
Net increase (decrease) in cash and cash equivalents	1,742,972
Cash and cash equivalents, beginning of fiscal year	4,378,417
Cash and cash equivalents, end of fiscal year	\$ 6,121,389
Reconciliation of cash and cash equivalents to the balance sheet:	
Cash	\$ 1,779,990
Investments	4,341,399
Cash and cash equivalents, end of fiscal year	\$ 6,121,389
Reconciliation of operating income (loss) to	
net cash provided by operating activities	
Operating income (loss)	\$ (232,883)
Adjustments to reconcile operating income (loss) to	
net cash provided by operating activities:	
Depreciation	351,301
Changes in assets and liabilities:	
Accounts receivable	4,951
Prepaid expenses	11,148
Deposits	-
Accrued expenses	(67,629)
Deferred revenue	(25,000)
OPEB liability	(11,473)
GASB 68-pension adjustments	97,788
Compensated absences	(1,049)
Net cash provided by operating activities	\$ 127,154

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

CALAVERAS PUBLIC UTILITY DISTRICT

**STATEMENT OF FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>CERBT OPEB Trust Fund</u>
<u>Assets</u>	
Cash and investments	<u>\$ 1,215,621</u>
Total Assets	<u><u>\$ 1,215,621</u></u>
 <u>Net Position</u>	
Held in trust for OPEB benefits	<u><u>\$ 1,215,621</u></u>
 Changes in Fiduciary Net Position-CERBT OPEB Trust Fund	
 Additions:	
Employer contributions	<u>\$ -</u>
Total contributions	<u>-</u>
 Investment income (loss):	
Net adjustment to fair value of investments	<u>261,654</u>
Total additions (deductions)	<u>261,654</u>
 Change in plan net position	<u>261,654</u>
 Net Position:	
Held in trust for OPEB benefits:	
Beginning of fiscal year	<u>953,967</u>
End of fiscal year	<u><u>\$ 1,215,621</u></u>

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

CALAVERAS PUBLIC UTILITY DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021

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

CALAVERAS PUBLIC UTILITY DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021

B. Basis of Presentation (Continued)

(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.

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).

CALAVERAS PUBLIC UTILITY DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

Note 1: Summary of Significant Accounting Policies (Continued)

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.

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."

CALAVERAS PUBLIC UTILITY DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

Note 1: Summary of Significant Accounting Policies (Continued)

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.

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.

CALAVERAS PUBLIC UTILITY DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

Note 2: Cash and Investments

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

Cash and investments	\$ 6,121,389
Total cash and investments	\$ 6,121,389

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

Checking	\$ 1,779,740
Petty cash	250
Certificates of deposit	1,353,296
Calaveras County treasury	6,547
LAIF	2,981,556
Total cash and investments	\$ 6,121,389

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.

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.

CALAVERAS PUBLIC UTILITY DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2021

Note 2: Cash and Investments (Continued)

B. Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an 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
State Investment Pool*	\$ 2,981,556	\$ 2,981,556	\$ -
Totals	\$ 2,981,556	\$ 2,981,556	\$ -

*Not subject to categorization

C. Concentrations of Credit Risk

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

D. Custodial Credit Risk

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

At June 30, 2021, the District's deposit balance was \$3,161,612, and the carrying amount was \$3,133,036. The difference between the bank balance and the carrying amount was due to normal outstanding checks and deposits in transit. Of the bank balance, \$1,263,547 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.

CALAVERAS PUBLIC UTILITY DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

Note 2: Cash and Investments (Continued)

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 \$193.32 billion. Of the \$193.32 billion managed by the State Treasurer, 100% is invested in non-derivative financial products and 2.31% 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, 2021 are as follows:

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

Note 3: Capital Assets

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

	Balance 7/1/2020	Additions	Retirements/ Adjustments	Balance 6/30/2021
Capital assets not being depreciated				
Land	\$ 150,436	\$ -	\$ -	\$ 150,436
Construction in progress	46,909	579,957	(46,909)	579,957
Total capital assets, not being depreciated	<u>197,345</u>	<u>579,957</u>	<u>(46,909)</u>	<u>730,393</u>
Capital assets, being depreciated				
Buildings	321,134	16,819		337,953
Dam	270,529			270,529
Pumping plant	1,480,730			1,480,730
Treatment	4,428,260			4,428,260
Transmission and distribution	8,318,379	296,338		8,614,717
General plant & administration	78,199			78,199
Total capital assets, being depreciated	<u>14,897,231</u>	<u>313,157</u>		<u>15,210,388</u>
Less accumulated depreciation:	<u>(7,103,182)</u>	<u>(351,301)</u>		<u>(7,454,483)</u>
Total capital assets, being depreciated, net	<u>7,794,049</u>	<u>(38,144)</u>		<u>7,755,905</u>
Total capital assets, net	<u>\$ 7,991,394</u>	<u>\$ 541,813</u>	<u>\$ (46,909)</u>	<u>\$ 8,486,298</u>

CALAVERAS PUBLIC UTILITY DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

Note 4: Long-Term Liabilities

Long-term liabilities consisted of the following at June 30, 2021:

	Balance 7/1/2020	Additions	Adjustments	Balance 6/30/2021	Due Within One Year
Compensated absences	\$ 30,028	\$ 29,700	\$ (30,749)	\$ 28,979	\$ 15,375
Note payable		2,035,000		2,035,000	77,531
Net OPEB liability (Note 7)	384,835		(6,588)	378,247	
Net pension liability (Note 5)	1,239,811	92,549		1,332,360	
Total	<u>\$ 1,654,674</u>	<u>\$ 2,157,249</u>	<u>\$ (37,337)</u>	<u>\$ 3,774,586</u>	<u>\$ 92,906</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, 2021 was \$28,979.

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 Ending June 30	Principal	Interest	Total
2022	\$ 77,531	\$ 55,433	\$ 90,559
2023	79,678	53,286	90,775
2024	81,884	51,081	90,929
2025	84,150	48,813	90,039
2026	86,481	46,483	132,964
2027-2032	571,559	226,226	797,785
2033-2037	553,314	111,506	664,820
2038-2041	500,403	31,454	531,857
Total	<u>\$ 2,035,000</u>	<u>\$ 624,282</u>	<u>\$ 2,489,728</u>

CALAVERAS PUBLIC UTILITY DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

Note 5: 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, 2021, 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	13.52%	7.73%

CALAVERAS PUBLIC UTILITY DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

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

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

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

Contributions-employer	\$	144,802
Contributions-employee (paid by employer)	\$	24,042

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

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

Miscellaneous Plan	\$	1,332,360
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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, 2020, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019 rolled forward to June 30, 2020 using standard update procedures. The District’s proportion of the net pension liability was based on a projection of the District’s long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

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

Proportion - June 30, 2020	0.03096%
Proportion - June 30, 2021	0.03159%
Change - Increase (Decrease)	0.00063%

CALAVERAS PUBLIC UTILITY DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

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

For the year ended June 30, 2021, the District recognized pension expense of \$264,301. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 68,660	\$ -
Changes in assumptions		(9,503)
Net difference between projected and actual earnings on pension plan investments	39,580	
Difference between actual and proportionate share of contributions		(87,784)
Change in proportion	32,255	
District contributions subsequent to the measurement date	144,802	
Total	<u>\$ 285,297</u>	<u>\$ (97,287)</u>

\$144,802 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022.

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

Measurement Period

Ended June 30:

2022	\$ 9,333
2023	(15,342)
2024	(18,218)
2025	(18,981)
Thereafter	-

Actuarial Assumptions – The total pension liability in the June 30, 2019 actuarial valuation report was determined using the following actuarial assumptions:

Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Projected Salary Increase	Varies by Entry Age and
Investment Rate of Return	7.15%

CALAVERAS PUBLIC UTILITY DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

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

Discount Rate – The discount rate used to measure the total pension liability was 7.15% for each Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.15 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.15 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

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

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

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

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

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

(2) An expected inflation of 2.92% used for this period

CALAVERAS PUBLIC UTILITY DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

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

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the District’s proportionate share of the net pension liability for 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:

	Discount Rate -1%	Current Discount	Discount Rate +1%
	(6.15%)	Rate (7.15%)	(8.15%)
	<hr/>	<hr/>	<hr/>
Miscellaneous	\$ 2,127,670	\$ 1,332,360	\$ 675,220

Note 6: 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 7: 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, 2021, five retired employees were receiving postretirement health benefits.

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).

CALAVERAS PUBLIC UTILITY DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

Note 7: Other Postemployment Benefits (OPEB) (Continued)

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, 2019, the following employees were covered by the benefit terms:

Retirees currently receiving benefit payments	5
Active employees	7
Total	<u>12</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, 2020 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,

CALAVERAS PUBLIC UTILITY DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2021

Note 7: Other Postemployment Benefits (OPEB) (Continued)

2019 valuation directly to health insurance providers totaling \$53,563. Plan members receiving benefits contributed \$0 of the total premiums.

Net OPEB Liability: At June 30, 2021 the District reported a net OPEB liability of \$378,247. The net OPEB liability was measured as of June 30, 2020 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation with a measurement date of June 30, 2020.

Actuarial Assumptions

The net OPEB liabilities as of the June 30, 2019 measurement date was determined using the following actuarial assumptions:

Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
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	57.00%	5.25%
Fixed income	27.00%	0.99%
Treasury securities	5.00%	0.45%
REIT's	8.00%	4.50%
Cash	3.00%	3.90%
Total	<u>100.00%</u>	

(1): The estimated yield of 3.9% for commodities was obtained from various sources, and is an estimated amount. Using these figures, the weighted-average real rate of return is estimated to be 3.73%. Adding estimated inflation of 2.75%, we obtain 6.48% 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

CALAVERAS PUBLIC UTILITY DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2021

Note 7: Other Postemployment Benefits (OPEB) (Continued)

in 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.

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, 2020.

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary	
		Net Position	Net OPEB Liability
	(a)	(b)	(a-c)
Balances at 6/30/2020	\$ 1,267,694	\$ 882,859	\$ 384,835
Changes for the year:			
Service cost	37,424		37,424
Interest	80,659		80,659
Benefit changes			-
Difference between expected and actual experience	-		-
Assumption changes			-
Contribution-employer		93,563	(93,563)
Net investment income		31,547	(31,547)
Benefit payments	(53,563)	(53,563)	-
Administrative expense		(439)	439
Net changes	64,520	71,108	(6,588)
Balances at 6/30/21	\$ 1,332,214	\$ 953,967	\$ 378,247

CALAVERAS PUBLIC UTILITY DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021**

Note 7: Other Postemployment Benefits (OPEB) (Continued)

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)	\$ 562,111	\$ 378,247	\$ 226,063

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

	1% Decrease 4.50%	Discount Rate 5.50%	1% Increase 6.50%
Net OPEB liability (asset)	\$ 260,082	\$ 378,247	\$ 506,663

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

For the fiscal year ended June 30, 2021, the District recognized OPEB expense of \$64,437. 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, 2021, 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	\$ -	\$ (106,179)
Changes in assumptions	2,061	
Net difference between projected and actual earnings on OPEB plan investments	14,418	
District contributions subsequent to measurement date	61,800	
Totals	<u>\$ 78,279</u>	<u>\$ (106,179)</u>

\$61,800 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, 2021.

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,	
2022	\$ (10,824)
2023	(6,798)
2024	(4,997)
2025	(5,459)
2026	(10,624)
Thereafter	(50,998)
Total	<u>\$ (89,700)</u>

CALAVERAS PUBLIC UTILITY DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021

Note 8: Lease Income

The District derives a portion of its revenue from the rental of real property based on a fixed lease amount. All leases of the District are treated as operating leases for accounting purposes. Lease terms are for a period of five years. Tenant shall have the right to extend the leases for five additional five year terms. Because these are cancelable leases we do not present the operating revenue over the term of the lease.

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.

COVID 19

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

Note 10: Subsequent Events

Subsequent to fiscal year the District awarded Phase I of the Clearwell Tank Project contract to Farr Construction in the amount of \$2,018,680. Subsequent to fiscal year end the District awarded Phase II of the Clearwell Tank Project to Campbell Construction in the amount of \$405,926.

CALAVERAS PUBLIC UTILITY DISTRICT

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT CONTRIBUTIONS
JUNE 30, 2021**

<u>Reporting date</u>	<u>District's proportion of the net pension liability (asset)</u>	<u>District's proportionate share of the net pension liability (asset)</u>	<u>District's covered-employee payroll</u>	<u>District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll</u>	<u>Plan fiduciary net position as a percentage of the total pension liability</u>
6/30/2015	0.02420%	\$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%

* 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, 2021**

<u>Reporting date</u>	<u>Contractually required contribution</u>	<u>to the contractually required contribution</u>	<u>Contribution deficiency (excess)</u>	<u>District's covered employee payroll</u>	<u>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%

* 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, 2021**

	6/30/2018	6/30/2019	6/30/2020	6/30/2021
Total OPEB liability				
Service cost	\$ 64,167	\$ 66,092	\$ 61,515	\$ 37,424
Interest	73,752	80,053	82,578	80,659
Changes in benefit terms	-	(64,768)		
Differences between expected and actual experience	-	-	(127,847)	
Changes of assumptions	-	-	2,481	
Benefit payments	(39,817)	(42,135)	(42,931)	(53,563)
Net change in total OPEB liability	98,102	39,242	(24,204)	64,520
Total OPEB liability-beginning	1,154,554	1,252,656	1,291,898	1,267,694
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>
Plan fiduciary net position				
Contributions-employer	\$ 113,478	\$ 130,394	\$ 107,431	\$ 93,563
Net investment income	53,030	50,121	47,779	31,547
Benefit payments from trust	(39,817)	(42,135)	(42,931)	(53,563)
Administrative expenses	(260)	(338)	(165)	(439)
Net change in plan fiduciary net position	126,431	138,042	112,114	71,108
Plan fiduciary net position-beginning	506,272	632,703	770,745	882,859
Plan fiduciary net position-ending (b)	<u>\$ 632,703</u>	<u>\$ 770,745</u>	<u>\$ 882,859</u>	<u>\$ 953,967</u>
District's net OPEB liability (a-b)	<u>\$ 619,953</u>	<u>\$ 521,153</u>	<u>\$ 384,835</u>	<u>\$ 378,247</u>
Plan fiduciary net position as a percentage of the total OPEB liability	51%	60%	70%	72%
Covered-employee payroll	\$ 446,005	\$ 661,238	\$ 702,715	\$ 573,557
District's net OPEB liability as a % of covered-employee payroll	139%	79%	55%	66%
Valuation Date	6/30/2017	6/30/2017	6/30/2019	6/30/2019

* Amounts presented above were determined as of June 30. Additional years will be presented as they become available.

CALAVERAS PUBLIC UTILITY DISTRICT

Larry Bain, CPA,
An Accounting Corporation
2148 Frascati Drive
El Dorado Hills, CA 95762

This representation letter is provided in connection with your audit(s) of the financial statements of Calaveras Public Utility District, which comprise the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information as of June 30, 2021, and the related notes to the financial statements, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of the last date this letter is signed, the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated January 6, 2022, including our responsibility for the preparation and fair presentation of the financial statements and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We acknowledge our responsibility 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.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates are reasonable.
- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- 7) All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed. No events, including instances of noncompliance, have occurred subsequent to the balance sheet date and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements [or in the schedule of findings and questioned costs].
- 8) The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements for each opinion unit. A list of the uncorrected misstatements is attached to the representation letter (if any).
- 9) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 10) Guarantees, whether written or oral, under which the District is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

- 11) We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of Board of Directors or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 12) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 13) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 14) We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - a) Management,
 - b) Employees who have significant roles in internal control, or
 - c) Others where the fraud could have a material effect on the financial statements.
- 15) We have no knowledge of any allegations of fraud or suspected fraud affecting the entity's financial statements communicated by employees, former employees, regulators, or others.
- 16) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
- 17) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- 18) We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.

Government—specific

- 19) We have made available to you all financial records and related data [and all audit or relevant monitoring reports, if any, received from funding sources].
- 20) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 21) We have taken timely and appropriate steps to remedy violations of regulations, contracts, or grant agreements that you have reported to us.
- 22) We have a process to track the status of audit findings and recommendations.
- 23) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- 24) We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.
- 25) The District has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
- 26) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts; and we have identified and disclosed to you all laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives, including legal and contractual provisions for reporting specific activities in separate funds.

- 27) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 28) As part of your audit, you assisted with preparation of the financial statements and related notes. We have designated an individual with suitable skill, knowledge, or experience to oversee your services and have assumed all management responsibilities. We have reviewed, approved, and accepted responsibility for those financial statements and related notes.
- 29) The District has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 30) The District has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 31) We have followed all applicable laws and regulations in adopting, approving, and amending budgets.
- 32) The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
- 33) The financial statements properly classify all funds and activities.
- 34) All funds that meet the quantitative criteria in [GASBS Nos. 34](#) and [37](#) for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- 35) Components of net position (net investment in capital assets; restricted; and unrestricted) and equity amounts are properly classified and, if applicable, approved.
- 36) Investments, derivative instruments, and land and other real estate held by endowments are properly valued.
- 37) Provisions for uncollectible receivables have been properly identified and recorded.
- 38) Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.
- 39) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.
- 40) We have appropriately disclosed the District's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 41) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.

Management Signature: _____ Governance Signature: _____

Title: _____ Title: _____

Date: _____ Date: _____

DIRECTORS

CALAVERAS PUBLIC UTILITY DISTRICT

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

506 W. St. Charles Street
P.O. Box 666
San Andreas, CA 95249
TEL: 209-754-9442 FAX: 209-754-9432



GENERAL MANAGER

Travis Small

www.cpubd.org

February 2, 2022

Larry Bain, CPA
2148 Frascati Drive
El Dorado Hills, CA 95762

Attention: Larry Bain

Ref: Calaveras Public Utility District Fiscal Year 2020-2021 Audit – Response to Significant Deficiencies

Dear Mr. Bain:

This letter is in response to significant deficiencies found in the fiscal year 2021 audit.

Finding 2021-001: Duplicate Payments

The District will take the recommendation of using a 'Paid' stamp when making vendor payments to avoid duplicate payments.

Finding 2021-002: Vendor Discounts

The District will be reviewing payment terms to take advantage of discounts.

Finding 2021-003: Backdated Checks

The District will no longer back date checks at the end of the year.

Finding 2021-004: Deposits in Transit

The District will implement internal controls to review and correct deposits in transit on the bank reconciliation.

Finding 2021-005: Segregation of Duties

The District has staffing in place to delegate the segregation of duties to the greatest extent possible.

Sincerely,

A handwritten signature in black ink, appearing to read "Travis Small".

Travis Small, General Manager
Calaveras Public Utility District



CONDOR EARTH
21663 Brian Lane, P.O. Box 3905
Sonora, CA 95370
209.532.0361
Fax 209.532.0773
www.condorearth.com

Condor Proposal No. 8492A

March 3, 2022

Travis Small
General Manager
Calaveras Public Utility District
506 W. St. Charles, Street
San Andreas, CA 95249

**Subject: Proposal for an Emergency Action Plan
Redhawk Lake Dam (No. 82.000)
Calaveras County, California**

Dear Mr. Small:

Condor Earth (Condor) is pleased to provide the following Proposal and fee estimate to Calaveras Public Utility District to prepare an Emergency Action Plan (EAP) for the Redhawk Lake Dam (No. 82.000) in Calaveras County, California.

EMERGENCY ACTION PLAN

The services described hereunder will be performed in accordance with the requirements in California Government Code Section 8589.5 and the California Governor's Office of Emergency Services (CalOES) requirements for EAPs.

Condor will provide a draft EAP with pre-populated information, such as project description, dam name and number, and customization of tables based on the type of dam. Portions of the EAP will be incomplete and will need to be provided by Calaveras Public Utility District based on project-specific, location-specific, and organization-specific information. Condor will revise the draft EAP based on information and comments provided by Calaveras Public Utility District. Condor will check for consistency, completeness, and formatting. Condor will coordinate with local emergency management agencies, local public agencies, first responders and local emergency response contractors for their input, review, and comments. Condor will submit the draft EAP to CalOES for review. Condor will address comments received from CalOES and may rely on Calaveras Public Utility District to provide additional information as needed. Condor will re-submit for CalOES approval, if necessary. Condor will perform the above scope of services on a time-and-materials basis at a cost not-to-exceed \$15,872 without prior written authorization from an authorized representative of Calaveras Public Utility District. The attached Fee Estimate Summary provides a breakdown of the fee estimate. This fee estimate assumes that one primary round of revisions after the initial CalOES review will be sufficient. If additional revisions are needed due to additional CalOES reviews, additional fees will be billed in accordance with our Schedule of Fees.

WORK NOT INCLUDED IN THE SCOPE OF SERVICES

The following items are excluded from this Proposal and will be provided by Calaveras Public Utility District or provided by Condor as an additional service only with Calaveras Public Utility District pre-authorization:

- Production or distribution of the EAP to plan holders.
- EAP notification exercise with local public safety agencies required annually in accordance with California Government Code Section 8589.5.
- Environmental clearance, analysis or permits.
- Public hearings, public meetings or public presentations.

SCHEDULE AND CLIENT RESPONSIBILITIES

Condor will submit the draft EAP and corresponding inundation maps and technical memorandum (previously prepared by Condor) to Calaveras Public Utility District within 3 months of receiving authorization to proceed. This schedule assumes Calaveras Public Utility District provides project-specific, location-specific, and organization-specific information in a timely manner. Condor will submit a revised draft and final deliverables to Calaveras Public Utility District and CalOES within one month of receiving comments or approval from Calaveras Public Utility District or CalOES.

Condor proposes to continue providing our services according to our Terms for Civil Engineering Services Agreement, dated November 22, 2021 (Condor Project No. 8492). To authorize our work scope described in this Proposal, please return one signed copy of this Proposal.

Condor appreciates the opportunity to present this Proposal and fee estimate. Please feel free to contact us with any questions.

Respectfully submitted,

CONDOR EARTH



Brad Peterson
Project Director



Ronald L. Skaggs, CE No. 44588
Principal Engineer

Attachments:

Fee Estimate Summary
Schedule of Fees

Authorized by: CALAVERAS PUBLIC UTILITY DISTRICT

Name

Signature

Date



**Fee Estimate Summary
Condor Earth**

Project Task and Name:	Calaveras Public Utility District Emergency Action Plan Redhawk Lake Dam (No. 82.000)			
Condor Project Number:	8492A			
Prepared by:	B. Peterson			
Date:	3/3/2022			
Description	Quantity	Rate Type	Rate	Cost Estimate
Task 1 - Draft Emergency Action Plan				
Personnel				
Principal Engineer	2	hr.	\$223	\$446
Project Director	20	hr.	\$213	\$4,260
Engineering Assistant	88	hr.	\$114	\$10,032
Technical Editor	14	hr.	\$81	\$1,134
Total Fee Estimate				\$15,872



**CONDOR EARTH
PREVAILING WAGE SCHEDULE OF FEES
2022**

<u>STAFF MEMBER</u>	<u>RATE PER HOUR (\$)</u>
PRINCIPALS/PROJECT MANAGEMENT	
Senior Principal.....	250.00
Principal Tunneling Consultant.....	240.00
Principal Engineer/Geologist.....	223.00
Project Director.....	213.00
Construction Manager.....	208.00
Project/Senior Manager.....	188.00
TECHNICAL	
Senior Geotechnical Engineer.....	213.00
Certified Hydrogeologist/Engineering Geologist.....	203.00
Senior Geologist/Engineer/Environmental Specialist.....	193.00
Unmanned Aerial System (UAS) Specialist.....	156.00
Resident Construction Inspector.....	156.00
Associate Geologist/Engineer/Environmental Specialist.....	156.00
Staff Geologist/Engineer/Environmental Specialist.....	141.00
Field Environmental Specialist (Group 2).....	141.00
Engineering Assistant.....	114.00
Draftsperson.....	104.00
MATERIALS TESTING*	
Material Technician (Group 1).....	146.00
Material Technician (Group 2).....	141.00
Material Technician (Group 3).....	136.00
Material Technician (Group 4).....	131.00
MTSI Project/Laboratory Manager.....	131.00
Senior Materials Technician (non-PW).....	99.00
SUPPORT STAFF	
Senior Project Administrator.....	136.00
Administrative Specialist.....	109.00
Project Coordinator.....	109.00
Technical Editor.....	81.00
Administrative Assistant.....	74.00
MISCELLANEOUS	
Overtime (all Saturday work is overtime).....	(1.3 times rate)
Double-time (all Sundays and Holidays).....	(1.7 times rate)
Shift Pay** (Night Shift).....	(1.3 – 1.7 times rate)
Litigation Support.....	300.00 – 400.00

NON-LABOR CHARGES

Vehicle charge..... \$55 per day plus 55 cents per mile
 Laboratory Charges per Laboratory Fee Schedule. Billable Field Equipment per Billable Field Equipment Schedule.
 *A 2-hour minimum charge will be applied to all field services, and a 4-hour minimum will be applied for the cancellation of work within 24 hours of scheduled field work.

OUT-OF-POCKET EXPENSES

Billed at cost plus 15% and includes such items as travel expenses, equipment rental, laboratory fees, subcontractors, postage and freight, subcontracted printing or reproduction fees, supplies, etc.

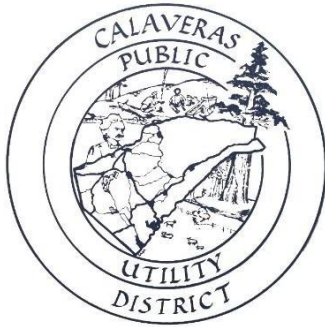
CALIFORNIA DEPARTMENT OF INDUSTRIAL RELATIONS GROUP CLASSIFICATIONS

<u>Group 1</u>	<u>Group 2</u>	<u>Group 3</u>	<u>Group 4</u>
ASNT Level II-III	AWS-CWI	Geotechnical Driller	ACI
DSA Masonry	ICC Certified Structural Inspector	Soils/Asphalt	Drillers Helper
DSA Shotcrete	NICET Level III	Earthwork Grading	ICC Fireproofing
Lead Inspector	Shear Wall/Floor System Inspector	Excavation and Backfill	Proofload Testing
NICET Level IV	Building/Construction Inspector	NICET Level II	Torque Testing
NDT Level Two			NDT Level One

**Shift Pay: A night shift is a shift which commences after 2:00 p.m. or before 4:00 a.m. during any twenty-four (24) hour period commencing at 12:01 a.m.



CALAVERAS PUBLIC UTILITY DISTRICT



Board of Directors

J.W. Dell'Orto – President
 Richard Blood – Director
 Scott Speer – Director
 Brady McCartney – Director
 Vacant – Director

Director Assignments

District AD HOC Committees

Engineering/Planning Committee	Richard Blood	Brady McCartney
Budget/Finance Committee	J.W. Dell 'Orto	Jack Tressler

Joint Power Authorities

	Primary	Alternate
ACWA/JPIA	All Board Members	
Calaveras-Amador Mokelumne River Authority (CAMRA)	J.W. Dell 'Orto	Richard Blood
Calaveras Public Power Agency (CPPA)	Jack Tressler	J.W. Dell 'Orto
Upper Mokelumne River Watershed Authority (UMRWA)	Richard Blood	Jack Tressler

Local/Regional Organizations of Interest

CPUD/CCWD Water AD HOC Committee	J.W. Dell 'Orto	Brady McCartney
Association of California Water Agencies (ACWA)	_____	
Calaveras LAFCO		VACANT
Mokelumne River Association (MRA)		All Board Members
Mountain Counties Water Resources Association (MCWRA)		All Board Members

Monthly Maintenance Report

February 2022

LOCATION	DESCRIPTION OF WORK	STATUS
Jeff Davis WTP	Monthly operation and maintenance	Complete
	Routine water sampling and State reporting, WTP compliance Items	Complete
	Treated Water = 18,621,503	Complete
	Sold Water = 15,487,601 gallons	Complete
	Below Spill = 0.00" Full reservoir	ongoing
Warehouse Shop	Routine Operation's	Ongoing
South Fork Pump Station	Weekly routine checks	Complete
	Raw Water Pumped = 407 Acre Feet	ongoing
	6" over Spill Pumps off	ongoing
Schaads Reservoir	Weekly checks	Complete
	All Units are on	Ongoing
	Schaads Raw water Customer = 331,770 Gallons	Ongoing
	0-10' Below Spill	Ongoing
Glencoe Pump Station	Weekly checks - routine monitoring	Complete
Ponderosa PRV Hydro	Weekly checks - routine monitoring	Complete
MCV PRV Hydro	Weekly checks - routine monitoring	Complete
Garamendi's PRV Hydro	Weekly checks - routine monitoring	Complete
San Andreas Distribution	Routine operations, sampling	Complete
	Service line leak (Mariposa)	Complete
Moke Hill Distribution	Routine operations, sampling	Complete
	4" Main line leak (Main St.)	Complete
Glencoe Distribution	Routine operations	Complete
Paloma Distribution	Routine operations, sampling	Complete
	6" Main line Leak (Edster)	Complete
	8" Main Line leak (Gwin)	Complete
	6" main line leak X2 (Tank Feed)	Complete
Rail Road Flat Distribution	Routine operations, sampling	Complete
Red Hawk Res.	Maintenance	Ongoing
Safety/Training	Routine Safety/pre-const. Talks	Ongoing
Spray Program	Pre-Emergent	Ongoing
Vehicle Maintenance		
Other	179 USA tags completed	Complete
	Quarterly Water Tank Inspections	Complete
	36 Customer service/work orders	Complete
	Monthly meter reading	Complete
	Complaints- 0 Odor/ 0 Pressure	Complete
	Total Pending service inquiries =3	Ongoing
	Water Curtailment Updates (4 lifted)	Ongoing
	Annual Fire Extinguisher Testing	Complete

CALAVERAS PUBLIC UTILITY DISTRICT

MEMORANDUM

March 3, 2022

TO: BOARD OF DIRECTORS

FROM: TRAVIS SMALL, GENERAL MANAGER

SUBJECT: GENERAL MANAGER'S REPORT

Updates as of March 3, 2022:

- Redhawk Inundation Map Complete and Submitted to State's Division of Dam Safety.
- Working on bids for Emergency Action Plan for Redhawk Dam
- Finalized GIS edits for Water Modeling
- Submitted Letter to Division of Water Rights for a variance to the 55 GPCD curtailment order me be reinstated during times of significant drought.
- Currently evaluating the pricing structures of the water meter software, hardware, and water meters. Staff selected Mueller as the desired software and hardware, and we are currently comparing the price sheets between the different manufacturers, and they appear to be lower on all costs. (Meters, software and hardware)
- Received delivery of F550 and Ditch Witch HydroVac
- Finalizing the design on the location of the Effluent Flow Meter on the new Clearwell Tank.
- Developing District Core Values, next step is gathering the planning committee with staff to select Core Values. Once the Core Values have been selected, we will bring to board for adoption. (Core Values are essential in developing a Strategic Plan)
- Currently working on a rate structure for Middle Fork Water sold to CCWD.
 - Middle Fork expenses include maintenance, FERC Permits, Inspections, and Reports, Inundation Map, Emergency Action Plan, and Engineering.

Respectfully Submitted,

Travis Small

General Manager

