

**SIERRA CEDARS COMMUNITY
SERVICES DISTRICT**

**FINANCIAL STATEMENTS
June 30, 2022 and 2021**

SIERRA CEDARS COMMUNITY SERVICES DISTRICT
June 30, 2022 and 2021

TABLE OF CONTENTS

| | <u>PAGE</u> |
|---|--------------------|
| Independent Auditor's Report | 1 |
| Management Discussion and Analysis (Required Supplementary Information) | 3 |
| Financial Statements: | |
| Statements of Net Position | 6 |
| Statements of Revenues, Expenses and Changes in Net Position | 7 |
| Statements of Cash Flows | 8 |
| Notes to Financial Statements | 9 |
| Required Supplementary Information | |
| Budgetary Comparison Schedules | 13 |
| Statistical Section | 14 |

Logoluso & Kraus
Accountancy Corporation

770 East Shaw Avenue, Suite 102
Fresno, California 93710-7708
Telephone 559 229-6018
Facsimile 559 229-8641

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Sierra Cedars Community Services District
Shaver Lake, California

We have audited the accompanying financial statements of the business-type activities of Sierra Cedars Community Services District as of and for the years ended June 30, 2022 and 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.

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of Sierra Cedars Community Services District, as of June 30, 2022 and 2021, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Sierra Cedars Community Services District
June 30, 2022 and 2021**

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 5 and 13 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during my audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The information presented in the statistical section, which is the responsibility of management, is presented for additional analysis and is not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Logoluso & Kraus

Logoluso & Kraus

Fresno, California
August 30, 2022
Principle Auditor: Jerod M. Kraus
Firm ID number: 87-1350839

SIERRA CEDARS COMMUNITY SERVICES DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2022 and 2021

I. DESCRIPTION OF OPERATIONS:

The Sierra Cedars Community Services District was formed on November 24, 1964, by resolution of the Board of Supervisors of Fresno County. The District is located in the northeast portion of Fresno County and encompasses approximately 150 acres. Organized to provide the services granted under Section 61000 of the Government Code, the present activities consist of supplying water for domestic use, the removal of snow from the streets in the District and maintenance of District streets. The District operates pursuant to Division 3 of Government Code, the Community District Law, and is governed by a Board of Directors consisting of the following members:

| <u>Name</u> | <u>Title</u> |
|------------------------|----------------|
| Mike LaRue | President |
| Vicki Collier-McDonald | Vice-President |
| Phil Erdman | Member |
| Dave Finley | Member |
| Jeff Hixon | Member |

II. BRIEF ANALYSIS OF FINANCIAL ACTIVITIES:

The financial statements of the District report information about the District using accounting methods similar to those used by private sector companies. These statements offer short- and long-term financial information about its activities.

Short-term financial information is recorded as follows: The monthly Balance Sheet includes all of the District's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and the obligations to the District creditors (liabilities). The monthly combined income - Expenses vs. Budget Sheet includes all of the income and expense for the month and YTD, and compares with the Fiscal Year Budget. Net income is realized at the bottom of the statement. The monthly check register is used as the primary way of reviewing cash flow.

Long-term financial information is realized from the yearly audited report prepared by a C.P.A. or from comparison of yearly budgets, incomes and expenses. A yearly comparison of income and expense was completed. It showed the net income fluctuated from year to year with an overall net income accumulated from June 30, 2004 to June 30, 2022 to be \$1,585,168.

III. ACCOMPLISHMENTS THIS YEAR:

One of the financial accomplishments this fiscal year was to successfully operate the district within 2.1% of budgeted income. The district showed an operating income of \$261,746 which was \$7,025 over the budgeted amount of \$257,041. The operating expenses totaled \$271,492 which was \$16,767 over the budgeted amount of \$254,725. Cash assets for the fiscal year decreased around \$36,000 to around \$531,218 mainly due to water maintenance (emergency and otherwise), road repair, increased employee expenses, and overall inflation factors.

IV. COMPARISON OF BUDGET TO ACTUAL:

The monthly financial statement always contains a fiscal YTD figure and a fiscal year budget figure.

**SIERRA CEDARS COMMUNITY SERVICES DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2022 and 2021**

SIERRA CEDARS COMMUNITY SERVICES DISTRICT

**STATEMENTS OF NET POSITION
June 30, 2022 and 2021**

ASSETS

| | <u>2022</u> | <u>2021</u> |
|-----------------------|------------------|------------------|
| CURRENT ASSETS | \$ 535,064 | \$ 739,080 |
| CAPITAL ASSETS | <u>1,054,547</u> | <u>858,559</u> |
| TOTAL ASSETS | <u>1,589,611</u> | <u>1,597,639</u> |

LIABILITIES

| | | |
|----------------------------|--------------|----------------|
| CURRENT LIABILITIES | <u>4,442</u> | <u>195,246</u> |
| Total Liabilities | <u>4,442</u> | <u>195,246</u> |

NET POSITION

| | | |
|-----------------------------------|--------------------|--------------------|
| Investment in capital assets, net | 1,054,547 | 858,559 |
| Unrestricted | <u>530,622</u> | <u>543,834</u> |
| TOTAL NET POSITION | <u>\$1,585,169</u> | <u>\$1,402,393</u> |

SIERRA CEDARS COMMUNITY SERVICES DISTRICT

**STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the Years Ended June 30, 2022 and 2021**

| | <u>2022</u> | <u>2021</u> |
|--|--------------------|--------------------|
| OPERATING REVENUES | \$ 454,269 | \$ 253,388 |
| OPERATING EXPENSES | <u>271,492</u> | <u>285,910</u> |
| CHANGE IN NET POSITION | 182,776 | (32,522) |
| NET POSITION, beginning of year | <u>1,402,393</u> | <u>1,434,915</u> |
| NET POSITION, end of year | <u>\$1,585,169</u> | <u>\$1,402,393</u> |

**SIERRA CEDARS COMMUNITY SERVICES DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2022 and 2021**

V. DISCUSSION OF FUTURE CAPITAL ASSETS NEEDED:

Plans at present are to complete the back-up power generation system for the district wells. The grant will cover the majority of the costs involved; however, it is now estimated that the project will run around \$330,000 which means the district will need to supply around \$150,000 to complete the project. The Board of Directors has recommended that the district's long range plans include new wells being drilled, water tank refurbishment/replacement, SCADA and Smart water meters, and main line water pipes and valve replacement. These projects will be funded from Capital, and Depreciation funds and grants with the time frame for completion dependent on available funds. Climate change factors could disrupt future capital asset assessments.

VI. REQUEST FOR INFORMATION:

This financial report is designed to provide a general overview of the District's finances for all those with an interest in Sierra Cedars Community Services District finances. Questions concerning any of the above information provided in this report or request for additional information should be addressed to Sierra Cedars Community Services District, Financial Services, P.O. Box 494, Shaver Lake, CA 93664.

SIERRA CEDARS COMMUNITY SERVICES DISTRICT

STATEMENTS OF NET POSITION

June 30, 2022 and 2021

| ASSETS | | |
|-------------------------------------|-------------------------|-------------------------|
| | <u>2022</u> | <u>2021</u> |
| CURRENT ASSETS | | |
| Cash - unrestricted | \$ 531,431 | \$ 545,270 |
| Cash - held by County of Fresno | 2,363 | 235 |
| Accounts receivable, net | 78 | 99 |
| Prepaid expense | <u>1,192</u> | <u>953</u> |
| Total unrestricted assets | <u>535,064</u> | <u>546,557</u> |
| Cash - restricted Cal OES grant | <u> --</u> | <u>192,523</u> |
| Total current assets | <u>535,064</u> | <u>739,080</u> |
| PROPERTY AND EQUIPMENT | | |
| Building | 63,019 | 63,019 |
| Water system | 1,588,307 | 1,336,564 |
| Fixtures | 9,502 | 9,502 |
| Equipment | 2,338 | 2,338 |
| Infrastructure | <u>152,055</u> | <u>152,055</u> |
| | 1,815,221 | 1,563,478 |
| Less accumulated depreciation | <u>(760,674)</u> | <u>(704,919)</u> |
| | <u>1,054,547</u> | <u>858,559</u> |
| TOTAL ASSETS | <u>1,589,611</u> | <u>1,597,639</u> |
| LIABILITIES | | |
| CURRENT LIABILITIES | | |
| Accounts payable - General | 4,442 | 2,723 |
| Project payable Cal OES grant | <u> --</u> | <u>192,523</u> |
| Total current liabilities | <u>4,442</u> | <u>195,246</u> |
| NET POSITION | | |
| Investment in capital assets, net | 1,054,547 | 858,559 |
| Unrestricted | <u>530,622</u> | <u>543,834</u> |
| TOTAL NET POSITION | <u>\$ 1,585,169</u> | <u>\$ 1,402,393</u> |

See accompanying notes and independent accountant's audit report.

SIERRA CEDARS COMMUNITY SERVICES DISTRICT

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

For the Years Ended June 30, 2022 and 2021

| | <u>2022</u> | <u>2021</u> |
|---|-------------------------|-------------------------|
| OPERATING REVENUES | | |
| Tax assessments | \$ 45,934 | \$ 43,667 |
| Water production and snow removal | 210,690 | 205,727 |
| Interest income | 1,936 | 2,924 |
| Miscellaneous | <u>3,186</u> | <u>1,070</u> |
| TOTAL OPERATING INCOME | <u>261,746</u> | <u>253,388</u> |
| OPERATING EXPENSES | | |
| Dues and subscriptions | 4,457 | 4,400 |
| Depreciation | 55,755 | 55,616 |
| Insurance | 8,774 | 6,314 |
| Legal and accounting | 12,971 | 11,732 |
| Office | 3,605 | 4,532 |
| Payroll | 31,788 | 25,525 |
| License & fees | 1,910 | 1,511 |
| Repairs and maintenance | 35,765 | 62,672 |
| Service contracts | -- | 1,156 |
| Snow removal | 85,855 | 84,704 |
| Taxes - other | 21 | 21 |
| Utilities | 7,947 | 7,641 |
| Water testing | 2,557 | 2,848 |
| Water manager | 18,950 | 15,400 |
| Well drilling costs | <u>1,138</u> | <u>838</u> |
| TOTAL OPERATING EXPENSES | <u>271,493</u> | <u>285,910</u> |
| OPERATING INCOME (LOSS) BEFORE OES GRANT | (9,747) | (32,522) |
| OES GRANT | <u>192,523</u> | <u>--</u> |
| CHANGE IN NET POSITION | 182,776 | (32,522) |
| NET POSITION, beginning of year | <u>1,402,393</u> | <u>1,434,915</u> |
| NET POSITION, end of year | <u>\$ 1,585,169</u> | <u>\$ 1,402,393</u> |

See accompanying notes and independent accountant's audit report.

SIERRA CEDARS COMMUNITY SERVICES DISTRICT

STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2022 and 2021

| | <u>2022</u> | <u>2021</u> |
|---|---------------------------|---------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Receipts from customers | \$ 210,690 | \$ 205,727 |
| Receipts from tax assessments | 45,934 | 43,667 |
| Receipts from investment income | 1,957 | 2,960 |
| Receipts from miscellaneous income | 2,187 | 1,070 |
| Payments for operating expenses | <u>(21,734)</u> | <u>(231,965)</u> |
| NET CASH PROVIDED BY OPERATING ACTIVITIES | <u>240,034</u> | <u>21,459</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of fixed assets | <u>(251,743)</u> | <u>(78,854)</u> |
| NET CASH (USED) BY INVESTING ACTIVITIES | <u>(251,743)</u> | <u>(78,854)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Project payable Cal OES grant | <u>(192,523)</u> | 192,523 |
| NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES | <u>(192,523)</u> | <u>192,523</u> |
| NET INCREASE (DECREASE) IN CASH | (204,234) | 135,128 |
| CASH AT BEGINNING OF YEAR | <u>738,028</u> | <u>602,900</u> |
| CASH AT END OF YEAR | <u>\$ 533,794</u> | <u>\$ 738,028</u> |
| RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES | | |
| Change in net position | \$ 182,776 | \$ (32,522) |
| Adjustment to reconcile net income to net cash provided by operating activities | | |
| Depreciation | 55,755 | 55,616 |
| (Increase) decrease in: | | |
| Accounts receivable | 21 | 36 |
| Prepaid expense | (239) | (302) |
| Increase (decrease) in: | | |
| Accounts payable | <u>1,721</u> | <u>(1,369)</u> |
| NET CASH PROVIDED BY OPERATING ACTIVITIES | <u>\$ 240,034</u> | <u>\$ 21,459</u> |
| RECONCILIATION OF CASH AT END OF YEAR TO CASH LINE ITEMS ON THE STATEMENTS OF NET POSITION | | |
| Cash - unrestricted | \$ 531,431 | \$ 545,270 |
| Cash - held by County of Fresno | 2,363 | 235 |
| Cash - restricted Cal OES grant | <u>--</u> | <u>192,523</u> |
| TOTAL CASH ON STATEMENTS OF NET POSITION | <u>\$ 533,794</u> | <u>\$ 738,028</u> |

See accompanying notes and independent accountant's audit report.

SIERRA CEDARS COMMUNITY SERVICES DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2022 and 2021

NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The Sierra Cedars Community Services District was formed on November 24, 1964, by resolution of the Board of Supervisors of Fresno County. The District is located in the northeast portion of Fresno County and encompasses approximately 150 acres. Organized to provide the services granted under Section 61000 of the Government Code, the present activities consist of supplying water for domestic use, the removal of snow from the streets in the District and maintenance of District streets. The District operates pursuant to Division 3 of Government Code, the Community District Law, and is governed by a Board of Directors.

Basic Financial Statements

The basic financial statements (i.e., Statements of Net Position, the Statements of Revenues, Expenses and Changes in Net Position, and the Statements of Cash Flows) report information on all of the enterprise activities of the District. These basic financial statements are presented in accordance with Governmental Accounting Standards Board (GASB) No. 34, *Basic Financial Statements, Management's Discussion and Analysis, for State and Local Governments* and related standards. This standard, along with (GASB) No. 63, provides for significant changes in terminology; recognition of contributions in the Statements of Revenues, Expenses and Changes in Net Position; inclusion of a Management Discussion and Analysis as required supplementary information; and other changes.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The basic financial statements are prepared using the economic resource measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) are included on the Statements of Net Position. The Statements of Revenues, Expenses and Changes in Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989 are generally followed to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities, subject to some limitations. The District has elected not to follow subsequent private-sector guidance.

The District distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering water and road maintenance operations. The principle operating revenues of the District are charges to customers for sales and services. Operating expenses include the cost of sales and services, general and administrative expenses and depreciation of capital assets. Depreciation expense is not divided between water and road maintenance operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. Capital contributions are reported as a separate line item in the Statements of Revenues, Expenses and Changes in Net Position.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Cash and Cash Equivalents

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. The short-term investments include tax collection deposits held by the Fresno County Treasurer in an Investment Trust Fund, before they are distributed to the district.

(Continued)

**SIERRA CEDARS COMMUNITY SERVICES DISTRICT
NOTES TO FINANCIAL STATEMENTS
June 30, 2022 and 2021**

NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

Net Position

Net Position presents the difference between assets and liabilities in the statement of net position. Net Position invested in capital assets is reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net Position is reported as restricted when there are legal limitations imposed on their use by District legislation or external restrictions by creditors, grantors, laws or regulations of other governments.

Use of Estimates

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

Capital Assets

Capital assets are stated at cost, net of accumulated depreciation, except for the portions acquired by contribution, which are recorded at fair value at the time received. The capitalization threshold for all capital assets is \$1,500. Depreciation is based on the estimated useful lives of the assets, which range from 5 to 20 years, using the straight-line method.

The costs of normal maintenance and repair that do not add to the value of the asset or materially extend asset lives are not capitalized.

Property Tax Calendar

The County of Fresno assesses properties, bills for, collects, and distributes property taxes on behalf of Sierra Cedars Community Services District, as follows:

| | <u>Secured</u> |
|------------------|---|
| Lien dates | January 1 |
| Levy dates | July 1 |
| Due dates | 50% on November 1 and 50% on February 1 |
| Delinquent as of | December 10 (for November) April 10 (for February) |

Other

The District operates on the accrual basis of accounting. Funds are collected by Fresno County and transferred by warrant into a commercial checking account maintained with a local bank.

Revenue for the District is primarily derived from flat fee water sales and tax assessments.

The general manager has been authorized by the Board to sign for disbursements of \$5,000 or less. Disbursements in excess of \$5,000 require the signature of the general manager and a board member or two board members.

Date of Management's Evaluation

Management has evaluated subsequent events through August 30, 2022, the date on which the financial statements were available to be issued.

SIERRA CEDARS COMMUNITY SERVICES DISTRICT
NOTES TO FINANCIAL STATEMENTS
June 30, 2022 and 2021

NOTE B CASH DEPOSITS

The District maintains its cash accounts at Central Valley Community Bank and Five Star Bank, as detailed below:

| | <u>Maturity</u> | <u>2022</u> | <u>2021</u> |
|--|-----------------|----------------|----------------|
| Checking-CVCB | Demand | \$ 13,935 | \$ 17,337 |
| Money Market-CVCB | Demand | 130,573 | 196,508 |
| Money Market-FSB | Demand | 83,693 | 221,608 |
| Savings Sweep-FSB (multiple banks) | Demand | <u>303,230</u> | <u>302,340</u> |
| TOTAL | | 531,431 | 737,793 |
| Amount insured by the Federal Deposit Insurance Corporation of \$250,000 Per Bank | | <u>531,431</u> | <u>737,793</u> |
| Uninsured, but collateralized | | <u>\$ -0-</u> | <u>\$ -0-</u> |

The California Government Code requires California banks and savings and loan associations to secure the District's cash deposits by pledging securities as collateral. This Code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus, collateral for cash deposits is considered to be held in the District's name.

NOTE C COMMITMENTS

The District approved a contract for snow removal on June 06, 2019. The contract for snow removal calls for a base contract of \$84,525 for each year from July 2019 to June 2022. The lump sum amount in the pricing schedule may be re-negotiated prior to each snow removal season to reflect any inordinate changes in cost to either party. Additional charges of \$3,750 per foot of snow over 108 inches may be due depending on snow levels each year.

NOTE D NET POSITION

Net position represents the difference between assets and liabilities. Designations of unrestricted net position represents the District management's intentions for the use of resources. The net position amounts are as follows:

| | <u>2022</u> | <u>2021</u> |
|---|---------------------|---------------------|
| Invested in capital assets, net of related debt | \$ 1,054,547 | \$ 858,559 |
| Restricted for capital projects | -- | -- |
| Unrestricted | | |
| Assigned for snow removal and road repair | 106,193 | 105,299 |
| Unassigned | <u>424,429</u> | <u>438,535</u> |
| TOTAL NET POSITION | <u>\$ 1,585,169</u> | <u>\$ 1,402,393</u> |

NOTE E RISK MANAGEMENT

The District is insured through the ACWA/Joint Powers Insurance Authority (JPIA) for basic property insurance with a deductible of \$1,000 for \$1,007,954 of value. The district has auto and general liability insurance through ACWA/JPIA. General liability is \$2,000,000 per occurrence with a deductible of \$1,000, and auto is \$1,000,000 per occurrence with a \$1,000 deductible. The district has no vehicles.

SIERRA CEDARS COMMUNITY SERVICES DISTRICT
NOTES TO FINANCIAL STATEMENTS
June 30, 2022 and 2021

NOTE F PROPERTY AND EQUIPMENT

Property and equipment acquisitions and disposition are as follows:

| | <u>2022</u> | <u>2021</u> |
|----------------------------|----------------------------|----------------------------|
| Balance, beginning of year | \$ 1,563,478 | \$ 1,484,624 |
| Additions | 251,743 | 78,854 |
| Deletions | <u> --</u> | <u> --</u> |
| Balance, end of year | <u><u>\$ 1,815,221</u></u> | <u><u>\$ 1,563,478</u></u> |

NOTE G BUDGETARY COMPARISON RECONCILIATION

Depreciation expense is budgeted on an estimated basis and will differ from the actual year end calculation.

NOTE H CAL OES GRANT PROJECT

The district received \$192,523 in April 2021 from the Community Power Resiliency Allocation Program, provided by Cal OES. The grant pays for the installation of four backup generators for the water system, at key locations throughout the district. The project must be completed by December 2022, based upon an amendment to the grant agreement. The project is on schedule to be completed before December 2022. All grant funds have been spent at this point, and the district has spent more than \$60,000 on the project. The grant is a state grant.

REQUIRED SUPPLEMENTARY INFORMATION

SIERRA CEDARS COMMUNITY SERVICES DISTRICT

BUDGETARY COMPARISON SCHEDULES

June 30, 2022

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|-------------------------------------|--------------------|-----------------------|---|
| OPERATING REVENUES | | | |
| Tax receipts | \$ 40,000 | \$ 45,934 | \$ 5,934 |
| Water and snow removal | 213,621 | 210,690 | (2,931) |
| Interest income | 600 | 1,936 | 1,336 |
| Miscellaneous income | <u>500</u> | <u>3,186</u> | <u>2,686</u> |
| TOTAL OPERATING INCOME | <u>254,721</u> | <u>261,746</u> | <u>7,025</u> |
| OPERATING EXPENSES | | | |
| Accounting | 7,700 | 8,000 | (300) |
| Board meeting | 150 | -- | 150 |
| Dues and subscriptions | 4,400 | 4,457 | (57) |
| Depreciation | 43,000 | 55,755 | (12,755) |
| Insurance | 7,900 | 8,774 | (874) |
| Legal | 9,000 | 4,971 | 4,029 |
| Miscellaneous | 300 | 58 | 242 |
| Office | 900 | 926 | (26) |
| License and fees | -- | 1,910 | (1,910) |
| Repairs and maintenance - general | 5,000 | 9,038 | (4,038) |
| Maintenance - water system | 7,000 | 26,726 | (19,726) |
| Maintenance - street | 14,600 | -- | 14,600 |
| Service contracts | -- | -- | -- |
| Snow removal | 93,975 | 85,855 | 8,120 |
| Taxes - other | 1,750 | 21 | 1,729 |
| Per Diem | -- | -- | -- |
| Outside services | 350 | -- | 350 |
| Payroll | 25,200 | 31,788 | (6,588) |
| Payroll taxes | 2,700 | 2,621 | 79 |
| Utilities | 8,000 | 7,947 | 53 |
| Water testing | 6,000 | 2,557 | 3,443 |
| Water manager | 16,800 | 18,950 | (2,150) |
| Well drilling Costs | <u>--</u> | <u>1,138</u> | <u>(1,138)</u> |
| TOTAL OPERATING EXPENSES | <u>254,725</u> | <u>271,492</u> | <u>(16,767)</u> |
| CHANGE IN NET POSITION | <u>\$ (4)</u> | <u>\$ (9,746)</u> | <u>\$ (9,750)</u> |
| CAL OES GRAND INCOME | <u>--</u> | <u>192,523</u> | <u>192,523</u> |
| NET INCOME | <u>(4)</u> | <u>182,777</u> | <u>182,773</u> |
| CAPITAL OUTLAY | | | |
| CIP Cal OES grant | \$ -- | \$ 251,743 | \$ (251,743) |
| Water capital expenditures | -- | -- | -- |
| Infrastructure capital expenditures | <u>--</u> | <u>--</u> | <u>--</u> |
| TOTAL CAPITAL OUTLAY | <u>\$ --</u> | <u>\$ 251,743</u> | <u>\$ (251,743)</u> |

See accountant's report

SIERRA CEDARS COMMUNITY SERVICES DISTRICT
STATISTICAL SECTION
June 30, 2022

A. FINANCIAL TRENDS

Net position represents the difference between assets and liabilities. Designations of unrestricted net position represents the District management's intentions for the use of resources. The net position amounts are as follows:

| | <u>2022</u> | <u>2021</u> | <u>2020</u> |
|---|-------------------------|-------------------------|-------------------------|
| Invested in capital assets, net of related debt | \$ 1,054,547 | \$ 858,559 | \$ 835,321 |
| Restricted for capital projects | -- | -- | -- |
| Unrestricted | | | |
| Assigned for snow removal and road repair | 106,193 | 105,299 | 140,204 |
| Unassigned | <u>424,429</u> | <u>438,535</u> | <u>459,390</u> |
| TOTAL NET POSITION | <u>\$ 1,585,169</u> | <u>\$ 1,402,393</u> | <u>\$ 1,434,915</u> |

B. REVENUE CAPACITY

Rates by lot

| For the <u>Year ended</u> | <u>Developed</u> | | <u>Developed Oversized</u> | | <u>Undeveloped</u> | | <u>Vacant</u> | |
|------------------------------|------------------|-------------|--------------------------------|-------------|--------------------|-------------|---------------|-------------|
| | <u>Lots</u> | <u>Rate</u> | <u>Lots</u> | <u>Rate</u> | <u>Lots</u> | <u>Rate</u> | <u>Lots</u> | <u>Rate</u> |
| June 30, 2022 | 233 | 862.58 | 0 | 946.42 | 23 | 549.58 | 0 | 468.92 |
| June 30, 2021 | 233 | 818.38 | 0 | 946.42 | 23 | 521.42 | 0 | 468.92 |
| June 30, 2020 | 230 | 775.72 | 0 | 946.42 | 26 | 494.24 | 0 | 468.92 |
| June 30, 2019 | 230 | 735.98 | 0 | 946.42 | 25 | 468.92 | 1 | 468.92 |
| June 30, 2018 | 230 | 693.02 | 0 | 946.42 | 25 | 441.54 | 1 | 441.54 |
| June 30, 2017 | 228 | 653.18 | 0 | 946.42 | 26 | 416.16 | 1 | 416.16 |
| June 30, 2016 | 228 | 653.18 | 0 | 946.42 | 26 | 416.16 | 1 | 416.16 |
| June 30, 2015 | 226 | 717.78 | 2 | 946.42 | 23 | 457.32 | 1 | 457.32 |
| June 30, 2014 | 226 | 1,105.42 | 2 | 1,334.06 | 23 | 457.32 | 1 | 894.86 |
| June 30, 2013 | 226 | 1,105.42 | 2 | 1,334.06 | 23 | 457.32 | 1 | 894.86 |
| June 30, 2012 | 226 | 1,105.42 | 2 | 1,334.06 | 23 | 457.32 | 1 | 894.86 |
| June 30, 2011 | 226 | 1,105.42 | 2 | 1,334.06 | 23 | 457.32 | 1 | 894.86 |
| June 30, 2010 | 224 | 1,105.42 | 2 | 1,334.06 | 25 | 457.32 | 1 | 894.86 |
| June 30, 2009 | 223 | 1,073.22 | 2 | 1,295.20 | 26 | 444.00 | 1 | 868.80 |
| June 30, 2008 | 220 | 1,031.94 | 2 | 1,245.38 | 29 | 426.92 | 1 | 835.38 |
| June 30, 2007 | 217 | 983.80 | 2 | 1,186.08 | 32 | 406.59 | 1 | 795.60 |
| June 30, 2006 | 215 | 944.99 | 2 | 1,140.46 | 21 | 390.95 | 0 | -- |

Revenues

| <u>For the Year ended</u> | <u>Revenue Received</u> |
|-------------------------------|-----------------------------|
| June 30, 2022 | 213,621 |
| June 30, 2021 | 208,727 |
| June 30, 2020 | 197,426 |
| June 30, 2019 | 179,953 |
| June 30, 2018 | 170,436 |
| June 30, 2017 | 171,031 |
| June 30, 2016 | 159,886 |
| June 30, 2015 | 177,979 |
| June 30, 2014 | 269,375 |
| June 30, 2013 | 258,215 |

See accountant's report.

**SIERRA CEDARS COMMUNITY SERVICES DISTRICT
 STATISTICAL SECTION
 June 30, 2022**

| | |
|---------------|---------|
| June 30, 2012 | 257,842 |
| June 30, 2011 | 272,911 |
| June 30, 2010 | 264,536 |
| June 30, 2009 | 264,282 |
| June 30, 2008 | 250,444 |
| June 30, 2007 | 242,987 |
| June 30, 2006 | 222,681 |

C. DEBT CAPACITY INFORMATION

The District has no information to report with no debt outstanding.

D. DEMOGRAPHIC AND ECONOMIC INFORMATION

The District covers 150 acres comprising of 233 developed lots and 23 undeveloped lots.

E. OPERATING INFORMATION

The District continues to search for additional sources of water.

| <u>For the Year ended</u> | <u>Total gallons Of water pumped</u> | <u>Gallons of water pumped June, July, August</u> |
|-------------------------------|--|---|
| June 30, 2022 | 4.9 million | 1.7 million |
| June 30, 2021 | 6.8 million | 2.0 million |
| June 30, 2020 | 4.6 million | 1.5 million |
| June 30, 2019 | 5.8 million | 1.9 million |
| June 30, 2018 | 4.4 million | 1.5 million |
| June 30, 2017 | 5.4 million | 2.1 million |
| June 30, 2016 | 3.0 million | 1.0 million |
| June 30, 2015 | 3.2 million | 1.1 million |
| June 30, 2014 | 4.3 million | 1.7 million |
| June 30, 2013 | 7.5 million | 2.5 million |
| June 30, 2012 | 7.4 million | 2.0 million |
| June 30, 2011 | 9.6 million | 2.1 million |
| June 30, 2010 | 5.5 million | 1.7 million |
| June 30, 2009 | 6.0 million | 1.9 million |
| June 30, 2008 | 6.7 million | 2.2 million |
| June 30, 2007 | 8.2 million | 2.6 million |
| June 30, 2006 | 8.5 million | 3.1 million |

See accountant's report.