

BROOKTRAILS TOWNSHIP COMMUNITY

SERVICES DISTRICT

BASIC FINANCIAL STATEMENTS

JUNE 30, 2020

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Brooktrails Township Community Services District
Basic Financial Statements
For the year ended June 30, 2020

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Brooktrails Township Community Services District
Basic Financial Statements
For the year ended June 30, 2020

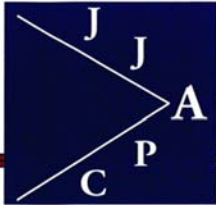
Elected Officials and Administrative Personnel

BOARD OF DIRECTORS

Rick Williams – President
Tina Tyler-O’Shea – Vice-President
Ed Horrick – Member
Ralph Santos – Member
Tony Orth – Member

MANAGEMENT

Tamara Alaniz – General Manager



JJACPA, Inc.

A Professional Accounting Services Corp.

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of the
Brooktrails Township Community Services District
Willits, California

Report on the Financial Statements

We have audited the accompanying financial statements of the Brooktrails Township Community Services District (District), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government 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 from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the District, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Schedule of Changes in the Net OPEB Liability and Related Ratios on page 54 ,Schedules of Contributions on page 55 and Schedules of the District's Proportionate Share of the Net Pension Liability on page 56, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States require to be presented to supplement the basic financial statements. Such missing 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 the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our report on the basic financial statements is not affected by this missing information.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 25, 2021 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering District's internal control over financial reporting and compliance.

May 25, 2021

JJACPA, Inc.
JJACPA, Inc.
Dublin, CA

BASIC FINANCIAL STATEMENTS

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Brooktrails Township Community Services District
Statement of Net Position
June 30, 2020

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets:			
Cash and investments	\$ -	\$ 2,626,016	\$ 2,626,016
Receivables:			
Taxes receivable	210,610	-	210,610
Accounts receivable, net	-	303,068	303,068
Intergovernmental receivable	-	194,903	194,903
Prepaid expenses	13,946	40,482	54,428
Inventories	-	20,314	20,314
Internal balances	(169,696)	169,696	-
Total current assets	54,860	3,354,479	3,409,339
Noncurrent assets:			
Long-term receivables - delinquent fire taxes	465,269	560,283	1,025,552
Capital assets, net	5,571,289	6,267,664	11,838,953
Total noncurrent assets	6,036,558	6,827,947	12,864,505
Total assets	6,091,418	10,182,426	16,273,844
DEFERRED OUTFLOWS OF RESOURCES			
Pension plan	162,394	356,835	519,229
Other postemployment benefits	32	3,461	3,493
Total assets and deferred outflows of resources	\$ 6,253,844	\$ 10,542,722	\$ 16,796,566
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 36,486	\$ 222,835	\$ 259,321
Accrued liabilities	32,655	18,142	50,797
Interest payable	11,826	35,067	46,893
Compensated absences	96,143	94,823	190,966
Financed purchases due within one year	57,053	-	57,053
Loans and certificates due within one year	-	87,531	87,531
Total current liabilities	234,163	458,398	692,561
Noncurrent liabilities:			
USDA Certificate	-	353,800	353,800
USDA Loans	-	231,179	231,179
USDA Certificate, Series 2008	-	2,634,000	2,634,000
Financed purchases	301,851	-	301,851
Net pension liability	670,605	1,331,879	2,002,484
Net OPEB liability	14,478	66,867	81,345
Total noncurrent liabilities	986,934	4,617,725	5,604,659
Total liabilities	1,221,097	5,076,123	6,297,220
DEFERRED INFLOWS OF RESOURCES			
Pension plan	59,337	107,432	166,769
Other postemployment benefits	42,224	51,691	93,915
Total deferred inflows of resources	101,561	159,123	260,684
NET POSITION			
Net investment in capital assets	6,036,558	2,961,154	8,997,712
Restricted	-	39,000	39,000
Unrestricted	(1,105,372)	2,307,322	1,201,950
Total net position	4,931,186	5,307,476	10,238,662
Total liabilities, deferred inflows of resources and net position	\$ 6,253,844	\$ 10,542,722	\$ 16,796,566

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

Brooktrails Township Community Services District

Statement of Activities

For the year ended June 30, 2020

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General Administration	\$ 660,267	\$ 930	\$ -	\$ -
Parks and recreation	90,554	-	-	-
Fire services	752,693	33,256	74,396	-
Interest and fiscal charges	17,322	-	-	-
Total governmental activities	<u>1,520,836</u>	<u>34,186</u>	<u>74,396</u>	<u>-</u>
Business-type activities:				
Water	1,334,778	1,552,318	-	-
Wastewater	1,484,775	1,603,536	-	-
Total business-type activities	<u>2,819,553</u>	<u>3,155,854</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 4,340,389</u>	<u>\$ 3,190,040</u>	<u>\$ 74,396</u>	<u>\$ -</u>

General revenues:

Taxes:

 Property taxes, levied for general purposes

 Special fire taxes

Franchise fees

Investment earnings

Miscellaneous

 Total general revenues

Change in net position

Net position:

 Beginning of year

 End of year

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

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Totals
\$ (659,337)	\$ -	\$ (659,337)
(90,554)	-	(90,554)
(645,041)	-	(645,041)
(17,322)	-	(17,322)
<u>(1,412,254)</u>	<u>-</u>	<u>(1,412,254)</u>
-	217,540	217,540
-	118,761	118,761
-	336,301	336,301
<u>\$ (1,412,254)</u>	<u>\$ 336,301</u>	<u>\$ (1,075,953)</u>
\$ 338,645	\$ -	\$ 338,645
525,448	-	525,448
34,932	-	34,932
3,083	9,871	12,954
27,353	105,385	132,738
<u>929,461</u>	<u>115,256</u>	<u>1,044,717</u>
(482,793)	451,557	(31,236)
5,413,979	4,855,919	10,269,898
<u>\$ 4,931,186</u>	<u>\$ 5,307,476</u>	<u>\$ 10,238,662</u>

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FUND FINANCIAL STATEMENTS
MAJOR FUNDS

The Fund Financial Statements present only individual major funds, while non-major funds are combined in a single column. Major funds are defined as having significant activities or balances in the current year.

Fund	Description
Governmental Funds:	
General Fund	Primary operating fund of the District; accounts for all activities except those legally or administratively required to be accounted for in other funds.
Fire Services Fund	Accounts for the special fire tax levied and used to fund fire protection services.

Brooktrails Township Community Services District

Balance Sheet

Governmental Funds

June 30, 2020

	<u>General Fund</u>	<u>Fire Services Fund</u>	<u>Totals</u>
ASSETS			
Cash and investments	\$ -	\$ -	\$ -
Taxes receivable	25,242	185,368	210,610
Prepaid expenses	8,067	5,879	13,946
Long-term receivables - delinquent fire taxes	-	465,269	465,269
Total assets	<u>\$ 33,309</u>	<u>\$ 656,516</u>	<u>\$ 689,825</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts payable	5,007	31,479	\$ 36,486
Accrued liabilities	24,298	8,357	32,655
Due to other funds	139,894	29,802	169,696
Total liabilities	<u>169,199</u>	<u>69,638</u>	<u>238,837</u>
Deferred inflows of resources			
Delinquent fire taxes	-	465,269	465,269
Fund balances:			
Nonspendable	8,067	5,879	13,946
Assigned	-	115,730	115,730
Unassigned (deficit)	(143,957)	-	(143,957)
Total fund balances	<u>(135,890)</u>	<u>121,609</u>	<u>(14,281)</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 33,309</u>	<u>\$ 656,516</u>	<u>\$ 689,825</u>

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

Brooktrails Township Community Services District
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2020

Total fund balances - governmental funds \$ (14,281)

Amounts reported for governmental activities in the Statement of Net Position are different because:

Long-term receivables are not available to pay current period expenditures and, therefore, are unearned in the governmental funds. 465,269

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds balance sheet. 5,571,289

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds balance sheet.

Interest payable	(11,826)	
Financed purchases	(358,904)	
Compensated absences	(96,143)	
Net pension liability	(670,605)	
Net OPEB liability	(14,478)	(1,151,956)

Pension obligations result in deferred outflows and inflows of resources associated with the actuarial value of contributions, assets, and liabilities.

Deferred outflows	162,426	
Deferred inflows	(101,561)	60,865

Net position of governmental activities \$ 4,931,186

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

Brooktrails Township Community Services District
Reconciliation of Fund Basis Balance Sheet to Government-wide Statement of Net Position
Governmental Activities
June 30, 2020

	Governmental Funds Balance Sheet	Reclassifications	Changes in GAAP	Statement of Net Position
ASSETS				
Current assets:				
Cash and investments	\$ -	\$ -	\$ -	\$ -
Taxes receivable	210,610	-	-	210,610
Prepaid expenses	13,946	-	-	13,946
Long-term receivables - delinquent fire taxes:	465,269	(465,269)	-	-
Internal balances	-	(169,696)	-	(169,696)
Total current assets	689,825	(634,965)	-	54,860
Noncurrent assets:				
Long-term receivables - delinquent fire taxes	-	465,269	-	465,269
Capital assets, net	-	-	5,571,289	5,571,289
Total noncurrent assets	-	465,269	5,571,289	6,036,558
Total assets	689,825	(169,696)	5,571,289	6,091,418
DEFERRED OUTFLOWS OF RESOURCES				
Pension plan	-	-	162,394	162,394
Other postemployment benefits	-	-	32	32
Total assets and deferred outflows of resources	\$ 689,825	\$ (169,696)	\$ 5,733,715	\$ 6,253,844
LIABILITIES				
Current liabilities:				
Accounts payable	\$ 36,486	\$ -	\$ -	\$ 36,486
Accrued liabilities	32,655	-	-	32,655
Due to other funds	169,696	(169,696)	-	-
Interest payable	-	-	11,826	11,826
Financed purchases due within one year	-	-	57,053	57,053
Total current liabilities	238,837	(169,696)	68,879	138,020
Noncurrent liabilities:				
Financed purchases	-	-	301,851	301,851
Compensated absences	-	-	96,143	96,143
Net pension liability	-	-	670,605	670,605
Net OPEB obligation	-	-	14,478	14,478
Total noncurrent liabilities	-	-	1,083,077	1,083,077
Total liabilities	238,837	(169,696)	1,151,956	1,221,097
DEFERRED INFLOWS OF RESOURCES				
Delinquent fire taxes	465,269	-	(465,269)	-
Pension plan	-	-	59,337	59,337
Other postemployment benefits	-	-	42,224	42,224
Total deferred outflows of resources	465,269	-	(363,708)	101,561
FUND BALANCES/NET POSITION				
Fund balances:				
Nonspendable	13,946	(13,946)	-	-
Assigned	115,730	(115,730)	-	-
Unassigned (deficit), reported in:	(143,957)	143,957	-	-
Net position:				
Net investment in capital assets	-	465,269	5,571,289	6,036,558
Restricted	-	-	-	-
Unrestricted	-	(479,550)	(625,822)	(1,105,372)
Total fund balances/ net position	(14,281)	-	4,945,467	4,931,186
Total liabilities and net position	\$ 689,825	\$ (169,696)	\$ 5,733,715	\$ 6,253,844

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

Brooktrails Township Community Services District
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the year ended June 30, 2020

	<u>General Fund</u>	<u>Fire Services Fund</u>	<u>Totals</u>
REVENUES:			
Property taxes	\$ 338,645	\$ -	\$ 338,645
Special fire taxes	-	525,448	525,448
Intergovernmental:			
Fuel grant		58,035	58,035
Proposition 172 allocation	-	16,361	16,361
Charges for services:			
Strike team revenues	-	33,256	33,256
Planning fees	880	50	930
Franchise fees	34,932	-	34,932
Interest	3,024	59	3,083
Miscellaneous	17,866	9,487	27,353
Total revenues	<u>395,347</u>	<u>642,696</u>	<u>1,038,043</u>
EXPENDITURES:			
Current:			
General government:			
Administration	596,241	-	596,241
Recreation	80,026	-	80,026
Fire protection services	-	549,202	549,202
Debt service:			
Principal	-	53,787	53,787
Interest and fiscal charges	-	11,409	11,409
Total expenditures	<u>676,267</u>	<u>614,398</u>	<u>1,290,665</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(280,920)</u>	<u>28,298</u>	<u>(252,622)</u>
OTHER FINANCING SOURCES (USES):			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(280,920)</u>	<u>28,298</u>	<u>(252,622)</u>
FUND BALANCES:			
Beginning of year	145,030	93,311	238,341
End of year	<u>\$ (135,890)</u>	<u>\$ 121,609</u>	<u>\$ (14,281)</u>

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

Brooktrails Township Community Services District
Reconciliation of Fund Basis Statements to Government-wide Statement of Activities
For the year ended June 30, 2020

Functions/Programs	Fund Based Totals	Compensated Absences/ Debt	Termination Benefits	Depreciation	Capital Asset (Additions), Retirements & Adjustments	OPEB Obligation	Pension Plan	Government- wide Totals
Governmental activities:								
Current:								
General government:								
Administration	\$ 596,241	\$ 36,998	\$ (28,503)	\$ 12,337	\$ -	\$ (48)	\$ 43,242	\$ 660,267
Recreation	80,026	-	-	-	-	-	10,528	90,554
Fire protection services	549,202	(37,618)	-	93,456	120,366	-	27,287	752,693
Debt service:								
Principal	53,787	(53,787)	-	-	-	-	-	-
Interest and fiscal charges	11,409	5,913	-	-	-	-	-	17,322
Total governmental activities	\$1,344,452	\$ (48,494)	\$ (28,503)	\$ 105,793	\$ 120,366	\$ (48)	\$ 81,057	\$ 1,520,836

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

Brooktrails Township Community Services District
Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
For the year ended June 30, 2020

Net change in fund balances - governmental funds \$ (252,622)

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:

Capital asset retirements	(120,366)	
Depreciation expense	(105,793)	(226,159)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:

Change in interest payable	(5,913)	
Change in compensated absences	(36,998)	
Change in net pension liability	(81,057)	
Change in net OPEB liability	48	(123,920)

Repayment of long-term debt uses current financial resources, but reduces liabilities in the statement of net position

Termination benefits	\$ 28,503	
Financed purchases	91,405	119,908

Change in net position of governmental activities **\$ (482,793)**

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

Brooktrails Township Community Services District
Statement of Revenues, Expenditures, and Changes in Fund Balances -
Budget to Actual - General Fund and Major Special Revenue Funds
For the year ended June 30, 2020

	General Fund			
	Budgeted Amounts		Actual	Variance w/Final
	Original	Final		Positive (Negative)
REVENUES:				
Property taxes	\$ 298,500	\$ 298,500	\$ 338,645	\$ 40,145
Special fire taxes	-	-	-	-
Intergovernmental:				
Fuel grant	-	-	-	-
Proposition 172 allocation	-	-	-	-
Charges for services:				
Strike team revenues	-	-	-	-
Interfund overhead charges	443,551	443,551	-	(443,551)
Planning fees	-	-	880	880
Franchise fees	27,216	27,216	34,932	7,716
Interest	100	100	3,024	2,924
Miscellaneous	3,000	3,000	17,866	14,866
Total revenues	772,367	772,367	395,347	(377,020)
EXPENDITURES:				
Current:				
General government:				
Administration	587,931	587,931	596,241	(8,310)
Recreation	48,402	48,402	80,026	(31,624)
Fire protection services	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	636,333	636,333	676,267	(39,934)
REVENUES OVER (UNDER)	136,034	136,034	(280,920)	(416,954)
OTHER FINANCING SOURCES (USES):				
Transfers in	11,560	-	-	-
Transfers out	(32,933)	-	-	-
Total other financing sources (uses)	(21,373)	-	-	-
Net change in fund balances	114,661	136,034	(280,920)	(416,954)
FUND BALANCES:				
Beginning of year	145,030	145,030	145,030	-
End of year	\$ 259,691	\$ 281,064	\$ (135,890)	\$ (416,954)

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

Fire Services Fund			
Budgeted Amounts		Actual	Variance w/Final
Original	Final		Positive (Negative)
\$ -	\$ -	\$ -	\$ -
490,000	490,000	525,448	35,448
-	-	58,035	-
20,000	20,000	16,361	(3,639)
20,000	20,000	33,256	13,256
-	-	-	-
-	-	50	50
-	-	-	-
-	-	59	59
2,000	2,000	9,487	7,487
532,000	532,000	642,696	52,661
-	-	-	-
-	-	-	-
529,713	529,713	549,202	(19,489)
-	-	53,787	(53,787)
-	-	11,409	(11,409)
529,713	529,713	614,398	(84,685)
2,287	2,287	28,298	26,011
-	-	-	-
(71,657)	(71,657)	-	71,657
(71,657)	(71,657)	-	71,657
(69,370)	(69,370)	28,298	97,668
93,311	93,311	93,311	-
\$ 23,941	\$ 23,941	\$ 121,609	\$ 97,668

PROPRIETARY FUNDS

Proprietary funds account for District's operations financed and operated in a manner similar to a private business enterprise. The intent of the District is that the cost of providing goods and services be financed primarily through user charges.

All of the District's Enterprise Funds have been identified as major proprietary funds.

Fund	Description
MAJOR FUNDS:	
Water	Accounts for all activities associated with the operation and maintenance of providing water services within the District.
Sewer	Accounts for all activities associated with the operation and maintenance of providing sewage services within the District.

Brooktrails Township Community Services District
Statement of Net Position
Enterprise Funds
June 30, 2020

	<u>Water</u>	<u>Wastewater</u>	<u>Totals</u>
ASSETS			
Current assets:			
Cash and investments	\$ 1,181,324	\$ 1,444,692	\$ 2,626,016
Receivables:			
Accounts receivable, net	167,626	135,442	303,068
Intergovernmental receivables	51,917	142,986	194,903
Prepaid expenses	19,850	20,632	40,482
Inventories	20,314	-	20,314
Due from other funds	-	169,696	169,696
Total current assets	<u>1,441,031</u>	<u>1,913,448</u>	<u>3,354,479</u>
Noncurrent assets:			
Cash and cash equivalents			
Long-term receivables - delinquent accounts	244,912	315,371	560,283
Capital assets, net	4,963,286	1,304,378	6,267,664
Total assets	<u>6,649,229</u>	<u>3,533,197</u>	<u>10,182,426</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension plan	157,854	198,981	356,835
OPEB	1,309	2,152	3,461
Total assets and deferred outflows of resources	<u>\$ 6,808,392</u>	<u>\$ 3,734,330</u>	<u>\$ 10,542,722</u>
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 19,062	\$ 203,773	\$ 222,835
Accrued liabilities	8,720	9,422	18,142
Interest payable	30,463	4,604	35,067
Compensated absences	48,126	46,697	94,823
Financed purchase due in one year	-	-	-
Loans and certificates due in one year	62,940	24,591	87,531
Total current liabilities	<u>169,311</u>	<u>289,087</u>	<u>458,398</u>
Noncurrent liabilities:			
USDA Certificate	353,800	-	353,800
USDA Loans	121,485	109,694	231,179
USDA Certificate, Series 2008	2,634,000	-	2,634,000
Net pension liability	598,466	733,413	1,331,879
Net OPEB liability	27,284	39,583	66,867
Total liabilities	<u>3,904,346</u>	<u>1,171,777</u>	<u>5,076,123</u>
DEFERRED INFLOWS OF RESOURCES			
Pension plan	49,028	58,404	107,432
OPEB	25,558	26,133	51,691
Total deferred inflows of resources	<u>74,586</u>	<u>84,537</u>	<u>159,123</u>
NET POSITION			
Net investment in capital assets	1,791,061	1,170,093	2,961,154
Restricted for capital projects	39,000	-	39,000
Unrestricted	999,399	1,307,923	2,307,322
Total net position	<u>2,829,460</u>	<u>2,478,016</u>	<u>5,307,476</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 6,808,392</u>	<u>\$ 3,734,330</u>	<u>\$ 10,542,722</u>

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

Brooktrails Township Community Services District
Statement of Revenues, Expenses, and Changes in Fund Net Position
Enterprise Funds
For the year ended June 30, 2020

	<u>Water</u>	<u>Sewer</u>	<u>Totals</u>
OPERATING REVENUES:			
Sale of water	\$ 1,387,111	\$ -	\$ 1,387,111
Service fees	-	1,264,375	1,264,375
Availability charges	129,048	299,857	428,905
Penalties	33,087	33,735	66,822
Other operating revenues	3,072	5,569	8,641
Total operating revenues	<u>1,552,318</u>	<u>1,603,536</u>	<u>3,155,854</u>
OPERATING EXPENSES:			
Personnel services	300,218	324,106	624,324
Contractual services	26,648	43,175	69,823
Intergovernmental treatment costs	-	336,000	336,000
Utilities	145,395	17,312	162,707
Insurance	98,662	102,065	200,727
Other supplies and expenses	368,701	334,229	702,930
Depreciation	257,691	121,826	379,517
Total operating expenses	<u>1,197,315</u>	<u>1,278,713</u>	<u>2,476,028</u>
OPERATING INCOME (LOSS)	<u>355,003</u>	<u>324,823</u>	<u>679,826</u>
NONOPERATING REVENUES (EXPENSES):			
Other nonoperating revenues (expenses)	49,373	56,012	105,385
Interest revenue	3,800	6,071	9,871
Interest expense	(137,463)	(206,062)	(343,525)
Total non-operating revenues, net	<u>(84,290)</u>	<u>(143,979)</u>	<u>(228,269)</u>
CHANGE IN NET POSITION	270,713	180,844	451,557
NET POSITION:			
Beginning of year	2,558,747	2,297,172	4,855,919
End of year	<u>\$ 2,829,460</u>	<u>\$ 2,478,016</u>	<u>\$ 5,307,476</u>

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

Brooktrails Township Community Services District

Statement of Cash Flows

Enterprise Funds

For the year ended June 30, 2020

	<u>Water</u>	<u>Sewer</u>	<u>Totals</u>
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers	\$ 1,515,744	\$ 1,556,113	\$ 3,071,857
Cash payments to suppliers for goods and services	(582,694)	(678,095)	(1,260,789)
Cash payments to employees for services	(306,950)	(331,712)	(638,662)
Net cash provided by operating activities	<u>626,100</u>	<u>546,306</u>	<u>1,172,406</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Transfers received (paid)	-	(156,117)	(156,117)
Net cash used by noncapital financing activities	<u>-</u>	<u>(156,117)</u>	<u>(156,117)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Payments of notes payable	(64,748)	(23,560)	(88,308)
Interest paid	(137,463)	(206,062)	(343,525)
Acquisition and construction of capital assets	(142,028)	(18,673)	(160,701)
Net cash (used) by capital and related financing activities	<u>(344,239)</u>	<u>(248,295)</u>	<u>(592,534)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Investment income received	3,800	6,071	9,871
Net cash provided by investing activities	<u>3,800</u>	<u>6,071</u>	<u>9,871</u>
Net increase (decrease) in cash and cash equivalents	285,661	147,965	433,626
CASH AND CASH EQUIVALENTS:			
Beginning of year	895,663	1,296,727	2,192,390
End of year	<u>\$ 1,181,324</u>	<u>\$ 1,444,692</u>	<u>\$ 2,626,016</u>
Reconciliation of income from operations to net cash provided by operating activities:			
Operating income (loss)	\$ 355,003	\$ 324,823	\$ 679,826
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	257,691	121,826	379,517
Pension expense	47,377	47,377	94,754
OPEB expense	(28)	(28)	(56)
Other nonoperating	(10,862)	-	(10,862)
(Increase) decrease in current assets:			
Accounts receivable	15,343	95,563	110,906
Intergovernmental receivables	(51,917)	(142,986)	(194,903)
Prepaid expenses	2,775	3,333	6,108
Inventory	(1)	-	(1)
Increase (decrease) in liabilities:			
Accounts payable and accrued liabilities	17,423	103,976	121,399
Compensated absences	(6,704)	(7,578)	(14,282)
Net cash provided by operating activities	<u>\$ 626,100</u>	<u>\$ 546,306</u>	<u>\$ 1,172,406</u>

There were no noncash investing, capital, or financing activities affecting recognized assets and liabilities for the year ended June 30, 2020.

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

Brooktrails Township Community Services District
Statement of Fiduciary Net Position
Fiduciary Activities
June 30, 2020

	<u>Retired Employees Health Care Plan</u>
ASSETS	
Cash and investments	\$ 36,792
Investments at fair value:	
California Employers Retiree Benefit Program (CERBT)	<u>-</u>
Total assets	<u><u>36,792</u></u>
LIABILITIES	
Accounts payable	\$ -
Due to other governmental agencies	<u>-</u>
Total liabilities	<u>-</u>
NET POSITION	
Held in trust for other postemployment benefits	<u>36,792</u>
Total Net Position (deficit)	<u><u>36,792</u></u>
Total liabilities and net position	<u><u>\$ 36,792</u></u>

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

Brooktrails Township Community Services District
Statement of Changes Fiduciary Net Position
Fiduciary Activities
June 30, 2020

	Retired Employees Health Care Plan
Additions	
Contributions:	
Employer	\$ -
Investment income:	
Net appreciation in fair value of investments	2,126
Total additions	<u>2,126</u>
Deductions	
Benefits and administrative expenses	\$ -
Total deductions	<u>-</u>
Net increase	2,126
Net position held in trust for other post employment benefits:	
Beginning of year	34,666
End of year	<u>\$ 36,792</u>

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

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Brooktrails Township Community Services District
Basic Financial Statements
For the year ended June 30, 2020

Notes to Basic Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Brooktrails Township Community Services District (District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental enterprises classified as proprietary fund types. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. On June 15, 1987, GASB issued a codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. The District applies all GASB pronouncements to its activities. When applicable, certain prior year amounts have been reclassified to conform to current year presentation. The following is a summary of the more significant policies:

A. Description of the Reporting Entity

The District is a Community Services District governed by an elected five-member Board of Directors. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. The Maintenance District 1976-1 and Maintenance District One are legally separate entities for which the District is financially accountable and they are governed by the elected Board of Directors. The financial activities of the Maintenance Districts are blended with those of the District and are reported in the District's water and general funds, respectively.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in activities) report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Brooktrails Township Community Services District
Basic Financial Statements
For the year ended June 30, 2020

Notes to Basic Financial Statements, Continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and *the accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The District reports the following major governmental funds:

The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Fire Services Fund* is maintained to account for the special fire tax levied and used to fund fire protection services.

The District reports the following major proprietary funds:

The *water fund* accounts for the operations of the District's water treatment and distribution system.

The *wastewater fund* accounts for the operation of the District's wastewater collection activities.

The District reports as a fiduciary fund its other post-employment benefit plan trust assets and financial operations.

Brooktrails Township Community Services District
Basic Financial Statements
For the year ended June 30, 2020

Notes to Basic Financial Statements, Continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

The District applies all applicable Financial Accounting Standards Board (FASS) pronouncements issued before November 30, 1989 in accounting for its proprietary and government-wide operations, and the provisions of GASS Statement Number 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASS and AICPA Pronouncements.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the District's water and wastewater function and other functions of the District. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary fund's principal ongoing operations. The principal operating revenues of the District's enterprise funds are charges to customers for sales and services. Operating expenses for the enterprise funds include the costs of sales and services, administration costs and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. Assets, Liabilities, and Net Assets or Equity

Deposits and Investments

The District is authorized by its most recent investment policy to invest in the State of California Local Agency Investment Fund, U.S. Treasury bonds, bills, and notes, obligations issued by US Government agencies, bankers' acceptances, repurchase agreements, and time deposits and savings and demand accounts.

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments for the District are reported at fair value. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

Brooktrails Township Community Services District
Basic Financial Statements
For the year ended June 30, 2020

Notes to Basic Financial Statements, Continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable government funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade and property tax receivables are not shown net of an allowance for uncollectibles.

Property taxes are levied as of March 1 on property values assessed as of the same date. State statutes provide that the property tax rate be limited generally to one percent of market value, be levied by only the County, and be shared by applicable jurisdictions. The County of Mendocino collects the taxes and distributes them to taxing jurisdictions on the basis of assessed valuations subject to voter-approved debt. Property taxes are due on November 1 and March 1, and become delinquent on December 10 and April 10. The District receives general property taxes under the "Teeter Plan". The District recognizes property tax revenues in the fiscal year in which they are levied. Water and wastewater charges for service remaining unpaid for more than six months are recorded as other receivable, and liens are recorded on the underlying properties. When properties are sold or transferred, the liens are paid and payments forwarded to the District by title companies. Water and sewer availability fees and the special fire tax are not subject to "Teeter Plan" arrangements. Delinquent availability fees, delinquent fire taxes, and related penalties and interest are recorded as long-term receivables. Delinquent fire taxes receivable are offset by deferred inflows in the fire fund, and are recognized as revenues when received. Delinquencies more than 5 years past due are not reported as receivable as they have entered into the tax sale recovery period and collection is doubtful after reaching tax sale status without collection.

Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when used or consumed. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Brooktrails Township Community Services District
Basic Financial Statements
For the year ended June 30, 2020

Notes to Basic Financial Statements, Continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental-type or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Under the GASS 34 Implementation Rules, the District is a Phase 3 entity and was not required to record infrastructure assets existing or acquired prior to July 1, 2003 at the date these new financial reporting standards were implemented; and the District has not recorded such assets. The costs of normal maintenance and repairs that do not add to the value of asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant, and equipment of the District is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	40
Public domain infrastructure	50
System infrastructure	50
Vehicles and equipment	5 - 10

Compensated Absences and Termination Benefits

It is the government's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is a liability for a portion of unpaid accumulated sick leave since the District does have a policy to pay certain amounts when employees separate from service with the District. All vacation pay and applicable sick leave is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements. Termination benefits are reported as liabilities when the District and employees have reached a formal agreement as to the benefit amounts and payment terms.

Long-term Obligations

In the government-wide financial statements, and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net assets.

Brooktrails Township Community Services District
Basic Financial Statements
For the year ended June 30, 2020

Notes to Basic Financial Statements, Continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Fund Balance - Governmental Funds

Fund balances for governmental funds are reported in classifications based primarily on the extent to which the District is bound to honor constraints about the specific purposes for which amounts in those funds can be spent. These classifications include (1) nonspendable, (2) committed, (3) assigned and (4) unassigned amounts.

Nonspendable amounts generally are items not expected to be converted into cash such as inventories and prepaid amounts. Restricted amounts include those where constraints placed on the use of the resources are externally imposed by grantors, contributors, other governments, or by laws and regulations. Committed amounts are those amounts that can only be used for a specific purpose as determined by the District's Board of Directors. Such committed amounts may be redeployed for other uses only by the direction of the District's Board of Directors. Assigned amounts are fund balance amounts constrained by the District's intent to be used for specific purposes as determined by the District's General Manager. The unassigned fund balance amounts are the residual classification of the general fund only.

When expenditures are incurred for which both restricted and unrestricted (committed, assigned or unassigned) amounts are available, the District considers restricted amounts to have been spent first. When expenditures are incurred for which any class of unrestricted fund balance could be used, the District considers committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts.

Comparative Data

Comparative total data for the prior year have been presented in order to provide an understanding of the changes in net assets. Also, certain amounts presented in the prior year data have been reclassified to be consistent with the current years' presentation.

Pensions and Other Postemployment Benefits

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 State of California Public Employees Retirement System (PERS) and additions to or deductions from the PERS fiduciary net position have been determined on the same basis as they are reported by the 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.

Brooktrails Township Community Services District
Basic Financial Statements
For the year ended June 30, 2020

Notes to Basic Financial Statements, Continued

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

For purposes of measuring the net other postemployment benefit liability (OPES), deferred outflows of resources of resources, deferred inflows of resources, and OPES expense, information about the fiduciary net position of the District's OPES Plan, and additions to and deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the plan, and are provided based upon an actuarial valuation of the Plan. Benefit payments are recognized when due and payable in accordance with the benefit terms.

Fair Value Measurements

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of an asset. Level 1 inputs are quoted market prices in active markets for identical assets; Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant unobservable inputs. The District has no significant separately held investments as its invested funds are held by the Local Agency Investment Fund (LAIF) of the State of California. The LAIF values its investments using pricing methods viewed as Level 1 inputs.

Budgetary Information

Annual budgets are adopted on a basis of consistent with generally accepted accounting principles for all governmental funds. Appropriations lapse at fiscal year-end. The appropriated budget is prepared by fund, function and department. The District Manager may make transfers of appropriations within a department. Transfers between departments and other changes require Board of Director's approval. The legal level of control is the department and fund level. The District made supplemental appropriations during the fiscal year. Encumbrance accounting is not employed in governmental funds.

Brooktrails Township Community Services District
Basic Financial Statements
For the year ended June 30, 2020

Notes to Basic Financial Statements, Continued

2. CASH AND INVESTMENTS

The District's cash and temporary investments are carried at market value, and include:

	Maturities (in years)			Deposits	Fair
	< 1	1 to 2	> 2		Market Value
<u>Cash equivalents and investments pooled</u>					
Pooled cash, at fair value:					
Cash in bank	\$ -	\$ -	\$ -	\$ 2,101,326	\$ 2,101,326
Petty cash	-	-	-	600	600
Local Agency Investment Fund	560,882	-	-	-	560,882
Total pooled items	560,882	-	-	2,101,926	2,662,808
Total cash and cash equivalents	\$ 560,882	\$ -	\$ -	\$ 2,101,926	\$ 2,662,808
Financial Statement presentation:					
Governmental activities					\$ -
Business-type Activities					2,626,016
Fiduciary activities					36,792
Total					\$ 2,662,808

California Law requires banks and savings and loan institutions to pledge government securities with a market value of 110% of the District's cash on deposit or first trust deed mortgage notes with a value of 150% of the District's cash on deposit as collateral for these deposits. Under California Law this collateral is held in an investment pool by an independent financial institution in the District's name and places the District ahead of general creditors of the institution pledging the collateral. The District has waived collateral requirements for the portion of deposits covered by federal deposit insurance.

The District's investments are carried at fair value, as required by generally accepted accounting principles. The District adjusts the carrying value of its investments to reflect their fair value at each fiscal year end, and it includes the effects of these adjustments in income for that fiscal year.

Custodial Credit Risk - Deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District's policy for deposits is that they will be made only in institutions in California, they shall be insured or collateralized with United States backed securities, and time certificates of deposit shall have a maturity of less than five years. At June 30, 2020, \$1,851,326 of the District's bank balances of \$2,101,326 was exposed to credit risk.

Interest Rate Risk - As a means of limiting its exposure to fair value losses arising from rising interest rates, the District's investment policy limits the District's investment portfolio to maturities prescribed in Sections 53600 through 53609 of the California Government Code. Credit Risk – State law limits investments in various securities to certain level of risk ratings issued by nationally recognized statistical rating organizations. It is the District's policy to comply with State law as regards securities ratings. The Local Agency Investment Pool is unrated. Custodial Credit Risk – For an investment, custodial credit risk is the risk that, in the event of the failure of a counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District's only investment is the LAIF. Because investments in the LAIF are not evidenced by specific securities in the name of the District, the LAIF is not subject to custodial credit risk.

Brooktrails Township Community Services District
Basic Financial Statements
For the year ended June 30, 2020

Notes to Basic Financial Statements, Continued

2. CASH AND INVESTMENTS, Continued

Investment in LAIF

The District is a voluntary participant in California Local Agency Investment Fund (LAIF), which is regulated by California Government Code Section under the oversight of the Local Investment Advisory Board (Board). The Board consists of five members as designated by state statute, and is chaired by the State Treasurer who is responsible for day to day administration of LAIF. The total amount invested by all public agencies as of June 30, 2020 was \$32,075,372,648 of which the District had a balance of \$560,882. LAIF is part of the California Pooled Money Investment Account (PMIA), which at June 30, 2020 has a portfolio with market valuation of \$101,788,256,254. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

3. CAPITAL ASSETS

Capital asset activity relating to governmental activities for the year ended June 30, 2020 was as follows:

Governmental Activities:	July 1, 2019	Additions	Deletions	Transfer/ Adjustments	June 30, 2020
Nondepreciable assets:					
Land	\$ 4,720,818	\$ -	\$ -	\$ (1)	\$ 4,720,817
Total nondepreciable assets	<u>4,720,818</u>	<u>-</u>	<u>-</u>	<u>(1)</u>	<u>4,720,817</u>
Depreciable assets:					
Buildings and improvements	774,733	-	-	22,923	797,656
Fire facilities	169,795	-	-	-	169,795
Fire vehicles and equipment	1,756,366	-	-	(49,707)	1,706,659
Other equipment	103,386	-	-	(22,925)	80,461
Total depreciable assets	<u>2,804,280</u>	<u>-</u>	<u>-</u>	<u>(49,709)</u>	<u>2,754,571</u>
Total	<u>7,525,098</u>	<u>-</u>	<u>-</u>	<u>(49,710)</u>	<u>7,475,388</u>
Accumulated depreciation:					
Buildings and improvements	(576,318)	(12,097)	-	(2,542)	(590,957)
Fire facilities	(166,484)	(207)	-	205	(166,486)
Fire vehicles and equipment	(912,764)	(93,249)	-	(67,699)	(1,073,712)
Other equipment	(72,084)	(240)	-	(620)	(72,944)
Total accumulated depreciation	<u>(1,727,650)</u>	<u>(105,793)</u>	<u>-</u>	<u>(70,656)</u>	<u>(1,904,099)</u>
Net depreciable assets	<u>1,076,630</u>	<u>(105,793)</u>	<u>-</u>	<u>(120,365)</u>	<u>850,472</u>
Total capital assets	<u>\$ 5,797,448</u>	<u>\$ (105,793)</u>	<u>\$ -</u>	<u>\$ (120,366)</u>	<u>\$ 5,571,289</u>

Brooktrails Township Community Services District
Basic Financial Statements
For the year ended June 30, 2020

Notes to Basic Financial Statements, Continued

3. CAPITAL ASSETS, Continued

Depreciation expense was charged to functions/programs of the District as follows:

Governmental activities:	
General government	\$ 12,337
Fire protection services	93,456
Total	<u>105,793</u>

Capital asset activity relating to business-type activities for the year ended June 30, 2020 was as follows:

Business-Type Activities:	July 1, 2019	Additions	Deletions	Transfer/ Adjustments	June 30, 2020
Nondepreciable assets:					
Land	\$ 51,911	\$ -	\$ -	\$ -	\$ 51,911
Construction in progress	96,748	21,453	-	-	118,201
Total nondepreciable assets	<u>148,659</u>	<u>21,453</u>	<u>-</u>	<u>-</u>	<u>170,112</u>
Depreciable assets:					
Dams	1,537,468	-	-	-	1,537,468
Pipelines and distribution system	3,379,879	-	-	(43,311)	3,336,568
Pipelines and collection system	3,750,412	-	-	622,828	4,373,240
Treatment plant, tanks, and improvements	9,141,526	120,575	-	(694,382)	8,567,719
Equipment	1,234,625	18,674	-	192,939	1,446,238
Total depreciable assets	<u>19,043,910</u>	<u>139,249</u>	<u>-</u>	<u>78,074</u>	<u>19,261,233</u>
Total	<u>19,192,569</u>	<u>160,702</u>	<u>-</u>	<u>78,074</u>	<u>19,431,345</u>
Accumulated depreciation:					
Dams	(1,292,351)	(30,749)	-	878	(1,322,222)
Pipelines and distribution system	(2,808,637)	(65,991)	-	(1)	(2,874,629)
Pipelines and collection system	(3,427,406)	(86,444)	-	(24,832)	(3,538,682)
Treatment plant, tanks, and improvements	(4,395,921)	(147,414)	-	91,179	(4,452,156)
Equipment	(898,021)	(48,919)	-	(29,052)	(975,992)
Total accumulated depreciation	<u>(12,822,336)</u>	<u>(379,517)</u>	<u>-</u>	<u>38,172</u>	<u>(13,163,681)</u>
Net depreciable assets	<u>6,221,574</u>	<u>(240,268)</u>	<u>-</u>	<u>116,246</u>	<u>6,097,552</u>
Total capital assets	<u>\$ 6,370,233</u>	<u>\$ (218,815)</u>	<u>\$ -</u>	<u>\$ 116,246</u>	<u>\$ 6,267,664</u>

Depreciation expense was charged to functions/programs of the District as follows:

Business-Type activities	
Water	\$ 257,691
Sewer	121,826
Total	<u>379,517</u>

Brooktrails Township Community Services District
Basic Financial Statements
For the year ended June 30, 2020

Notes to Basic Financial Statements, Continued

4. LONG-TERM DEBT

Long-Term Debt Activity

	Balance July 1, 2019	Additions	Retirements	Balance June 30, 2020	Due Within One Year
Governmental Activities					
Direct borrowings	\$ 450,309	\$ -	\$ (91,405)	\$ 358,904	\$ 57,053
Termination benefits	28,503	-	(28,503)	-	-
Compensated absences	59,145	36,998	-	96,143	96,143
Total	<u>\$ 537,957</u>	<u>\$ 36,998</u>	<u>\$ (119,908)</u>	<u>\$ 455,047</u>	<u>\$ 153,196</u>
Business-Type Activities					
Certificates of participation	\$ 370,300	\$ -	\$ (8,100)	\$ 362,200	\$ 8,400
Certificates of participation, 2008	2,736,000	-	(50,000)	2,686,000	52,000
USDA Loan	126,461	-	(2,436)	124,025	2,540
USDA Loan, 2010	157,845	-	(23,560)	134,285	24,591
Bank Loan	4,211	-	(4,211)	-	-
Compensated Absences	109,105	-	(14,282)	94,823	94,823
Total	<u>\$ 3,503,922</u>	<u>\$ -</u>	<u>\$ (102,589)</u>	<u>\$ 3,401,333</u>	<u>\$ 182,354</u>

Certificates of Participation

The District entered into an installment purchase agreement relating to the sale of \$454,000 in Certificates of Participation which certificates are to be purchased by the Rural Utilities Service of the United States Department of Agriculture. Under the arrangement, the District is to construct a Clearwell and backwash water recycling project. The District is obligated to make semiannual payments of principal and interest in amounts sufficient to pay the principal and interest on the certificates. The District's repayment obligation is secured by a pledge of the net revenues of its water enterprise. The certificates bear interest at 4.25 percent and mature each June 1 through June 1, 2045.

Certificates of Participation - Series 2008

The District entered into an installment purchase agreement relating to the sale of \$3,165,000 in Certificates of Participation which certificates are to be purchased by the Rural Utilities Service of the United States Department of Agriculture. Under the arrangement, the District is to construct a Reservoir Spillway Water project. The District is obligated to make semiannual payments of principal and interest in amounts sufficient to pay the principal and interest on the certificates. The District's repayment obligation is secured by a pledge of the net revenues of its water enterprise. The certificates bear interest at 4.25 percent and mature each April 15 through April 15, 2048. The District's debt service on the certificates is as follows:

Brooktrails Township Community Services District
Basic Financial Statements
For the year ended June 30, 2020

Notes to Basic Financial Statements, Continued

4. LONG-TERM DEBT, Continued

USDA Loan

In addition, the District entered into a Loan Agreement, dated June 13, 2005, with the United States Department of Agriculture for an additional \$149,000 to provide additional funding for the project described above.

USDA Loan – 2010

In addition, the District entered into a Loan Agreement, dated August 12, 2009, with the United States Department of Agriculture for a \$330,000 loan to provide additional financing for the acquisition of a sewer vacuum truck and camera system.

The District's future debt service will be:

Year Ending June 30,	Certificates of Participation			Certificates of Participation, 2008			USDA Loan		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2021	\$ 8,400	\$ 15,394	\$ 23,794	\$ 52,000	\$ 114,155	\$ 166,155	\$ 2,540	\$ 5,271	\$ 7,811
2022	8,800	15,037	23,837	54,000	111,945	165,945	2,648	5,163	7,811
2023	9,100	14,663	23,763	56,000	109,650	165,650	2,760	5,051	7,811
2024	9,500	14,276	23,776	59,000	107,270	166,270	2,878	4,933	7,811
2025	9,900	13,872	23,772	61,000	104,763	165,763	3,000	4,811	7,811
2026-2030	56,400	62,654	119,054	346,000	482,630	828,630	17,024	22,031	39,055
2031-2035	69,400	49,623	119,023	427,000	402,603	829,603	20,963	18,092	39,055
2036-2040	85,500	33,554	119,054	526,000	303,663	829,663	25,812	13,243	39,055
2041-2045	105,200	13,783	118,983	647,000	182,070	829,070	31,784	7,271	39,055
2046-2050	-	-	-	458,000	39,681	331,725	14,618	937	7,745
Total	\$ 362,200	\$ 232,856	\$ 595,056	\$ 2,686,000	\$ 1,958,430	\$ 4,478,474	\$ 124,027	\$ 86,803	\$ 203,020
Due within one year	\$ 8,400	\$ 15,394	\$ 23,794	\$ 52,000	\$ 114,155	\$ 166,155	\$ 2,540	\$ 5,271	\$ 7,811
Due after one year	353,800	217,462	571,262	2,634,000	1,844,275	4,312,319	121,487	81,532	195,209
Total	\$ 362,200	\$ 232,856	\$ 595,056	\$ 2,686,000	\$ 1,958,430	\$ 4,478,474	\$ 124,027	\$ 86,803	\$ 203,020

Year Ending June 30,	USDA Loan 2010			Total		
	Principal	Interest	Total	Principal	Interest	Total
2021	\$ 24,591	\$ 5,875	\$ 30,466	\$ 87,531	\$ 140,695	\$ 228,226
2022	25,667	4,799	30,466	91,115	136,944	228,059
2023	26,790	3,676	30,466	94,650	133,040	227,690
2024	27,962	2,504	30,466	99,340	128,983	228,323
2025	29,275	1,191	30,466	103,175	124,637	227,812
2026-2030	-	-	-	419,424	567,315	986,739
2031-2035	-	-	-	517,363	470,318	987,681
2036-2040	-	-	-	637,312	350,460	987,772
2041-2045	-	-	-	783,984	203,124	987,108
2046-2050	-	-	-	472,618	40,618	513,236
Total	\$ 134,285	\$ 18,045	\$ 152,330	\$ 3,306,512	\$ 2,296,134	\$ 5,602,646
Due within one year	\$ 24,591	\$ 5,875	\$ 30,466	\$ 87,531	\$ 140,695	\$ 228,226
Due after one year	109,694	12,170	121,864	3,218,981	2,155,439	5,374,420
Total	\$ 134,285	\$ 18,045	\$ 152,330	\$ 3,306,512	\$ 2,296,134	\$ 5,602,646

Brooktrails Township Community Services District
Basic Financial Statements
For the year ended June 30, 2020

Notes to Basic Financial Statements, Continued

4. LONG-TERM DEBT, Continued

Pledged Revenues

The District has pledged future water system revenues, net of specified expenses as defined to repay the certificates of participation and USDA loan relating to the water system. Total principal and interest remaining to be paid on those obligations are \$5,648,152. Annual principal and interest payments on those obligations are expected to require 58 percent of net system revenues as defined. Principal and interest paid for the current year and total net system revenues (exclusive of transfers in) were \$206,555 and \$355,012 respectively.

Direct Borrowings - Bank Loan

The District, on June 18, 2015, entered into a borrowing arrangement with the Savings Bank of Mendocino County for the purposes of financing the purchase of a 2015 Ford F-350 truck. The loan was for \$33,996, bears interest at 5.49%, and is repayable in monthly installments of \$713 starting on July 18, 2015 and ending on December 18, 2019. The loan is secured by a security agreement pledging the Ford -350 truck as collateral.

Direct Borrowings - Financed Purchases - Business-Type Activities

The District on June 2, 2015 entered into a capital lease financing arrangement with First Capital Equipment Leasing Corporation for the purpose of obtaining financing for the purchase of breathing apparatus and equipment, on October 6, 2015 for the purchase of a Fire Vehicle, and on November 3, 2016 for the purchase of turnout gear and equipment. In September 2017, the District entered into a \$420,000 financing arrangement for the purchase of a water tender for its fire department. The water tender was not placed into service until December 2018, and no costs were capitalized until fiscal 2019 when the water tender was delivered and placed in service.

Direct Borrowings - Financed Purchases - Governmental-Type Activities

The financed purchases and the cost of the equipment was \$425,302, bear interest at 3.593 percent, and are payable in annual installments as shown below through 2028. The borrowings are secured by the purchased equipment and the District has agreed to appropriate enough funds in each years' budget to provide for the annual repayment amounts.

Brooktrails Township Community Services District
Basic Financial Statements
For the year ended June 30, 2020

Notes to Basic Financial Statements, Continued

4. LONG-TERM DEBT, Continued

The future debt service on the financed purchases is as follows:

Year Ending June 30,	Principal	Interest	Total
2021	\$ 57,053	\$ 13,333	\$ 70,386
2022	59,182	11,205	70,387
2023	36,855	8,997	45,852
2024	38,222	7,630	45,852
2025	39,639	6,213	45,852
2026-2030	127,953	9,603	137,556
Total	<u>\$ 358,904</u>	<u>\$ 56,981</u>	<u>\$ 415,885</u>
Due within one year	\$ 57,053	\$ 13,333	\$ 70,386
Due after one year	301,851	43,648	345,499
Total	<u>\$ 358,904</u>	<u>\$ 56,981</u>	<u>\$ 415,885</u>

5. NET POSITION

Net position at June 30, 2020 consisted of the following:

Description	Balance as of June 30, 2020
Net investment in capital assets	\$ 8,997,712
Restricted for:	
Debt service	39,000
Unrestricted (deficit)	1,201,846
Total unrestricted net position	<u>\$ 10,238,558</u>

Net Investment in Capital Assets - This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that is attributed to the acquisition, construction, or improvement of the assets.

Restricted – This amount consists of net assets set aside for debt service.

Unrestricted - This amount is all net assets that do not meet the definition of "*net investment in capital assets*".

Brooktrails Township Community Services District
Basic Financial Statements
For the year ended June 30, 2020

Notes to Basic Financial Statements, Continued

6. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the District carries insurance. The District, due to the costs of available coverage, participates as a member of the Special District Risk Management Authority (SDRMA) for purposes of general liability, property coverages and for workers compensation insurance.

SDRMA provides joint protection programs for public entities covering automobile, general liability, errors and omissions claims. Under the program, the District has a \$500 retention limit similar to a deductible with the SDRMA being responsible for losses above that amount up to \$2.5 million for liability combined single limit. Property coverage is also provided up to the replacement cost of the property with a combined total for SDRMA members of one billion per occurrence.

The SDRMA provides also employee dishonesty coverage with limits of \$654,000 per loss. Boiler and machinery coverage is provided to members with coverage of up to \$100 million of replacement cost, and comprehensive and collision on selected vehicles. The District's obligations under the arrangement are to pay billed premiums for the specified coverages. The SDRMA may pay dividends to members or may make additional assessments depending on loss experience, but no dividends have been declared and no additional assessments have been levied. The SDRMA workers compensation insurance coverage is provided up to the statutory limits per occurrence and \$5 million for Employer's liability coverage subject to the terms, conditions, and exclusions provided in the memorandum of Coverage. The District obtained such coverage through the SDRMA effective July 1, 2006. Financial information pertaining to SDRMA can be obtained from its administrative offices at 1112 I Street, Suite 300, Sacramento, California 95814.

Liabilities of the District are reported in the statement of net position when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs), and other economic and social factors. The District's only exposure to claim liabilities would be for losses or additional assessments, if any, not covered by or imposed by SDRMA.

There have been no significant changes in insurance coverages in fiscal 2020. Settlements have not exceeded coverage for each of the past three fiscal years. There were no significant claim liabilities at the end of fiscal 2020.

Brooktrails Township Community Services District
Basic Financial Statements
For the year ended June 30, 2020

Notes to Basic Financial Statements, Continued

7. PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)

A. General Information about the Pension Plans

Plan Descriptions - The plans are a cost-sharing multiple-employer defined benefit pension plan administered by the California Public Employees Retirement System (CalPERS). The CalPERS is governed by a 13 member Board of Administration with six elected members, three appointed members and four ex officio members which include the State Treasurer, the State Controller, the Director of the California Department of Human Services and a designee of the State Personnel Board.

Benefits Provided - The CalPERS provides retirement, disability and death benefits. Retirement benefits are defined as 2.5 percent of the employees final 12 months average compensation times the employee's years of service (2.0 percent for safety employees) Employees with 10 years of continuous are eligible to retire at age 55 (age 50 for safety employees) Employees are eligible for service-related disability benefits regardless of the length of service. Five years of service is required for non-service-related disability eligibility. Disability benefits are determined in the same manner as retirement benefits but are payable immediately without an actuarial reduction. Pre-retirement death benefits equal an employee's final full-year salary. Both plans provide for a 2 percent Cost of Living Adjustment (COLA). The public safety plan is closed to new entrants.

Contributions - Section 20814 of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employees 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. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the measurement period ending June 30, 2019 (the measurement date), the active employee contribution rates was 6.25 or 7.0 percent of annual pay, and the employer contribution rate was 6.985 or 10.221 percent of annual payroll (10.216 and 14.382 percent for the safety plan).

For the year ended June 30, 2020, the contributions recognized as part of pension expense for the Plan were as follows:

	<u>Miscellaneous</u>	<u>Safety</u>
Contributions - employer	\$ 199,322	\$ 40,792

Brooktrails Township Community Services District
Basic Financial Statements
For the year ended June 30, 2020

Notes to Basic Financial Statements, Continued

7. PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS), Continued

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

As of June 30, 2020, the District reported a net pension liability for its proportionate shares of the net pension liability of the Plan as follows:

	Proportionate Share of Net Pension Liability
Miscellaneous	\$ 1,789,552
Safety	212,932
Total Net Pension Liability	<u>\$ 2,002,484</u>

The District's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2019, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018 rolled forward to June 30, 2019 using standard update procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The District's proportionate share of the net pension liability for the Plan as of June 30, 2020 was as follows:

	<u>Miscellaneous</u>	<u>Safety</u>	<u>Total</u>
Proportion - June 30, 2019	0.04616%	0.00320%	0.02001%
Proportion - June 30, 2020	0.04469%	0.00341%	0.01954%
Change - Increase (Decrease)	-0.00147%	0.00021%	-0.00047%

Brooktrails Township Community Services District
Basic Financial Statements
For the year ended June 30, 2020

Notes to Basic Financial Statements, Continued

7. PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS), Continued

For the year ended June 30, 2020, the District recognized pension expense of \$415,922. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions	\$ 62,108	\$ -
Differences between Expected and Actual Experience	128,564	-
Differences between Projected and Actual Investment Earnings	-	34,216
Differences between Employer's Contributions and Proportionate Share of Contributions	66,037	45,263
Change in Employer's Proportion	22,406	87,290
Pension Contributions Made Subsequent to Measurement Date	240,114	-
	<u>\$ 519,229</u>	<u>\$ 166,769</u>

\$240,114 reported as deferred outflows of resources related to contributions subsequent to the measurement date and changes in proportions will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ending June 30	
2021	\$ 129,148
2022	(35,863)
2023	12,169
2024	6,892
2025	-
Thereafter	-

Brooktrails Township Community Services District
Basic Financial Statements
For the year ended June 30, 2020

Notes to Basic Financial Statements, Continued

7. PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS), Continued

Actuarial Assumptions - The June 30, 2019 valuation was rolled forward to determine the June 30, 2020 total pension liability based on the following actuarial methods and assumptions.

Actuarial Assumptions	
Valuation date	June 30, 2018
Measurement date	June 30, 2019
Actuarial cost method	Entry-age normal cost method
Actuarial assumptions:	
Discount rate	7.15%
Inflation	2%
Salary increases	Varies by entry age and service
Investment Rate of Return	7.50% net pension plan investment and administrative expenses; includes inflation
Post-retirement benefit increase	Contract COLA up to 2% until purchasing power protection allowance floor on purchasing power applies, 2. % thereafter.

The underlying mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details, please refer to the 2014 experience study report.

All other actuarial assumptions used in the June 30, 2014 valuation were based on the results of an actuarial experience study for the fiscal years 1997 to 2011, including updates to salary increase, mortality and retirement rates. The Experience Study can be obtained at CalPERS' website under Forms and Publications.

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

Brooktrails Township Community Services District
Basic Financial Statements
For the year ended June 30, 2020

Notes to Basic Financial Statements, Continued

7. PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS), Continued

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. 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 rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10 ¹	Real Return Year 11+ ²
Global Equity	47%	5.25%	5.71%
Global Fixed Income	19%	0.99%	2.43%
Inflation Sensitive	6%	0.45%	3.36%
Private Equity	12%	6.83%	6.95%
Real Estate	11%	4.50%	5.13%
Infrastructure and Forestland	3%	4.50%	5.09%
Liquidity	2%	-0.55%	-1.05%
	100%		

(1) An expected inflation of 2.5% used for this period.

(2) An expected inflation of 3.0% used for this period.

Brooktrails Township Community Services District
Basic Financial Statements
For the year ended June 30, 2020

Notes to Basic Financial Statements, Continued

7. PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS), Continued

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the net pension liability for the Plan, calculated using the discount rate for Plan, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease (6.15%)	Current Discount Rate (7.15%)	1% Increase (8.15%)
Miscellaneous	\$ 2,716,002	\$ 1,789,552	\$ 1,024,834
Safety	348,182	212,932	102,047
Total	<u>\$ 3,064,184</u>	<u>\$ 2,002,484</u>	<u>\$ 1,126,881</u>

Pension Plan Fiduciary Net Position -Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

At June 30, 2020, the District had no outstanding payable amounts for contributions to the pension plan required for the year ended June 30, 2020.

8. OTHER POST-EMPLOYMENT BENEFITS

Plan Description

The District's agent multiple-employer defined benefit OPEB Plan provides OPEB for all eligible fulltime general and public safety employees of the District. The District's plan is a multiple-employer defined benefit OPES Plan administered by the District. The Board of Directors through resolutions and regulations has the authority to establish and amend the benefit terms. A separate OPEB Trust Fund has been established by the District. The plans issues publicly available financial statements as a component of the District's basic financial statements and can be obtained at the District's internet address.

Benefits Provided

The District's OPEB plan provides healthcare benefits to eligible retirees and their dependents. Benefits are provided through third party insurers, and the full cost of the benefits is provided by the Plan.

Brooktrails Township Community Services District
Basic Financial Statements
For the year ended June 30, 2020

Notes to Basic Financial Statements, Continued

8. OTHER POST-EMPLOYMENT BENEFITS, Continued

Employees Covered by the Benefit Terms.

At June 30, 2020, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	-
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	12
	<u>12</u>

The District's OPEB Plan is closed to new entrants.

Contributions

District regulations grant authority to the Board of Directors to establish and amend contribution requirements. Employees are not required to contribute to the plan. Plan contributions are based upon an actuarially determined rate. For the year end June 30, 2020, the District's' contribution rate was 1.9 percent of covered employee payroll. The amount contributed for fiscal 2020 was \$12,043 which amount was based on the District's decision to prefund its obligation. Employer contributions are made on an ad hoc basis.

Net OPEB Liability

The District's net OPEB liability was measured as of June 30, 2019 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2019 that was rolled forward to determine the June 30, 2020 total OPEB liability, based on the following actuarial methods and assumptions:

Actuarial Assumptions:	
Actuarial Valuation Date	June 30, 2019
Inflation	2.75 percent per year
Salary increase	3.0 percent per year
Investment rate of return	6.75 percent net of investment expense including inflation
Healthcare cost trend rates	7.5 percent for 2019 decreasing to 4 percent in 2076 and later years
Mortality Improvement	Mortality projected fully generational with Scale MP-17

The long-term expected rate of return on OPEB plan investments was 6.75 percent.

Brooktrails Township Community Services District
Basic Financial Statements
For the year ended June 30, 2020

Notes to Basic Financial Statements, Continued

8. OTHER POST-EMPLOYMENT BENEFITS, Continued

Discount rate

The discount rate used was 3.79 percent at June 30, 2019 and 4.41 percent at June 30, 2018.

Changes in the OPEB Liability

The changes in the net OPEB liability for the Plan are as follows:

	Total OPEB Liability	Fiduciary Net Position	Net OPEB Liability
Balance at 6/30/2019*	\$ 210,358	\$ 34,658	\$ 175,700
Changes for the year			
Service Cost	10,278	-	10,278
Interest	9,464	-	9,464
Difference between actual and expected experience	(104,062)	-	(104,062)
Assumption changes	4,140	-	4,140
Contributions - employer	-	12,043	(12,043)
Contributions - employee	-	-	-
Net investment income	-	2,139	(2,139)
Benefit payments	(12,043)	(12,043)	-
Administrative expenses	-	(7)	7
Net Changes	(92,223)	2,132	(94,355)
Balance at 6/30/2020**	\$ 118,135	\$ 36,790	\$ 81,345

*Measurement date 6/30/2018

** Measurement date 6/30/2019

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

The discount rate used for the fiscal year end 2020 is 3.79%. The following presents the net OPEB liability of the District if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2019:

	<u>1% Decrease</u>	<u>Current Rate</u>	<u>1% Increase</u>
Change in Discount Rate	2.79%	3.79%	4.79%
Net OPEB Liability	\$ 88,510	\$ 81,345	\$ 74,552

Brooktrails Township Community Services District
Basic Financial Statements
For the year ended June 30, 2020

Notes to Basic Financial Statements, Continued

8. OTHER POST-EMPLOYMENT BENEFITS, Continued

Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rates

The following presents the net OPEB liability of the District if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2019:

Change in Healthcare Cost Trend Rate	<u>1% Decrease</u>	<u>Current Trend</u>	<u>1% Increase</u>
Net OPEB Liability	\$ 69,750	\$ 81,345	\$ 94,949

OPEB Plan Fiduciary Net Position

Detailed information about the OPEB plan's fiduciary net position is available in the District's basic financial report.

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

For the year ended June 30, 2020, the District recognized OPEB income of \$104. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 87,802
Changes in assumptions	3,493	5,595
Net difference between projected and actual earnings on plan investments	-	518
Employer contributions made subsequent to the measurement date	-	-
Total	<u>\$ 3,493</u>	<u>\$ 93,915</u>

Brooktrails Township Community Services District
Basic Financial Statements
For the year ended June 30, 2020

Notes to Basic Financial Statements, Continued

8. OTHER POST-EMPLOYMENT BENEFITS, Continued

The amounts reported as deferred outflows of resources related to OPEB will be recognized as expense as follows:

Fiscal Year Ended June 30,	Deferred Outflow/(Inflows) of Resources
2020	(17,514)
2021	(17,514)
2022	(17,292)
2023	(16,195)
2024	(15,663)
Thereafter	(6,244)

Payable to the OPEB Plan

At June 30, 2020, the District had no payable for the outstanding amount of contributions to the plan for the year ended June 30, 2020.

9. CONTINGENCIES, COMMITMENTS AND WASTEWATER AGREEMENT

Litigation. The District is involved in litigation incurred in the normal course of conducting District business. Litigation pertaining to the wastewater treatment agreement between the District and the City of Willits discussed below was settled in March of 2015.

Grants and allocations. Amounts received or receivable from grant agencies are subject to audit and adjustment by granter agencies, principally the federal and state government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the granter cannot be determined at this time, although the District expects such amounts, if any, to be immaterial.

City of Willits Wastewater Agreement. The District does not own a separate wastewater treatment plant and has an agreement with the City of Willits to accept and treat the District's wastewater. Under the arrangement, the District is obligated to pay for a percentage of the City's administrative, operations, maintenance costs, debt service obligations and certain capital costs of the treatment plant.

Brooktrails Township Community Services District
Basic Financial Statements
For the year ended June 30, 2020

Notes to Basic Financial Statements, Continued

9. CONTINGENCIES, COMMITMENTS AND WASTEWATER AGREEMENT, Continued

On March 25, 2015, the District and the City of Willits agreed to settle their disputes concerning the City's wastewater treatment plant and related matters. The settlement provided that the District shall pay to the City a flat fee of \$22,000 a month for a four year period, effective July 1, 2015, as the District' share of the costs to operate the City's wastewater treatment plant in future years. In addition, the District shall pay to the City 36 percent of the amounts payable to the USDA by the City on the City's three USDA loans. The \$22,000 fixed monthly fee and share of the City's debt service costs are considered by the District to be operating expenses for financial reporting purposes.

The agreement, which expired June 30, 2019, was renegotiated in fiscal 2020 to provide that the District shall continue to pay 36 percent of the City's debt service on the City's USDA loans and a fixed amount monthly for operation of the City's treatment plant.

Water Connections. The District announced in December of 2017 that the California State Water Resources Control Board had fully lifted its curtailment order on the sale of water connections for the District. Property owners may now submit plans and site development applications to the District for review and possible approval.

10. NEW ACCOUNTING PRONOUNCEMENTS

The GASB has issued Statement No. 87, "*Leases.*" The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The District will implement this statement, as applicable, to its financial statements for the year ending June 30, 2022.

The GASB has issued Statement No. 89, "*Accounting for Interest Cost Incurred before the End of a Construction Period.*" The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. Earlier application is encouraged. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. The District will implement this statement, as applicable, to its financial statements for the year ending June 30, 2022.

Brooktrails Township Community Services District
Basic Financial Statements
For the year ended June 30, 2020

Notes to Basic Financial Statements, Continued

10. NEW ACCOUNTING PRONOUNCEMENTS, Continued

The GASB has issued Statement No. 91, "*Conduit Debt Obligations*." The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. Earlier application is encouraged. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The District will implement this statement, as applicable, to its financial statements for the year ending June 30, 2023.

The GASB has issued Statement No. 95, "*Postponement of the Effective Dates of Certain Authoritative Guidance*". The primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.

The effective dates of certain provisions contained in the following pronouncements are postponed by one year:

- Statement No. 83, *Certain Asset Retirement Obligations*
- Statement No. 84, *Fiduciary Activities*
- Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*
- Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*
- Statement No. 90, *Majority Equity Interests*
- Statement No. 91, *Conduit Debt Obligations*
- Statement No. 92, *Omnibus 2020*
- Statement No. 93, *Replacement of Interbank Offered Rates*
- Implementation Guide No. 2017-3, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (and Certain Issues Related to OPEB Plan Reporting)*
- Implementation Guide No. 2018-1, *Implementation Guidance Update—2018*
- Implementation Guide No. 2019-1, *Implementation Guidance Update—2019*
- Implementation Guide No. 2019-2, *Fiduciary Activities*.

The effective dates of the following pronouncements are postponed by 18 months:

- Statement No. 87, *Leases*
- Implementation Guide No. 2019-3, *Leases*.

Earlier application of the provisions addressed in this Statement is encouraged and is permitted to the extent specified in *each* pronouncement as originally issued.

Brooktrails Township Community Services District
Basic Financial Statements
For the year ended June 30, 2020

Notes to Basic Financial Statements, Continued

11. PANDEMIC EFFECTS

The COVID-19 pandemic, whose effects first became known in January 2020, is having a broad and negative impact on commerce and financial markets around the world. The United States and global markets experienced significant declines in value resulting from uncertainty caused by the pandemic. The District is closely monitoring its investment portfolio and its liquidity and is actively working to minimize the impact of these declines. The extent of the impact of COVID-19 on the District's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak and its impacts on the District's employees, and vendors, all of which at present, cannot be determined. Accordingly, the extent to which COVID-19 may impact the District's financial position and changes in net position, fund balance and cash flows is uncertain, and the accompanying financial statements include no adjustments relating to the effects of this pandemic

REQUIRED SUPPLEMENTARY INFORMATION

Brooktrails Township Community Services District
Required Supplementary Information - Schedule of
Changes in the Net OPEB Liability and Related Ratios
Last 10 Fiscal Years

	2020	2019	2018
Total OPEB Liability			
Service Cost	\$ 10,278	\$ 10,484	\$ 11,312
Interest on the total OPEB liability	9,464	8,684	7,347
Differences between expected and actual experience	(104,062)	-	-
Changes of benefit terms	-	-	-
Changes of assumptions	4,140	(3,104)	(6,905)
Contributions - employer	(12,043)	(15,066)	(14,341)
Net change in total OPEB liability	<u>(92,223)</u>	<u>998</u>	<u>(2,587)</u>
Total OPEB liability - beginning	210,358	209,360	211,947
Total OPEB liability - ending (a)	<u>\$ 118,135</u>	<u>\$ 210,358</u>	<u>\$ 209,360</u>
Plan fiduciary net position			
Contributions - employer	\$ 12,043	\$ 15,066	\$ 14,341
Contributions - employee	-	-	-
Actual investment income	2,139	2,559	3,073
Administrative expense	(7)	(60)	(16)
Benefit payments	(12,043)	(15,066)	(14,341)
Net change in plan fiduciary net position	<u>2,132</u>	<u>2,499</u>	<u>3,057</u>
Plan fiduciary net position - beginning	34,658	32,159	29,102
Plan fiduciary net position - ending (b)	<u>\$ 36,790</u>	<u>\$ 34,658</u>	<u>\$ 32,159</u>
Net OPEB liability - ending (a) - (b)	<u>\$ 81,345</u>	<u>\$ 175,700</u>	<u>\$ 177,201</u>
Covered-employee payroll		\$ 773,766	\$ 766,516
Net OPEB liability as a percentage of covered-employee payroll		23%	23%

Notes to Schedule

- 1) GASB 75 requires presentation of the 10-year history of changes in the Net OPEB Liability. However, since this is the initial year of implementation, only one year is currently available.
- 2) Covered payroll is the payroll paid to all employees who are eligible for and accruing OPEB benefits.
- 3) For each fiscal year presented, information regarding the District's OPEB plan, including the methods and assumptions used to calculate the net OPEB liability, can be found in the notes to the District's basic financial statements.

Brooktrails Township Community Services District
Required Supplementary Information - Schedule of Contributions
Last 10 Fiscal Years*

Miscellaneous Plan	2020	2019	2018	2017	2016	2015
Contractually required contribution (actuarially determined)	\$ 240,114	\$ 260,095	\$ 232,751	\$ 214,472	\$ 199,033	\$ 126,263
Contributions in relation to the actuarially determined contributions	(240,114)	(260,095)	(232,751)	(214,472)	(199,033)	(126,263)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 755,235	\$ 692,689	\$ 678,270	\$ 797,313	\$ 666,499	\$ 621,263
Contribution as a percentage of covered-employee	31.79%	37.55%	34.32%	26.90%	29.86%	20.32%

Notes to Schedule

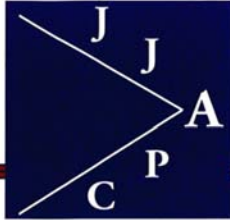
*This schedule is intended to show information for 10 years. Fiscal 2015 was the first year of implementation, and additional years information will be presented as it becomes available

Brooktrails Township Community Services District
Required Supplementary Information - Schedule of the District's Proportionate
Share of the Net Pension Liability
Last 10 Fiscal Years

Miscellaneous Plan	2020	2019	2018	2017	2016	2015
Plan's Proportion of the Net Pension Liability/(Asset)	0.01954%	0.02001%	0.02055%	0.02129%	0.02207%	0.02469%
Plan's Proportionate Share of the Net Pension Liability/(Asset)	\$ 2,002,484	\$ 1,927,817	\$ 2,038,445	\$ 1,842,415	\$ 1,514,887	\$ 1,536,497
Plan's Covered-Employee Payrol	\$ 755,235	\$ 678,270	\$ 797,313	\$ 666,499	\$ 621,263	\$ 585,403
Plan's Proportionate Share of the Net Pension Liability/(Asset) as a Percentage of its Covered-Employee Payroll	265.15%	284.23%	255.66%	276.43%	243.84%	262.47%
Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	74.02%	75.26%	73.31%	74.06%	78.40%	79.82%
Plan's Proportionate Share of Aggregate Employer Contribution	\$ 245,200	\$ 218,732	\$ 199,469	N/A	N/A	N/A

Notes to Schedule

*This schedule is intended to show information for 10 years. Fiscal 2015 was the first year of implementation, and additional years information will be presented as it becomes available



JJACPA, Inc.

A Professional Accounting Services Corp.

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

Board of Directors
Brooktrails Township Community Services District
Willits, California

We have audited, in accordance with the auditing standard generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Brooktrails Township Community Services District (District) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Brooktrails Township Community Services District's basic financial statements, and have issued our report thereon dated May 25, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of internal control of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we considered to be material weaknesses. However, material weaknesses may exist that we have not identified.

Board of Directors
Brooktrails Township Community Services District
Brooktrails Township, California

Compliance and Other Matters

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

Purpose of this Report

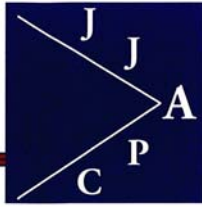
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

May 25, 2021

JJACPA, Inc.
JJACPA, Inc.
Dublin, CA

BROOKTRAILS TOWNSHIP COMMUNITY SERVICES DISTRICT
COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE AND
COMMUNICATION OF INTERNAL CONTROL RELATED MATTERS

JUNE 30, 2020



JJACPA, Inc.

A Professional Accounting Services Corp.

May 25, 2021

To the Board of Directors
Brooktrails Township Community Services District
Willits, California

We have audited the financial statements of Brooktrails Township Community Services District (District) as of and for the year ended June 30, 2020, and have issued our report thereon dated May 25, 2021. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated August 11, 2020, our responsibility, as described by professional standards, is to form and express an opinion(s) about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, as part of our audit, we considered the internal control of the District solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, and our firm has complied with all relevant ethical requirements regarding independence.

Qualitative Aspects of the Entity’s Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the District is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during the year ended June 30, 2020. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management’s current judgments.

The most sensitive accounting estimates affecting the financial statements are useful lives of capital assets (“useful lives”).

Management’s estimate of the useful lives is based on experience with and observation of capital assets, by category (e.g. infrastructure) as well as industry standards, when applicable (i.e. buildings). We evaluated the key factors and assumptions used to develop the useful lives and determined that it is reasonable in relation to the basic financial statements taken as a whole.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the District’s financial statements relate to commitments and contingencies.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. Management has corrected all identified misstatements.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. The following material misstatements that we identified as a result of our audit procedures were brought to the attention of, and corrected by, management:

To update pension disclosures for GASB 68 management made entries of \$175,811 for the pension expense adjustment, \$74,667 for the net pension liability, \$1,084,729 for the deferred inflows of resources and \$32,828 for the deferred outflows of resources.

To update other post-employment benefit (OPEB) disclosures for GASB 75 management made entries of \$94,355 for the net OPEB liability, \$104 for OPEB income, \$8,550 for deferred outflows of resources and \$85,701 for deferred inflows of resources.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the District's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached letter dated May 25, 2021.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the District, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the District's auditors.

Communication of Internal Control Related Matters

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

Very truly yours,

Joseph J. Arch

JOSEPH J. ARCH, CPA
President/CEO
JJACPA, INC.



BROOKTRAILS TOWNSHIP

COMMUNITY SERVICES DISTRICT
24860 BIRCH STREET
WILLITS, CA 95490
Phone: 707-459-2494
Fax: 707-459-0358
btcsd@btcsd.org

May 25, 2021

JJACPA, Inc.
7080 Donlon Way, Suite 204
Dublin, CA 94568

Dear Mr. Arch:

This representation letter is provided in connection with your audit of the financial statements of the Brooktrails Township Community Services District (District) as of June 30, 2020, and for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions on whether the basic financial statements present fairly, in all material respects, the financial position, results of operations, and cash flows, where applicable, of the various opinion units of the District in accordance with accounting principles generally accepted for governments in the United States of America (U.S. GAAP).

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

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of May 25, 2021.

Financial Statements

- We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated August 11, 2020, for the preparation and fair presentation of the financial statements of the various opinion units referred to above in accordance with U.S. GAAP.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- We acknowledge our responsibility for compliance with the laws, regulations, and provisions of contracts and grant agreements.
- We have reviewed, approved, and taken responsibility for the financial statements and related notes.
- We have a process to track the status of audit findings and recommendations.
- We have identified and communicated to you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.

- Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
- Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
- We are not aware of any pending or threatened litigation, claims, or assessments, or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with GASB Statement No. 62 (GASB-62), Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements (FASB Accounting Standards Codification TM (ASC) 450, Contingencies), and we have not consulted a lawyer concerning litigation, claims, or assessments
- All component units, as well as joint ventures with an equity interest, are included and other joint ventures and related organizations are properly disclosed.
- All funds and activities are properly classified.
- All funds that meet the quantitative criteria in GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, GASB Statement No. 37, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Omnibus* as amended, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, for presentation as major are identified and presented as such and all other funds that are presented as major are considered important to financial statement users.
- All components of net position, non-spendable fund balance, and restricted, committed, assigned, and unassigned fund balance are properly classified and, if applicable, approved.
- Our policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position/fund balance are available is appropriately disclosed and net position/fund balance is properly recognized under the policy.
- All revenues within the statement of activities have been properly classified as program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- All expenses have been properly classified in or allocated to functions and programs in the statement of activities, and allocations, if any, have been made on a reasonable basis.
- All interfund and intra-entity transactions and balances have been properly classified and reported.
- Special items and extraordinary items have been properly classified and reported.
- Deposit and investment risks have been properly and fully disclosed.
- Capital assets, including infrastructure assets, are properly capitalized, reported, and if applicable, depreciated.
- All required supplementary information is measured and presented within the prescribed guidelines.
- With regard to investments and other instruments reported at fair value:
 - The underlying assumptions are reasonable, and they appropriately reflect management's intent and ability to carry out its stated courses of action.
 - The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.

- The disclosures related to fair values are complete, adequate, and in accordance with U.S. GAAP.
- There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.

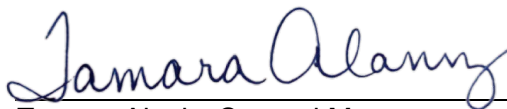
Information Provided

- We have provided you with:
 - Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements of the various opinion units referred to above, such as records, documentation, meeting minutes,⁷ and other matters;
 - Additional information that you have requested from us for the purpose of the audit; and
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- All transactions have been recorded in the accounting records and are reflected in the financial statements.
- We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- We have provided to you our analysis of the entity's ability to continue as a going concern, including significant conditions and events present, and if necessary, our analysis of management's plans, and our ability to achieve those plans.
- We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - Management;
 - Employees who have significant roles in internal control; or
 - Others where the fraud could have a material effect on the financial statements.
- We have no knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, vendors, regulators, or others.
- We are not aware of any pending or threatened litigation, claims, and assessments whose effects should be considered when preparing the financial statements and we have not consulted legal counsel concerning litigation, claims, or assessments.
- We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.
- There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
- The District has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
- We have disclosed to you all guarantees, whether written or oral, under which the District is contingently liable.
- We have disclosed to you all nonexchange financial guarantees, under which we are obligated and have declared liabilities and disclosed properly in accordance with GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*, for those guarantees where it is more likely than not that the entity will make a payment on any guarantee.
- For nonexchange financial guarantees where we have declared liabilities, the amount of the liability recognized is the discounted present value of the best estimate of the future

outflows expected to be incurred as a result of the guarantee. Where there was no best estimate but a range of estimated future outflows has been established, we have recognized the minimum amount within the range.

- We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed in accordance with GASB Statement No. 62 (GASB-62), *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.
- We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
- There are no:
 - Violations or possible violations of laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, including applicable budget laws and regulations.
 - Unasserted claims or assessments that our lawyer has advised are probable of assertion and must be disclosed in accordance with GASB-62.
 - Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by GASB-62.
 - Continuing disclosure consent decree agreements or filings with the Securities and Exchange Commission and we have filed updates on a timely basis in accordance with the agreements (Rule 240, 15c2-12).
- The District has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.
- We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

To the best of our knowledge and belief, no events have occurred subsequent to the balance sheet date and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements.



Tamara Alaniz, General Manager

Client: BTCSD - Brooktrails Township Community Services District
 Engagement: BTCSD 2020 - Brooktrails Township Community Services District
 Period Ending: 6/30/2020
 Trial Balance: TB-1 - Trial Balance
 Workpaper:

Account	Description	UNADJ 6/30/2020	JE Ref #	AJE 6/30/2020	JE Ref #	RJE 6/30/2020	Final 6/30/2020	1st PP-FINAL 6/30/2019
Group : [GEN]	General Fund (120, 130)							
Subgroup : [11000]	Cash and investments							
120-10301-0311	SBMC Checking	(191,152.00)		139,894.00		0.00	(51,258.00)	0.00
120-10301-0346	LAIF Unrestricted Funds	92,868.00		0.00		0.00	92,868.00	0.00
120-10301-0347	LAIF Adj Fair Market Value	76.00		0.00		0.00	76.00	0.00
120-10301-0365	Petty Cash	150.00		0.00		0.00	150.00	0.00
130-10301-0311	SBMC Checking	(45,490.00)		0.00		0.00	(45,490.00)	0.00
130-10301-0315	SBMC Payroll	3,654.00		0.00		0.00	3,654.00	0.00
Subtotal [11000]	Cash and investments	(139,894.00)		139,894.00		0.00	0.00	0.00
Subgroup : [13200]	Intergovernmental receivables							
120-10305-0391	Property Taxes Receivable	25,242.00		0.00		0.00	25,242.00	0.00
Subtotal [13200]	Intergovernmental receivables	25,242.00		0.00		0.00	25,242.00	0.00
Subgroup : [16000]	Prepaid Expenses							
120-10306-0400	Prepaid Expenses	6,567.00		0.00		0.00	6,567.00	0.00
130-10302-0376	Employee Advance	1,500.00		0.00		0.00	1,500.00	0.00
Subtotal [16000]	Prepaid Expenses	8,067.00		0.00		0.00	8,067.00	0.00
Subgroup : [21100]	Accounts Payable							
120-20206-0200	Accounts Payable	(5,007.00)		0.00		0.00	(5,007.00)	0.00
Subtotal [21100]	Accounts Payable	(5,007.00)		0.00		0.00	(5,007.00)	0.00
Subgroup : [21150]	Accrued Liabilities							
120-20204-0155	Payroll Tax - Survivor's Benefit	(1,400.00)		0.00		0.00	(1,400.00)	0.00
120-20204-0175	Payroll - Personal Loan Ded	85.00		0.00		0.00	85.00	0.00
120-20204-0176	Salaries Payable	(53,284.00)		0.00		0.00	(53,284.00)	0.00
120-20204-0181	Accrued Staywell	(1,091.00)		0.00		0.00	(1,091.00)	0.00
120-20204-0185	Accrued Salaries	(7,081.00)		0.00		0.00	(7,081.00)	0.00
130-20204-0150	Payroll Tax - SSI	(60,347.00)		0.00		0.00	(60,347.00)	0.00
130-20204-0151	Medicare Payable	(15,597.00)		0.00		0.00	(15,597.00)	0.00
130-20204-0155	Payroll Tax - Survivor's Benefit	242,985.00		0.00		0.00	242,985.00	0.00
130-20204-0156	ICMA-RC 457 Emplr Contrib	(8,040.00)		0.00		0.00	(8,040.00)	0.00
130-20204-0160	Payroll Tax - State W/H	2,914.00		0.00		0.00	2,914.00	0.00
130-20204-0165	Payroll Tax - Federal W/H	74,185.00		0.00		0.00	74,185.00	0.00
130-20204-0170	Payroll Tax - CalPERS	(236,074.00)		0.00		0.00	(236,074.00)	0.00
130-20204-0172	Deferred Compensation	7,232.00		0.00		0.00	7,232.00	0.00
130-20204-0175	Payroll - Personal Loan Ded	3,358.00		0.00		0.00	3,358.00	0.00
130-20204-0176	Salaries Payable	41,884.00		0.00		0.00	41,884.00	0.00
130-20204-0195	Unemployment Payable	(14,027.00)		0.00		0.00	(14,027.00)	0.00
Subtotal [21150]	Accrued Liabilities	(24,298.00)		0.00		0.00	(24,298.00)	0.00
Subgroup : [21200]	Due to Other Funds							
120-20299-0000	Due to other funds	0.00		(139,894.00)		0.00	(139,894.00)	0.00
Subtotal [21200]	Due to Other Funds	0.00		(139,894.00)		0.00	(139,894.00)	0.00
Subgroup : [2200]	Other Liabilities							
120-20207-0256	Curr Loan Pyble (GC to SWR)	(2,333.00)		0.00		0.00	(2,333.00)	0.00
120-20207-0257	Long Term Loan Payable	(13,579.00)		13,579.00		0.00	0.00	0.00
120-20207-0258	Less Curr Prtn LT Debt	2,333.00		0.00		0.00	2,333.00	0.00
Subtotal [2200]	Other Liabilities	(13,579.00)		13,579.00		0.00	0.00	0.00
Subgroup : [36500]	Unreserved							
120-30208-0450	Unencumbered Fund Balance	(146,911.00)		18.00		0.00	(146,893.00)	0.00
130-30208-0450	Unencumbered Fund Balance	1,863.00		0.00		0.00	1,863.00	0.00
Subtotal [36500]	Unreserved	(145,048.00)		18.00		0.00	(145,030.00)	0.00
Subgroup : [41000]	Taxes and Assessments							
120-41310-0100	BCSD Allocation - Current	(187,492.00)		0.00		0.00	(187,492.00)	0.00
120-41320-0100	BMD Allocation - Current	(151,153.00)		0.00		0.00	(151,153.00)	0.00
Subtotal [41000]	Taxes and Assessments	(338,645.00)		0.00		0.00	(338,645.00)	0.00
Subgroup : [41500]	Franchise Fees							
120-41850-0000	Franchise Fee - SWOW	(34,932.00)		0.00		0.00	(34,932.00)	0.00
Subtotal [41500]	Franchise Fees	(34,932.00)		0.00		0.00	(34,932.00)	0.00
Subgroup : [44000]	Use of Money and Property							
120-41710-0000	Investment Interest	(3,024.00)		0.00		0.00	(3,024.00)	0.00
Subtotal [44000]	Use of Money and Property	(3,024.00)		0.00		0.00	(3,024.00)	0.00
Subgroup : [45000]	Charges for Services							
120-48510-0000	Plan Review Fees	(880.00)		0.00		0.00	(880.00)	0.00
Subtotal [45000]	Charges for Services	(880.00)		0.00		0.00	(880.00)	0.00
Subgroup : [47000]	Other Revenues							
120-41990-0000	Other	72.00		0.00		0.00	72.00	0.00
120-48990-0000	Other Misc Revenue	(4,341.00)		(13,597.00)		0.00	(17,938.00)	0.00
Subtotal [47000]	Other Revenues	(4,269.00)		(13,597.00)		0.00	(17,866.00)	0.00
Subgroup : [51000]	General Government							
120-61200-1200	Township Admin Salaries/Wages	301,503.00		0.00		0.00	301,503.00	0.00
120-61200-1290	Township Admin Overtime	(25.00)		0.00		0.00	(25.00)	0.00
120-61200-1400	Township Admin Retirement	58,064.00		0.00		0.00	58,064.00	0.00
120-61200-1401	Township Admin 457 Emplr contrib	5,121.00		0.00		0.00	5,121.00	0.00
120-61200-1600	Township Admin FICA	18,313.00		0.00		0.00	18,313.00	0.00
120-61200-1601	Township Admin Med Ins	4,363.00		0.00		0.00	4,363.00	0.00
120-61200-1700	Township Admin Unemployment	484.00		0.00		0.00	484.00	0.00
120-61200-1702	Township Admin Staywell	2,493.00		0.00		0.00	2,493.00	0.00

120-61200-2100	Township Admin Supplies	5,603.00	0.00	0.00	5,603.00	0.00
120-61200-2101	Township Admin Postage	1,697.00	0.00	0.00	1,697.00	0.00
120-61200-2102	Township Admin Notice/Pub	181.00	0.00	0.00	181.00	0.00
120-61200-2400	Township Admin Equip/Bldg/Maint	2,040.00	0.00	0.00	2,040.00	0.00
120-61200-2401	Township Admin Equip/Maint	158.00	0.00	0.00	158.00	0.00
120-61200-2501	Township Admin Utilities	5,014.00	0.00	0.00	5,014.00	0.00
120-61200-2600	Township Admin Communications	5,937.00	0.00	0.00	5,937.00	0.00
120-61200-2700	Township Admin Mbrsp-Mtg-Meals	14,991.00	0.00	0.00	14,991.00	0.00
120-61200-3000	Township Admin Contract Svcs	32,172.00	0.00	0.00	32,172.00	0.00
120-61200-3001	Township Admin Director Fees	11,000.00	0.00	0.00	11,000.00	0.00
120-61200-3004	Township Admin Council Fees	21,478.00	0.00	0.00	21,478.00	0.00
120-61200-3005	Township Admin Other Legal	9,350.00	0.00	0.00	9,350.00	0.00
120-61200-3006	Township Admin Dist Architect	100.00	0.00	0.00	100.00	0.00
120-61200-3400	Township Admin Grp Hlth Ins	87,650.00	0.00	0.00	87,650.00	0.00
120-61200-3600	Township Admin State/Cnty Chrges	4,929.00	0.00	0.00	4,929.00	0.00
120-61200-3900	Township Admin Other	187.00	0.00	0.00	187.00	0.00
120-61200-4242	Township Admin Interest Exp	618.00	0.00	0.00	618.00	0.00
120-61200-4300	Township Admin Photocopy Ls	2,820.00	0.00	0.00	2,820.00	0.00
Subtotal [51000]	General Government	596,241.00	0.00	0.00	596,241.00	0.00
Subgroup : [52000] Recreation						
120-61400-1200	Recreation Salaries/Wages	33,851.00	0.00	0.00	33,851.00	0.00
120-61400-1290	Recreation Overtime	2,844.00	0.00	0.00	2,844.00	0.00
120-61400-1400	Recreation Retirement	14,137.00	0.00	0.00	14,137.00	0.00
120-61400-1401	Recreation 457 Emplr Contrib	282.00	0.00	0.00	282.00	0.00
120-61400-1600	Recreation FICA	2,249.00	0.00	0.00	2,249.00	0.00
120-61400-1601	Recreation Medicare Contrib	526.00	0.00	0.00	526.00	0.00
120-61400-1700	Recreation Unemployment	102.00	0.00	0.00	102.00	0.00
120-61400-2100	Recreation Supplies	2,519.00	0.00	0.00	2,519.00	0.00
120-61400-2501	Recreation Utilites	146.00	0.00	0.00	146.00	0.00
120-61400-3400	Recreation Grp Hlth Ins	8,929.00	0.00	0.00	8,929.00	0.00
120-61400-3900	Recreation Other	47.00	0.00	0.00	47.00	0.00
120-65100-2100	Golf Course Supplies	8,429.00	0.00	0.00	8,429.00	0.00
120-65100-2300	Golf Course Vehicle Exp	695.00	0.00	0.00	695.00	0.00
120-65100-2501	Golf Course Utilities	437.00	0.00	0.00	437.00	0.00
120-65100-2600	Golf Course Communications	689.00	0.00	0.00	689.00	0.00
120-65100-3400	Golf Course Grp Hlth Ins	4,144.00	0.00	0.00	4,144.00	0.00
Subtotal [52000]	Recreation	80,026.00	0.00	0.00	80,026.00	0.00
Total [GEN]	General Fund (120, 130)	0.00	0.00	0.00	0.00	0.00
Group : [FF] Fire Fund						
Subgroup : [11000] Cash and investments						
420-10301-0311	SBMC Checking	(32,372.00)	29,802.00	0.00	(2,570.00)	0.00
420-10301-0346	CA Treasury LAIF - 16-23-001	2,568.00	0.00	0.00	2,568.00	0.00
420-10301-0347	LAIF Market Value	2.00	0.00	0.00	2.00	0.00
Subtotal [11000]	Cash and investments	(29,802.00)	29,802.00	0.00	0.00	0.00
Subgroup : [13200] Intergovernmental receivables						
420-10305-0391	Prop.Tx.Recv. - Mendocino Co.	185,368.00	0.00	0.00	185,368.00	0.00
Subtotal [13200]	Intergovernmental receivables	185,368.00	0.00	0.00	185,368.00	0.00
Subgroup : [13950] LT Receivable - delinquent fire taxes						
420-10308-2015	Lien Rcvble	465,269.00	0.00	0.00	465,269.00	0.00
Subtotal [13950]	LT Receivable - delinquent fire taxes	465,269.00	0.00	0.00	465,269.00	0.00
Subgroup : [16000] Prepaid expenses						
420-10306-0400	Prepaid Expense	5,879.00	0.00	0.00	5,879.00	0.00
Subtotal [16000]	Prepaid expenses	5,879.00	0.00	0.00	5,879.00	0.00
Subgroup : [21100] Accounts Payable						
420-20206-0200	Accounts Payable	(31,479.00)	0.00	0.00	(31,479.00)	0.00
Subtotal [21100]	Accounts Payable	(31,479.00)	0.00	0.00	(31,479.00)	0.00
Subgroup : [21150] Accrued liabilities						
420-20204-0181	Accrued Staywell	(1,489.00)	0.00	0.00	(1,489.00)	0.00
420-20204-0185	Accrued Salaries	(6,868.00)	0.00	0.00	(6,868.00)	0.00
Subtotal [21150]	Accrued liabilities	(8,357.00)	0.00	0.00	(8,357.00)	0.00
Subgroup : [21200] Due to Other Funds						
420-20299-0000	Due to other funds	0.00	(29,802.00)	0.00	(29,802.00)	0.00
Subtotal [21200]	Due to Other Funds	0.00	(29,802.00)	0.00	(29,802.00)	0.00
Subgroup : [21300] Deferred Inflows						
420-20207-0293	Defferd Inflow Liens	(465,269.00)	0.00	0.00	(465,269.00)	0.00
Subtotal [21300]	Deferred Inflows	(465,269.00)	0.00	0.00	(465,269.00)	0.00
Subgroup : [36500] Unreserved						
420-30208-0450	Unencumbered Fund Bal	(85,058.00)	0.00	0.00	(85,058.00)	0.00
420-30208-0455	Encumbrances	(8,253.00)	0.00	0.00	(8,253.00)	0.00
Subtotal [36500]	Unreserved	(93,311.00)	0.00	0.00	(93,311.00)	0.00
Subgroup : [41000] Special fire tax						
420-44410-0100	FD Special Levy	(525,448.00)	0.00	0.00	(525,448.00)	0.00
Subtotal [41000]	Special fire tax	(525,448.00)	0.00	0.00	(525,448.00)	0.00
Subgroup : [42000] Fuel Grant						
420-44930-0000	Fuel Mgmt Grant	(58,035.00)	0.00	0.00	(58,035.00)	0.00
Subtotal [42000]	Fuel Grant	(58,035.00)	0.00	0.00	(58,035.00)	0.00
Subgroup : [42500] Prop 172 allocation						
420-44940-0000	Prop 172	(16,361.00)	0.00	0.00	(16,361.00)	0.00
Subtotal [42500]	Prop 172 allocation	(16,361.00)	0.00	0.00	(16,361.00)	0.00
Subgroup : [43000] Strike team revenue						
420-44520-0000	FD Strike Team Revenue	(33,256.00)	0.00	0.00	(33,256.00)	0.00

Subtotal [43000]	Strike team revenue	(33,256.00)	0.00	0.00	(33,256.00)	0.00
Subgroup : [44000]	Planning fees					
420-44530-0000	FD Plan Review Fees	(50.00)	0.00	0.00	(50.00)	0.00
Subtotal [44000]	Planning fees	(50.00)	0.00	0.00	(50.00)	0.00
Subgroup : [45000]	Use of money and property					
420-44710-0000	Investment Income	(59.00)	0.00	0.00	(59.00)	0.00
Subtotal [45000]	Use of money and property	(59.00)	0.00	0.00	(59.00)	0.00
Subgroup : [47000]	Other Revenues					
420-44550-0000	FD Donations	(7,309.00)	0.00	0.00	(7,309.00)	0.00
420-44990-0000	Other	(2,178.00)	0.00	0.00	(2,178.00)	0.00
Subtotal [47000]	Other Revenues	(9,487.00)	0.00	0.00	(9,487.00)	0.00
Subgroup : [52000]	Fire protection services					
420-64100-1200	FD Salaries/Wages	206,566.00	0.00	0.00	206,566.00	0.00
420-64100-1290	FD Overtime	33,683.00	0.00	0.00	33,683.00	0.00
420-64100-1400	FD Retirement	36,640.00	0.00	0.00	36,640.00	0.00
420-64100-1401	FD 457 Emplr contrib	370.00	0.00	0.00	370.00	0.00
420-64100-1600	FD FICA	15,131.00	0.00	0.00	15,131.00	0.00
420-64100-1601	FD Medicare Contrib	3,649.00	0.00	0.00	3,649.00	0.00
420-64100-1700	FD Unemployment	830.00	0.00	0.00	830.00	0.00
420-64100-1702	FD Staywell	1,000.00	0.00	0.00	1,000.00	0.00
420-64100-1800	FD Uniforms	5,777.00	0.00	0.00	5,777.00	0.00
420-64100-1900	FD Train/Ed	1,237.00	0.00	0.00	1,237.00	0.00
420-64100-2100	FD Supplies	28,435.00	0.00	0.00	28,435.00	0.00
420-64100-2101	FD Postage	740.00	0.00	0.00	740.00	0.00
420-64100-2102	FD Notice/Pub	258.00	0.00	0.00	258.00	0.00
420-64100-2300	FD Vehicle Exp	40,613.00	0.00	0.00	40,613.00	0.00
420-64100-2400	FD Equip/Bldg/Maint	1,347.00	0.00	0.00	1,347.00	0.00
420-64100-2401	FD Equip Maint	1,697.00	0.00	0.00	1,697.00	0.00
420-64100-2501	FD Utilities	9,449.00	0.00	0.00	9,449.00	0.00
420-64100-2600	FD Communications	15,594.00	0.00	0.00	15,594.00	0.00
420-64100-2700	FD Mbrsp-Mtg-Meals	1,672.00	0.00	0.00	1,672.00	0.00
420-64100-3000	FD Contract Services	8,612.00	0.00	0.00	8,612.00	0.00
420-64100-3002	FD Fire Response	8,767.00	0.00	0.00	8,767.00	0.00
420-64100-3003	FD Strike Team Exp	10,674.00	0.00	0.00	10,674.00	0.00
420-64100-3400	FD Insurance-Prop/Lia.	100,981.00	0.00	0.00	100,981.00	0.00
420-64100-3509	FD Weed Abatement	1,958.00	0.00	0.00	1,958.00	0.00
420-64100-3600	FD State/Co Chrges	10,032.00	0.00	0.00	10,032.00	0.00
420-64100-3900	FD Other	187.00	0.00	0.00	187.00	0.00
420-64100-4300	FD Photocopy Lease	1,150.00	0.00	0.00	1,150.00	0.00
420-64100-5400	FD Fire Cap Equip	2,153.00	0.00	0.00	2,153.00	0.00
Subtotal [52000]	Fire protection services	549,202.00	0.00	0.00	549,202.00	0.00
Subgroup : [58200]	Principal					
420-20207-0263	Less Curr Prtn Lt Ram-2016	53,787.00	0.00	0.00	53,787.00	0.00
Subtotal [58200]	Principal	53,787.00	0.00	0.00	53,787.00	0.00
Subgroup : [58500]	Interest					
420-64100-4242	FD Interest Exp	11,409.00	0.00	0.00	11,409.00	0.00
Subtotal [58500]	Interest	11,409.00	0.00	0.00	11,409.00	0.00
Total [FF]	Fire Fund	0.00	0.00	0.00	0.00	0.00
Group : [E1]	Water					
Subgroup : [11000]	Cash and investments					
200-10301-0311	SBMC Ckg - 01-013394-01	48,061.00	0.00	0.00	48,061.00	0.00
200-10301-0346	CA Treasury LAIF - 16-23-001	2,434.00	0.00	0.00	2,434.00	0.00
220-10301-0311	SBMC Ckg - 01-013394-01	964,865.00	0.00	0.00	964,865.00	0.00
220-10301-0336	LAIF USDA Depr Reserve	16,203.00	0.00	0.00	16,203.00	0.00
220-10301-0338	LAIF USDA Loan Prnt Reserve	168,610.00	0.00	0.00	168,610.00	0.00
220-10301-0342	LAIF Water Rsrv - 16-23-001	22,772.00	0.00	0.00	22,772.00	0.00
220-10301-0346	CA Treasury LAIF - 16-23-001	(42,196.00)	0.00	0.00	(42,196.00)	0.00
220-10301-0347	LAIF Market Value	125.00	0.00	0.00	125.00	0.00
220-10301-0360	Utility Petty Cash Drawer	450.00	0.00	0.00	450.00	0.00
Subtotal [11000]	Cash and investments	1,181,324.00	0.00	0.00	1,181,324.00	0.00
Subgroup : [13200]	Intergovernmental receivables					
220-10305-0391	Prop.Tx.Recv. - Mendocino Co.	51,917.00	0.00	0.00	51,917.00	0.00
Subtotal [13200]	Intergovernmental receivables	51,917.00	0.00	0.00	51,917.00	0.00
Subgroup : [13950]	Accounts Receivables					
220-10302-0370	Water A/R	122.00	0.00	0.00	122.00	0.00
220-10303-0380	Allowance for Bad Debts	(10,000.00)	0.00	0.00	(10,000.00)	0.00
220-10304-0000	A/R Utility Billing	177,504.00	0.00	0.00	177,504.00	0.00
Subtotal [13950]	Accounts Receivables	167,626.00	0.00	0.00	167,626.00	0.00
Subgroup : [16000]	Prepaid expenses					
220-10306-0400	Prepaid Expense	19,850.00	0.00	0.00	19,850.00	0.00
Subtotal [16000]	Prepaid expenses	19,850.00	0.00	0.00	19,850.00	0.00
Subgroup : [16010]	Inventory					
220-10309-0410	Inventory	20,314.00	0.00	0.00	20,314.00	0.00
Subtotal [16010]	Inventory	20,314.00	0.00	0.00	20,314.00	0.00
Subgroup : [18010]	Long-Term receivables - delinquent accounts					
220-10308-2014	Lien Receivable-2014	38,300.00	0.00	0.00	38,300.00	0.00
220-10308-2015	Lien Receivable-2015	206,612.00	0.00	0.00	206,612.00	0.00
Subtotal [18010]	Long-Term receivables - delinquent ac	244,912.00	0.00	0.00	244,912.00	0.00
Subgroup : [19000]	Capital Assets (GW)					
220-10350-0200	Water Utility Plant	13,314,686.00	127,069.00	0.00	13,441,755.00	0.00
220-10350-0210	Water Utility Plant Acc.Dept.	(8,728,341.00)	79,334.00	0.00	(8,649,007.00)	0.00
220-10350-0241	F/A Equipment	495,972.00	(17,356.00)	0.00	478,616.00	0.00

220-10350-0251	Equip Acc Dep	(361,489.00)	(19,099.00)	0.00	(380,588.00)	0.00
220-10350-0260	Land	51,057.00	0.00	0.00	51,057.00	0.00
220-10350-0270	Construction in progress	0.00	21,453.00	0.00	21,453.00	0.00
Subtotal [19000]	Capital Assets (GW)	4,771,885.00	191,401.00	0.00	4,963,286.00	0.00
Subgroup : [19990] Deferred outflows - Pensions						
220-10360-0292	Pension Deferred Outflows	179,877.00	(22,023.00)	0.00	157,854.00	0.00
Subtotal [19990]	Deferred outflows - Pensions	179,877.00	(22,023.00)	0.00	157,854.00	0.00
Subgroup : [19991] Deferred outflows - OPEB						
220-10360-0295	OPEB Deferred Outflows	0.00	1,309.00	0.00	1,309.00	0.00
Subtotal [19991]	Deferred outflows - OPEB	0.00	1,309.00	0.00	1,309.00	0.00
Subgroup : [21100] Accounts Payables						
220-20206-0200	Accounts Payable	(19,062.00)	0.00	0.00	(19,062.00)	0.00
Subtotal [21100]	Accounts Payables	(19,062.00)	0.00	0.00	(19,062.00)	0.00
Subgroup : [21110] Accrued liabilities						
220-20204-0181	Accrued Staywell	(2,909.00)	0.00	0.00	(2,909.00)	0.00
220-20204-0185	Accrued Salaries	(5,811.00)	0.00	0.00	(5,811.00)	0.00
Subtotal [21110]	Accrued liabilities	(8,720.00)	0.00	0.00	(8,720.00)	0.00
Subgroup : [21120] Interest payable						
220-20207-0328	Accrued Interest Payable	(30,463.00)	0.00	0.00	(30,463.00)	0.00
Subtotal [21120]	Interest payable	(30,463.00)	0.00	0.00	(30,463.00)	0.00
Subgroup : [21500] Compensated Absences						
220-20207-0960	Compensated Absences	(48,126.00)	0.00	0.00	(48,126.00)	0.00
Subtotal [21500]	Compensated Absences	(48,126.00)	0.00	0.00	(48,126.00)	0.00
Subgroup : [25000] Finance purchase due within one year						
220-20207-0210	Curr Prtn LT Debt	(64,748.00)	0.00	0.00	(64,748.00)	0.00
220-20207-0228	SBMC Loan Payable	(4,211.00)	0.00	0.00	(4,211.00)	0.00
220-20207-0231	Less Current Portion	8,100.00	0.00	0.00	8,100.00	0.00
220-20207-0236	Less Current Portion	2,436.00	0.00	0.00	2,436.00	0.00
220-20207-0238	Less Current Portion	50,000.00	0.00	0.00	50,000.00	0.00
220-20207-0250	SBMC F350 Loan	8,423.00	0.00	0.00	8,423.00	0.00
Subtotal [25000]	Finance purchase due within one year	0.00	0.00	0.00	0.00	0.00
Subgroup : [27000] USDA Certificate						
220-20207-0230	USDA Loan Payable	(362,200.00)	0.00	0.00	(362,200.00)	0.00
Subtotal [27000]	USDA Certificate	(362,200.00)	0.00	0.00	(362,200.00)	0.00
Subgroup : [27500] USDA Loans						
220-20207-0235	USDA Loan#2 Payable	(124,025.00)	0.00	0.00	(124,025.00)	0.00
Subtotal [27500]	USDA Loans	(124,025.00)	0.00	0.00	(124,025.00)	0.00
Subgroup : [27600] USDA Certificate, Series 2008						
220-20207-0237	USDA Loan #3 Payable	(2,686,000.00)	0.00	0.00	(2,686,000.00)	0.00
Subtotal [27600]	USDA Certificate, Series 2008	(2,686,000.00)	0.00	0.00	(2,686,000.00)	0.00
Subgroup : [28500] Net Pension Liability						
220-20207-0290	Net Pension Liability-Misc	(578,345.00)	(20,121.00)	0.00	(598,466.00)	0.00
Subtotal [28500]	Net Pension Liability	(578,345.00)	(20,121.00)	0.00	(598,466.00)	0.00
Subgroup : [28510] Net OPEB Liability						
220-20207-0294	Net OPEB Liability	(52,710.00)	25,426.00	0.00	(27,284.00)	0.00
Subtotal [28510]	Net OPEB Liability	(52,710.00)	25,426.00	0.00	(27,284.00)	0.00
Subgroup : [29010] Deferred Inflow - OPEB						
220-20207-0295	OPEB Deferred Inflow	(42,646.00)	17,088.00	0.00	(25,558.00)	0.00
Subtotal [29010]	Deferred Inflow - OPEB	(42,646.00)	17,088.00	0.00	(25,558.00)	0.00
Subgroup : [29020] Deferred Inflow - Pension						
220-20207-0292	Pension Deferred Inflows	0.00	(49,028.00)	0.00	(49,028.00)	0.00
Subtotal [29020]	Deferred Inflow - Pension	0.00	(49,028.00)	0.00	(49,028.00)	0.00
Subgroup : [36500] Unreserved						
200-30208-0450	Unencumbered Fund Balance	(50,438.00)	0.00	0.00	(50,438.00)	0.00
220-30208-0450	Unencumbered Fund Balance	2,040,769.00	(19.00)	0.00	2,040,750.00	0.00
220-30208-0460	Contributed Capital	(5,952,064.00)	0.00	0.00	(5,952,064.00)	0.00
220-30208-0470	Retained Earnings	1,442,005.00	0.00	0.00	1,442,005.00	0.00
220-30220-1004	Debt Service Reserve	(39,000.00)	0.00	0.00	(39,000.00)	0.00
Subtotal [36500]	Unreserved	(2,558,728.00)	(19.00)	0.00	(2,558,747.00)	0.00
Subgroup : [41000] Sale of Water						
220-42510-0000	Water Base Rate	(1,094,415.00)	0.00	0.00	(1,094,415.00)	0.00
220-42520-0000	Water Usage Charges	(292,696.00)	0.00	0.00	(292,696.00)	0.00
Subtotal [41000]	Sale of Water	(1,387,111.00)	0.00	0.00	(1,387,111.00)	0.00
Subgroup : [42500] Availability Charges						
220-42560-0000	Water Availability Charges	(129,048.00)	0.00	0.00	(129,048.00)	0.00
Subtotal [42500]	Availability Charges	(129,048.00)	0.00	0.00	(129,048.00)	0.00
Subgroup : [44000] Penalties						
220-42740-0000	Penalty Fees	(33,087.00)	0.00	0.00	(33,087.00)	0.00
Subtotal [44000]	Penalties	(33,087.00)	0.00	0.00	(33,087.00)	0.00
Subgroup : [45000] Other Operating revenues						
200-42570-0000	Cap Facility Chrg	(57.00)	0.00	0.00	(57.00)	0.00
220-42540-0000	Other Water Charges	(2,985.00)	0.00	0.00	(2,985.00)	0.00
220-42990-0000	Other	(30.00)	0.00	0.00	(30.00)	0.00
Subtotal [45000]	Other Operating revenues	(3,072.00)	0.00	0.00	(3,072.00)	0.00
Subgroup : [48000] Investment Earnings						
220-42710-0000	Investment Interest	(3,800.00)	0.00	0.00	(3,800.00)	0.00

Subtotal [48000]	Investment Earnings	(3,800.00)	0.00	0.00	(3,800.00)	0.00
Subgroup : [51000]	Personnel services					
220-62100-1200	Water Dept Salaries/Wages	155,692.00	0.00	0.00	155,692.00	0.00
220-62100-1290	Water Dept Overtime	15,696.00	0.00	0.00	15,696.00	0.00
220-62100-1400	Water Dept Retirement	63,616.00	47,349.00	0.00	110,965.00	0.00
			AJE - 5 47,377.00			
			AJE - 12 (28.00)			
220-62100-1401	Water Dept 457 Emplr contrib	1,269.00	0.00	0.00	1,269.00	0.00
220-62100-1600	Water Dept FICA	10,822.00	0.00	0.00	10,822.00	0.00
220-62100-1601	Water Dept Medicare Contrib	2,531.00	0.00	0.00	2,531.00	0.00
220-62100-1700	Water Dept Unemployment	203.00	0.00	0.00	203.00	0.00
220-62100-1702	Water Dept Staywell	1,317.00	0.00	0.00	1,317.00	0.00
220-62100-1800	Water Dept Uniforms	758.00	0.00	0.00	758.00	0.00
220-62100-1900	Water Dept Train/Ed	965.00	0.00	0.00	965.00	0.00
Subtotal [51000]	Personnel services	252,869.00	47,349.00	0.00	300,218.00	0.00
Subgroup : [52000]	Contractual services					
220-62100-3000	Water Dept Contract Services	26,648.00	0.00	0.00	26,648.00	0.00
Subtotal [52000]	Contractual services	26,648.00	0.00	0.00	26,648.00	0.00
Subgroup : [57000]	Utilities					
220-62100-2501	Water Dept Utilities	145,395.00	0.00	0.00	145,395.00	0.00
Subtotal [57000]	Utilities	145,395.00	0.00	0.00	145,395.00	0.00
Subgroup : [58000]	Insurance					
220-62100-3400	Water Dept Gen. Prop Lia. Ins	98,662.00	0.00	0.00	98,662.00	0.00
Subtotal [58000]	Insurance	98,662.00	0.00	0.00	98,662.00	0.00
Subgroup : [58100]	Other supplies and expenses					
220-62100-2100	Water Dept Supplies	172,142.00	0.00	0.00	172,142.00	0.00
220-62100-2101	Water Dept Postage	2,716.00	0.00	0.00	2,716.00	0.00
220-62100-2102	Water Dept Notice Publications	1,363.00	0.00	0.00	1,363.00	0.00
220-62100-2103	Water Dept Bad Debt Allowance	907.00	0.00	0.00	907.00	0.00
220-62100-2105	Water Dept Water Analysis	10,830.00	0.00	0.00	10,830.00	0.00
220-62100-2200	Water Dept Sm Tools/Equip	2,194.00	0.00	0.00	2,194.00	0.00
220-62100-2300	Water Dept Vehicle Expense	23,507.00	0.00	0.00	23,507.00	0.00
220-62100-2400	Water Dept Equip/Bldg/Maint	16,213.00	0.00	0.00	16,213.00	0.00
220-62100-2401	Water Dept Equip Maint	762.00	0.00	0.00	762.00	0.00
220-62100-2404	Water Dept Equip Replacemt	59,724.00	0.00	0.00	59,724.00	0.00
220-62100-2600	Water Dept Communications	9,459.00	0.00	0.00	9,459.00	0.00
220-62100-2700	Water Dept Mbrsp-Mtg-Meals	13,097.00	0.00	0.00	13,097.00	0.00
220-62100-3600	Water Dept State/Co Chargs	47,157.00	0.00	0.00	47,157.00	0.00
220-62100-3900	Water Dept Other	3,319.00	19.00	0.00	3,338.00	0.00
			AJE - 2 19.00			
220-62100-5200	Water Dept Water Cap Equip	125,867.00	(120,575.00)	0.00	5,292.00	0.00
			AJE - 11 (120,575.00)			
220-62100-5320	Water Dept Const in Progress	21,453.00	(21,453.00)	0.00	0.00	0.00
			AJE - 11 (21,453.00)			
Subtotal [58100]	Other supplies and expenses	510,710.00	(142,009.00)	0.00	368,701.00	0.00
Subgroup : [58200]	Depreciation					
220-62100-5999	Water Dept Depreciation	257,691.00	0.00	0.00	257,691.00	0.00
Subtotal [58200]	Depreciation	257,691.00	0.00	0.00	257,691.00	0.00
Subgroup : [58500]	Interest expense					
220-62100-4242	Water Dept Interest	137,463.00	0.00	0.00	137,463.00	0.00
Subtotal [58500]	Interest expense	137,463.00	0.00	0.00	137,463.00	0.00
Subgroup : [61200]	Other nonoperating revenue(expense)					
220-62100-3999	Capital asset adjustment	0.00	(49,373.00)	0.00	(49,373.00)	0.00
Subtotal [61200]	Other nonoperating revenue(expense)	0.00	(49,373.00)	0.00	(49,373.00)	0.00
Total [E1]	Water	0.00	0.00	0.00	0.00	0.00
Group : [E2]	Sewer					
Subgroup : [11000]	Cash and investments					
300-10301-0311	SBMC Ckg - 01-013394-01	316,588.00	0.00	0.00	316,588.00	0.00
300-10301-0346	CA Treasury LAIF - 16-23-001	33,400.00	0.00	0.00	33,400.00	0.00
320-10301-0311	SBMC Ckg - 01-013394-01	1,000,380.00	(169,696.00)	0.00	830,684.00	0.00
320-10301-0337	LAIF USDA Depr Reserve	479,359.00	0.00	0.00	479,359.00	0.00
320-10301-0338	LAIF USDA Loan Pmt Reserve	32,165.00	0.00	0.00	32,165.00	0.00
320-10301-0343	LAIF Water Rsrsv - 16-23-001	(247,324.00)	0.00	0.00	(247,324.00)	0.00
320-10301-0346	CA Treasury LAIF - 16-23-001	(288.00)	0.00	0.00	(288.00)	0.00
320-10301-0347	LAIF Market Value	108.00	0.00	0.00	108.00	0.00
Subtotal [11000]	Cash and investments	1,614,388.00	(169,696.00)	0.00	1,444,692.00	0.00
Subgroup : [13200]	Intergovernmental receivables					
320-10305-0391	Prop.Tx.Recv. - Mendocino Co.	142,986.00	0.00	0.00	142,986.00	0.00
Subtotal [13200]	Intergovernmental receivables	142,986.00	0.00	0.00	142,986.00	0.00
Subgroup : [13950]	Accounts Receivables					
320-10302-0379	Loan Rcv-Curr Prtn (SWR from GC)	2,333.00	0.00	0.00	2,333.00	0.00
320-10302-0380	Loan Rcv (SWR from GC)	13,579.00	0.00	0.00	13,579.00	0.00
320-10302-0381	Less Curr Loan Rcv (SWR from GC)	(2,333.00)	0.00	0.00	(2,333.00)	0.00
320-10303-0380	Allowance for Bad Debts	(10,000.00)	0.00	0.00	(10,000.00)	0.00
320-10304-0000	A/R Utility Billing	131,863.00	0.00	0.00	131,863.00	0.00
Subtotal [13950]	Accounts Receivables	135,442.00	0.00	0.00	135,442.00	0.00
Subgroup : [15000]	Due from other funds					
320-10399-0000	Due from other funds	0.00	169,696.00	0.00	169,696.00	0.00
Subtotal [15000]	Due from other funds	0.00	169,696.00	0.00	169,696.00	0.00
Subgroup : [16000]	Prepaid expenses					
320-10306-0400	Prepaid Expense	20,632.00	0.00	0.00	20,632.00	0.00
Subtotal [16000]	Prepaid expenses	20,632.00	0.00	0.00	20,632.00	0.00

Subgroup : [18010] Long-Term receivables - delinquent accounts						
320-10308-2014	Lien Receivable-2014	25,284.00	0.00	0.00	25,284.00	0.00
320-10308-2015	Lien Receivable-2015	290,087.00	0.00	0.00	290,087.00	0.00
Subtotal [18010]	Long-Term receivables - delinquent ac	315,371.00	0.00	0.00	315,371.00	0.00
Subgroup : [19000] Capital Assets (GW)						
320-10350-0220	Sewer Disposal	4,562,552.00	(189,312.00)	0.00	4,373,240.00	0.00
320-10350-0230	Sewer Disposal Acc Depr	(3,559,259.00)	20,577.00	0.00	(3,538,682.00)	0.00
320-10350-0241	F/A Equipment	700,236.00	267,386.00	0.00	967,622.00	0.00
320-10350-0251	Equip Acc Dep	(552,765.00)	(42,639.00)	0.00	(595,404.00)	0.00
320-10350-0260	Land	854.00	0.00	0.00	854.00	0.00
320-10350-0270	Construction in Progress	96,748.00	0.00	0.00	96,748.00	0.00
Subtotal [19000]	Capital Assets (GW)	1,248,366.00	56,012.00	0.00	1,304,378.00	0.00
Subgroup : [19990] Deferred outflows - Pensions						
320-10360-0292	Pension Deferred Outflows	221,847.00	(22,866.00)	0.00	198,981.00	0.00
Subtotal [19990]	Deferred outflows - Pensions	221,847.00	(22,866.00)	0.00	198,981.00	0.00
Subgroup : [19991] Deferred outflows - OPEB						
320-10360-0295	OPEB Deferred Outflow	0.00	2,152.00	0.00	2,152.00	0.00
Subtotal [19991]	Deferred outflows - OPEB	0.00	2,152.00	0.00	2,152.00	0.00
Subgroup : [21100] Accounts Payables						
320-20206-0200	Accounts Payable	(203,773.00)	0.00	0.00	(203,773.00)	0.00
Subtotal [21100]	Accounts Payables	(203,773.00)	0.00	0.00	(203,773.00)	0.00
Subgroup : [21110] Accrued liabilities						
320-20204-0181	Accrued Staywell	(3,611.00)	0.00	0.00	(3,611.00)	0.00
320-20204-0185	Accrued Salaries	(5,811.00)	0.00	0.00	(5,811.00)	0.00
Subtotal [21110]	Accrued liabilities	(9,422.00)	0.00	0.00	(9,422.00)	0.00
Subgroup : [21120] Interest payable						
320-20207-0328	Accrued Interest Payable	(4,604.00)	0.00	0.00	(4,604.00)	0.00
Subtotal [21120]	Interest payable	(4,604.00)	0.00	0.00	(4,604.00)	0.00
Subgroup : [21500] Compensated Absences						
320-20207-0960	Compensated Absences	(46,697.00)	0.00	0.00	(46,697.00)	0.00
Subtotal [21500]	Compensated Absences	(46,697.00)	0.00	0.00	(46,697.00)	0.00
Subgroup : [27500] USDA Loans						
320-20207-0210	Curr Prtn LT Debt	(23,560.00)	0.00	0.00	(23,560.00)	0.00
320-20207-0232	USDA Loan#4 Payable	(157,845.00)	23,560.00	0.00	(134,285.00)	0.00
320-20207-0233	Less Current Portion	23,560.00	0.00	0.00	23,560.00	0.00
Subtotal [27500]	USDA Loans	(157,845.00)	23,560.00	0.00	(134,285.00)	0.00
Subgroup : [28500] Net Pension Liability						
320-20207-0290	Net Pension Liability-Misc	(713,292.00)	(20,121.00)	0.00	(733,413.00)	0.00
Subtotal [28500]	Net Pension Liability	(713,292.00)	(20,121.00)	0.00	(733,413.00)	0.00
Subgroup : [28510] Net OPEB Liability						
320-20207-0294	Net OPEB Liability	(65,009.00)	25,426.00	0.00	(39,583.00)	0.00
Subtotal [28510]	Net OPEB Liability	(65,009.00)	25,426.00	0.00	(39,583.00)	0.00
Subgroup : [29010] Deferred Inflow - OPEB						
320-20207-0295	OPEB Deferred Inflows	0.00	(26,133.00)	0.00	(26,133.00)	0.00
Subtotal [29010]	Deferred Inflow - OPEB	0.00	(26,133.00)	0.00	(26,133.00)	0.00
Subgroup : [29020] Deferred Inflow - Pension						
320-20207-0292	Pension Deferred Inflows	(52,597.00)	(5,807.00)	0.00	(58,404.00)	0.00
Subtotal [29020]	Deferred Inflow - Pension	(52,597.00)	(5,807.00)	0.00	(58,404.00)	0.00
Subgroup : [36500] Unreserved						
300-30208-0450	Unencumbered Fund Balance	(349,219.00)	0.00	0.00	(349,219.00)	0.00
320-30208-0450	Unencumbered Fund Balance	941,029.00	(2.00)	0.00	941,027.00	0.00
320-30208-0460	Contributed Capital	(3,889,535.00)	0.00	0.00	(3,889,535.00)	0.00
320-30208-0470	Retained Earnings	1,000,555.00	0.00	0.00	1,000,555.00	0.00
Subtotal [36500]	Unreserved	(2,297,170.00)	(2.00)	0.00	(2,297,172.00)	0.00
Subgroup : [42000] Service Fees						
320-43510-0000	Sewer Base Rate	(1,264,375.00)	0.00	0.00	(1,264,375.00)	0.00
Subtotal [42000]	Service Fees	(1,264,375.00)	0.00	0.00	(1,264,375.00)	0.00
Subgroup : [42500] Availability Charges						
320-43560-0100	Sewer Availability Charges	(299,857.00)	0.00	0.00	(299,857.00)	0.00
Subtotal [42500]	Availability Charges	(299,857.00)	0.00	0.00	(299,857.00)	0.00
Subgroup : [44000] Penalties						
320-43540-0000	Other Sewer Charges	(33,735.00)	0.00	0.00	(33,735.00)	0.00
Subtotal [44000]	Penalties	(33,735.00)	0.00	0.00	(33,735.00)	0.00
Subgroup : [47000] Other Revenues						
300-43570-0000	Cap Facility Chrg	(769.00)	0.00	0.00	(769.00)	0.00
320-43990-0000	Other	(4,800.00)	0.00	0.00	(4,800.00)	0.00
Subtotal [47000]	Other Revenues	(5,569.00)	0.00	0.00	(5,569.00)	0.00
Subgroup : [48000] Investment Earnings						
320-43710-0000	Investment Interest	(6,071.00)	0.00	0.00	(6,071.00)	0.00
Subtotal [48000]	Investment Earnings	(6,071.00)	0.00	0.00	(6,071.00)	0.00
Subgroup : [51000] Personnel services						
320-63100-1200	Sewer Dept Salaries/Wages	181,170.00	0.00	0.00	181,170.00	0.00
320-63100-1230	Sewer Dept Sick Leave	(7,578.00)	0.00	0.00	(7,578.00)	0.00
320-63100-1290	Sewer Dept Overtime	18,119.00	0.00	0.00	18,119.00	0.00
320-63100-1400	Sewer Dept Retirement	63,616.00	47,349.00	0.00	110,965.00	0.00
320-63100-1401	Sewer Dept 457 Emplr Contrib	1,269.00	0.00	0.00	1,269.00	0.00

320-63100-1600	Sewer Dept FICA	12,222.00	0.00	0.00	12,222.00	0.00
320-63100-1601	Sewer Dept Medicare Contrib	2,859.00	0.00	0.00	2,859.00	0.00
320-63100-1700	Sewer Dept Unemployment	168.00	0.00	0.00	168.00	0.00
320-63100-1702	Sewer Dept Staywell	4,458.00	0.00	0.00	4,458.00	0.00
320-63100-1800	Sewer Dept Uniforms	454.00	0.00	0.00	454.00	0.00
Subtotal [51000]	Personnel services	276,757.00	47,349.00	0.00	324,106.00	0.00
Subgroup : [52000] Contractual services						
320-63100-3000	Sewer Dept Contract Services	43,175.00	0.00	0.00	43,175.00	0.00
Subtotal [52000]	Contractual services	43,175.00	0.00	0.00	43,175.00	0.00
Subgroup : [54000] Intergovernmental treatment costs						
320-63100-3700	Sewer Dept Sewer Treatment	336,000.00	0.00	0.00	336,000.00	0.00
Subtotal [54000]	Intergovernmental treatment costs	336,000.00	0.00	0.00	336,000.00	0.00
Subgroup : [57000] Utilities						
320-63100-2501	Sewer Dept Utilities	17,312.00	0.00	0.00	17,312.00	0.00
Subtotal [57000]	Utilities	17,312.00	0.00	0.00	17,312.00	0.00
Subgroup : [58000] Insurance						
320-63100-3400	Sewer Dept Gen. Prop Lia. Ins	102,065.00	0.00	0.00	102,065.00	0.00
Subtotal [58000]	Insurance	102,065.00	0.00	0.00	102,065.00	0.00
Subgroup : [58100] Other supplies and expenses						
320-63100-2100	Sewer Dept Supplies	24,263.00	0.00	0.00	24,263.00	0.00
320-63100-2101	Sewer Dept Postage	1,740.00	0.00	0.00	1,740.00	0.00
320-63100-2102	Sewer Dept Notice Publications	1,246.00	0.00	0.00	1,246.00	0.00
320-63100-2103	Sewer Dept BadDebt Allowance	877.00	0.00	0.00	877.00	0.00
320-63100-2200	Sewer Dept Sm Tools/Equip	313.00	0.00	0.00	313.00	0.00
320-63100-2300	Sewer Dept Vehicle Expense	22,131.00	0.00	0.00	22,131.00	0.00
320-63100-2401	Sewer Dept Equip Maint	6,606.00	0.00	0.00	6,606.00	0.00
320-63100-2404	Sewer Dept Equip Replacemt	9,252.00	0.00	0.00	9,252.00	0.00
320-63100-2600	Sewer Dept Communications	8,520.00	0.00	0.00	8,520.00	0.00
320-63100-3005	Sewer Dept Other Legal	3,707.00	0.00	0.00	3,707.00	0.00
320-63100-3600	Sewer Dept State/Co Chargs	7,644.00	0.00	0.00	7,644.00	0.00
320-63100-3900	Sewer Dept Other	2,418.00	2.00	0.00	2,420.00	0.00
			AJE - 2	2.00		
320-63100-4244	Sewer Dept USDA Debt-City	212,491.00	0.00	0.00	212,491.00	0.00
320-63100-5300	Sewer Dept SWR Cap Equip	26,799.00	0.00	0.00	26,799.00	0.00
320-63100-5320	Sewer Dept SWR Const In Progress	6,220.00	0.00	0.00	6,220.00	0.00
Subtotal [58100]	Other supplies and expenses	334,227.00	2.00	0.00	334,229.00	0.00
Subgroup : [58200] Depreciation						
320-63100-5999	Sewer Dept Depreciation	121,826.00	0.00	0.00	121,826.00	0.00
Subtotal [58200]	Depreciation	121,826.00	0.00	0.00	121,826.00	0.00
Subgroup : [58500] Interest expense						
320-63100-4000	Sewer Dept Debt Service	23,560.00	(23,560.00)	0.00	0.00	0.00
320-63100-4242	Sewer Dept Interest Exp	206,062.00	0.00	0.00	206,062.00	0.00
Subtotal [58500]	Interest expense	229,622.00	(23,560.00)	0.00	206,062.00	0.00
Subgroup : [61200] Other nonoperating revenue(expense)						
320-63100-3999	Capital asset adjustment	0.00	(56,012.00)	0.00	(56,012.00)	0.00
Subtotal [61200]	Other nonoperating revenue(expense)	0.00	(56,012.00)	0.00	(56,012.00)	0.00
Total [E2]	Sewer	0.00	0.00	0.00	0.00	0.00
Group : [AG2] OPEB						
Subgroup : [11000] Cash and investments						
700-10301-0335	CalPERS OPEB Trust Account	36,792.00	0.00	0.00	36,792.00	0.00
Subtotal [11000]	Cash and investments	36,792.00	0.00	0.00	36,792.00	0.00
Subgroup : [21200] Due to Other Funds						
700-30208-0450	Unencumbered Fund Balance	(36,792.00)	0.00	0.00	(36,792.00)	0.00
Subtotal [21200]	Due to Other Funds	(36,792.00)	0.00	0.00	(36,792.00)	0.00
Total [AG2]	OPEB	0.00	0.00	0.00	0.00	0.00
Group : [AG] Asset Account Group						
Subgroup : [1000] Net Capital Assets						
800-10301-0240	Other Assets	944,527.00	22,924.00	0.00	967,451.00	0.00
800-10350-0241	F/A Equipment	1,859,752.00	(72,632.00)	0.00	1,787,120.00	0.00
800-10350-0250	Other Assets Acc Depr	(648,900.00)	(108,543.00)	0.00	(757,443.00)	0.00
800-10350-0251	Equip Acc Dep	(1,078,750.00)	(67,906.00)	0.00	(1,146,656.00)	0.00
800-10350-0260	Land	4,720,817.00	0.00	0.00	4,720,817.00	0.00
Subtotal [1000]	Net Capital Assets	5,797,446.00	(226,157.00)	0.00	5,571,289.00	0.00
Subgroup : [3000] Investment in Capital Assets						
800-30208-0450	Unencumbered Fund Balance	886,137.00	0.00	0.00	886,137.00	0.00
800-30208-0475	Investment in Fixed Assets	(6,683,583.00)	226,157.00	0.00	(6,457,426.00)	0.00
Subtotal [3000]	Investment in Capital Assets	(5,797,446.00)	226,157.00	0.00	(5,571,289.00)	0.00
Total [AG]	Asset Account Group	0.00	0.00	0.00	0.00	0.00
Group : [LG] Long Term Liability Account Group						
Subgroup : [1010] Deferred Outflow - Pension						
900-10360-0292	Pension Deferred Outflow	193,890.00	(31,496.00)	0.00	162,394.00	0.00
Subtotal [1010]	Deferred Outflow - Pension	193,890.00	(31,496.00)	0.00	162,394.00	0.00
Subgroup : [1020] Deferred Outflow - OPEB						
900-10360-0295	OPEB Deferred Outflows	3,974.00	(3,942.00)	0.00	32.00	0.00
Subtotal [1020]	Deferred Outflow - OPEB	3,974.00	(3,942.00)	0.00	32.00	0.00
Subgroup : [2000] Net Pension Liability						
900-20207-0290	Net Pension Liability-Misc	(448,175.00)	(9,498.00)	0.00	(457,673.00)	0.00
900-20207-0291	Net Pension Liability-Safety	(188,005.00)	(24,927.00)	0.00	(212,932.00)	0.00

Subtotal [2000]	Net Pension Liability	<u>(636,180.00)</u>	<u>(34,425.00)</u>	<u>0.00</u>	<u>(670,605.00)</u>	<u>0.00</u>
Subgroup : [2010]	Net OPEB Liability					
900-20207-0294	Net OPEB Liability	(57,981.00)	43,503.00	0.00	(14,478.00)	0.00
Subtotal [2010]	Net OPEB Liability	<u>(57,981.00)</u>	<u>43,503.00</u>	<u>0.00</u>	<u>(14,478.00)</u>	<u>0.00</u>
Subgroup : [2080]	Deferred Inflows - Pension					
900-20207-0292	Pension Deferred Inflows	(44,201.00)	(15,136.00)	0.00	(59,337.00)	0.00
Subtotal [2080]	Deferred Inflows - Pension	<u>(44,201.00)</u>	<u>(15,136.00)</u>	<u>0.00</u>	<u>(59,337.00)</u>	<u>0.00</u>
Subgroup : [2090]	Deferred Inflows - OPEB					
900-20207-0295	OPEB Deferred Inflow	(2,711.00)	(39,513.00)	0.00	(42,224.00)	0.00
Subtotal [2090]	Deferred Inflows - OPEB	<u>(2,711.00)</u>	<u>(39,513.00)</u>	<u>0.00</u>	<u>(42,224.00)</u>	<u>0.00</u>
Subgroup : [3000]	To be provided					
900-10301-0311	SBMC Checking	(47,364.00)	0.00	0.00	(47,364.00)	0.00
900-10360-0293	Amt to Provide for Pension	486,491.00	81,009.00	0.00	567,500.00	0.00
900-10360-0294	Amt for OPEB	56,718.00	0.00	0.00	56,718.00	0.00
900-10360-0320	Amt to be Provid-Comp Absences	96,143.00	0.00	0.00	96,143.00	0.00
900-10360-0330	Amt to be Provid-Capital Leases	509,499.00	(91,405.00)	0.00	418,094.00	0.00
Subtotal [3000]	To be provided	<u>1,101,487.00</u>	<u>(10,396.00)</u>	<u>0.00</u>	<u>1,091,091.00</u>	<u>0.00</u>
Subgroup : [2100]	Interest Payable					
900-20207-0299	Interest Payable CAP Lease	(5,913.00)	0.00	0.00	(5,913.00)	0.00
900-20207-0961	Capital Lease Int Payable	(5,913.00)	0.00	0.00	(5,913.00)	0.00
Subtotal [2100]	Interest Payable	<u>(11,826.00)</u>	<u>0.00</u>	<u>0.00</u>	<u>(11,826.00)</u>	<u>0.00</u>
Subgroup : [2110]	Lease Payable					
900-20207-0264	Capital Equip Lease #1	(450,309.00)	91,405.00	0.00	(358,904.00)	0.00
Subtotal [2110]	Lease Payable	<u>(450,309.00)</u>	<u>91,405.00</u>	<u>0.00</u>	<u>(358,904.00)</u>	<u>0.00</u>
Subgroup : [2120]	Compensated Absences					
900-20207-0960	Compensated Absence	(96,143.00)	0.00	0.00	(96,143.00)	0.00
Subtotal [2120]	Compensated Absences	<u>(96,143.00)</u>	<u>0.00</u>	<u>0.00</u>	<u>(96,143.00)</u>	<u>0.00</u>
Total [LG]	Long Term Liability Account Group	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
	Sum of Account Groups	0.00	0.00	0.00	0.00	0.00

Client: **BTCS D - Brooktrails Township Community Services District**
 Engagement: **BTCS D 2020 - Brooktrails Township Community Services District**
 Period Ending: **6/30/2020**
 Trial Balance: **TB-1 - Trial Balance**
 Workpaper:

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries				
Adjusting Journal Entries JE # 1				
AJE to set up due to/from for negative cash balances.				
120-10301-0311	SBMC Checking		139,894.00	
320-10399-0000	Due from other funds		169,696.00	
420-10301-0311	SBMC Checking		29,802.00	
120-20299-0000	Due to other funds			139,894.00
320-10301-0311	SBMC Ckg - 01-013394-01			169,696.00
420-20299-0000	Due to other funds			29,802.00
Total			339,392.00	339,392.00
Adjusting Journal Entries JE # 2				
AJE to correct beginning fund balance.				
120-30208-0450	Unencumbered Fund Balance		18.00	
220-62100-3900	Water Dept Other		19.00	
320-63100-3900	Sewer Dept Other		2.00	
120-48990-0000	Other Misc Revenue			18.00
220-30208-0450	Unencumbered Fund Balance			19.00
320-30208-0450	Unencumbered Fund Balance			2.00
Total			39.00	39.00
Adjusting Journal Entries JE # 3				
AJE to correct debt balances.				
320-20207-0232	USDA Loan#4 Payable		23,560.00	
320-63100-4000	Sewer Dept Debt Service			23,560.00
Total			23,560.00	23,560.00
Adjusting Journal Entries JE # 4				
To correct prior year net pension liability and related deferred inflows and outflows of resources.				
220-10360-0295	OPEB Deferred Outflows		3,613.00	
220-20207-0295	OPEB Deferred Inflow		40,182.00	
320-10360-0295	OPEB Deferred Outflow		4,456.00	
320-20207-0292	Pension Deferred Inflows		3,039.00	
220-10360-0292	Pension Deferred Outflows			3,613.00
220-20207-0292	Pension Deferred Inflows			40,182.00
320-10360-0292	Pension Deferred Outflows			4,456.00
320-20207-0295	OPEB Deferred Inflows			3,039.00
Total			51,290.00	51,290.00
Adjusting Journal Entries JE # 5				
To record current year change in net pension liability and related deferred outflows and inflows of resources.				
220-62100-1400	Water Dept Retirement	BC-4.5	47,377.00	
320-63100-1400	Sewer Dept Retirement		47,377.00	
900-10360-0293	Amnt to Provide for Pension		81,057.00	
220-10360-0292	Pension Deferred Outflows			18,410.00
220-20207-0290	Net Pension Liability-Misc			20,121.00
220-20207-0292	Pension Deferred Inflows			8,846.00
320-10360-0292	Pension Deferred Outflows			18,410.00
320-20207-0290	Net Pension Liability-Misc			20,121.00
320-20207-0292	Pension Deferred Inflows			8,846.00
900-10360-0292	Pension Deferred Outflow			31,496.00
900-20207-0290	Net Pension Liability-Misc			9,498.00
900-20207-0291	Net Pension Liability-Safety			24,927.00
900-20207-0292	Pension Deferred Inflows			15,136.00
Total			175,811.00	175,811.00
Adjusting Journal Entries JE # 6				
To correct capital asset balances for governmental activities				
800-10301-0240	Other Assets	AD-4.1	22,924.00	
800-10350-0251	Equip Acc Dep		25,583.00	
800-30208-0475	Investment in Fixed Assets		49,708.00	
800-30208-0475	Investment in Fixed Assets		70,656.00	
800-10350-0241	F/A Equipment			72,632.00
800-10350-0250	Other Assets Acc Depr			96,239.00
Total			168,871.00	168,871.00
Adjusting Journal Entries JE # 7				
To record current year depreciation expense for governmental capital assets				
800-30208-0475	Investment in Fixed Assets	AD-4.1	105,793.00	
800-10350-0250	Other Assets Acc Depr			12,304.00
800-10350-0251	Equip Acc Dep			93,489.00
Total			105,793.00	105,793.00
Adjusting Journal Entries JE # 8				
AD-4.1				

To correct capital assets for business type activities			
220-10350-0200	Water Utility Plant	6,494.00	
220-10350-0210	Water Utility Plant Acc.Dept.	79,334.00	
320-10350-0230	Sewer Disposal Acc Depr	20,577.00	
320-10350-0241	F/A Equipment	267,386.00	
220-10350-0241	F/A Equipment		17,356.00
220-10350-0251	Equip Acc Dep		19,099.00
220-62100-3999	Capital asset adjustment		49,373.00
320-10350-0220	Sewer Disposal		189,312.00
320-10350-0251	Equip Acc Dep		42,639.00
320-63100-3999	Capital asset adjustment		56,012.00
Total		373,791.00	373,791.00
Adjusting Journal Entries JE # 9			
AJE to remove long-term liability reported in the general fund.			
120-20207-0257	Long Term Loan Payable	13,579.00	
120-48990-0000	Other Misc Revenue		13,579.00
Total		13,579.00	13,579.00
Adjusting Journal Entries JE # 10			
AJE to correct outstanding long-term liabilities balance			
900-20207-0264	Capital Equip Lease #1	91,405.00	
900-10360-0330	Amt to be Provd-Capital Leases		91,405.00
Total		91,405.00	91,405.00
Adjusting Journal Entries JE # 11			
To record capital asset additions for the water fund.			
220-10350-0200	Water Utility Plant	120,575.00	
220-10350-0270	Construction in progress	21,453.00	
220-62100-5200	Water Dept Water Cap Equip		120,575.00
220-62100-5320	Water Dept Const in Progress		21,453.00
Total		142,028.00	142,028.00
Adjusting Journal Entries JE # 12			
AJE to record OPEB Adjustments			
220-20207-0294	Net OPEB Liability	25,426.00	
320-20207-0294	Net OPEB Liability	25,426.00	
900-20207-0294	Net OPEB Liability	43,503.00	
220-10360-0295	OPEB Deferred Outflows		2,304.00
220-20207-0295	OPEB Deffered Inflow		23,094.00
220-62100-1400	Water Dept Retirement		28.00
320-10360-0295	OPEB Deferred Outflow		2,304.00
320-20207-0295	OPEB Deferred Inflows		23,094.00
320-63100-1400	Sewer Dept Retirement		28.00
900-10360-0293	Amt to Provide for Pension		48.00
900-10360-0295	OPEB Deffered Outflows		3,942.00
900-20207-0295	OPEB Defered Inflow		39,513.00
Total		94,355.00	94,355.00
Total Adjusting Journal Entries		1,579,914.00	1,579,914.00
Total All Journal Entries		1,579,914.00	1,579,914.00

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