

**CLEARLAKE OAKS COUNTY WATER DISTRICT
AGENDA
REGULAR MEETING OF THE BOARD OF DIRECTORS**

Clearlake Oaks County Water District Administration Building
12952 E. Hwy. 20 Clearlake Oaks, CA 95423 (707) 998-3322

FEBRUARY 20, 2020

This meeting will be conducted by Roberts Rule of Order.

Where appropriate or deemed necessary, the Board may take action on any item listed on the agenda, including items listed as information items. Public documents relating to any open session item listed on this agenda that are distributed to all or a majority of the members of the Board of Directors less than 72 hours before the meeting are available for public inspection in the customer service area of the District's Administrative Office at the above address.

The public may address the Board concerning an agenda item either before or during the Board's consideration of that agenda item. The President will call for comments at the appropriate time. Comments will be subject to reasonable time limits of three minutes.

In compliance with the Americans with Disabilities Act, if you have a disability, and you need a disability-related modification or accommodation to participate in this meeting, then please contact Clearlake Oaks County Water District Secretary to the Board at 707-998-3322. Requests must be made as early as possible, and at least one full business day before the start of the meeting.

AGENDA

Call to Order – 2:00 p.m.

Pledge of Allegiance

Roll Call

- Mrs. Margaret Medeiros, President Mr. Stanley Archacki, Vice President
- Mr. Samuel Boucher, Director Mrs. Barbara Higman, Director
- Mrs. Dianna Mann – General Manager Mrs. Olivia Mann - Secretary of the Board

In the audience, our Chief Operators

- Mr. Francisco Castro, Wastewater Mr. Kurt Jensen, Water Mr. Jeremy Backus, Distribution

Public comment on non-agenda items

This is the opportunity for the public to comment on non-agenda items within the Board's jurisdiction. Comments are limited to three (3) minutes

Consent Items

The Board will be asked to approve all Consent Items at one time without discussion. Consent Items are expected to be routine and non-controversial. If any Director, staff, or interested person requests that an item be removed from the Consent Items, it will be considered with the action items.

1. Staff Written Operational Reports

- a. Customer Service
- b. Chief Distribution Operator
- c. Water Plant Chief Operator
- d. Wastewater Plant Chief Operator
- e. General Manager

2. Financial Reports for review and approval

- a. January 2020, QB balance sheet and profit & loss statements
- b. Bank account balances and accounts receivable
- c. Employee payroll report
- d. Aged trial balance summary
- e. Vendor aging report, accounts payable breakdown

3. Minutes of previous meeting for review and approval

- a. Minutes of Regular Meeting 01-16-2020

4. Bills

- a. MC Engineering invoice number 1891, dated 2/5/2020, in the amount of \$34,147.27 for the Waste Water Infrastructure Improvements Project
- b. T & S Construction invoice number 9, dated 01/31/20, in the amount of \$439,076.02 for Phase 3 of the Wastewater Infrastructure Improvements
- c. T & S Construction invoice number 3, dated 01/31/2020, in the amount of \$78,352.44 for Phase 2 of the Wastewater Infrastructure Improvements

Action Taken: _____

5. Agenda (Old Business)

6. Agenda (New Business)

- a. Discussion and consideration of appointing a new board member to serve the remainder of the un-expired term left by the resignation of Director Hosier

Action Taken: _____

- b. Administer Oath to the newly appointed Board Director

Action Taken: _____

- c. Presentation from MC Engineering regarding USDA and State grants

Action Taken: _____

- d. Discussion and consideration of approving Resolution 20-02, Amendment No. 1 to MC Engineering's revised budget to include additional projects for USDA Water and assistance with the 218

Action Taken: _____

- e. Discussion and consideration of the leak repair at Pingree and Hwy. 20

Action Taken: _____

- f. Discussion and consideration of permitting the General Manager to work with Geo Legal to get all water and sewer lines, and access easements drawn up and recorded in regards to Richard Kuehn's property

Action Taken: _____

- g. Discussion and consideration of appointing an Ad Hoc committee for 2020-2021 budget

Action Taken: _____

- h. Discussion and consideration of appointing an Ad Hoc committee for Reclamation project

Action Taken: _____

Clearlake Oaks County Water District

P.O. Box 709 / 12952 East Highway 20
Clearlake Oaks, CA 95423
(707) 998-3322 Phone (707) 998-1245 Fax
www.clocwd.org (Website)

February 14, 2020 - Board Letter

Administration

- ∂ Received \$19,643.77 in payments towards our <120 Aged Receivables this past month, this stems from past due accounts reported to the **County of Lake**, payment arrangements, and closed accounts (Payments from escrow).
- ∂ We received our Tax Roll check in the amount of \$128,753.25
- ∂ We received 0 water quality complaints (WQC) this month
- ∂ We received 0 consumer claims
- ∂ Actively training Susie on the billing desk, she has almost gone through the entire billing process, schedules permitting.
- ∂ I have finished Book 1 of the Las Virgenes water code sample and have started (but not finished) Book 2. I had hoped to start writing the code in February, but I think March is more practical.
- ∂ We will begin Lead & Copper testing soon, Kurt and I have been working together to confirm addresses, we also received the address to be tested within Paradise Cove
- ∂ As of January 6, 2020, the DOT now requires employers and employees to be registered with the Drug and Alcohol Clearing House in order to drug test, I have completed that enrollment for the District and am working with the Operators to register themselves.

All the best,
Olivia Mann

A

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*Board letter for CLOCWD,
02-13-2020*

Water distribution main & service lines:

*We only had a couple of leak repairs in January, but we did repair a lot more in February.

*On February 5th we had Case Excavation helping us with a new service line replacement on Highway 20 near Pingree Road.

*A couple of leaks were discovered in the meter box during meter reading.

*We had Michael Sims from California Rural Water Association out here on February 4th & 5th. We should be receiving their report next week. They did determine that the water coming down Beryl way was indeed a spring and not a leak from any of our mains around or above said area.

Tank sites:

*DC crew is still doing their rounds at the tank sites.

*We are upgrading the Paradise tank's telemetry from analog to digital.

*Arrow fencing installed a vehicle access security gate at the Paradise tank site.

Sample stations sites:

*DC crew is still collecting the routine BacT samples every Wednesday. All reports have come back absent for total Coliforms and E.Coli.

Sewer collections and Lift station sites:

*SWRCB Phase 3 Project Status Report
Total Project Completion near 90%*

*LS2: 95% Complete. Needs paving and new manhole frame.

*LS3: 100% Complete

*LS4: 100% Complete

*LS5: 50% Complete; new panel to be installed today or tomorrow. No PG&E involved, should be ready for startup next week.

Margaret Medeiros
President

Stanley Archacki
Vice President

Samuel Boucher
Director

Barbara Higman
Director

VACANT
Director



*LS6: 100% Complete. Float unistrut to be installed in wet well by change order

*LS7: 90% Complete; startup pending until new VFD arrives by end of month of early March. Other pending items includes AC, slurry of pavement, finishing the roof, and decommissioning the old lift station

*LS8: 100% Complete. Needs new floats by change order

*LS9: 100% Complete. Pump replacement and new floats pending by change order

*LS10: 30% Complete. Bypass vault retro fit complete.

Staff updating:

*Hugo & Scott both have their class B licenses now.

*We have hired on a new operator in DC, his name is James.

*Scott is now, back in DC.

*With a full crew finally, we project to start getting a lot of our back logged projects completed.

District vehicles:

*The two replacement trucks are in the DC fleet now.

*The 2011 Vaccon is still out for maintenance.

*We are picking up the 07 dodge from A&B collation on 2/13/2020.

Thank You

Chief DC, Jeremy Backus

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February 2020

- ◆ Fence project complete at plant, also gates installed at paradise tank location.
- ◆ Pad for Sodium Permanganate tote has been poured project moving forward close to completion.
- ◆ Preapproval for coagulant order
- ◆ Starting the E.A.R. report
- ◆ No water quality complaints
- ◆ 21 MG produced for the month of January
- ◆ Cerrito tank generator transfer switch and hook up complete

Thankyou,

Kurt Jensen

WTP Chief Plant Operator
k.jensen@clocwd.org

CLEARLAKE OAKS COUNTY WATER DISTRICT
Wastewater Treatment Plant Report
FEBRUARY 2020

Reporting Period: January 2020
From: Francisco Castro, CPO
To: Clearlake Oaks County Water District Board of Directors
February 12, 2020

For the month of January, flows have been increasing as Clearlake rises. The total amount of flows received for the month through our Headwork was 9.6 MG averaging 312,000 gallons. The amount of gallons that were treated for the month totaled at 8.3 MG averaging 270,000 gallons a day. This in turn averaged at 187 gallons per minute. Clearlake level averaged at 4.05' Rumsey Gauge ending at 4.52' by the end of the month. Our monthly lab testing and results fell within compliance with our WDR. Annual reports which includes monthly report, ground water sampling 4th quarter report, sludge production report, effluent standard minerals report, and supply water report, safety verification report and projection flows for the following year report have been submitted in a timely manner.

Our SEPS improvement continues. At this time all three pumps and catwalk have been installed and are online. T&S continues to complete this improvement. I have requested installing an actuated valve to protect us from overflow at the SEPS. The purpose of this valve is to give us as operators time to respond if a power fail to that area were to happen. I am working closely with Dianna and Mc Engineering with this matter. After dealing with the permit process for our carports, we have finally installed all 5 carports to protect our fleet and equipment. At this time we are waiting for our final inspection from the permit department. We have been continuously burning our brush piles at the plant making progress toward clearing our emergency ponds.

All maintenance and testing required have been completed for the month.

Thank you,
Francisco Castro
WWTP Chief Plant Operator
f.castro@clocwd.org

Clearlake Oaks County Water District

February 20, 2020

This District is now fully staffed! I will be working closely with the D/C Staff to complete some long over-due projects.

All vehicles have been replaced/repared and the new fence is complete from the hit and run accident.

I would like to extend my congratulation to the two staff members who received their B license in the past month.

The on-going leak at Pingree and Hwy. 20 was determined to be Districts once the illegal connection to the residence at that intersection was disconnected. This leak had become so bad that the Post Office stopped delivering mail due to the mud hole that had been created in front of the mail boxes. The District's contractor, Cal-Trans and Staff worked great together to get this leak fixed as soon as possible on Hwy. 20.

Upon approval of the 2018-2019 Financial Audit, I will forward to USDA to continue the progress of our grant/loan process so we can move forward with some much needed water infrastructure improvements.

After talking with Richard Kuehn, I have given him my word that I will prioritize all of his concerns and address them to the best of my ability. Easements, access easements, power supply, and road maintenance on the access roads should have been addressed years ago and I am determined to resolve these issues working closely with Richard. This will not happen overnight, however, it will happen.

Construction continues to move forward toward completion. There have been a few hiccups encountered, however, nothing more than the usual with any other big construction projects.

The District received a violation from the SWRCB because we failed to produce Lead and Copper samples for the first six months of 2019. The District will rectify this violation per the States guidelines.

Dick Carlile has been out of town and has not worked on the requested items from LAFCO. As soon as he has a chance to fulfill these requests, I will move forward with the Resolution to clean up the boundaries of CSA 16.

Speaking of CSA 16, I have emailed Jan Coppinger regarding updates of the monies due to the District from escrow and the remainder of the grant. She has informed me that the grant was closed in December and she is hoping to receive the monies sometime this month. As soon as we receive this money, the District will move forward with the new coating of the water storage tank serving Paradise Cove.

I traveled to Sacramento last month to give a deposition on the pending litigation case facing the District, and I am very frustrated to say that the Plaintiff's attorney was three hours late and was unable to complete the deposition meaning another trip to Sacramento. I also plan to be in attendance for the Plaintiff's deposition.

I have talked with our legal counsel, Scott Nave, and to my happy surprise, he does represent his clients in a 218 process, which means he can make sure all legal notices are given and would be in attendance for the public hearing meetings. He is currently on vacation, however, I will have an estimate from him by next meeting.

Please refer to individual department letters for additional details.

As always, a huge thank you to Staff for working hard and taking pride in a job well done.

Respectfully Submitted,

Dianna Mann

General Manager

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Clearlake Oaks County Water District
Summary Balance Sheet
As of January 31, 2020

	Jan 31, 20
ASSETS	
Current Assets	
Checking/Savings	2,019,766.57
Other Current Assets	1,757,285.00
Total Current Assets	3,777,051.57
Fixed Assets	15,490,426.61
TOTAL ASSETS	19,267,478.18
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	1,171,394.65
Credit Cards	9,191.17
Other Current Liabilities	-46,194.28
Total Current Liabilities	1,134,391.54
Total Liabilities	1,134,391.54
Equity	18,133,086.64
TOTAL LIABILITIES & EQUITY	19,267,478.18

Clearlake Oaks County Water District
Balance Sheet
 As of February 11, 2020

	Feb 11, 20
ASSETS	
Current Assets	
Checking/Savings	
102.13 · SEWER RESERVES-9592	5,000.00
102.10 · CRP PC - 6192	8,171.28
102.12 · WATER RESERVES- 8503	75,200.00
102.001 · GL - 9122 (Old Acct. # 053420019)	580,032.36
101 · LAIF - CASH IN BANK (CASH IN BANK - LAIF - WAS 1013550)	
CIP Deposits 2014	189,000.00
101 · LAIF - CASH IN BANK (CASH IN BANK - LAIF - WAS 1013550) - Other	893,671.01
Total 101 · LAIF - CASH IN BANK (CASH IN BANK - LAIF - WAS 1013550)	1,082,671.01
102.01 · WEST AMERICA - REGULAR CHECKING (WEST AMERICA BANK CH...	88.98
102.02 · CRP Water - 6990	64,867.42
102.03 · CRP Sewer - 3745	249,108.84
Total Checking/Savings	2,065,139.89
Other Current Assets	
103 · PETTY CASH (PETTY CASH - WAS 1013200)	306.59
104 · COUNTY TREASURY (COUNTY TREASURY - WAS 1013201)	29,609.68
130 · Const In Progress - Studies	128,085.47
132 · CRP SEWER (CAPITOL IMPROVEMENTS - SEWER - WAS 1199200)	983,511.67
135 · CRP WATER (CAPITOL IMPROVEMENTS - WATER - WAS 1199100)	249,148.33
114 · ACCOUNTS RECEIVABLE. (ACCOUNTS RECEIVABLE - WAS 1097010)	351,149.26
115 · PRE-PAID INSURANCE (PRE-PAID INSURANCE - WAS 1097840)	15,474.00
Total Other Current Assets	1,757,285.00
Total Current Assets	3,822,424.89
Fixed Assets	
138 · USDA Water Improvements	224,300.85
128 · Sewer Infrstrcture & Rehab Proj (Phase 1 was the installation of the Force ...	3,135,721.43
121 · Wtr Dist & Wtr Storage Projects (Replacement or installation of water distr...	
121.1 · Sidewalk Project - District Exp	115,500.66
121 · Wtr Dist & Wtr Storage Projects (Replacement or installation of water d...	152,704.44
Total 121 · Wtr Dist & Wtr Storage Projects (Replacement or installation of wate...	268,205.10
131 · Waste Water Plant	
131.1 · Pumps/Equipment	19,345.46
131 · Waste Water Plant - Other	57,546.91
Total 131 · Waste Water Plant	76,892.37
126 · Forcemain (phase 1) Cap. Imprv.	1,253,598.85
123 · USDA - Sewer Plant Cap Imprvmt	4,265,559.43
USDA Project	238,835.93
127 · Water Plant	
127.7 · Ozone System	12,785.71
127.6 · Swan AMI Turbiwell Monitor	25,079.10
127.5 · A/C installation for Filter Rm	750.00
127.4 · PH System	9,959.72
127.2 · Harvy Vault Chlor Inject Proj	1,408.61
127.1 · Major Equipment	177,077.82
127 · Water Plant - Other	214,152.17
Total 127 · Water Plant	441,213.13
120 · District General CRP (EQUIPMENT - WAS 1011181)	
120.01 · General Equipment/Tools (GENERAL EQUIPMENT - WATER - WAS 1...	1,921,549.25
120.60 · Office (OFFICE EQUIPMENT - WAS 1011192)	31,171.49
120.90 · Vehicles/Generators/Trailers	275,309.73
120 · District General CRP (EQUIPMENT - WAS 1011181) - Other	41,545.09
Total 120 · District General CRP (EQUIPMENT - WAS 1011181)	2,269,575.56
122 · Bldgs/Grounds Cap Improvements	8,535,149.57
124 · D/C System Cap Improvements (COLLECTION SYSTEM - SEWER - WAS 1...	

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Clearlake Oaks County Water District

Balance Sheet

As of February 11, 2020

02/11/20

Cash Basis

	Feb 11, 20
124.30 · Lift Stations	
124.31 · Lift Station 7 Bypass	66,042.23
124.30 · Lift Stations - Other	46,264.48
Total 124.30 · Lift Stations	112,306.71
124.50 · Mains	14,788.58
124.60 · Meters	700.00
124.90 · Water Tanks	5,215.04
124 · D/C System Cap Improvements (COLLECTION SYSTEM - SEWER - WA...	3,234,251.87
Total 124 · D/C System Cap Improvements (COLLECTION SYSTEM - SEWER - ...	3,367,262.20
125 · Land - Dist. Cap. Improvements	300,478.61
129 · ALLOW. FOR DEPRECIATION	-8,856,056.00
Total Fixed Assets	15,520,737.03
TOTAL ASSETS	19,343,161.92
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
200 · ACCOUNTS PAYABLE (ACCOUNTS PAYABLE - WAS 2097200)	1,180,165.19
Total Accounts Payable	1,180,165.19
Other Current Liabilities	
Annual Depreciation	249,035.55
224 · USDA Retainage	10,000.00
280 · Loan	
280.02 · KS State Bank - 2019 Vac-Con	-7,421.47
280.12 · USDA Loan	702,317.29
280.10 · Bridge for I & I Rehab Project (Use LAIF until State Funds beco...	-1,072,000.00
Total 280 · Loan	-377,104.18
221 · Health Ins - EE Portion	-1,227.85
223.15 · GARNISHMENTS (GARNISHMENT MAIN - NEW GL)	
223.17 · GARNISHMENT - LAKE CO SHERIFF (GARNISHMENT - LAKE C...	2,374.96
223.15 · GARNISHMENTS (GARNISHMENT MAIN - NEW GL) - Other	-2,227.73
Total 223.15 · GARNISHMENTS (GARNISHMENT MAIN - NEW GL)	147.23
223.45 · FICA & SOCIAL SEC PAYABLE (FICA & SOCIAL SEC PAYABLE - ...	-5,334.32
223.50 · MEDICARE TAX PAYABLE (MEDICARE TAX PAYABLE - WAS 209...	-1,247.54
223.55 · FEDERAL PAYROLL TAX WITHHOLDING (FEDERAL PAYROLL TA...	-2,810.00
223.60 · STATE PAYROLL TAX WITHHOLDING (STATE PAYROLL TAX WIT...	-974.01
223.65 · STATE DISABILITY PAYABLE (STATE DISABILITY PAYABLE - WA...	-389.15
223.75 · PAYROLL DEDUCTION - INS CO-PAY (PAYROLL DEDUCTION - I...	-513.84
223.80 · GASB 68 Pension (- WAS 2097190)	16,533.00
223.85 · MISC DEDUCTIONS PAYABLE (MISC DEDUCTIONS PAYABLE - W...	2,474.77
223.90 · COMPENSATED EMPLOYEE BENEFITS (COMPENSATED EMPLO...	54,922.20
24000 · Payroll Liabilities (Unpaid payroll liabilities. Amounts withheld or ...	-3,733.65
Total Other Current Liabilities	-60,221.79
Total Current Liabilities	1,119,943.40
Total Liabilities	1,119,943.40
Equity	
302 · RETAINED EARNINGS (RETAINED EARNINGS - WAS 3030300)	5,956,568.19
304 · Opening Balance Equity (Opening balances during setup post to this acco...	-584,283.24
306 · Retained Earnings - OLD (Undistributed earnings of the corporation - END...	9,359,680.09
Net Income	3,491,253.48
Total Equity	18,223,218.52
TOTAL LIABILITIES & EQUITY	19,343,161.92

Clearlake Oaks County Water District

Profit and Loss

July 2019 through January 2020

	Admin (GL)	Sewer (GL)	Water (GL)	Total GL	TOTAL
Income					
Income					
410 · Client Reg Pmt	0.00	581,408.98	726,716.08	1,308,125.06	1,308,125.06
420 · Connection Fees	0.00	0.00	20,300.00	20,300.00	20,300.00
430 · Penalty & Interest	0.00	13,373.45	15,962.60	29,336.05	29,336.05
440 · Misc Revenue	0.00	0.00	13,364.30	13,364.30	13,364.30
450 · Other - Non S/W Rev	5,331.41	80,929.03	80,929.01	167,189.45	167,189.45
Total Income	5,331.41	675,711.46	857,271.99	1,538,314.86	1,538,314.86
Total Income	5,331.41	675,711.46	857,271.99	1,538,314.86	1,538,314.86
Gross Profit	5,331.41	675,711.46	857,271.99	1,538,314.86	1,538,314.86
Expense					
Salaries & EE Benefits					
505 · Salaries & Wages	194,834.05	152,603.39	102,231.80	449,669.24	449,669.24
510 · Contract Labor	0.00	0.00	1,000.00	1,000.00	1,000.00
520 · FICA - District Share	14,545.51	11,202.36	7,805.90	33,553.77	33,553.77
530 · Medical Ins - Dist Sh...	39,426.38	48,735.71	9,590.37	97,752.46	97,752.46
540 · PERS - District Share	53,931.91	9,726.44	4,832.00	68,490.35	68,490.35
550 · Unemployment	4,842.98	0.00	0.00	4,842.98	4,842.98
560 · Workers Comp Ins	2,609.89	7,499.47	6,756.72	16,866.08	16,866.08
Total Salaries & EE Benefits	310,190.72	229,767.37	132,216.79	672,174.88	672,174.88
Services & Supplies					
605 · Advertising	200.00	0.00	0.00	200.00	200.00
610 · Bank Fees	11,742.29	0.00	0.00	11,742.29	11,742.29
620 · Communications & I...	2,684.30	2,009.15	3,229.84	7,923.29	7,923.29
622 · Board Exp	2,070.34	0.00	0.00	2,070.34	2,070.34
625 · Equip - Field (\$300-\$...	0.00	550.31	0.00	550.31	550.31
630 · Equip - Office	977.22	691.35	150.74	1,819.31	1,819.31
640 · Fuel & Oil	42.50	8,472.97	7,560.17	16,075.64	16,075.64
645 · Insurance	0.00	25,467.02	25,467.01	50,934.03	50,934.03
657 · Lab	0.00	8,394.00	12,317.36	20,711.36	20,711.36
660 · Memberships & Sub...	1,409.21	28,345.43	20,169.04	49,923.68	49,923.68
665 · Mileage Reimb	106.73	0.00	0.00	106.73	106.73
670 · Postage & Shipping	6,540.64	0.00	0.00	6,540.64	6,540.64
675 · Professional Services	11,479.66	3,314.17	11,021.10	25,814.93	25,814.93
685 · Rents	7,399.37	0.00	9,365.04	16,764.41	16,764.41
690 · Safety & Security	523.50	2,652.34	2,226.42	5,402.26	5,402.26
700 · Tools & Instruments	0.00	113.63	284.01	397.64	397.64
703 · Supplies - Clothing ...	343.11	2,452.71	1,517.89	4,313.71	4,313.71
705 · Supplies - Office	5,928.04	884.20	756.04	7,568.28	7,568.28
715 · Supplies-Chemicals-...	0.00	13,590.69	30,193.70	43,784.39	43,784.39
720 · Supplies - Inventory ...	0.00	3,559.28	1,603.89	5,163.17	5,163.17
730 · Taxes - Licenses	34.62	0.00	0.00	34.62	34.62
735 · Training/Classes/Cer...	2,417.47	630.50	170.50	3,218.47	3,218.47
745 · Travel / Lodging	529.32	65.78	65.77	660.87	660.87
750 · Utilities	2,658.33	40,271.65	97,121.48	140,051.46	140,051.46
760 · Waste Disposal	355.34	27,753.37	2,167.99	30,276.70	30,276.70
795 · Yolo Co	0.00	0.00	26,420.83	26,420.83	26,420.83
798 · Reconciliation Discr...	20.00	0.00	0.00	20.00	20.00
Total Services & Supplies	57,461.99	169,218.55	251,808.82	478,489.36	478,489.36
Repairs & Replacement					
810 · R&R Buildings & Gr...	2,140.73	1,086.11	121.90	3,348.74	3,348.74
832 · R&R Mains and Sew...	0.00	0.00	-550.97	-550.97	-550.97
840 · R&R Vehicles	0.00	1,050.00	1,050.00	2,100.00	2,100.00
Total Repairs & Replacement	2,140.73	2,136.11	620.93	4,897.77	4,897.77
Total Expense	369,793.44	401,122.03	384,646.54	1,155,562.01	1,155,562.01
Net Income	-364,462.03	274,589.43	472,625.45	382,752.85	382,752.85

**Clearlake Oaks Co Water District
PROJECTED BUDGET 2019-2020**

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Target % > **58%**

As of January 2020 Summary	<u>WATER</u>				<u>SEWER</u>			
	Budget		Actual YTD		Budget		Actual YTD	
	Annual	YTD	Amount	%	Annual	YTD	Amount	%
Total Operating Revenue	1,242,554	724,823	857,272	69%	929,418	542,161	675,711	73%
Total Operating Expenses	972,572	552,750	569,534	59%	1,037,590	605,261	586,020	56%
Operating Balance (loss)	269,982	172,073	287,739		(108,172)	(63,100)	89,692	
420 Connection Fees	30,000	17,500	20,300	68%	20,000	11,667	-	0%
435								
450 Other - Non S/W Rev	96,000	56,000	80,929	84%	100,000	58,333	80,929	81%
Reserves	150,000	87,500	62,500	42%	-	-		0%
Net Change In Net Position (loss)	245,982	158,073	326,468		11,828	6,900	170,621	

Current Revenue Notes:

440- Misc Water = Bulk Water

450 - Other - Non S/W Rev: ATT Lease and Tax Roll

Past Revenue Notes

General Ledger	\$409,392.00
District CRP	\$416,325.00
Paradise Cove CRP	\$1,346.00
Paradise Cove Escrow	\$0.00
Wtr Reserve	\$87,700.00
Swr Reserve	\$5,000.00
LAIF Account	\$1,104,186.00
	\$2,023,949.00

As of January 2020 Operating Revenue	<u>WATER</u>				<u>SEWER</u>			
	Budget		Actual YTD		Budget		Actual YTD	
	Annual	YTD	Amount	%	Annual	YTD	Amount	%
410 Client Reg Pmt	1,182,554	689,823	726,716	61%	909,418	530,494	581,409	64%
430 Penalty & Interest	30,000	17,500	15,963	53%	20,000	11,667	13,373	67%
440 Misc	30,000	17,500	13,364	45%	0	0	-	0%
Total Revenue >	1,242,554	724,823	756,043	61%	929,418	542,161	594,782	64%

As of January 2020 Operating Expenses	Budget				Actual			
	Budget		Actual YTD		Budget		Actual YTD	
	Annual	YTD	Amount	%	Annual	YTD	Amount	%
505 Salaries & Wages	316,514	184,633	199,649	63%	415,259	242,234	250,020	60%
520 FICA - District Share	26,093	15,221	15,079	58%	34,354	20,040	18,475	54%
530 Medical Ins - District Share	56,010	32,673	29,303	52%	128,093	74,721	68,449	53%
540 PERS - District Share	39,759	23,193	31,798	80%	47,203	27,535	36,692	78%
550 Unemployment	9,000	5,250	2,422	27%	9,000	5,250	2,422	27%
560 Workers Comp Ins	21,310	12,431	8,062	38%	24,506	14,295	8,804	36%
Salaries and Employee Benefits >	468,687	273,401	287,313	61%	658,415	384,075	384,862	58%

605 Advertising	200	117	100	50%	200	117	100	50%
610 Bank Fees	9,260	5,402	5,871	63%	9,250	5,396	5,871	63%
620 Communications & Internet	13,000	7,583	4,572	35%	7,250	4,229	3,351	46%
622 Board Exp	5,000	2,917	1,035	21%	5,000	2,917	1,035	21%
625 Equip - Field (\$300-\$4999)	2,500	1,458	-	0%	4,000	2,333	550	14%
630 Equip - Office	1,500	875	640	43%	2,000	1,167	1,180	59%

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640	Fuel & Oil	6,800	3,967	7,582	111%	4,800	2,800	8,495	177%
645	Insurance	40,000	23,333	25,467	64%	25,000	14,583	25,467	102%
650	Interest	-	-	-	0%	-	-	-	0%
657	Lab	20,000	11,667	12,317	62%	17,500	10,208	8,394	48%
660	Memberships & Subscriptions	28,500	16,625	20,874	73%	27,500	16,042	29,050	106%
665	Mileage Reimb	1,000	583	54	5%	750	438	54	7%
670	Postage & Shipping	6,000	3,500	3,271	55%	6,000	3,500	3,284	55%
675	Professional Services	36,000	21,000	16,761	47%	21,000	12,250	9,054	43%
685	Rents	4,875	2,844	13,065	268%	4,875	2,844	3,700	76%
690	Safety & Security	3,250	1,896	2,488	77%	8,250	4,813	2,914	35%
700	Tools & Instruments	2,000	1,167	284	14%	5,000	2,917	114	2%
703	Supplies - Clothing & Personal	1,800	1,050	1,690	94%	2,300	1,342	2,625	114%
705	Supplies - Office	4,750	2,771	3,720	78%	5,250	3,063	3,848	73%
715	Treatment Chemicals	75,000	43,750	30,194	40%	48,000	28,000	13,591	28%
720	Supplies - Operating - Other	5,000	2,917	1,604	32%	22,000	12,833	3,559	16%
730	Taxes - Licenses	0	0	18	175000%	0	0	18	175000%
735	Training	5,750	3,354	1,380	24%	5,250	3,063	1,840	35%
745	Travel	1,000	583	331	33%	2,000	1,167	331	17%
750	Utilities	135,650	79,129	98,450	73%	82,750	48,271	41,601	50%
760	Waste Disposal	3,050	1,779	2,346	77%	52,250	30,479	27,931	53%
795	Yolo Co	57,000	33,250	26,421	46%				
799	Misc	-	-	-	0%	-	-	-	0%
Services and Supplies >		468,885	273,516	280,530	60%	368,175	214,769	197,952	54%
810	R&R Buildings & Grounds	7,000	4,083	1,193	17%	7,000	4,083	2,157	31%
815	R & R Damage Claims	0	0	-	0%	-	-	-	0%
820	R&R Lift Stations	-	-	-	0%	-	-	-	0%
830	R&R Equipment	0	0	-	0%	0	0	-	0%
832	R&R Mains/Service Lines	-	-	(551)	0%	-	-	-	0%
840	R&R Vehicles (\$2k/vehicle)	3,000	1,750	1,050	35%	4,000	2,333	1,050	26%
850	Maintenance Reserve Account	25,000				-			
Repairs & Replacement >		35,000	5,833	1,692	5%	11,000	6,417	3,207	29%
Total Expenses >		972,572	552,750	569,534	59%	1,037,590	605,261	586,020	56%

Budget Variance Report July 1, 2019 through June 30, 2020

Target % >

58.3%

As of January 2020

Expenses		2019-2020 Budget		Actual	%	Total
		Annual	YTD	YTD	Spent	Remaining
505	Salaries & Wages	321,978	187,820	194,834	60.5%	127,144
520	FICA - District Share	26,674	15,560	14,546	54.5%	12,128
530	Medical Ins - District Share	68,991	40,244	39,426	57.1%	29,565
540	PERS-District Share (incl unfunded Liab, 35K)	61,000	35,583	53,932	88.4%	7,068
550	Unemployment	18,000	10,500	4,843	26.9%	13,157
560	Workers Comp Ins	7,422	4,330	2,610	35.2%	4,812
	Salaries and Employee Benefits >	504,064	294,038	310,191	61.5%	193,873
605	Advertising	400	233	200	50.0%	200
610	Bank Fees	18,500	10,792	11,742	63.5%	6,758
620	Communications & Internet	7,000	4,083	2,684	38.3%	4,316
622	Board Exp	10,000	5,833	2,070	20.7%	7,930
625	Equip - Field (up to \$4999)	0	0		0.0%	0
630	Equip - Office	2,000	1,167	977	48.9%	1,023
640	Fuel & Oil	0	0	43	43000.00	(43)
645	Insurance	0	0		0.0%	0
650	Interest	0	0		0.0%	0
657	Outsource Lab / Internal Lab	0	0		0.0%	0
660	Memberships & Subscriptions	1,000	583	1,409	140.9%	(409)
665	Mileage Reimb	1,000	583	107	10.7%	893
670	Postage & Shipping	12,000	7,000	6,541	54.5%	5,459
675	Professional Services (Legal, IT, CUSI annual)	22,000	12,833	11,480	52.2%	10,520
685	Rents	9,750	5,688	7,399	75.9%	2,351
690	Safety & Security (boots)	2,500	1,458	524	21.0%	1,976
700	Tools & Instruments	0	0		0.0%	0
703	Supplies - Clothing & Personal	600	350	343	57.2%	257
705	Supplies - Office	7,500	4,375	5,928	79.0%	1,572
715	Treatment Chemicals	0	0		0.0%	0
720	Supplies - Operating - Other	0	0		0.0%	0
730	Taxes - Licenses	0	0	35	0.0%	(35)
735	Training, Certs (Classes, books)	3,500	2,042	2,417	69.1%	1,083
745	Travel / Lodging	1,000	583	529	52.9%	471
750	Utilities	5,500	3,208	2,658	48.3%	2,842
760	Waste Disposal	500	292	355	71.0%	145
795	Yolo Co	0	0		0.0%	0
798	Reconciliation Discrepancy			20		
799	Misc	0	0		0.0%	0
	Services and Supplies >	104,750	61,104	57,461	54.9%	47,289
810	R&R Buildings & Grounds	4,000	2,333	2,141	53.5%	1,859
815	R & R Damage Claims	0	0		0.0%	0
820	R&R Lift Stations				0.0%	-
830	R&R Equipment	0	0		0.0%	0
832	R&R Mains/Service Lines	0	0		0.0%	0
840	R&R Vehicles (\$2k/vehicle)	0	0		0.0%	0
	Repairs & Replacement >	4,000	2,333	2,141	53.5%	1,859
Overage Explanations	Total Expenses	612,814	357,475	369,793	60.3%	243,021

Salaries and Benefits - PTO Cashout, Unfunded Liability for PERS, and an additional position approved by Board

660 CUSI (new billing software) expenses

675 IT Quarterly Billing & Engagement Ltr from Auditor

685 cost per print increased to due color billing and delinquents

705 Annual purchase of billing envelopes & paper

110

Budget Variance Report July 1, 2019 through June 30, 2020

Target % >

58.3%

GL-SEWER

As of January 2020

2019-2020 Budget

Actual

%

Total

Expenses	Annual	YTD	YTD	Spent	Remaining
505 Salaries & Wages	254,270	148,324	152,603	60.0%	101,667
520 FICA - District Share	21,017	12,260	11,202	53.3%	9,815
530 Medical Ins - District Share	93,598	54,599	48,736	52.1%	44,862
540 PERS - District Share	16,704	9,744	9,726	58.2%	6,978
550 Unemployment	0	0		0.0%	0
560 Workers Comp Ins	20,794	12,130	7,499	36.1%	13,295
Salaries and Employee Benefits >	406,383	237,057	229,766	56.5%	176,617
605 Advertising	0	0		0.0%	0
610 Bank Fees	0	0		0.0%	0
620 Communications & Internet	1,250	729	2,009	160.7%	(759)
622 Board Exp	0	0		0.0%	0
625 Equip - Field (up to \$4999)	1,500	875	550	36.7%	950
630 Equip - Office	1,000	583	691	69.1%	309
640 Fuel & Oil (Schaeffers)	2,000	1,167	8,473	423.7%	(6,473)
645 Insurance	25,000	14,583	25,467	101.9%	(467)
650 Interest	0	0		0.0%	0
657 Outsource Lab / Internal Lab	17,500	10,208	8,394	48.0%	9,106
660 Memberships & Subscriptions	27,000	15,750	28,345	105.0%	(1,345)
665 Mileage Reimb	250	146		0.0%	250
670 Postage & Shipping	0	0	13	130000.0%	(13)
675 Professional Services (SCADA)	10,000	5,833	3,314	33.1%	6,686
685 Rents	0	0		0.0%	0
690 Safety & Security (boots)	7,000	4,083	2,652	37.9%	4,348
700 Tools & Instruments	5,000	2,917	114	2.3%	4,886
703 Supplies - Clothing & Personal	2,000	1,167	2,453	122.7%	(453)
705 Supplies - Office	1,500	875	884	58.9%	616
715 Treatment Chemicals	48,000	28,000	13,591	28.3%	34,409
720 Supplies-Operating-Other-Titan Tubes	22,000	12,833	3,559	16.2%	18,441
730 Taxes - Licenses	-	-	-	0.0%	-
735 Training, Certs (classes, books)	3,500	2,042	631	18.0%	2,869
745 Travel / Lodging	1,500	875	66	4.4%	1,434
750 Utilities	80,000	46,667	40,272	50.3%	39,728
760 Waste Disposal	52,000	30,333	27,753	53.4%	24,247
795 Yolo Co	0	0		0.0%	0
799 Misc	0	0		0.0%	0
799.1 Customer Refund					
Services and Supplies >	308,000	179,667	169,231	54.9%	138,769
810 R&R Buildings & Grounds	5,000	2,917	1,086	21.7%	3,914
815 R & R Damage Claims	0	0		0.0%	0
820 R&R Lift Stations	0	0		0.0%	0
830 R&R Equipment	0	0		0.0%	0
832 R&R Mains/Service Lines	0	0	-	0.0%	-
840 R&R Vehicles (\$2k/vehicle)	4,000	2,333	1,050	26.3%	2,950
Repairs & Replacement >	9,000	5,250	2,136	23.7%	6,864
Total Expenses >	723,383	421,973	401,133	55.5%	322,250

Expense Notes

620 additional SCADA lines for Lift Stations from new construction

675 Qtrly billing from Dean Enderlin P.G.

640 Fuel cost for Dist Generators during PSPS (Public Safety Power Outages)

645 Annual Insurance Cost - will average out over the year

660 Memberships are due at one time, like insurance, it will average out over the year

7

7		Budget Variance Report July 1, 2019 through June 30, 2020		Target % >	58.3%	GL-WTR
As of January 2020		2019-2020 Budget		Actual	%	Total
Expenses		Annual	YTD	YTD	Spent	Remaining
505	Salaries & Wages	155,526	90,723	102,232		53,294
510	Contract Labor	0	0	1,000	66.4%	(1,000)
520	FICA - District Share	12,756	7,441	7,806	61.2%	4,950
530	Medical Ins - District Share	21,515	12,550	9,590	44.6%	11,925
540	PERS - District Share	9,260	5,401	4,832	52.2%	4,428
550	Unemployment	0	0		0.0%	0
560	Workers Comp Ins	17,598	10,266	6,757	38.4%	10,841
Salaries and Employee Benefits >		216,655	126,382	132,217	61.0%	84,438
620	Communications & Internet	7,000	4,083	3,230	46.1%	3,770
622	Board Exp	0	0		0.0%	0
625	Equip - Field (\$300 - \$4999)	0	0		0.0%	0
630	Equip - Office	500	292	151	30.2%	349
640	Fuel & Oil	4,000	2,333	7,560	189.0%	(3,560)
645	Insurance	40,000	23,333	25,467	63.7%	14,533
650	Interest	0	0		0.0%	0
657	Outside Lab / Internal Lab	20,000	11,667	12,317	61.6%	7,683
660	Memberships & Subscriptions	28,000	16,333	20,169	72.0%	7,831
665	Mileage Reimb	500	292		0.0%	500
670	Postage & Shipping	0	0		0.0%	0
675	Professional Services (SCADA, Mtce Prog)	25,000	14,583	11,021	44.1%	13,979
685	Rents	0	0	9,365	0.0%	(9,365)
690	Safety & Security (boots)	2,000	1,167	2,226	111.3%	(226)
700	Tools & Instruments	2,000	1,167	284	14.2%	1,716
703	Supplies - Clothing & Personal	1,500	875	1,518	101.2%	(18)
705	Supplies - Office	1,000	583	756	75.6%	244
715	Treatment Chemicals	75,000	43,750	30,194	40.3%	44,806
720	Supplies - Operating - Other	5,000	2,917	1,604	32.1%	3,396
730	Taxes - Licenses	0	0		0.0%	0
735	Training, Certs (classes, books)	4,000	2,333	171	4.3%	3,829
745	Travel / Lodging	500	292	66	13.2%	434
750	Utilities	132,900	77,525	97,121	73.1%	35,779
760	Waste Disposal	2,800	1,633	2,168	77.4%	632
795	Yolo Co	57,000	33,250	26,421	46.4%	30,579
799	Misc	0	0		0.0%	0
799.1	Customer Refund					
Services and Supplies >		408,700	238,408	251,809	61.6%	156,891
810	R&R Buildings & Grounds	5,000	2,917	122	2.4%	4,878
815	R & R Damage Claims	0	0		0.0%	0
820	R&R Lift Stations	0	0		0.0%	0
830	R&R Equipment	0	0		0.0%	0
832	R&R Mains/Service Lines	0	0	(551)	0.0%	-
840	R&R Vehicles (\$2k/vehicle)	3,000	1,750	1,050	35.0%	1,950
Repairs & Replacement >		8,000	4,667	621	7.8%	7,379
Total Expenses >		633,355	369,457	384,647	60.7%	248,708

505 With our T3 moving, had to bring in 3rd Operator for training purposes

640 Fuel cost for Dist Generators during PSPS (Public Safety Power Outages)

645 Annual Insurance Cost - will average out over the year

660 Memberships are due at one time, like insurance, it will average out over the year

685 Generator Rentals for PSPS

750 Plant ran 24/7 during summer months when bloom was at its highest

832 Credit from Insurance for sink hole on 20

Clearlake Oaks County Water District

CRP/CIP Profit and Loss

02/11/20

July 2019 through January 2020

Accrual Basis

	PC (CRP)	Water (CRP)	Sewer (CRP)	Total CRP	TOTAL
Income					
Income					
425 · CRP (Capital Replacment ...	11,160.18	233,003.15	217,064.67	461,228.00	461,228.00
430 · Penalty & Interest	168.20	3,652.83	3,303.55	7,124.58	7,124.58
Total Income	<u>11,328.38</u>	<u>236,655.98</u>	<u>220,368.22</u>	<u>468,352.58</u>	<u>468,352.58</u>
Total Income	<u>11,328.38</u>	<u>236,655.98</u>	<u>220,368.22</u>	<u>468,352.58</u>	<u>468,352.58</u>
Gross Profit	<u>11,328.38</u>	<u>236,655.98</u>	<u>220,368.22</u>	<u>468,352.58</u>	<u>468,352.58</u>
Expense					
Salaries & EE Benefits					
505 · Salaries & Wages	0.00	71,168.43	100,259.16	171,427.59	171,427.59
520 · FICA - District Share	0.00	5,410.51	7,353.71	12,764.22	12,764.22
530 · Medical Ins - Dist Share	0.00	15,556.58	17,229.27	32,785.85	32,785.85
540 · PERS - District Share	0.00	4,559.81	4,506.32	9,066.13	9,066.13
560 · Workers Comp Ins	0.00	6,436.81	6,436.83	12,873.64	12,873.64
Total Salaries & EE Benefits	<u>0.00</u>	<u>103,132.14</u>	<u>135,785.29</u>	<u>238,917.43</u>	<u>238,917.43</u>
Services & Supplies					
620 · Communications & Internet	0.00	2,922.23	3,066.65	5,988.88	5,988.88
625 · Equip - Field (\$300-\$4999)	0.00	3,215.06	2,433.37	5,648.43	5,648.43
630 · Equip - Office	0.00	32.50	32.50	65.00	65.00
640 · Fuel & Oil	0.00	6,988.86	7,543.53	14,532.39	14,532.39
657 · Lab	144.00	874.00	0.00	1,018.00	1,018.00
675 · Professional Services	314.00	71.25	71.25	456.50	456.50
690 · Safety & Security	0.00	2,363.30	514.77	2,878.07	2,878.07
700 · Tools & Instruments	0.00	499.39	67.66	567.05	567.05
703 · Supplies - Clothing & Pers...	0.00	1,119.72	300.00	1,419.72	1,419.72
720 · Supplies - Inventory - Other	186.26	1,764.62	500.06	2,450.94	2,450.94
735 · Training/Classes/Certs/Cla...	0.00	261.50	201.50	463.00	463.00
Total Services & Supplies	<u>644.26</u>	<u>20,112.43</u>	<u>14,731.29</u>	<u>35,487.98</u>	<u>35,487.98</u>
Repairs & Replacement					
810 · R&R Buildings & Grounds	0.00	1,911.46	11,994.04	13,905.50	13,905.50
820 · R&R Lift Stations	0.00	0.00	8,348.21	8,348.21	8,348.21
830 · R&R Equipment	15,170.17	42,999.58	17,319.45	75,489.20	75,489.20
832 · R&R Mains and Sewer Lines	0.00	5,392.79	3,140.75	8,533.54	8,533.54
840 · R&R Vehicles	0.00	21,310.33	13,568.59	34,878.92	34,878.92
Total Repairs & Replacement	<u>15,170.17</u>	<u>71,614.16</u>	<u>54,371.04</u>	<u>141,155.37</u>	<u>141,155.37</u>
Total Expense	<u>15,814.43</u>	<u>194,858.73</u>	<u>204,887.62</u>	<u>415,560.78</u>	<u>415,560.78</u>
Net Income	<u>-4,486.05</u>	<u>41,797.25</u>	<u>15,480.60</u>	<u>52,791.80</u>	<u>52,791.80</u>

Clearlake Oaks Co Water District

Budget Variance Report July 1, 2019 through June 30, 2020

CRP-Sewer

7

Target % > 58.3%

As of January 2020

Summary	Budget Annual	YTD	Actual YTD Amount	%
SEWER CRP Revenue	396,097	231,057	220,368	55.6%
SEWER CRP Expenses	364,699	212,741	204,888	56.2%
bridge Loan Interest	-	-	-	
USDA Annual Payment	110,000	64,167	27,650	
Operating Balance (loss)	(78,602)	(45,851)	(12,170)	

Expenses	2019 - 2020 Budget Annual	YTD	Actual YTD	% Spent	Total Remaining
505 Salaries & Wages	150,957	88,058	100,259	66.4%	50,698
520 FICA - District Share	12,515	7,300	7,354	58.8%	5,161
530 Medical Ins - District Share	38,698	22,574	17,229	44.5%	21,469
540 PERS - District Share	9,217	5,377	4,506	48.9%	4,711
550 Unemployment	-	-	-	0.0%	-
560 Workers Comp Ins	15,461	9,019	6,437	41.6%	9,024
Salaries and Employee Benefits >	226,849	132,328	135,785	59.9%	91,064
605 Advertising	0	0	-	0.0%	0
610 Bank Fees	0	0	-	0.0%	0
620 Communications & Internet	5,000	2,917	3,067	61.3%	1,933
622 Board Exp	0	0	-	0.0%	0
625 Equip - Field (up to \$4999)	1,250	729	2,433	194.6%	(1,183)
630 Equip - Office	-	-	33	0.0%	(33)
640 Fuel & Oil	5,900	3,442	7,544	127.9%	(1,644)
657 Outsource Lab / Internal Lab	0	0	-	0.0%	0
660 Memberships & Subscriptions	0	0	-	0.0%	0
665 Mileage Reimb	0	-	-	0.0%	0
670 Postage & Shipping	0	0	-	0.0%	0
675 Professional Services (SCADA)	0	0	71	0.0%	(71)
685 Rents	-	-	-	0.0%	-
690 Safety & Security (boots)	1,500	875	515	34.3%	985
700 Tools & Instruments	200	117	68	34.0%	132
703 Supplies - Clothing & Personal	300	175	300	0.0%	-
705 Supplies - Office	100	58	-	0.0%	100
715 Treatment Chemicals	0	0	-	0.0%	0
720 Supplies - Operating - Other	14,500	8,458	500	3.4%	14,000
730 Taxes - Licenses	0	0	-	0.0%	0
735 Training, Certs (classes, books)	1,200	700	201	16.8%	999
745 Travel / Lodging	400	233	-	0.0%	400
799 Misc	0	0	-	0.0%	0
Services and Supplies >	30,350	17,704	14,732	48.5%	15,618
810 R&R Buildings & Grounds	10,000	5,833	11,994	119.9%	(1,994)
815 R & R Damage Claims	0	0	-	0.0%	0
820 R&R Lift Stations	20,000	11,667	8,348	41.7%	11,652
830 R&R Equipment	25,000	14,583	17,319	69.3%	7,681
832 R&R Mains/Service Lines	25,000	14,583	3,141	12.6%	21,859
840 R&R Vehicles (\$2k/vehicle)	27,500	16,042	13,569	49.3%	13,931
Repairs & Replacement >	107,500	62,708	54,371	50.6%	53,129
Total Expenses >	364,699	212,741	204,888	56.2%	159,811

640 PSPS

810 Fabricate and install safety rails and catwalk on clarifier

Clearlake Oaks Co Water District
Budget Variance Report July 1, 2019 through June 30, 2020

CRP - Water

7

Target % > **58.3%**

As of January 2020 Summary	Budget Annual	YTD	Actual YTD Amount %	
WATER CRP Revenue	411,876	240,261	236,656	57.5% 57.5%
WATER CRP Expenses	359,349	209,620	194,860	54.2% 54%
USDA Payment 1st year	40,000	23,333		
Operating Balance	12,527	7,307	41,796	

Expenses		2019 - 2020 Budget Annual	YTD	Actual YTD	% Spent	Total Remaining
505	Salaries & Wages	142,263	82,987	71,168	50.0%	71,095
520	FICA - District Share	11,652	6,797	5,411	46.4%	6,241
530	Medical Ins - District Share	55,042	32,108	15,557	28.3%	39,485
540	PERS - District Share	8,296	4,839	4,560	55.0%	3,736
550	Unemployment	0	0		0.0%	0
560	Workers Comp Ins	13,897	8,106	6,437	46.3%	7,460
	Salaries and Employee Benefits >	231,149	134,837	103,133	44.6%	128,016
620	Communications & Internet	5,000	2,917	2,922	58.4%	2,078
622	Board Exp	0	0		0.0%	0
625	Equip - Field (up to \$4999)	1,250	729	3,215	257.2%	(1,965)
630	Equip - Office	-	0	33	0.0%	(33)
640	Fuel & Oil	5,900	3,442	6,989	118.5%	(1,089)
645	Insurance	0	0		0.0%	0
650	Interest	0	0		0.0%	0
657	Outsource Lab / Internal Lab	5,000	2,917	874	17.5%	4,126
660	Memberships & Subscriptions	0	0		0.0%	0
665	Mileage Reimb	0	0		0.0%	0
670	Postage & Shipping	0	0		0.0%	0
675	Professional Services Leak Chk	0	0	71	0.0%	(71)
685	Rents	0	0		0.0%	0
690	Safety & Security (boots)	2,250	1,313	2,363	105.0%	(113)
700	Tools & Instruments	300	175	499	0.0%	(199)
703	Supplies - Clothing & Personal	450	263	1,120	0.0%	(670)
705	Supplies - Office	150	88		0.0%	150
715	Treatment Chemicals	0	0		0.0%	0
720	Supplies - Operating - Other	17,500	10,208	1,765	10.1%	15,735
730	Taxes - Licenses	0	0		0.0%	0
735	Training, Certs (classes, books)	1,800	1,050	262	14.6%	1,538
745	Travel / Lodging	600	350		0.0%	600
799	Misc	0	0		0.0%	0
	Services and Supplies >	40,200	23,450	20,113	50.0%	20,087
810	R&R Buildings & Grounds	10,000	5,833	1,911	19.1%	8,089
815	R & R Damage Claims	0	0		0.0%	0
820	R&R Lift Stations	0	0		0.0%	0
830	R&R Equipment	25,000	14,583	43,000	172.0%	(18,000)
832	R&R Mains/Service Lines	25,000	14,583	5,393	21.6%	19,607
840	R&R Vehicles (\$2k/vehicle)	28,000	16,333	21,310	76.1%	6,690
	Repairs & Replacement >	88,000	51,333	71,614	81.4%	16,386
	Total Expenses >	359,349	209,621	194,860	54.2%	164,489

625 5 1000i Genreators to run SCADA during planned PG&E outages

675 I.T Services

685 Generator rental for power outages

830 5 new SWAN AMI Turbiwell Analysers to measure Turbidity in the amount of \$16,300. Approved RM 6/20/19

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Clearlake Oaks Co Water District
Budget Variance Report July 1, 2019 through June 30, 2020 **CRP - Paradise Cove**

7

Target % > **58.3%**

As of January 2020 Summary	Annual	YTD	Actual YTD	
			Amount	%
PC CRP Revenue	19,536	11,396	11,328	58.0%
PC CRP Expenses	0	0	15,814	0.0%
Operating Balance	19,536	11,396	(4,486)	

Expenses	2019 - 2020 Budget Annual	YTD	Actual YTD	% Spent	Total Remaining
620 Communications & Internet	0	0	-	0.0%	0
622 Board Exp	0	0	-	0.0%	0
625 Equip - Field (up to \$4999)	0	0	-	0.0%	0
630 Equip - Office	0	0	-	0.0%	0
640 Fuel & Oil	0	0	-	0.0%	0
645 Insurance	0	0	-	0.0%	0
650 Interest	0	0	-	0.0%	0
657 Outsource Lab / Internal Lab	0	0	144	0.0%	(144)
660 Memberships & Subscriptions	0	0	-	0.0%	0
665 Mileage Reimb	0	0	-	0.0%	0
670 Postage & Shipping	0	0	-	0.0%	0
675 Professional Services Leak Chk	0	0	314	0.0%	(314)
685 Rents	0	0	-	0.0%	0
690 Safety & Security (boots)	0	0	-	0.0%	0
700 Tools & Instruments	0	0	-	0.0%	0
703 Supplies - Clothing & Personal	0	0	-	0.0%	0
705 Supplies - Office	0	0	-	0.0%	0
715 Treatment Chemicals	0	0	-	0.0%	0
720 Supplies - Operating - Other	0	0	186	0.0%	(186)
730 Taxes - Licenses	0	0	-	0.0%	0
735 Training, Certs (classes, books)	0	0	-	0.0%	0
799 Misc - Labor for Pipeline & Mtrs	0	0	-	0.0%	0
Services and Supplies >	0	0	644	0.0%	(644)
810 R&R Buildings & Grounds	0	0	-	0.0%	0
815 R & R Damage Claims	0	0	-	0.0%	0
820 R&R Lift Stations	0	0	-	0.0%	0
830 R&R Equipment	0	0	15,170	0.0%	(15,170)
832 R&R Mains/Service Lines	0	0	-	0.0%	0
840 R&R Vehicles (\$2k/vehicle)	0	0	-	0.0%	0
850.3 PC Harv Vlt/Pipe Disinfection	0	0	-	0.0%	0
Repairs & Replacement >	0	0	15,170		(15,170)
Total Expenses >	0	0	15,814	0.0%	(15,814)

830 Harvey Valve failed and would not reset. Southport Control Invoice
830 Pump Replacement, relocation of sampling port, SCADA Repair

Clearlake Oaks County Water District
Capital Improvements
As of January 31, 2020

Date	Name	Memo	Class	Amount
130 - Const In Progress - Studies				
07/31/2019	Badger Meter	Services for July 2019	Loan/Grant:...	258.00
08/29/2019	Badger Meter	Service for August 2...	Loan/Grant:...	258.00
09/30/2019	Badger Meter	PC meter reading	Loan/Grant:...	258.00
10/30/2019	Badger Meter	October service - Me...	Loan/Grant:...	33.00
11/29/2019	Badger Meter	November service - ...	Loan/Grant:...	9.79
12/30/2019	Badger Meter	December 2019 Met...	Loan/Grant:...	9.79
01/30/2020	Badger Meter	Janrary 2020 Meter r...	Loan/Grant:...	9.79
Total 130 - Const In Progress - Studies				836.37
138 - USDA Water Improvements				
07/05/2019	MC Engineering, Inc	USDA Water improv...	Loan/Grant:...	18,477.50
08/05/2019	MC Engineering, Inc	USDA Water Improv...	Loan/Grant:...	35,852.69
09/05/2019	MC Engineering, Inc	USDA Water improv...	Loan/Grant:...	27,060.00
10/05/2019	MC Engineering, Inc	USDA Water Improv...	Loan/Grant:...	25,111.79
11/05/2019	MC Engineering, Inc	USDA Improvements	Loan/Grant:...	31,689.21
12/05/2019	MC Engineering, Inc	USDA Water Improv...	Loan/Grant:...	22,038.80
12/18/2019	MC Engineering, Inc	USDA Water	Loan/Grant:...	16,386.86
Total 138 - USDA Water Improvements				176,616.85
128 - Sewer Infrstrcture & Rehab Proj (Phase 1 was the installation of the Force Main)				
07/05/2019	MC Engineering, Inc	Inflow&Infiltration Co...	Loan/Grant:...	19,495.35
08/01/2019	T & S Construction Co...	Phase 3 Lift Station I...	Loan/Grant:...	317,062.50
08/05/2019	MC Engineering, Inc	Sewer Infrastructure/...	Loan/Grant:...	28,111.38
08/31/2019	T & S Construction Co...	Inflow & Infiltration P...	Loan/Grant:...	125,400.00
09/05/2019	MC Engineering, Inc	Inflow & Infrastructure	Loan/Grant:...	28,068.14
09/30/2019	T & S Construction Co...	Inflow and filtration - ...	Loan/Grant:...	36,557.19
10/02/2019	T & S Construction Co...	Inflow and infiltration	Loan/Grant:...	80,370.00
10/05/2019	MC Engineering, Inc	I & I Const	Loan/Grant:...	29,824.00
10/24/2019	PG&E CFM/PPC Dep...	Contract # 50016458...	Loan/Grant:...	2,405.08
11/05/2019	MC Engineering, Inc	Inflow & Infiltration C...	Loan/Grant:...	28,629.39
11/27/2019	T & S Construction Co...	Payment #7	Loan/Grant:...	428,972.50
12/05/2019	MC Engineering, Inc	Inflow & Infiltration	Loan/Grant:...	26,366.33
12/31/2019	T & S Construction Co...	Phase 3 Lift Station I...	Loan/Grant:...	307,562.50
12/31/2019	T & S Construction Co...	Phase 2 Pipeline Re...	Loan/Grant:...	266,907.99
01/06/2020	MC Engineering, Inc	Sewer Infrastructure/...	Loan/Grant:...	36,420.95
01/31/2020	T & S Construction Co...		Loan/Grant:...	78,352.44
01/31/2020	T & S Construction Co...		Loan/Grant:...	439,076.02
Total 128 - Sewer Infrstrcture & Rehab Proj (Phase 1 was the installation of the F...				2,279,581.76
121 - Wtr Dist & Wtr Storage Projects (Replacement or installation of water distribution pipes)				
10/05/2019	MC Engineering, Inc	Water Dist & Storag...	CRP:Water	480.00
11/05/2019	MC Engineering, Inc	Water Storage Project	CRP:Water	160.00
12/05/2019	MC Engineering, Inc	Tanks & Distribution	Loan/Grant:...	1,280.00
Total 121 - Wtr Dist & Wtr Storage Projects (Replacement or installation of water ...				1,920.00
131 - Waste Water Plant				
131.1 - Pumps/Equipment				
01/02/2020	Redwood Coast Fuels	New fuel storage tan...	GL:Sewer	4,251.31
01/02/2020	Redwood Coast Fuels	36035	GL:Water	4,251.31
Total 131.1 - Pumps/Equipment				8,502.62
131 - Waste Water Plant - Other				
10/01/2019	American Carports, Inc.	Plans for new carpor...	CRP:Water	207.50
10/01/2019	American Carports, Inc.	Plans for new carpor...	CRP:Sewer	207.50
12/05/2019	Lake County Commun...	Permit for carport at ...	CRP:Sewer	49.23
12/05/2019	Lake County Commun...	PERMITS FOR CAR...	CRP:Sewer	1,116.49
12/05/2019	Lake County Commun...	Permit for carport at ...	CRP:Water	49.22
12/05/2019	Lake County Commun...	PERMITS FOR CAR...	CRP:Water	1,116.48
01/13/2020	County of Lake	Road impact fee for ...	CRP:Water	110.50
01/13/2020	County of Lake	Road impact fee for ...	CRP:Sewer	110.50
Total 131 - Waste Water Plant - Other				2,967.42
Total 131 - Waste Water Plant				11,470.04
126 - Forcemain (phase 1) Cap. Imprv.				
Total 126 - Forcemain (phase 1) Cap. Imprv.				
123 - USDA - Sewer Plant Cap Imprvmt				

Clearlake Oaks County Water District
Capital Improvements
As of January 31, 2020

Date	Name	Memo	Class	Amount
Total 123 · USDA - Sewer Plant Cap Imprvmt				
127 · Water Plant				
127.6 · Swan AMI Turbiwell Monitor				
07/01/2019	Swan Analytical Instru...	Trubidity monitor - Bo...	CRP:Water	16,266.05
07/08/2019	Swan Analytical Instru...	Last one of 5 - AMI ...	CRP:Water	4,066.50
09/20/2019	Southport Control Sol...	9/4/19 Service call - ...	CRP:Water	1,846.00
Total 127.6 · Swan AMI Turbiwell Monitor				22,178.55
127.5 · A/C installation for Filter Rm				
08/19/2019	Lucky's Construction	Pad for A/C unit in fil...	CRP:Water	750.00
Total 127.5 · A/C installation for Filter Rm				750.00
127.4 · PH System				
08/19/2019	Lucky's Construction	Pad for ph Tank	CRP:Water	2,849.20
Total 127.4 · PH System				2,849.20
127.2 · Harvy Vault Chlor Inject Proj				
Total 127.2 · Harvy Vault Chlor Inject Proj				
127.1 · Major Equipment				
Total 127.1 · Major Equipment				
127 · Water Plant - Other				
07/24/2019	Performance Mechani...	10% down payment ...	CRP:Water	388.00
08/07/2019	Performance Mechani...	Balance to install sw...	CRP:Water	3,499.00
09/20/2019	Southport Control Sol...	Service call 8/29/19 ...	CRP:Water	3,198.00
09/20/2019	Southport Control Sol...	Service call 8/13/19 ...	CRP:Water	1,858.51
01/17/2020	Arrow Fencing	Hit & Run Accident - ...	GL:Water	17,000.00
01/22/2020	Arrow Fencing	Install gate Water Pl...	CRP:Water	3,350.00
Total 127 · Water Plant - Other				29,293.51
Total 127 · Water Plant				55,071.26
120 · District General CRP (EQUIPMENT - WAS 1011181)				
120.01 · General Equipment/Tools (GENERAL EQUIPMENT - WATER - WAS 1011190)				
Total 120.01 · General Equipment/Tools (GENERAL EQUIPMENT - WATER - ...				
120.60 · Office (OFFICE EQUIPMENT - WAS 1011192)				
07/02/2019	CUSI	Additional UMS User...	GL:Sewer	250.00
07/02/2019	CUSI		GL:Water	250.00
10/01/2019	CUSI	Kiosk for UMS - pay...	CRP:Water	1,670.00
10/01/2019	CUSI		CRP:Sewer	1,670.00
Total 120.60 · Office (OFFICE EQUIPMENT - WAS 1011192)				3,840.00
120.90 · Vehicles/Generators/Trailers				
11/25/2019	Refridgeration Techno...	2 - 35 kw Generators	CRP:Water	21,450.00
11/25/2019	Refridgeration Techno...	2 - 35 KW GENERA...	CRP:Sewer	21,450.00
12/23/2019	Vroom.com	Hold on Inventory I...	CRP:Sewer	250.00
12/23/2019	Vroom.com	Hold on Inventory ID...	CRP:Water	250.00
12/23/2019	Vroom.com	Hold on Inventory ID...	CRP:Water	250.00
12/23/2019	Vroom.com	Hold on Inventory ID...	CRP:Sewer	250.00
12/31/2019	West America Bank	PURCHASE - 2018 ...	CRP:Water	16,091.01
12/31/2019	West America Bank	2018 NISSAN P/U - ...	CRP:Sewer	16,091.00
12/31/2019	West America Bank	PURCHASE - 2017 ...	CRP:Water	14,577.60
12/31/2019	West America Bank	2017 RAM P/U VIN ...	CRP:Sewer	14,577.59
Total 120.90 · Vehicles/Generators/Trailers				105,237.20
120 · District General CRP (EQUIPMENT - WAS 1011181) - Other				
10/01/2019	Mendo Mill	Radio repeater reloc...	CRP:Water	179.97
10/01/2019	Mendo Mill	306750	CRP:Sewer	179.96
Total 120 · District General CRP (EQUIPMENT - WAS 1011181) - Other				359.93
Total 120 · District General CRP (EQUIPMENT - WAS 1011181)				109,437.13
122 · Bldgs/Grounds Cap Improvements				
01/17/2020	Arrow Fencing	Paradise water tank	CRP:PC	5,700.00

Clearlake Oaks County Water District Capital Improvements As of January 31, 2020

Date	Name	Memo	Class	Amount
Total 122 · Bldgs/Grounds Cap Improvements				5,700.00
124 · D/C System Cap Improvements (COLLECTION SYSTEM - SEWER - WAS 1011161)				
124.30 · Lift Stations				
124.31 · Lift Station 7 Bypass				
Total 124.31 · Lift Station 7 Bypass				
124.30 · Lift Stations - Other				
Total 124.30 · Lift Stations - Other				
Total 124.30 · Lift Stations				
124.50 · Mains				
Total 124.50 · Mains				
124.60 · Meters				
Total 124.60 · Meters				
124.90 · Water Tanks				
Total 124.90 · Water Tanks				
124 · D/C System Cap Improvements (COLLECTION SYSTEM - SEWER - WAS 1011161) - Other				
08/05/2019	MC Engineering, Inc	GIS/Mapping	CRP:Water	551.95
08/05/2019	MC Engineering, Inc		CRP:Sewer	551.95
09/05/2019	MC Engineering, Inc	GIS	CRP:Water	1,058.80
09/05/2019	MC Engineering, Inc		CRP:Sewer	1,058.80
09/30/2019	Pace	Service line repair - ...	CRP:Water	2,380.63
10/02/2019	Pace	Service line repair - ...	CRP:Water	2,012.74
10/03/2019	Pace	Morine Ranch Rd se...	CRP:Water	590.78
10/05/2019	MC Engineering, Inc	GIS Online Database	CRP:Water	107.40
10/05/2019	MC Engineering, Inc		CRP:Sewer	107.40
10/08/2019	Case Excavating, Inc.	New service line 250...	CRP:Water	8,900.00
10/08/2019	Case Excavating, Inc.	New service line/pav...	CRP:Water	10,900.00
10/16/2019	National Meter	Meters for 2- PC, 1 ...	CRP:Water	2,931.56
10/21/2019	National Meter	24 - Meter for Elem	CRP:Water	3,339.34
10/24/2019	Coastal Mountain Ele...	Electrical project for ...	CRP:PC	28,500.00
10/24/2019	Coastal Mountain Ele...	Shady tank - install n...	CRP:Water	6,900.00
10/29/2019	National Meter	24 - Transmitters/En...	CRP:Water	2,989.79
10/30/2019	Pace	10741 E Hwy 20 Re...	CRP:Water	371.47
10/30/2019	Pace	10741 E Hwy 20 Re...	CRP:Water	453.88
10/31/2019	AES - Analytical Envir...	10741 E Hwy 20 Re...	CRP:Water	3,223.68
11/05/2019	MC Engineering, Inc	GIS Online	CRP:Water	81.00
11/05/2019	MC Engineering, Inc		CRP:Sewer	81.00
11/06/2019	Case Excavating, Inc.	544 Keys Blvd - New...	CRP:Water	14,900.00
01/06/2020	MC Engineering, Inc	GIS	CRP:Water	314.05
01/06/2020	MC Engineering, Inc		CRP:Sewer	314.05
Total 124 · D/C System Cap Improvements (COLLECTION SYSTEM - SEWE...				92,620.27
Total 124 · D/C System Cap Improvements (COLLECTION SYSTEM - SEWER - ...				92,620.27
125 · Land - Dist. Cap. Improvements				
11/08/2019	OPC*Lake County Tax	589 Keys - Lift Statio...	CRP:Sewer	691.33
11/08/2019	OPCTax*Service Fee	Service fee for 589 ...	CRP:Water	17.28
Total 125 · Land - Dist. Cap. Improvements				708.61
129 · ALLOW. FOR DEPRECIATION				
Total 129 · ALLOW. FOR DEPRECIATION				
TOTAL				2,733,962.29



Accounts

Transfers

Bill Pay

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Accounts

Transfer Settings

CRP PC *6192

Current	\$1,346.28
Available	**\$1,346.28

CRP SEWER *3745

Current	\$301,667.64
Available	**\$301,667.64

GENERAL LEDGER *9122

Current	\$409,391.68
Available	**\$406,183.69

PC ESCROW *6184

Current	\$0.00
Available	**\$0.00

PUBLIC REGULAR CHK *8503

Current	\$87,700.00
Available	**\$87,700.00

PUBLIC REGULAR CHK *9592

Current	\$5,000.00
Available	**\$5,000.00

CRP WATER *6990

Current	\$114,657.87
Available	**\$114,657.87

BALANCE TOTALS

Total Deposit Accounts \$919,763.47

**This balance may include overdraft or line of credit funds

Outside Accounts

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*6192-CRP PC [change account](#)

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February 2020						
Su	Mo	Tu	We	Th	Fr	
26	27	28	29	30	31	
2	3	4	5	6	7	
9	10	11	12	13	14	
16	17	18	19	20	21	
23	24	25	26	27	28	

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California State Treasurer *Fiona Ma, CPA*



Local Agency Investment Fund
P.O. Box 942809
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(916) 653-3001

February 14, 2020

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[PMIA Average Monthly Yields](#)

CLEARLAKE OAKS COUNTY WATER DISTRICT

AUDITOR/SECRETARY
P.O. BOX 709
12952 HIGHWAY 20
CLEARLAKE OAKS, CA 95423-0709

[Tran Type Definitions](#)

Account Number: 90-17-001

January 2020 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Authorized Caller	Amount
1/15/2020	1/14/2020	QRD	1629138	SYSTEM	4,514.81
1/22/2020	1/21/2020	RW	1630411	DIANNA MANN	-8,000.00

Account Summary

Total Deposit:	4,514.81	Beginning Balance:	1,107,671.01
Total Withdrawal:	-8,000.00	Ending Balance:	1,104,185.82

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Aged Accounts Receivable
As of 02/14/2020

0-30 Days	31-60 Days	61-90 Days	91-120 Days	Over 120 Days	Total Balance
\$89,468.51	\$22,201.18	\$16,990.45	\$10,694.55	\$167,402.33	<u>\$306,757.02</u>

Total number of accounts with open balances: 854

These totals include all accounts on the Tax Roll

Water	\$78,873.72
Water Penalty	\$8,471.66
Sewer	\$126,603.70
Sewer Penalty	\$9,496.47
CRP Water	\$32,459.24
CRP Water Penalty	\$1,636.76
CRP Sewer	\$46,075.22
CRP Sewer Penalty	\$2,643.81
CRP PC	\$481.13
CRP PC Penalty	\$15.31
Total Balance:	\$306,757.02

Clearlake Oaks County Water District
Payroll Summary
 January 2020

	<u>Hours</u>	<u>Rate</u>	<u>Jan 20</u>
Employee Wages, Taxes and Adjustments			
Gross Pay			
CTO Saved	-54.5	50.25	-2,730.87
CTO Used	21.85	38.84	758.51
Holiday	376.25	22.31	10,308.22
Holiday Worked (x2.5)	23.75	47.25	1,545.49
Overtime (x1.5)	247.75	33.47	10,271.89
PTO	349.4	22.95	9,655.51
Straight Board Duty Pay	2,555.25	79.56	74,962.69
			400.00
			6,790.00
Total Gross Pay	3,519.75		111,961.44
Deductions from Gross Pay			
ACWA (pre-tax)			-1,633.53
AFLAC (pre-tax)			-810.99
AFLAC (taxable) AFTER TAX			-352.08
CALPers 457			-675.00
CALPers EE (Pretax)			-5,913.97
Total Deductions from Gross Pay			-9,385.57
Adjusted Gross Pay	3,519.75		102,575.87
Taxes Withheld			
Federal Withholding			-8,331.00
Medicare Employee			-1,588.00
Social Security Employee			-6,790.05
CA - Withholding			-2,972.28
CA - Disability			-1,095.17
Total Taxes Withheld			-20,776.50
Deductions from Net Pay			
Miscellaneous Deduction			-400.05
Wage Garnishment			-34.59
Total Deductions from Net Pay			-434.64
Net Pay	3,519.75		81,364.73
Employer Taxes and Contributions			
Federal Unemployment			15.38
Medicare Company			1,588.00
Social Security Company			6,790.05
CA - Unemployment			53.34
Total Employer Taxes and Contributions			8,446.77

1:31 PM

Clearlake Oaks County Water District

02/11/20

Trial Balance

Accrual Basis

As of January 31, 2020

	Jan 31, 20	
	Debit	Credit
102.13 · SEWER RESERVES-9592	5,000.00	
102.10 · CRP PC - 6192	8,171.28	
102.12 · WATER RESERVES- 8503	75,200.00	
102.001 · GL - 9122	517,659.04	
102.04 · DWR - CHECKING	0.00	
101 · LAIF - CASH IN BANK	910,671.01	
101 · LAIF - CASH IN BANK:CIP Deposits 2014	189,000.00	
102.01 · WEST AMERICA - REGULAR CHECKING	88.98	
102.02 · CRP Water - 6990	64,867.42	
102.03 · CRP Sewer - 3745	249,108.84	
CUSI Accounts Receivable	0.00	
103 · PETTY CASH	306.59	
104 · COUNTY TREASURY	29,609.68	
130 · Const In Progress - Studies	128,085.47	
130 · Const In Progress - Studies:130.75 · SCADA	0.00	
132 · CRP SEWER	983,511.67	
132 · CRP SEWER:132.05 · CIP SEWER LABOR	0.00	
135 · CRP WATER	249,148.33	
135 · CRP WATER:135.02 · Aircon Project	0.00	
135 · CRP WATER:135.05 · Backwash Pump Filters #2-#3	0.00	
135 · CRP WATER:135.10 · High Valley Project 2013	0.00	
135 · CRP WATER:135.20 · CIP WATER LABOR	0.00	
111 · INVENTORY - WATER	0.00	
114 · ACCOUNTS RECEIVABLE.	351,149.26	
115 · PRE-PAID INSURANCE	15,474.00	
1890 · ACCOUNTS RECEIVABLE - OTHER	0.00	
12000 · Undeposited Funds	0.00	
138 · USDA Water Improvements	224,300.85	
128 · Sewer Infstrcture & Rehab Proj	3,101,574.16	
121 · Wtr Dist & Wtr Storage Projects	152,704.44	
121 · Wtr Dist & Wtr Storage Projects:121.1 · Sidewalk Project - District Exp	115,500.66	
131 · Waste Water Plant	57,546.91	
131 · Waste Water Plant:131.1 · Pumps/Equipment	19,345.46	
126 · Forcemain (phase 1) Cap. Imprv.	1,253,598.85	
123 · USDA - Sewer Plant Cap Imprvmt	4,265,559.43	
USDA Project	238,835.93	
127 · Water Plant	214,152.17	
127 · Water Plant:127.7 · Ozone System	12,785.71	
127 · Water Plant:127.6 · Swan AMI Turbiwell Monitor	25,079.10	
127 · Water Plant:127.5 · A/C installation for Filter Rm	750.00	
127 · Water Plant:127.4 · PH System	9,959.72	
127 · Water Plant:127.2 · Harvy Vault Chlor Inject Proj	1,408.61	
127 · Water Plant:127.1 · Major Equipment	177,077.82	
120 · District General CRP	13,859.93	
120 · District General CRP:120.01 · General Equipment/Tools	1,921,549.25	
120 · District General CRP:120.60 · Office	31,171.49	
120 · District General CRP:120.75 · SCADA	0.00	
120 · District General CRP:120.90 · Vehicles/Generators/Trailers	307,491.74	
122 · Bldgs/Grounds Cap Improvements	8,535,149.57	
124 · D/C System Cap Improvements	3,233,591.87	
124 · D/C System Cap Improvements:124.30 · Lift Stations	46,264.48	
124 · D/C System Cap Improvements:124.30 · Lift Stations:124.31 · Lift Station 7 Bypass	66,042.23	
124 · D/C System Cap Improvements:124.50 · Mains	14,788.58	
124 · D/C System Cap Improvements:124.60 · Meters	700.00	
124 · D/C System Cap Improvements:124.90 · Water Tanks	5,215.04	
125 · Land - Dist. Cap. Improvements	300,478.61	
129 · ALLOW. FOR DEPRECIATION		8,856,056.00
200 · ACCOUNTS PAYABLE		1,212,899.02
211 · WAB Credit Card:211.14 · WAB - Dianna - 3226		3,618.99
211 · WAB Credit Card:211.13 · WAB - Jeremy - 2499		516.50
211 · WAB Credit Card:211.12 · WAB- Francisco - 2481		529.04
211 · WAB Credit Card:211.11 · WAB - Dan - 2507	0.00	
211 · WAB Credit Card:211.10 · WAB - Dianna - 2473		4,526.64
210 · Cal Card	0.00	
210 · Cal Card:210-09 · Cal Card - 5855	0.00	
210 · Cal Card:210-08 · Cal Card - 5848	0.00	
210 · Cal Card:210-07 · Cal-Card	0.00	
210 · Cal Card:210.06 · Cal Card - 3879	0.00	

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Clearlake Oaks County Water District

Trial Balance

02/11/20

As of January 31, 2020

Accrual Basis

	Jan 31, 20	
	Debit	Credit
210 · Cal Card:210.05 · Cal Card - 4075	0.00	
210 · Cal Card:210.04 · Cal Card - 7397	0.00	
210 · Cal Card:210.01 · Cal Card -	0.00	
210 · Cal Card:210.02 · Cal Card 0010	0.00	
210 · Cal Card:210.03 · Cal Card	0.00	
Annual Depreciation		249,035.55
224 · USDA Retainage		10,000.00
223.56 · FEDERAL PAYROLL TAX PENALTY	0.00	
280 · Loan:280.02 · KS State Bank - 2019 Vac-Con	7,421.47	
280 · Loan:280.12 · USDA Loan		702,317.29
280 · Loan:280.10 · Bridge for I & I Rehab Project	1,072,000.00	
280 · Loan:280.07 · Bridge Loan for Forced Main	0.00	
280 · Loan:280.05 · USDA Bridge Loan	0.00	
280 · Loan:280.01 · Kansas State Bk - VACON	0.00	
280 · Loan:280.03 · Kansas State Bk - Camera Traile	0.00	
220 · Restricted - Expansion Fee's	0.00	
221 · Health Ins - EE Portion	1,227.85	
221 · Health Ins - EE Portion:221.1 · EE Cobra Payments - Medical	0.00	
222 · Direct Deposit Liabilities	0.00	
223 · COMP DUMP ACCOUNT	0.00	
223 · COMP DUMP ACCOUNT:223.01 · ADMIN - COMP USED	0.00	
223 · COMP DUMP ACCOUNT:223.02 · SEWER - COMP USED	0.00	
223 · COMP DUMP ACCOUNT:223.03 · WATER - COMP USED	0.00	
223.15 · GARNISHMENTS	2,204.67	
223.15 · GARNISHMENTS:223.16 · GARNISHMENT - COURT DEBT ORDER	0.00	
223.15 · GARNISHMENTS:223.17 · GARNISHMENT - LAKE CO SHERIFF		2,374.96
223.20 · STATE UNEMPLOYMENT TAX PAYABLE	0.00	
223.25 · Vacation Dump Account	0.00	
223.25 · Vacation Dump Account:223.26 · Admin - Vacation Time	0.00	
223.25 · Vacation Dump Account:223.27 · Sewer - Vacation	0.00	
223.25 · Vacation Dump Account:223.28 · Water - Vacation	0.00	
223.30 · Sick Dump Account	0.00	
223.30 · Sick Dump Account:223.31 · Admin - Sick	0.00	
223.30 · Sick Dump Account:223.32 · Sewer - Sick	0.00	
223.30 · Sick Dump Account:223.33 · Water - Sick	0.00	
223.40 · ACCRUED PAYROLL	0.00	
223.45 · FICA & SOCIAL SEC PAYABLE		9.86
223.50 · MEDICARE TAX PAYABLE		2.32
223.55 · FEDERAL PAYROLL TAX WITHHOLDING	0.00	
223.60 · STATE PAYROLL TAX WITHHOLDING	0.00	
223.65 · STATE DISABILITY PAYABLE		0.80
2135 · CALPERS RETIREMENT PAYABLE	0.00	
223.70 · WORKERS COMP PAYABLE	0.00	
223.75 · PAYROLL DEDUCTION - INS CO-PAY		649.23
223.80 · GASB 68 Pension		16,533.00
223.85 · MISC DEDUCTIONS PAYABLE		2,474.77
223.90 · COMPENSATED EMPLOYEE BENEFITS		54,922.20
24000 · Payroll Liabilities	1,660.27	
226 · USDA Int Pymnt-Swr Clarifier	0.00	
225 · USDA Payment - Sewer Clarifier	0.00	
281 · BOND PAYABLE	0.00	
302 · RETAINED EARNINGS		5,956,568.19
304 · Opening Balance Equity	584,283.24	
306 · Retained Earnings - OLD		9,319,476.54
600 · 2019 Storms		66,376.00
Income:410 · Client Reg Pmt		1,308,125.06
Income:420 · Connection Fees		20,300.00
Income:425 · CRP		461,228.00
Income:425 · CRP:425.3 · CRP - Paradise Cove		22.00
Income:430 · Penalty & Interest		36,506.15
Income:435 · Loans/Grants:435-7 · Water Master Plan:435-7.3 · WTP, Meters, and Backflow	1,194.10	
Income:435 · Loans/Grants:435-6 · I & I Const Grant		2,929,162.00
Income:435 · Loans/Grants:435-5 · USDA Conctruction Grant		6,023.85
Income:440 · Misc Revenue		13,364.30
Income:450 · Other - Non S/W Rev		167,189.45
133 · Harvey Storage Tank - Water	3,380.00	
Loans/Grants:901 · Harvey Tank Installation	520.00	
Salaries & EE Benefits:545 · CALPers 457	1,189.85	

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02/11/20

Accrual Basis

Clearlake Oaks County Water District
Trial Balance
As of January 31, 2020

Jan 31, 20

	Debit	Credit
Salaries & EE Benefits:505 · Salaries & Wages	621,096.83	
Salaries & EE Benefits:510 · Contract Labor	1,000.00	
Salaries & EE Benefits:520 · FICA - District Share	46,317.99	
Salaries & EE Benefits:530 · Medical Ins - Dist Share	130,538.31	
Salaries & EE Benefits:540 · PERS - District Share	77,556.48	
Salaries & EE Benefits:550 · Unemployment	4,842.98	
Salaries & EE Benefits:560 · Workers Comp Ins	29,739.72	
Services & Supplies:605 · Advertising	200.00	
Services & Supplies:610 · Bank Fees	11,730.09	
Services & Supplies:620 · Communications & Internet	13,912.17	
Services & Supplies:622 · Board Exp	2,070.34	
Services & Supplies:625 · Equip - Field (\$300-\$4999)	6,198.74	
Services & Supplies:630 · Equip - Office	1,884.31	
Services & Supplies:640 · Fuel & Oil	30,608.03	
Services & Supplies:645 · Insurance	50,934.03	
Services & Supplies:650 · Interest	27,650.00	
Services & Supplies:657 · Lab	21,729.36	
Services & Supplies:660 · Memberships & Subscription	49,923.68	
Services & Supplies:665 · Mileage Reimb	106.73	
Services & Supplies:670 · Postage & Shipping	6,540.64	
Services & Supplies:675 · Professional Services	26,271.43	
Services & Supplies:685 · Rents	16,764.41	
Services & Supplies:690 · Safety & Security	8,280.33	
Services & Supplies:700 · Tools & Instruments	964.69	
Services & Supplies:703 · Supplies - Clothing & Personal	5,733.43	
Services & Supplies:705 · Supplies - Office	7,568.28	
Services & Supplies:715 · Supplies-Chemicals-Operating	43,784.39	
Services & Supplies:720 · Supplies - Inventory - Other	7,614.11	
Services & Supplies:730 · Taxes - Licenses	34.62	
Services & Supplies:735 · Training/Classes/Certs/ClassB	3,681.47	
Services & Supplies:745 · Travel / Lodging	660.87	
Services & Supplies:750 · Utilities	140,051.46	
Services & Supplies:760 · Waste Disposal	30,276.70	
Services & Supplies:795 · Yolo Co	26,420.83	
Services & Supplies:798 · Reconciliation Discrepancies	20.00	
Services & Supplies:799 · Misc:799.1 · Customer Refund - Acct closed	2,128.33	
Repairs & Replacement:810 · R&R Buildings & Grounds	17,254.24	
Repairs & Replacement:820 · R&R Lift Stations	8,348.21	
Repairs & Replacement:830 · R&R Equipment	76,719.31	
Repairs & Replacement:832 · R&R Mains and Sewer Lines	7,982.57	
Repairs & Replacement:840 · R&R Vehicles	36,978.92	
66000 · Payroll Expenses	73.05	
TOTAL	31,400,807.71	31,400,807.71

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Clearlake Oaks County Water District
A/P Aging Summary
As of February 14, 2020

	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
A&B Collision	2,208.87	0.00	0.00	0.00	0.00	2,208.87
Alpha Analytical Labs	514.00	72.00	0.00	0.00	0.00	586.00
AT&T 555 6	115.13	0.00	0.00	0.00	0.00	115.13
Bob's Vacuum	120.60	0.00	0.00	0.00	0.00	120.60
California State Disbursement Unit	23.06	0.00	0.00	0.00	0.00	23.06
Clearlake Lava	68.64	0.00	0.00	0.00	0.00	68.64
Dean A Enderlin, P.G.	1,705.65	0.00	0.00	0.00	0.00	1,705.65
Deeper Cleaning	350.00	0.00	0.00	0.00	0.00	350.00
EDD - Unemployment	1,766.98	0.00	0.00	0.00	0.00	1,766.98
Hayden Solar, LLC	2,688.37	0.00	0.00	0.00	0.00	2,688.37
HD Excavating	0.00	1,780.00	0.00	0.00	0.00	1,780.00
High Country Security	342.00	0.00	0.00	0.00	0.00	342.00
IVR Technology Group	70.00	0.00	0.00	0.00	0.00	70.00
Jay Albertson	74.99	0.00	0.00	0.00	0.00	74.99
Kansas State Bank - Vacon - Monthly	7,421.47	0.00	0.00	0.00	0.00	7,421.47
L & M Locksmith	126.00	0.00	0.00	0.00	0.00	126.00
Lake County Waste Solutions	661.97	0.00	0.00	0.00	0.00	661.97
MC Engineering, Inc	36,502.27	53,435.91	0.00	0.00	0.00	89,938.18
Mediacom - WTP 5311	182.00	0.00	0.00	0.00	0.00	182.00
Mediacom - WWTP 1294	231.95	0.00	0.00	0.00	0.00	231.95
Mendo Mill	357.01	0.00	0.00	0.00	0.00	357.01
Nave Law Office, P.C.	86.00	602.00	451.50	0.00	0.00	1,139.50
Pace	0.00	2,176.34	0.00	0.00	0.00	2,176.34
Pacific Ozone	361.52	0.00	0.00	0.00	0.00	361.52
PETTY CASH - Olivia Mann	113.00	0.00	0.00	0.00	0.00	113.00
Quill	304.12	0.00	0.00	0.00	0.00	304.12
Redwood Coast Fuels	0.00	2,023.91	0.00	0.00	0.00	2,023.91
T & S Construction Co. Inc.	517,428.46	574,470.49	0.00	0.00	0.00	1,091,898.95
Tri-Cities Answering Service	178.15	0.00	0.00	0.00	0.00	178.15
United States Post Office	0.00	1,000.00	0.00	0.00	0.00	1,000.00
USA BlueBook	1,532.04	60.57	0.00	0.00	0.00	1,592.61
Yolo County Flood Control	0.00	4,111.36	0.00	0.00	0.00	4,111.36
TOTAL	575,534.25	639,732.58	451.50	0.00	0.00	1,215,718.33

Account Payable Breakdown

Date: 2/14/2020

	<u>QuickBooks</u>	<u>WAB Balance</u>	<u>WAB Available</u>
General Ledger	\$451,122.98	\$409,391.68	\$406,183.69
CRP Water	\$114,657.87	\$114,657.87	\$114,657.87
CRP Sewer	\$301,667.64	\$301,667.64	\$301,667.44
CRP PC	\$1,346.28 - \$10,198.05*	\$1,346.28	\$1,346.28
	**Could not transfer Sept 21019 expenses = \$11,544.33		
PC Escrow	\$0.00	\$0.00	\$0.00
Water Reserve	\$87,700.00	\$87,700.00	\$87,700.00
Sewer Reserve	\$5,000.00	\$5,000.00	\$5,000.00
LAIF Balance	\$1,092,185.82	\$1,104,185.82	**
	** 2/3/2020 \$17,000.00 out for Fence 2/11/2020 paid back \$5,000.00 = \$12,000.00 difference		
Current A/P Aging	\$1,215,718.33		
ACWA - Health Ins	\$21,915.62		
Credit Card	\$952.88		
TOTAL	\$1,238,586.83		

3A

**CLEARLAKE OAKS COUNTY WATER DISTRICT
MINUTES
REGULAR MEETING OF THE BOARD OF DIRECTORS**

Clearlake Oaks County Water District Administration Building
12952 E. Hwy. 20 Clearlake Oaks, CA 95423 (707) 998-3322

JANUARY 16, 2020

This meeting will be conducted by Roberts Rule of Order.

Where appropriate or deemed necessary, the Board may take action on any item listed on the agenda, including items listed as information items. Public documents relating to any open session item listed on this agenda that are distributed to all or a majority of the members of the Board of Directors less than 72 hours before the meeting are available for public inspection in the customer service area of the District's Administrative Office at the above address.

The public may address the Board concerning an agenda item either before or during the Board's consideration of that agenda item. The President will call for comments at the appropriate time. Comments will be subject to reasonable time limits of three minutes.

In compliance with the Americans with Disabilities Act, if you have a disability, and you need a disability-related modification or accommodation to participate in this meeting, then please contact Clearlake Oaks County Water District Secretary to the Board at 707-998-3322. Requests must be made as early as possible, and at least one full business day before the start of the meeting.

AGENDA

Call to Order – 2:00 p.m.

Pledge of Allegiance

Roll Call

- √ Mrs. Margaret Medeiros, President √ Mr. Stanley Archacki, Vice President
- √ Mr. Samuel Boucher, Director □ Mrs. Barbara Higman, Director, **ABSENT**
- √ Mrs. Dianna Mann – General Manager √ Mrs. Olivia Mann - Secretary of the Board

In the audience, our Chief Operators

- Mr. Francisco Castro, Wastewater, **ABSENT** √ Mr. Kurt Jensen, Water √ Mr. Jeremy Backus, Distribution

Public comment on non-agenda items

This is the opportunity for the public to comment on non-agenda items within the Board's jurisdiction. Comments are limited to three (3) minutes

Consent Items

The Board will be asked to approve all Consent Items at one time without discussion. Consent Items are expected to be routine and non-controversial. If any Director, staff, or interested person requests that an item be removed from the Consent Items, it will be considered with the action items.

1. Staff Written Operational Reports

- a. Customer Service
- b. Chief Distribution Operator
- c. Water Plant Chief Operator
- d. Wastewater Plant Chief Operator
- e. General Manager

2. Financial Reports for review and approval

- a. December 2019, QB balance sheet and profit & loss statements
- b. Bank account balances and accounts receivable
- c. Employee payroll report
- d. Aged trial balance summary
- e. Vendor aging report, accounts payable breakdown

3. Minutes of previous meeting for review and approval

- a. Minutes of Regular Meeting 12-19-19

4. Bills

- a. MC Engineering invoice number 1878, dated 1/6/2020, in the amount of \$36,420.95 for the Waste Water Infrastructure Improvements Project
- b. MC Engineering invoice number 1879, dated 12/18/19 (should have been dated 1/6/20), in the amount of \$16,386.86 for the USDA Meters and Water Tank PER (USDA application for water projects)
- c. T & S Construction invoice number 8, dated 12/31/19, in the amount of \$307,562.50 for Phase 3 of the Wastewater Infrastructure Improvements
- d. T & S Construction invoice number 2, dated 12/31/19, in the amount of \$266,907.99 for Phase 2 of the Wastewater Infrastructure Improvements

Action Taken: Motion to approve the consent items

BOUCHER/ARCHACKI M/S/C

AYES: MEDEIROS/ARCHACKI/BOUCHER

NOES: NONE

ABSENT: HIGMAN

5. Agenda (Old Business

- a. Discussion and approval of the organizational chart

Action Taken: Motion to approve the organizational chart

ARCHACKI/BOUCHER M/S/C

AYES: MEDEIROS/ARCHACKI/BOUCHER

NOES: NONE

ABSENT: HIGMAN

- b. Update of the hit and run incident at the Water Plant on December 8, 2019

Action Taken: NO ACTION

6. Agenda (New Business)

- a. Discussion and consideration of nominations for a Special District Representative to the Consolidated Redevelopment Agency Oversight Board for Lake County

Action Taken: Motion to nominate Margaret Medeiros as Special District Representative

ARCHACKI/BOUCHER M/S/C

AYES: MEDEIROS/ARCHACKI/BOUCHER

NOES: NONE

ABSENT: HIGMAN

Motioned to adjourn at 2:21 PM by Director Boucher

Adjournment

Time: 2:21 PM

SIGNED: _____
Margaret Medeiros, President

ATTESTED TO: _____
Olivia Mann, Board Secretary



MC Engineering, Inc.

9294 Madison Ave
Orangevale, CA 95662

Invoice

Date	Invoice #
2/5/2020	1891

Bill To

Clearlake Oaks Water District
12545 Highway 20
Clearlake Oaks, CA 95423

P.O. No.	Terms	Due Date	Project	
	Net 30	3/6/2020	Sewer Infrastructure and Design	
Description	Qty	Rate	Amount	
Assistant Engineer, Jared P. Nelson	136	120.00	16,320.00	
Senior Planner, Randy Burke	34	120.00	4,080.00	
Project Manager, Mark Carey, PE	17	165.00	2,805.00	
Operations Management Engineer, John Pedri, PE	1	160.00	160.00	
266 mi @ \$0.545 / mi - 1/03 Randy		144.97	144.97	
265 mi @ \$0.545 / mi - 1/08 Randy		144.43	144.43	
266 mi @ \$0.545 / mi - 1/10 Randy		144.97	144.97	
259 mi @ \$0.545 / mi - 1/15 Randy		141.16	141.16	
335 mi @ \$0.545 / mi - 1-27 to 1-31 Jared		182.58	182.58	
335 mi @ \$0.545 / mi - 1-20 to 1-24 Jared		182.58	182.58	
330 mi @ \$0.545 / mi - 1-15 to 1-17 Jared		179.85	179.85	
330 mi @ \$0.545 / mi - 1-6-20 to 1-9-20 Jared		179.85	179.85	
RGH Consultants Inv 0919238		1,598.95	1,598.95	
RGH Consultants Inv 1019091		5,478.52	5,478.52	
EDEA Inv1052		2,404.41	2,404.41	
		Total	\$34,147.27	
		Payments/Credits	\$0.00	
		Balance Due	\$34,147.27	

128- 4/B in flow & infiltration Const. (M)

Phone #	Fax #	E-mail
916-546-7898	916-860-1863	markcarey@msn.com

Contractor's Application for Payment No. #9

Application Period: 1/1/2020 - 1/31/2020	Application Date: 1/31/2019	#9
From (Contractor): T & S Construction Co. Inc.	Via (Construction Manager): Jared Nelson	
Contract: Phase 3 Lift Station Improv.	Contractor's Project No.: 1808	
Owner's Contract No.:	Engineer's Project No.:	

Application For Payment Change Order Summary

Approved Change Orders		
Number	Additions	Deductions
1	\$25,785.18	
2	\$5,800.05	
3		\$2,510.30
4	\$0.00	
5	\$24,900.00	
6	\$95,798.00	
7	TBD	
8	TBD	
TOTALS		
NET CHANGE BY		\$149,772.93
CHANGE ORDERS		

1. ORIGINAL CONTRACT PRICE..... \$ 2,603,374.00
2. Net change by Change Orders..... \$ 149,772.93
3. Current Contract Price (Line 1 + 2)..... \$ 2,753,146.93
4. TOTAL COMPLETED AND STORED TO DATE..... \$2,322,924.88
5. RETAINAGE:
 - a. 5% X \$2,322,924.88 Work Completed..... \$ 116,146.24
 - b. 5% X \$0.00 Stored Material..... \$ -
 - c. Total Retainage (Line 5a + Line 5b)..... \$ 116,146.24
6. AMOUNT ELIGIBLE TO DATE (Line 4 - Line 5c)..... \$ 2,206,778.64
7. LESS PREVIOUS PAYMENTS (Line 6 from prior Application)..... \$ 1,767,702.62
8. AMOUNT DUE THIS APPLICATION..... \$ 439,076.02
9. BALANCE TO FINISH, PLUS RETAINAGE
(Column G on Progress Estimate + Line 5 above)..... \$ 546,368.29

Contractor's Certification

The undersigned Contractor certifies that to the best of its knowledge: (1) all previous progress payments received from Owner on account of Work done under the Contract have been applied on account to discharge Contractor's legitimate obligations incurred in connection with Work covered by prior Applications for Payment; (2) title of all Work, materials and equipment incorporated in said Work or otherwise listed in or covered by this Application for Payment will pass to Owner at time of payment free and clear of all Liens, security interests and encumbrances (except such as are covered by a Bond acceptable to Owner indemnifying Owner against any such Liens, security interest or encumbrances); and (3) all Work covered by this Application for Payment is in accordance with the Contract Documents and is not defective.

By: Anthony Spinella Date: 1/31/2019

Payment of: \$ 546,368.29 explanation of the other amount

is recommended by: Jared Nelson Inspector 1-29-2020 (Date)

Payment of: \$ _____ (Line 8 or other - attach explanation of the other amount)

is recommended by: Mark Lacey Engineer 2/3/20 (Date)

is approved by: Lanna Nelson Owner 2/3/20 (Date)

Approved by: _____ Funding Agency (if applicable) (Date)

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(ISM)

JP

Contractor's Application for Payment No. #3

Application Period:	1/1/2020 - 1/31/2020		Application Date:	1/31/2020
From (Contractor):	T & S Construction Co. Inc.		Via (Construction Manager):	Jared Nelson
Contract:				
Contractor's Project No.:	1809		Engineer's Project No.:	

Application For Payment Change Order Summary

Number	Additions	Deductions	
#1	\$213,231.53	(\$210,799.00)	
TOTALS			
	\$213,231.53		-\$210,799.00
NET CHANGE BY CHANGE ORDERS			
			\$2,432.53

1. ORIGINAL CONTRACT PRICE..... \$ 704,866.00
2. Net change by Change Orders..... \$ 2,432.53
3. Current Contract Price (Line 1 + 2)..... \$ 707,298.53
4. TOTAL COMPLETED AND STORED TO DATE..... \$401,913.28
5. RETAINAGE:
 - a. 5% X \$401,913.28 Work Completed..... \$ 20,095.66
 - b. 5% X \$0.00 Stored Material..... \$ -
 - c. Total Retainage (Line 5a + Line 5b)..... \$ 20,095.66
6. AMOUNT ELIGIBLE TO DATE (Line 4 - Line 5c)..... \$ 381,817.62
7. LESS PREVIOUS PAYMENTS (Line 6 from prior Application)..... \$ 303,465.18
8. AMOUNT DUE THIS APPLICATION..... \$ 78,352.44
9. BALANCE TO FINISH, PLUS RETAINAGE (Column G on Progress Estimate + Line 5 above)..... \$ 325,480.91

Contractor's Certification

The undersigned Contractor certifies that to the best of its knowledge: (1) all previous progress payments received from Owner on account of Work done under the Contract have been applied on account to discharge Contractor's legitimate obligations incurred in connection with Work covered by prior Applications for Payment; (2) title of all Work, materials and equipment incorporated in said Work or otherwise listed in or covered by this Application for Payment will pass to Owner at time of payment free and clear of all Liens, security interests and encumbrances (except such as are covered by a Bond acceptable to Owner indemnifying Owner against any such Liens, security interest or encumbrances); and (3) all Work covered by this Application for Payment is in accordance with the Contract Documents and is not defective.

By: Anthony Spinella Date: 1/31/2020

Payment of: \$ _____

is recommended by: Jared Nelson Inspector (Date) 1-30-20

Payment of: \$ _____

is recommended by: Mark Conroy Engineer (Date) 1/31/20

is approved by: Dana Mann Owner (Date) 1-5-2020

Approved by: _____ Funding Agency (if applicable) (Date) _____

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(RMD)

CLEARLAKE OAKS COUNTY WATER DISTRICT

P.O. Box 709, 12952 E. Hwy. 20

CLEARLAKE OAKS, CA 95423

(707) 998-3322

RESOLUTION NO. 20-02

THE BOARD OF DIRECTORS OF THE CLEARLAKE OAKS COUNTY WATER DISTRICT

Amendment No 1 for the Approval of the Engineering Services Contract for the Completion of the Preliminary Engineers Report (PER) and Design for Water System Improvements that Include upgrades to the Water Treatment Plant, installation of Water Meters and Backflow Devices, Replacement/Installation of Storage Tanks, and Pipeline Improvements, and Assistance in the 218 Study

WHEREAS, the Clearlake Oaks County Water District is required and has a fiduciary responsibility to provide sufficient potable water and sanitary sewer service(s) to the residents of the district, and;

WHEREAS, the system is unable to meet mandatory requirements and standards, and portions of the current system are deficient, dilapidated and have performed beyond their useful life, and;

WHEREAS, the District has continued to pursue funding to assist with the rehabilitation of the water/sewer system to repair the deficiencies and meet health and safety requirements, and;

WHEREAS, on January 15, 2015, the CLOCWD conducted a Public meeting to discuss and take public comments for proposed water and wastewater projects, and;

WHEREAS, the District pursued and applied for USDA Rural Development funding for Wastewater Treatment Plant projects, only, including a new clarifier, piping, pump stations, and other appurtenances, and;

WHEREAS, in 2016, the District, applied for a Department of Water Resources (DWR) Planning Grant to prepare a detailed Water Master Plan that defined and categorized important water projects to eliminate existing and future water quality, health and safety problems, and;

WHEREAS, in 2016, the DWR approved a \$400,000, 100% grant planning study to complete a detailed water master plan, and;

WHEREAS, MC Engineering was contracted by the CLOCWD to prepare the Water Master Plan that included system-wide water modeling, an updated project improvement(s) list with costs for various system-wide components including water storage, distribution, and water treatment facilities, and;

WHEREAS, the District requested MC Engineering to prioritize water projects and submit a disadvantaged community design and construction 100% grant application(s) (up to \$6,000,000) on multiple occasions to the newly created SWRCB Drinking Water State Revolving Loan Program (SWRCB DWSRF), and;

WHEREAS, the SWRCB DWSRF continues to have very limited design and construction funding and has yet to approve any grant funding. As a result the District requested MC Engineering to prepare a Professional Engineers Report (PER) and apply with the USDA Rural Development for a combination water loan and grant to design and construct critically prioritized facilities, and;

WHEREAS, on April 12 2019, the District approved an Engineering Consultant Services Agreement with MC Engineering in amount of \$203,770 for preparation of a PER, design of certain facilities, and preparation and submittal of a design/construction grant and loan to the USDA Rural Development, and;

WHEREAS, and as a result of the SWRCB DWSRF restructuring its program, certain prioritized water projects were removed from the SWRCB DWSRF grant request and added to the USDA Rural Development project list after more extensive analysis of a several additional critical facilities including other reservoirs, distribution piping, pumping facilities, and treatment facilities. The resulting projects deemed absolutely critical for immediate funding from this expanded PER included, among other things backflow prevention devices, new District Metered Area (DMA) meters, corrosion protection, re-coating of tanks, and THM treatment systems.

WHEREAS, in January 2020, the CLOCWD and MC Engineering successfully submitted a grant and loan application in the amount off \$ 5,252,047, including a \$2,000,000 grant and \$3,252,047 loan to the USDA Rural development, and

WHEREAS, MC Engineering has requested an amendment (Amendment No 1) to the Engineering Consultant Services Agreement in the amount of \$215,225, which includes additional design and bidding services, assistance with a Prop 218 process, acquisition of easements for the proposed backflow project, and the required updates to the PER as a result of expanding the list of projects and related re-prioritization, and;

WHEREAS, the USDA Rural Development has accepted the application and is preparing a Letter of Conditions (LOC) to be completed and approved by the end of March 2020, for both loan and grant funding, and;

WHEREAS, the CLOCWD will be required to repay the final loan amount that is not yet determined by the USDA with conditions of repayment to be stipulated within the USDA LOC, and;

WHEREAS, MC Engineering will complete project design by August 2020, which includes a new 300,000-gallon storage tank (Harvey Area), booster pump station, pipelines, water meters, backflow prevention devices, corrosion protection, and THM treatment facilities at the WTP, and;

WHEREAS, upon completion of a revenue program through the required Proposition 218 Hearing Process, the projects are scheduled for bidding by October 2020, and;

BE IT RESOLVED by the Board of Directors of the Clearlake Oaks County Water District hereby supports and approves the following actions:

1. Develop required funding strategies, under the Proposition 218 process, along with utilizing pledged revenue(s) from other District fund accounts.
2. Continue working with the SWRCB DWSRF and the General Manager to acquiring grant funds for water projects not included within the USDA Rural Development application.
3. Approve the attached Amendment No. 1 with MC Engineering for the completed PER and design of the re-prioritized water facilities in the amount of \$215,225 and increasing the total planning and design grant and loan to an estimated \$5.2 million.

FURTHER BE IT RESOLVED AND ORDERED by the Board of Directors of the Clearlake Oaks County Water District that the General Manager is authorized to execute the required engineering consultant agreement (Amendment No. 1) with MC Engineering and to develop and approve, per the 218 Hearing Process, the necessary revenue to meet the debt repayment obligations to be included within the USDA Rural Development Letter of Conditions.

THE ABOVE RESOLUTION is hereby passed and adopted by the Board of Directors of the Clearlake Oaks County Water District at a regular meeting thereof held on the day of February 20, 2020, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

CLEARLAKE OAKS COUNTY WATER DISTRICT

By: _____
Margaret Medeiros, President

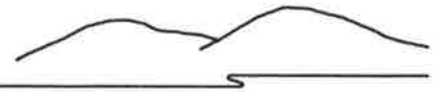
Attest: _____
Olivia Mann, Board Secretary

Clearlake Oaks County Water District

FINANCIAL STATEMENTS

AUDIT REPORT

June 30, 2019



November 1, 2019

Clearlake Oaks County Water District

Clearlake Oaks, CA

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying financial statements of Clearlake Oaks County Water District as of and for the year-ended June 30, 2019, 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 of material misstatement, whether due to fraud or error.

Auditor's Responsibility

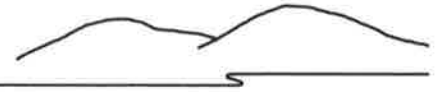
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America applicable to financial audits contained in Governmental Auditing Standards issued by the Comptroller General of the United States. 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 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 our 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 Clearlake Oaks County Water District as of June 30, 2019, and the respective



changes in financial position, and cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Other Matters

The District has not presented Management's Discussion and Analysis or budgetary comparison information that accounting principles generally accepted in the United States of America require 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 financial statements in an appropriate operational, economic, or historical context.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Clearlake Oaks County Water District's basic financial statements. The Schedule of Expenditures of Federal Awards, as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Schedule of Expenditures of Federal Awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated **November 1, 2019**, on our consideration of the Clearlake Oaks County Water District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Zach Pehling, CPA

Clearlake Oaks County Water District

**Audit Report
June 30, 2019**

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Clearlake Oaks County Water District

**Statement of Net Position
June 30, 2019**

ASSETS

Current Assets:

Cash	\$ 288,264
Restricted Cash	1,404,661
Accounts Receivable	429,571
Deposits & Prepaid Expenses	<u>20,058</u>
Total Current Assets	<u>2,142,554</u>

Capital Assets:

Land	299,770
Buildings, Improvements & Equipment	22,538,363
Construction in Progress	-
Less: Accumulated Depreciation	<u>(9,267,584)</u>
Total Capital Assets	<u>13,570,549</u>

TOTAL ASSETS 15,713,103

DEFERRED OUTFLOW

GASB 68 Pension	<u>219,020</u>
-----------------	----------------

TOTAL DEFERRED OUTFLOW 219,020

TOTAL ASSETS AND DEFERRED OUTFLOWS 15,932,123

LIABILITIES

Current Liabilities:

Accounts Payable	284,300
Current Portion	51,000
Accrued Compensated Absences	<u>33,275</u>
Total Current Liabilities	<u>368,575</u>

Long-term Liabilities:

Note Payable	2,713,987
Net Pension Liability	<u>875,781</u>
Total Long-term Liabilities	<u>3,589,768</u>

TOTAL LIABILITIES 3,958,343

DEFERRED INFLOWS

USDA Construction Retainage	-
GASB 68 Pension	<u>28,845</u>

TOTAL DEFERRED INFLOWS 28,845

TOTAL LIABILITIES AND DEFERRED INFLOWS 3,987,188

NET POSITION

Net Investment in Capital Assets	10,805,562
Unrestricted	<u>1,139,373</u>
TOTAL NET POSITION	<u>\$ 11,944,935</u>

The accompanying notes are an integral part of these financial statements.



Clearlake Oaks County Water District
Statement of Activities
For the Year-Ended
June 30, 2019

	Expenses	Charges for Services	Capital Grants and Contributions	Excess of Revenues/(Expenses)
<u>Governmental Activities</u>				
Water	1,734,165	1,713,999	-	(20,166)
Sewer	1,555,409	1,493,249	1,275,530	1,213,370
Total Governmental Activities				1,193,204
General Revenues:				
Tax Revenue				182,268
Interest & Investment Earnings				-
Total General Revenues				182,268
NET CHANGE IN NET POSITION				1,375,472
NET POSITION, BEGINNING OF YEAR				10,569,463
NET POSITION, END OF YEAR				\$ 11,944,935

The accompanying notes are an integral part of these financial statements.

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Clearlake Oaks County Water District

**Statement of Revenues, Expenses & Change in Fund Net Position
For the Year Ended
June 30, 2019**

<u>OPERATING REVENUE</u>	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Charges for Service	\$ 1,322,548	\$ 1,130,111	\$ 2,452,659
CRP Charges	371,278	357,992	729,270
Connection Fee	10,000	-	10,000
Misc Revenue	10,173	4,419	14,592
Storm Disaster	-	727	727
<u>TOTAL OPERATING REVENUE</u>	<u>1,713,999</u>	<u>1,493,249</u>	<u>3,207,248</u>
<u>OPERATING EXPENSES</u>			
Depreciation	268,122	263,406	531,528
Insurance	11,557	26,582	38,139
Repairs & Maintenance	291,238	36,604	327,842
Salaries and Employee Benefits	718,856	753,687	1,472,543
Services, Supplies and Refunds	263,840	262,290	526,129
Professional Fees	47,258	28,559	75,816
Storm Disaster Expense	-	45,508	45,508
Utilities	133,295	96,900	230,195
<u>TOTAL OPERATING EXPENSES</u>	<u>1,734,165</u>	<u>1,513,535</u>	<u>3,247,700</u>
<u>OPERATING INCOME (Loss)</u>	<u>(20,166)</u>	<u>(20,286)</u>	<u>(40,452)</u>
<u>NON-OPERATING REVENUES/EXPENSES</u>			
Interest Income	-	-	-
Grants & Contributions	-	1,275,530	1,275,530
Property Taxes	91,204	91,064	182,268
Interest Expense	-	(41,874)	(41,874)
<u>TOTAL NON-OPERATING REVENUES/EXPENSES</u>	<u>91,204</u>	<u>1,324,720</u>	<u>1,415,924</u>
<u>CHANGE IN NET POSITION</u>	<u>\$ 71,038</u>	<u>\$ 1,304,434</u>	<u>\$ 1,375,472</u>

The accompanying notes are an integral part of these financial statements.

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Clearlake Oaks County Water District
Statement of Cash Flows
For the Year-Ended
June 30, 2019

	Water	Sewer	Total
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>			
Cash Received from Charges for Service	\$ 1,530,242	\$ 1,324,519	\$ 2,854,761
Cash Received from Other Income	10,173	5,146	15,319
Deduct: Cash paid for Operating Expenses	(1,439,980)	(2,030,762)	(3,470,742)
NET CASH FLOWS FROM OPERATING ACTIVITIES	100,435	(701,097)	(600,662)
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u>			
Interest Expense	-	(41,874)	(41,874)
USDA Draws	-	1,583,078	1,583,078
Notes Payable	-	(66,000)	(66,000)
Purchase of Capital Assets	(128,693)	(1,911,227)	(2,039,920)
NET CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	(128,693)	(436,023)	(564,716)
<u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</u>			
Property Tax Receipts	106,009	105,869	211,878
NET CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	106,009	105,869	211,878
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Interest Receipts	-	-	-
NET CASH FLOWS FROM INVESTING ACTIVITIES	-	-	-
<u>NET INCREASE (DECREASE) IN CASH</u>	77,751	(1,031,251)	(953,500)
<u>CASH, BEGINNING OF YEAR</u>	1,913,777	732,648	2,646,425
<u>CASH, END OF YEAR</u>	\$ 1,991,528	\$ (298,603)	\$ 1,692,925
<u>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</u>			
Operating Income (Loss)	\$ (20,166)	\$ (20,286)	\$ (40,452)
Adjustments to reconcile operating income to net cash provided by operating activities			
Add back depreciation	268,122	263,406	531,528
(Increase) Decrease in Operating Accounts Receivable	(163,584)	(163,584)	(327,168)
(Increase) Decrease in Prepaid	(2,292)	(2,292)	(4,584)
Increase (Decrease) in Accounts Payable	28,874	(767,822)	(738,948)
Increase (Decrease) in Pension Obligation	304	304	608
Increase (Decrease) in Current Liabilities	(10,823)	(10,823)	(21,646)
Net Cash Provided by Operating Activities	\$ 100,435	\$ (701,097)	\$ (600,662)

The accompanying notes to the financial statements are an integral part of this statement.

Clearlake Oaks County Water District

**NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Clearlake Oaks County Water District (the District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

A. Description of the Reporting Entity

The District was established in 1960, under the California State Government Code. The District currently provides water and sewer services throughout the un-incorporated area of the Clearlake Oaks Community in Lake County.

The District is a governed entity administered by a Board of Directors (Board) that acts as the authoritative and legislative body of the entity. The Board is comprised of five board members who are elected by voters living within the District's boundaries. Elections are held within the Board to appoint the President. The President's responsibilities are to preside at all meetings of the Board; be the chief officer of the District; perform all duties commonly incident to the position of presiding officer of a board, commission, or business organization; and exercise supervision over the business of the District, its officers, and its employees.

The accompanying general-purpose financial statements comply with the provisions of GASB Statement No. 14, "*The Financial Reporting Entity*," in that the financial statements include all organizations, activities, and functions that comprise the District. Component units are legally separate entities for which the District (the primary entity) is financially accountable. Financial accountability is defined as the ability to appoint a voting majority of the organization's governing body and either (1) the District's ability to impose its will over the organization or (2) the potential that the organization will provide a financial benefit to, or impose a financial burden on, the District. Using these criteria, the District has no component units.

B. Basis of Accounting/Measurement Focus

The accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, revenues, expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

C. Government-Wide Financial Statements

The District Government-Wide Financial Statements include a Statement of Net Position and a Statement of Revenues, Expenses and Changes in Net Position. These statements present summaries of Governmental and Business-Type Activities for the District accompanied by a total column. These statements are presented on an "economic resources" measurement focus and the accrual basis of

Clearlake Oaks County Water District

**NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

accounting. Accordingly, all of the District's assets and liabilities, including capital assets as well as infrastructure assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Revenues, Expenses and Changes presents changes in 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. The types of transactions reported as operating revenues for the District are reported as charges for services.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column.

Operating revenues include (1) charges paid by the recipients of services offered by the program and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including taxes are presented instead as non-operating revenues.

Enterprise Funds – The enterprise funds are used to account for all the financial resources of the District. The enterprise net assets is available to the District for any purpose, provided it is expended or transferred according to the general laws of California and the bylaws of the District. The District maintains separate funds for Water, and Sewer.

Exchange and Non-Exchange Transactions of Revenues – Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. Non-exchange transactions, in which the District receives value without directly giving value in return, include taxes and donations. Revenues are recognized when susceptible to accrual, when they become both measurable and available. Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The District considers property taxes as available if they are collected within 60 days after year-end. The assessor of the County determines the assessed valuations of such property and the tax collector of the County collects the taxes. On an accrual basis, revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specific purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis.

Expenses - On an accrual basis of accounting, expenses are recognized at the time they are incurred.

D. Funds on Deposit, County and Bank

The District maintains its cash in a pool managed by the County Treasury. The County Treasury, in turn, invests its cash with the State of California in the local agency investment fund as well as other banking institutions. The District does not own any specific identifiable investments in the pool. The risk of loss is minimal.

Clearlake Oaks County Water District

**NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

As of, the primary government had the following investments:

	<u>Fair Value</u>	<u>Rating</u>	<u>Rating Agency</u>
Cash in County Treasury	\$-	Unrated	NA
Cash in Local Bank	\$1,476,550	FDIC ins.	NA
Cash in LAIF	\$189,000	Unrated	NA
Petty Cash	\$307		
Total Cash	<u>\$1,692,925</u>		

Interest rate risk. - The District does not currently have a policy regarding interest rate risk.

Credit risk. - The District does not have a formal policy regarding credit risk

Custodial credit risk. -The District's investment in the State and County Treasurer's investment pools represents a proportionate interest in the pool's portfolio; however, the District's portion is not identified with specific investments and is not subject to custodial credit risk. Cash in local bank is covered by federal depository insurance.

Concentration of credit risk. - The District does not have a policy for concentration of credit risk.

E. Accounts Receivable

Accounts receivable are recorded at their gross value, where appropriate are reduced by the portion that is considered uncollectable. Accounts receivable consists primarily of service fees that have been billed but not paid as of year-end. Management believes its receivables to be fully collectable due to the ability to place a lien against property for unpaid receivables and, accordingly no allowance for doubtful accounts is necessary.

F. Prepaid Expenses

Certain payments to vendors reflect costs applicable to future accounting periods are recorded as prepaid items.

G. Fixed Assets

Capital assets, which include property, plant, and equipment, infrastructure assets and intangible are reported in the applicable governmental -type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an estimated useful life in excess of one year. Property, plant and equipment purchased or acquired is carried at historical cost or estimated historical cost. Donated or contributed capital assets are recorded at their estimated fair value on the date received. The current capitalization threshold is \$5,000 for an individual item.

The costs of normal maintenance and repairs are charged to operations as incurred. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Clearlake Oaks County Water District

**NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

H. Accounts Payable

On an accrual basis, expenses are recognized in the fiscal year in which the goods or services are received. Payables are liabilities of the District based upon current year charges for goods or services received but not paid in the current year.

I. Accrued Expenses

The District's employees accrue PTO after 90 days of employment at varying levels depending on years of service. Employees are allowed to accumulate up to 320 hours of PTO hours. Any accumulated PTO leave is paid-out to employees at their most recent rate of pay upon termination. The District records a liability for compensated absences based upon total PTO and CTO.

Clearlake Oaks County Water District

**NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

J. USDA Loan

Section 2.03. Principal; Interest; Maturity. The Certificate shall mature on June 1 in the years and in the principal amounts as shown below (each, a “Principal Component Payment”). Interest with respect thereto shall be computed at the Interest Rate of 2.00% per annum, calculated on the basis of a 365-day year. The annual Principal Component Payments are as follows:

<u>Maturity Date</u>	<u>Principal</u>	<u>Annual Interest Rate</u>	<u>Maturity Date</u>	<u>Principal</u>	<u>Annual Interest Rate</u>
06/01/2018	\$20,000	2.00%	06/01/2038	\$71,000	2.00%
06/01/2019	46,000	2.00%	06/01/2039	72,000	2.00%
06/01/2020	51,000	2.00%	06/01/2040	72,000	2.00%
06/01/2021	51,000	2.00%	06/01/2041	76,000	2.00%
06/01/2022	51,000	2.00%	06/01/2042	76,000	2.00%
06/01/2023	51,000	2.00%	06/01/2043	77,000	2.00%
06/01/2024	52,000	2.00%	06/01/2044	79,000	2.00%
06/01/2025	56,000	2.00%	06/01/2045	81,000	2.00%
06/01/2026	56,000	2.00%	06/01/2046	82,000	2.00%
06/01/2027	56,000	2.00%	06/01/2047	82,000	2.00%
06/01/2028	56,000	2.00%	06/01/2048	87,000	2.00%
06/01/2029	61,000	2.00%	06/01/2049	87,000	2.00%
06/01/2030	61,000	2.00%	06/01/2050	87,000	2.00%
06/01/2031	61,000	2.00%	06/01/2051	92,000	2.00%
06/01/2032	62,000	2.00%	06/01/2052	92,000	2.00%
06/01/2033	63,000	2.00%	06/01/2053	96,000	2.00%
06/01/2034	66,000	2.00%	06/01/2054	97,000	2.00%
06/01/2035	66,000	2.00%	06/01/2055	97,000	2.00%
06/01/2036	67,000	2.00%	06/01/2056	102,000	2.00%
06/01/2037	71,000	2.00%	06/01/2057	102,000	2.00%

Section 2.04. Interest. The interest evidenced and represented by the Certificate shall be payable on June 1 and December 1 of each year (each, an “Interest Payment Date”), commencing on December 1, 2017 and continuing to and including the Certificate Maturity Date or upon prepayment prior thereto, and shall evidence and represent the sum of the portions of the Installment Payments designated as interest components (each, an “Interest Component Payment”) coming due on the Interest Payment Dates during the interest period immediately preceding each of the Interest Payment Dates. Interest shall accrue with respect to the Original

K. Property Tax Revenue

The County, through the Auditor-Controller’s Office and the Treasury-Tax Collector, is responsible for collecting and distributing property taxes according to the alternative method of distributing known as the Teeter Plan. Under the Teeter Plan, the current year’s secured property tax levy is distributed to participating agencies with the County without consideration of whether the tax has been collected.

Clearlake Oaks County Water District

**NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

L. Net Position

The District's net position represents the difference between its assets and liabilities in the statement of net position. Net position is reported as restricted when there are legal limitations imposed on their use by their source. Portions of the unreserved net position or fund balance may be designated to indicate tentative plans for financial resources utilization in a future period, such as for general contingencies, purchase of capital assets, or debt service. Such plans or intent are subject to change and may never be legally authorized or result in expenditures.

	Water	Sewer
Net Position 6/30/18	<u>\$3,491,700</u>	<u>\$ 7,077,763</u>
Net Change in Net Position	<u>71,038</u>	<u>1,304,434</u>
Net Position 6/30/19	<u>\$3,562,738</u>	<u>\$ 8,382,197</u>

M. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

NOTE 2: RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; damage to, and theft or destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2019, the District contracted with private insurance agencies for liability, property, crime damage, and employee and director insurances.

NOTE 3: DEFINED BENEFIT PENSION PLAN

The District entered into the Public Employees Retirement System (PERS). Qualified employees are covered under a multiple-employer defined benefit pension plan maintained by an agency of the State of California. Employees are members of the Public Employees' Retirement System.

Plan Description: The District contributes to the PERS, an agent multiple- employer public employee defined benefit plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments, to plan members and beneficiaries. PERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by state statute and district ordinance. Copies of PERS' annual financial report may be obtained from their Executive Office, 400 P Street, Sacramento, CA 95814.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the PERS and additions to/deductions from PERS' fiduciary net position have been determined on the

Clearlake Oaks County Water District

**NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

same basis as they are reported by PERS. 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.

Summary of Significant Accounting Policies

For Purposes of Measuring the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported by the CalPERS Financial Office. For this Purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value. CalPERS audited financial statements are publicly available reports that can be obtained at CalPERS' website under Forms and Publications.

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

Validation Date (VD)	June 30, 2017
Measurement Date (MD)	June 30, 2018
Measurement Period (MP)	July 1, 2017 to June 30, 2018

General Information about the Pension Plan

Plan Description, Benefits Provided and Employees Covered

The Plan is a cost-sharing multiple employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS). A full description of the pension plan benefit provisions, assumptions for funding purposes but not accounting purposes, and membership information is listed in the June 30, 2016 actuarial valuation report. This report is a publicly available valuation report that can be obtained at CalPERS' website under Forms and Publications.

Contribution Description

Section 20814(c) of the California Public Employees' Retirement Law (PERL) 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. The total plan contributions are determined through the CalPERS' annual actuarial valuation process. For Public agency cost-sharing plans covered by either the Miscellaneous, the Plan's actuarially determined rate is based on the estimated amount necessary to pay the Plan's allocated share of the risk pool's costs of benefits earned by the employees during the year, and any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees

Actuarial Methods and Assumptions Used to determine Total Pension Liability

For the measurement period ending June 30, 2018 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2018 total pension liability. Both the June 30, 2016 total

Clearlake Oaks County Water District

**NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

pension liability and the June 30, 2017 total pension liability were based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table²	Derived using CalPERS' Membership Data for all Funds

All other actuarial assumptions used in the June 30, 2017, valuation use the results of CalPERS Experience Study and Review of Actuarial Assumptions — December 2017, including updates to salary increases, mortality, and retirement rates, as a basis. The experience study report is available on the CalPERS website under Forms and Publications.

Discount Rate

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, staff took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound (geometric) 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 geometric rates of return are net of administrative expenses.

Pension Plan Fiduciary Net Position

The plan fiduciary net position disclosed in your GASB 68 accounting valuation report may differ from the plan assets reported in your funding actuarial valuation report due to several reasons. First, for the accounting valuations, CalPERS must keep items such as deficiency reserves, fiduciary self-insurance and OPEB expense included in fiduciary net position. These amounts are excluded for rate setting purposes



Clearlake Oaks County Water District

**NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

in your funding actuarial valuation. In addition, differences may result from early CAFR closing and final reconciled reserves.

The following table shows the Plan's proportionate share of the risk pool collective net pension liability over the measurement period.

The first amortized amounts are recognized in pension expense for the year gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pension and are to be recognized in future pension expense.

The amortization period differs depending on the source of the gain or loss:

Difference between projected and actual earnings	5 year straight-line amortization
---	-----------------------------------

All other amounts	Straight-line amortization over the average expected remaining service lives of all members that are provided with benefits (active, inactive and retired) as of the beginning of the measurement period
-------------------	--

The employer should amortize deferred outflows and deferred inflows of resources relating to Differences between Expected and Actual Experience, Changes of Assumptions, and employer-specific amounts over the EARSL of members provided with pensions through the Plan. The EARSL for PERF C for the June 30, 2018, measurement date is 3.8 years.

CalPERS derived the EARSL by dividing the total service years of 516,147 (the sum of remaining service lifetimes of all active employees) by 135,474 (the total number of participants: active, inactive, and retired) in PERF C. Inactive employees and retirees have remaining service lifetimes equal to zero. The basis of total future service is the members' probability of decrementing due to an event other than receiving a cash refund.



Clearlake Oaks County Water District

**NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Pension Expense as of June 30, 2019	99,107
-------------------------------------	--------

At 6/30/2019, proportionate shares of Net Pension Liability/(Asset) by plan(s):

	Proportionate Share of Net Pension Liability/(Asset)
Miscellaneous	875,781
Safety	-
Total	875,781

Proportionate share of the Net Pension Liability/(Asset) for the Plan as of 6/30/2018 and 6/30/2019:

	Miscellaneous	Safety	Total
Proportion - June 30, 2018	0.02225%	0.00000%	0.00885%
Proportion - June 30, 2019	0.02324%	0.00000%	0.00909%
Change - Increase/(Decrease)	0.00099%	0.00000%	0.0024%

Note: Due to the nature of calculating proportionate share of the Net Pension Liability/(asset), total proportion for all employer plans will not equal the sum of the miscellaneous proportion % and the safety proportion %

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

Fiscal Year Ending June 30:	Miscellaneous	Safety	Total
2020	\$ 80,482	\$ -	\$ 80,482
2021	44,443	-	44,443
2022	(25,372)	-	(25,372)
2023	(7,877)	-	(7,877)
2024	-	-	-
Thereafter	-	-	-
	<u>91,676</u>	<u>-</u>	<u>\$ 91,676</u>

Sensitivity of the Proportionate Share of the Net Pension Liability/(Asset) to Changes in the Discount Rate:

	Discount Rate -1% 6.15%	Current Discount Rate 7.15%	Discount Rate +1% 8.15%
Employer's Net Pension Liability/(Asset) - Miscellaneous	1,332,759	875,781	498,554
Employer's Net Pension Liability/(Asset) - Safety	-	-	-
Employer's Net Pension Liability/(Asset) - Total	1,332,759	875,781	498,554

Ending Balances - Net Pension Liability & Deferred Outflows/Deferred Inflows of Resources Related to Pensions - 6/30/2019 Reporting Date:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions	75,372	-
Differences between Expected and Actual Experience	22,168	-
Differences between Projected and Actual Investment Earnings	4,330	-
Differences between Employer's Contributions and Proportionate Share of Contributions	-	28,845
Change in Employer's Proportion	18,652	-
Pension Contributions Made Subsequent to Measurement Date	98,499	-
	<u>219,020</u>	<u>28,845</u>

Net Pension Liability as of 6/30/2019 875,781

NOTE: Detailed breakdown of ending balances by Miscellaneous vs Safety can be found in the [Jul 2018-Jun 2019 JE Flow](#) worksheet

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Clearlake Oaks County Water District

**NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 3: USE OF RESTRICTED/UNRESTRICTED NET POSITION

When an expense is incurred for purposes for which both restricted and unrestricted net position is available, the District's policy is to apply restricted net position first.

NOTE 4: COMPARATIVE DATA AND RECLASSIFICATIONS

Comparative data for the prior year have been presented in certain sections of the accompanying financial statements in order to provide an understanding of changes in the District's financial position and operations. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with current year's presentation.

NOTE 5 JOINT POWERS INSURANCE AUTHORITY

The District participates in a joint venture under a joint agreement (JPA) with the Association of California Water Agencies (ACWA). The relationship between the District and the JPA is such that is not a component unit of the District and the JPA is not a component unit of the District for financial reporting purposes.

The JPA'S purpose is to jointly fund and develop programs to provide comprehensive and economical funding of property, workers compensation and employers liability coverage's for bodily injury by accident or by disease, including resulting from death, arising out of and in the course of an employee's employment with the District. This program is provided through collective self-insurance; the purchase of insurance benefit's; or a combination thereof. Copies of ACWA annual financial reports may be obtained from their executive office at 25620 Birdcage Street, Suite 200, Citrus Heights, CA.

NOTE 6: CONTIGENCIES

As of June 30, 2019, the District did not have any pending litigation or potential nondisclosed liabilities that management believes would have a material effect on the financial statements.

NOTE 7: DATE OF MANAGEMENT'S REVIEW

Subsequent events have been evaluated through **November 1, 2019**, which is the date the financial statements were available to be issued. There were no subsequent events after the reporting period.

Clearlake Oaks County Water District

**NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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Clearlake Oaks County Water District

Supplemental Information

June 30, 2019

Clearlake Oaks County Water District

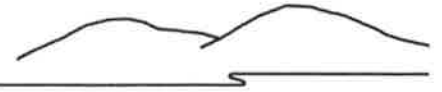
**Schedule of Expenditures of Federal Awards
For the Year-Ended June 30, 2019**

<u>Federal Grantor Pass-Through Grantor Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
USDA			
Water and Waste Disposal Systems for Rural Communities	10.760		\$ 1,275,530
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 1,275,530</u>

Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Clearlake Oaks County Water District and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the general purpose financial statements.

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November 1, 2019

Board of Directors
Clearlake Oaks County Water District

Clearlake Oaks, CA

INDEPENDENT REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

We have audited the financial statements of Clearlake Oaks County Water District as of and for the year ended June 30, 2019, and have issued our report thereon dated **November 1, 2019**. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of Clearlake Oaks County Water District is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered Clearlake Oaks County Water 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 Clearlake Oaks County Water District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

Our consideration of the internal controls over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses.

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 controls such there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

A significant deficiency in internal control is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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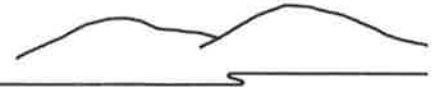
**INDEPENDENT REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**
(continued)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Clearlake Oaks County Water District's general-purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the audit committee, management, others within the organization, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Zach Pehling, CPA



**INDEPENDENT REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND
REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE
UNIFORM GUIDANCE**

Board of Directors
Clearlake Oaks County Water District

Report on Compliance for Each Major Federal Program

We have audited Clearlake Oaks County Water District's compliance with the types of compliance requirements described in the U.S. *Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of Clearlake Oaks County Water District's major federal programs for the year ended June 30, 2019. Clearlake Oaks County Water District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and terms and conditions of federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Clearlake Oaks County Water District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Clearlake Oaks County Water District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Clearlake Oaks County Water District's compliance.

Opinion on Each Major Federal Program

In our opinion, Clearlake Oaks County Water District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.



Report on Internal Control over Compliance

Management of Clearlake Oaks County Water District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Clearlake Oaks County Water District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Clearlake Oaks County Water District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.²

Zach Pehling, CPA

November 1, 2019

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (UNIFORM GUIDANCE)

Section I: Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: *unmodified*,

Internal control over financial reporting:

Material weaknesses identified?	___ Yes	_x_ None Reported
Significant deficiencies identified?	___ Yes	_x_ None Reported
Noncompliance material to financial statements noted?	___ Yes	_x_ None Reported

Federal Awards

Internal control over major federal programs:

Material weaknesses identified?	___ Yes	_x_ None Reported
Significant deficiencies identified?	___ Yes	_x_ None reported
Type of auditor's report issued on compliance for major federal programs: <i>unmodified</i> ,		
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?		
	___ Yes	_x_ None Reported
Identification of major federal programs:		
CFDA Number(s)	10.760 Water and Waste Disposal Systems for Rural Communities	
Dollar threshold used to distinguish between type A and type B programs: \$ <u>750,000</u>		
Auditee qualified as a low-risk auditee? ___ Yes _x_ No		

Section II: Financial Statement Findings

None noted

Amount of Questioned Cost, How Computed and Prevalence

None noted

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Section III: Federal Awards Findings

None noted

Internal Control - Significant Deficiencies that are not Material Weaknesses

None noted

Material Non-Compliance with Laws and Regulations

None noted

Non-Material Non-Compliance with Laws and Regulations

None noted