

**Donner Summit Public Utility District
Board of Directors Regular Meeting
Agenda
Tuesday, April 18, 2023 - 6:00 P.M.
DSPUD Office, 53823 Sherritt Lane, Soda Springs California**

The Public is welcome to attend in person or participate by Zoom Webinar: Meeting Id 832 7133 8808, Password: 650169

Any member of the public desiring to address the Board on any matter within the Jurisdictional Authority of the District or on a matter on the Agenda before or during the Boards consideration of that item may do so. After receiving recognition from the Board President, please give your Name and Address (City) and your comments or questions. In order that all interested parties have an opportunity to speak, please limit your comments to the specific topics of discussion.

Unless specifically noted, the Board of Directors may act upon all items on the Agenda.

1. Call to Order

2. Roll Call

3. Clear the Agenda

4. Public Participation – *This is time set aside for the public to address the Board on any matter not on the agenda. Comments related to any item already on the agenda should be addressed at the time that that item is considered. Each speaker will be limited to five minutes, but speaker time may be reduced at the discretion of the Board President if there are a large number of speakers on any given subject.*

5. Consent Calendar

All items listed under the Consent Calendar are considered to be routine and will be approved by one motion. There will be no separate discussion of these items unless a member of the Board requests an item to be removed from the Consent Calendar for a separate action. Any items removed will be considered after the motion to approve the Consent Calendar.

A. Approve Finance Report for March 21, 2023

- 1. Cash Disbursements–General**, Month of March
- 2. Cash Disbursements–Payroll**, Month of March
- 3. Schedule of Cash and Reserves**, February
- 4. Accountants Financial Statements**, February

B. Approve Regular Meeting Minutes March 21, 2023

C. Approve Monthly Safety Meeting Minutes – March 2023

D. Approve Engagement Letter with Gibson and Company for an Audit of Financial Statements for the Fiscal Year Ending June 30, 2023

Approve engagement letter and authorize General Manager to sign.

6. Department Reports

A. Administration - Steven Palmer, General Manager

B. Operations and Maintenance Summary, March

7. Information

A. Financial Health Checkup

- 8. Director Reports:** *In accordance with Government Code Section 54954.2(a), Directors may make brief announcements or brief reports on their own activities (concerning the District). They may ask questions for clarification make a referral to staff or take action to have staff place a matter of business on a future agenda.*

9. Adjournment

Schedule of Upcoming Meetings

- Regular Meeting – May 16, 2023
- Regular Meeting – June 20, 2023
- Regular Meeting – July 18, 2023

We certify that on April 14, 2023, a copy of this agenda was posted in public view at 53823 Sherritt Lane Soda Springs, California, and the Soda Springs General Store.

Deleane Mehler

Deleane Mehler
Administrative Assistant

Steven Palmer

Steven Palmer
General Manager

Agenda Item: 5A.1

Donner Summit Public Utility District
 Check List

All Bank Accounts
 March 16, 2023

Check Number	Check Date	Payee	Amount
Vendor Checks			
11442	03/16/23	AT&T	1,103.28
11443	03/16/23	AT&T	24.49
11444	03/16/23	BLUE SHIELD OF CALIFORNIA	11,990.95
11445	03/16/23	CORBIN WILLITS SYSTEMS, INC.	431.36
11446	03/16/23	CREATIVE TECHNOLOGIES	3,195.00
11447	03/16/23	CRWA	601.00
11448	03/16/23	ECKERSALL, LLC	2,425.00
11449	03/16/23	ESRI	1,755.00
11450	03/16/23	EVERS LAW GROUP	1,017.50
11451	03/16/23	FED-EX	8.74
11452	03/16/23	HANSFORD ECONOMIC CONSULTING, LLC	577.50
11453	03/16/23	HANSFORD ECONOMIC CONSULTING, LLC	311.25
11454	03/16/23	HUMANA DENTAL INS. CO.	1,456.30
11455	03/16/23	LAKEVIEW PLUMBING CO.	1,068.80
11456	03/16/23	LAKEVIEW PLUMBING CO.	356.45
11457	03/16/23	MOUNTAIN HARDWARE & SPORTS	114.72
11458	03/16/23	NATIONAL LIFE INSURANCE CO.	62.17
11459	03/16/23	NH HICKS	1,000.00
11460	03/16/23	PIT. BOWES GLOBAL FINANCIAL SERVICES	225.50
11461	03/16/23	PRINCIPAL LIFE INSURANCE COMPANY	793.46
11462	03/16/23	ROCKWELL ENGINEERING & EQUIPMENT CO.	48,364.45
11463	03/16/23	SIERRA SUN	220.18
11464	03/16/23	SUMMIT HOME CARE	1,065.00
11465	03/16/23	TAHOE TRUCKEE SIERRA DISPOSAL-BIN	606.70
11466	03/16/23	THE OFFICE BOSS, INC.	69.70
11467	03/16/23	THE OFFICE BOSS, INC.	347.03
11468	03/16/23	TRANSAMERICA LIFE INSURANCE	194.19
11469	03/16/23	USA BLUEBOOK	1,259.58
11470	03/16/23	USA BLUEBOOK	667.58
11471	03/16/23	USA BLUEBOOK	360.38
11472	03/16/23	USA BLUEBOOK	236.17
Vendor Check Total			<u>81,909.43</u>
Check List Total			<u><u>81,909.43</u></u>

Check count = 31

Check List

All Bank Accounts

March 28, 2023

Check Number	Check Date	Payee	Amount
Vendor Checks			
11473	03/28/23	ALHAMBRA & SIERRA SPRINGS	140.87
11474	03/28/23	AT&T	46.23
11475	03/28/23	AT&T	750.04
11476	03/28/23	AT&T	72.25
11477	03/28/23	BARNARD, VOGLER & CO.	630.31
11478	03/28/23	CORBIN WILLITS SYSTEMS, INC.	474.50
11479	03/28/23	EMPLOYER DRIVEN SOLUTIONS	9,760.18
11480	03/28/23	GEI CONSULTANTS	4,825.50
11481	03/28/23	GRAINGER	489.52
11482	03/28/23	JIM KING	150.00
11483	03/28/23	JOSH SHELTON	150.00
11484	03/28/23	JUSTIN VOSBURGH	150.00
11485	03/28/23	MAPCOMMUNICATIONS	103.00
11486	03/28/23	MOUNTAIN HARDWARE & SPORTS	4.09
11487	03/28/23	PARAGON PEST CONTROL	65.00
11488	03/28/23	PAUL SCHOTT	150.00
11489	03/28/23	PG&E COMPANY	36,649.38
11490	03/28/23	PG&E COMPANY	758.40
11491	03/28/23	PG&E COMPANY	249.00
11492	03/28/23	PITNEY BOWES	98.14
11493	03/28/23	PITNEY BOWES PURCHASE POWER	424.31
11494	03/28/23	SEAN PATRICK	150.00
11495	03/28/23	STEVEN PALMER	150.00
11496	03/28/23	SUBURBAN PROPANE	8,005.37
11498	03/28/23	THATCHER COMPANY OF NEVADA, INC.	6,617.48
11499	03/28/23	THE OFFICE BOSS, INC.	5.40
11500	03/28/23	THE OFFICE BOSS, INC.	70.92
11501	03/28/23	TRUCKEE AUTO PARTS	455.72
11502	03/28/23	TRUCKEE FIRE PROTECTION DISTRICT	5,685.20
11503	03/28/23	USA BLUEBOOK	1,014.60
11504	03/28/23	WOODARD & CURRAN	2,297.50
11505	03/28/23	SUBURBAN PROPANE	2,296.37
Vendor Check Total			<u>82,889.28</u>
Check List Total			<u>82,889.28</u>

Check count = 32

Agenda Item: 5A.2

PAYROLL JOURNAL

0085 0085-T591 Donner Summit Public Utility

EMPLOYEE NAME ID	HOURS, EARNINGS, REIMBURSEMENTS & OTHER PAYMENTS				WITHHOLDINGS	DEDUCTIONS	NET PAY ALLOCATIONS	
	DESCRIPTION	RATE	HOURS	EARNINGS				REIMB & OTHER PAYMENTS
**** 30 WATER SEWER King, James R 49	Regular			6,133.58				
	Holiday		M8:0000					
	Life Ins Reimb Tble			100.00				
	Vacation		M16:0000					
	Sick Accr-Memo				M1.85			
	Vacation-Memo				M4.62			
	EMPLOYEE TOTAL			24:0000	6,233.58		1,699.09	1,571.96
							Net Pay 2,962.53	
							Direct Deposit # 4472	
							Check Amt 0.00	
							Chkg 730 2,962.53	
Patrick, Sean M 59	Regular	48:0500	54:5000	2,618.73				
	Standby			226.00				
	Overtime	72:0750	6:0000	432.45				
	Double Time	96:1000	2:0000	192.20				
	Holiday	48:0500	20:0000	961.00				
	Sick	48:0500	4:5000	216.23				
	Vacation	48:0500	1:0000	48.05				
	EMPLOYEE TOTAL			88:0000	4,693.66		1,253.95	85:75
							Net Pay 3,353.96	
							Direct Deposit # 4473	
							Check Amt 0.00	
							Chkg 717 3,353.96	
Schott, Paul A 14	Regular	51:3300	77:2500	3,965.24				
	Standby			225.00				
	Overtime	76:9950	4:0000	307.98				
	Holiday	51:3300	10:0000	513.30				
	Life Ins Reimb Tble			100.00				
	Sick	51:3300	2:7500	141.16				
	Sick Accr-Memo				M1.85			
	Vacation-Memo				M6.15			
EMPLOYEE TOTAL			94:0000	5,252.68		1,496.01	1,000:00	
							Net Pay 2,756.67	
							Direct Deposit # 4474	
							Check Amt 0.00	
							Chkg 019 2,756.67	
Shelton, Joshua M... 64	Regular	35:0400	57:2500	2,006.04				
	Overtime	52:5600	5:0000	262.80				
	Holiday	35:0400	30:0000	1,051.20				
	Life Ins Reimb Tble			100.00				
	Sick	35:0400	2:7500	96.36				
	EMPLOYEE TOTAL			95:0000	3,516.40		820.14	1,000:00
								Net Pay 2,696.26
							Direct Deposit # 4475	
							Check Amt 0.00	
							Chkg 722 2,696.26	
Vosburgh, Justin E 57	Regular	51:4300	30:0000	1,542.90				
	Standby			270.00				
	Overtime	77:1450	21:2500	1,639.33				
	Double Time	102:8600	5:0000	514.30				
	Holiday	51:4300	30:0000	1,542.90				
	Sick	51:4300	1:0000	51.43				
	Vacation	51:4300	19:0000	977.17				
	EMPLOYEE TOTAL			106:2500	6,538.03		1,692.99	406:34
							Net Pay 4,438.70	
							Direct Deposit # 4476	
							Check Amt 0.00	
							Chkg 400 4,438.70	
**** 40 BOARD MEMBER Gamick, Philip 28	Regular			250.00				
	Health Stipend			927.84				
	EMPLOYEE TOTAL			1,177.84				
								Net Pay 1,002.91
								Direct Deposit # 4477
							Check Amt 0.00	
							Chkg 486 1,002.91	
Kaufman, Joan B 67	Regular			275.00				
	Health Stipend			1,142.19				
EMPLOYEE TOTAL				1,417.19				
							Net Pay 1,002.91	
							Direct Deposit # 4478	
							Check Amt 0.00	

PAYROLL JOURNAL

0085 0085-T591 Donner Summit Public Utility

EMPLOYEE NAME ID	HOURS, EARNINGS, REIMBURSEMENTS & OTHER PAYMENTS				WITHHOLDINGS	DEDUCTIONS	NET PAY ALLOCATIONS	
	DESCRIPTION	RATE	HOURS	EARNINGS				REIMB & OTHER PAYMENTS
**** 40 BOARD MEMBER (cont.) Kaufman, Joan B (cont.) 67					Fed Income Tax 97.68 CA Income Tax 29.02 CA Disability 12.75		Chkg 974 1,169.32	
	EMPLOYEE TOTAL			1,417.19	247.87		Net Pay 1,169.32	
Parkhurst, Dawn E 66	Regular Health			250.00 743.18	Social Security 61.58 Medicare 14.40 Fed Income Tax 19.32 CA Income Tax 13.18 CA Disability 8.94		Direct Deposit # 4479 Check Amt 0.00 Chkg 495 875.76	
	EMPLOYEE TOTAL			993.18	117.42		Net Pay 875.76	
Preis, Cathy 44	Regular Health Stipend			300.00 679.98	Social Security 60.76 Medicare 14.21 Fed Income Tax 65.06 CA Income Tax 6.97 CA Disability 8.82		Direct Deposit # 4480 Check Amt 0.00 Chkg 011 824.16	
	EMPLOYEE TOTAL			979.98	155.82		Net Pay 824.16	
**** 50 ADMIN Mehler, Deleane 51	Regular Holiday Vacation	42.0400 42.0400 42.0400	64.0000 8.0000 8.0000	2,690.56 336.32 336.32	Social Security 208.52457 Medicare 48.76 Fed Income Tax 493.00 CA Income Tax 176.00 CA Disability 30.27	100.00 243.52 103.78	Direct Deposit # 4481 Check Amt 0.00 Chkg 963 1,959.35	
	EMPLOYEE TOTAL		80.0000	3,363.20	956.55	447.30	Net Pay 1,959.35	
Palmer, Steven V 65	Regular Holiday Sick		M8.0000 M8.0000	7,080.77	Social Security 439.01457 Medicare 102.68 Fed Income Tax 1,444.85 CA Income Tax 545.88 CA Disability 63.73	201.93	Direct Deposit # 4482 Check Amt 0.00 Chkg 779 3,682.69 Savg 217 600.00	
	EMPLOYEE TOTAL		16.0000	7,080.77	2,596.15	201.93	Net Pay 4,282.69	
COMPANY TOTALS 11 Person(s) 11 Transaction(s)	Regular Standby Double Time Overtime Health Health Stipend Holiday Life Ins Reimb Txble Sick Vacation Sick Accr-Memo Vacation -Memo COMPANY TOTAL		283.0000 7.0000 36.2500 114.0000 19.0000 44.0000 503.2500	27,112.82 720.00 706.50 2,642.56 743.18 2,750.01 4,404.72 300.00 505.18 1,361.54 41,246.51	 3.70 10.77	2,557.30457 598.07 5,348.34 2,336.00 371.21	1,551.93 150.00 1,292.31 70.75 414.86 103.78 129.65	Check Amt 0.00 Dir Dep 26,322.31 Garnishment 1,292.31 Life Ins EE Post 70.75 Loan 2 414.86 Loan Payment 103.78 Overpayment Pa 129.65 Net Pay 26,322.31

PAYROLL JOURNAL

0085 0085-T591 Donner Summit Public Utility

EMPLOYEE NAME ID	HOURS, EARNINGS, REIMBURSEMENTS & OTHER PAYMENTS				WITHHOLDINGS	DEDUCTIONS	NET PAY ALLOCATIONS
	DESCRIPTION	RATE	HOURS	EARNINGS			
					<i>Employer Liabilities</i> Social Security 2,557.31 Medicare 598.08 Fed Unemploy 27.41 CA Unemploy 196.44 CA Emp Train 4.57 TOTAL EMPLOYER LIABILITY 3,383.81 TOTAL TAX LIABILITY 14,594.73		
(IC) = Independent Contractor							

CASH REQUIREMENTS

CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR ELECTRONIC FUNDS TRANSFERS (EFT) FOR CHECK DATE 03/03/23: \$44,429.92

IMPORTANT COVID-19 INFORMATION: If you filed IRS Form 7200, please notify your Paychex representative to avoid owing a balance at the end of the quarter and ensure your Form 941 is accurate.

TRANSACTION SUMMARY

SUMMARY BY TRANSACTION TYPE -	TOTAL ELECTRONIC FUNDS TRANSFER (EFT)	44,429.92
	CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR EFT	44,429.92
	TOTAL REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES	2,420.97
	CASH REQUIRED FOR CHECK DATE 03/03/23	46,850.89

TRANSACTION DETAIL

ELECTRONIC FUNDS TRANSFER - Your financial institution will initiate transfer to Paychex at or after 12:01 A.M. on transaction date.

<u>TRANS. DATE</u>	<u>BANK NAME</u>	<u>ACCOUNT NUMBER</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>		BANK DRAFT AMOUNTS & OTHER TOTALS
03/02/23	WELLS FARGO BANK, NA	xxxxxxxxxxxx393	Direct Deposit	Net Pay Allocations	26,322.31	26,322.31
03/02/23	WELLS FARGO BANK, NA	xxxxxxxxxxxx393	Readychex®	Check Amounts	3,512.88	3,512.88
				EFT FOR 03/02/23		29,835.19
03/03/23	WELLS FARGO BANK, NA	xxxxxxxxxxxx393	Taxpay®	Employee Withholdings		
				Social Security	2,557.30	
				Medicare	598.07	
				Fed Income Tax	5,348.34	
				CA Income Tax	2,336.00	
				CA Disability	371.21	
				Total Withholdings	11,210.92	
				Employer Liabilities		
				Social Security	2,557.31	
				Medicare	598.08	
				Fed Unemploy	27.41	
				CA Unemploy	196.44	
				CA Emp Train	4.57	
				Total Liabilities	3,383.81	14,594.73
				EFT FOR 03/03/23		14,594.73
				TOTAL EFT		44,429.92

PAYROLL JOURNAL

0085 0085-T591 Donner Summit Public Utility

EMPLOYEE NAME ID	HOURS, EARNINGS, REIMBURSEMENTS & OTHER PAYMENTS				WITHHOLDINGS	DEDUCTIONS	NET PAY ALLOCATIONS
	DESCRIPTION	RATE	HOURS	EARNINGS			
**** 30 WATER SEWER King, James R 49	Regular			6,133.58			
	Vacation		M24:0000				
	Sick Accr-Memo				M1.85		
	Vacation -Memo				M4.62		
	EMPLOYEE TOTAL		24:0000	6,133.58			
	Regular			3,844.00	Social Security	380.28	150.00
	Standby		80:0000	135.00	Medicare	88.94	1,292.31
	Overtime	72:0750	4:0000	288.30	Fed Income Tax	736.83	129.65
					CA Income Tax	395.07	
					CA Disability	55.20	
	EMPLOYEE TOTAL		84:0000	4,267.30			
	Regular			3,759.92	Social Security	308.32	50.00
	Standby		73:2500	225.00	Medicare	72.11	850.00
	Overtime	76:9950	8:0000	615.96	Fed Income Tax	687.22	150.00
	Double Time	102:6600	0:2500	25.67	CA Income Tax	263.96	
	Sick	51:3300	6:7500	346.48	CA Disability	44.76	
	Sick Accr-Memo						
	Vacation -Memo				M1.85		
					M6.15		
	EMPLOYEE TOTAL		88:2500	4,973.03			
	Regular			2,452.80	Social Security	174.62	1,000.00
	Overtime		70:0000	13.14	Medicare	40.83	
	Sick		0:2500	350.40	Fed Income Tax	233.57	
			10:0000		CA Income Tax	130.29	
					CA Disability	25.35	
	EMPLOYEE TOTAL		80:2500	2,816.34			
	Regular			44,114.40	Social Security	2774.14	200.00
	Standby		80:0000	360.00	Medicare	64.88	171.34
					Fed Income Tax	368.16	
					CA Income Tax	144.92	
					CA Disability	40.27	
	CHECK 1 TOTAL		80:0000	4,474.40			
	Overtime			2,005.77	Social Security	188.14	
	Double Time		26:0000	1,028.60	Medicare	44.00	
			10:0000		Fed Income Tax	219.36	
					CA Income Tax	69.07	
					CA Disability	27.31	
	CHECK 2 TOTAL		36:0000	3,034.37			
	EMPLOYEE TOTAL		116:0000	7,508.77			
	Board Meet			750.00	Social Security	163.02	
	Health Stipend			1,879.28	Medicare	38.12	
					Fed Income Tax	170.75	
					CA Income Tax	112.88	

PAYROLL JOURNAL

0085 0085-T591 Donner Summit Public Utility

EMPLOYEE NAME ID	HOURS, EARNINGS, REIMBURSEMENTS & OTHER PAYMENTS				WITHHOLDINGS	DEDUCTIONS	NET PAY ALLOCATIONS
	DESCRIPTION	RATE	HOURS	EARNINGS			
**** 40 BOARD MEMBER (cont.) Combs, William C (cont.) 68					CA Disability	23:66	
	EMPLOYEE TOTAL			2,629:28		508:43	Net Pay 2,120:85
**** 50 ADMIN Mehler, Deleane 51	Regular	42:0400	72:0000	3,026:88	Social Security	208:52	100:00
	Sick	42:0400	8:0000	336:32	Medicare	48:77	243:52
					Fed Income Tax	493:00	103:78
					CA Income Tax	176:00	
					CA Disability	30:27	
	EMPLOYEE TOTAL		80:0000	3,363:20		956:56	447:30
Palmer, Steven V 65	Regular		15:0000	7,080:77	Social Security	439:01	201:93
	Overtime				Medicare	102:67	
					Fed Income Tax	1,444:85	
					CA Income Tax	545:88	
					CA Disability	63:73	
	EMPLOYEE TOTAL		5:0000	7,080:77		2,596:14	201:93
COMPANY TOTALS 8 Person(s) 9 Transaction(s)	Regular		375:2500	30,412:35	Social Security	2,403:89	1,551:93
	Standby			720:00	Medicare	562:19	150:00
	Double Time		10:2500	1,054:27	Fed Income Tax	4,795:35	1,292:31
	Overtime		43:2500	2,923:17	CA Income Tax	2,111:68	414:86
	Board Meet			750:00	CA Disability	348:96	103:78
	Health Stipend			1,879:28			129:65
	Sick		24:7500	1,033:20			
	Vacation		24:0000				
	Sick Accr-Memo						
	Vacation -Memo				3:70		
	COMPANY TOTAL		477:5000	38,772:27	10:77	10,222:07	3,642:53
							Net Pay 24,907:67
					Employer Liabilities		
					Social Security	2,403:88	
					Medicare	562:21	
					Fed Unemploy	15:78	
					CA Unemploy	113:06	
					CA Emp Train	2:63	
					TOTAL EMPLOYER LIABILITY	3,097:56	
					TOTAL TAX LIABILITY	13,319:63	

(IC) = Independent Contractor

CASH REQUIREMENTS

CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR ELECTRONIC FUNDS TRANSFERS (EFT) FOR CHECK DATE 03/17/23: \$41,740.14

IMPORTANT COVID-19 INFORMATION: If you filed IRS Form 7200, please notify your Paychex representative to avoid owing a balance at the end of the quarter and ensure your Form 941 is accurate.

TRANSACTION SUMMARY

SUMMARY BY TRANSACTION TYPE -	TOTAL ELECTRONIC FUNDS TRANSFER (EFT)	41,740.14
	CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR EFT	41,740.14
	TOTAL REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES	2,350.22
	CASH REQUIRED FOR CHECK DATE 03/17/23	44,090.36

TRANSACTION DETAIL

ELECTRONIC FUNDS TRANSFER - Your financial institution will initiate transfer to Paychex at or after 12:01 A.M. on transaction date.

<u>TRANS. DATE</u>	<u>BANK NAME</u>	<u>ACCOUNT NUMBER</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>		BANK DRAFT AMOUNTS & OTHER TOTALS
03/16/23	WELLS FARGO BANK, NA	xxxxxxxxxxxx393	Direct Deposit	Net Pay Allocations	24,907.67	24,907.67
03/16/23	WELLS FARGO BANK, NA	xxxxxxxxxxxx393	Readychex®	Check Amounts	3,512.84	3,512.84
					EFT FOR 03/16/23	28,420.51
03/17/23	WELLS FARGO BANK, NA	xxxxxxxxxxxx393	Taxpay®	Employee Withholdings		
				Social Security	2,403.89	
				Medicare	562.19	
				Fed Income Tax	4,795.35	
				CA Income Tax	2,111.68	
				CA Disability	348.96	
				Total Withholdings	10,222.07	
				Employer Liabilities		
				Social Security	2,403.88	
				Medicare	562.21	
				Fed Unemploy	15.78	
				CA Unemploy	113.06	
				CA Emp Train	2.63	
				Total Liabilities	3,097.56	13,319.63
					EFT FOR 03/17/23	13,319.63
					TOTAL EFT	41,740.14

PAYROLL JOURNAL

0085 0085-T591 Donner Summit Public Utility

EMPLOYEE NAME ID	HOURS, EARNINGS, REIMBURSEMENTS & OTHER PAYMENTS				WITHHOLDINGS	DEDUCTIONS	NET PAY ALLOCATIONS		
	DESCRIPTION	RATE	HOURS	EARNINGS				REIMB & OTHER PAYMENTS	
**** 30 WATER SEWER King, James R 49	Regular			6,133.58		Social Security 386.48	150.00	Direct Deposit # 4492	
	Life Ins Reimb Txble			100.00		Medicare 90.39	1,292.31	Check Amt 0.00	
	Sick Accr-Memo				M1.85	Fed Income Tax 760.83	454.24	Chkg 730 2,508.28	
	Vacation -Memo				M4.62	CA Income Tax 405.30	129.65		
						CA Disability 56.10			
	EMPLOYEE TOTAL			6,233.58		1,699.10	2,026.20	Net Pay 2,508.28	
Patrick, Sean M 59	Regular	48.0500	69.5000	3,339.48		Social Security 273.51	150.00	Direct Deposit # 4493	
	Overtime	72.0750	6.0000	432.45		Medicare 63.97	37.41	Check Amt 0.00	
	Holiday	48.0500	10.0000	480.50		Fed Income Tax 451.33		Chkg 717 3,117.41	
	Sick	48.0500	0.5000	24.03		CA Income Tax 278.13			
	Stand By			135.00		CA Disability 39.70			
	EMPLOYEE TOTAL		86.0000	4,411.46		1,106.64	187.41	Net Pay 3,117.41	
Schott, Paul A 14	Regular	51.3300	71.7500	3,682.93		Social Security 283.12	850.00	Direct Deposit # 4494	
	Standby			360.00		Medicare 66.21	150.00	Check Amt 0.00	
	Life Ins Reimb Txble			100.00		Fed Income Tax 592.70		Chkg 019 2,360.90	
	Sick	51.3300	8.2500	423.47		CA Income Tax 222.37			
	Sick Accr-Memo				M1.85	CA Disability 41.10			
	Vacation -Memo				M4.15				
		CHECK 1 TOTAL		80.0000	4,566.40		1,205.50	1,000.00	Net Pay 2,360.90
	Overtime	76.9950	17.0000	1,308.92		Social Security 97.07		Direct Deposit # 4495	
	Double Time	102.6600	2.5000	256.65		Medicare 22.70		Check Amt 0.00	
	Sick Accr-Memo				M1.85	Fed Income Tax 155.18		Chkg 019 1,240.98	
Vacation -Memo				M6.15	CA Income Tax 35.55				
					CA Disability 14.09				
	CHECK 2 TOTAL		19.5000	1,565.57		324.59		Net Pay 1,240.98	
	EMPLOYEE TOTAL		99.5000	6,131.97		1,530.09	1,000.00	Net Pay 3,601.88	
Shelton, Joshua M... 64	Regular	35.0400	70.0000	2,452.80		Social Security 180.00	50.00	Direct Deposit # 4496	
	Life Ins Reimb Txble			100.00		Medicare 42.10		Check Amt 0.00	
	Sick	35.0400	10.0000	350.40		Fed Income Tax 238.00		Chkg 722 2,232.91	
	EMPLOYEE TOTAL		80.0000	2,903.20		620.29	50.00	Net Pay 2,232.91	
Vosburgh, Justin E 57	Regular	51.4300	67.5000	3,471.53		Social Security 269.04	200.00	Direct Deposit # 4497	
	Standby			226.00		Medicare 62.92	35.00	Check Amt 0.00	
	Sick	51.4300	10.5000	540.02		Fed Income Tax 351.96	171.34	Chkg 400 2,943.46	
	Vacation	51.4300	2.0000	102.86		CA Income Tax 266.64			
						CA Disability 39.05			
	CHECK 1 TOTAL		80.0000	4,339.41		989.61	406.34	Net Pay 2,943.46	
Overtime	77.1450	14.0000	1,080.03		Social Security 130.73		Direct Deposit # 4498		
Double Time	102.6600	10.0000	1,026.60		Medicare 30.57		Check Amt 0.00		
					Fed Income Tax 108.27		Chkg 400 1,749.62		
					CA Income Tax 70.46				
					CA Disability 18.98				

PAYROLL JOURNAL

0085 0085-T591 Donner Summit Public Utility

EMPLOYEE NAME ID	HOURS, EARNINGS, REIMBURSEMENTS & OTHER PAYMENTS				WITHHOLDINGS	DEDUCTIONS	NET PAY ALLOCATIONS	
	DESCRIPTION	RATE	HOURS	EARNINGS			REIMB & OTHER PAYMENTS	
**** 30 WATER SEWER (cont.) Vosburgh, Justin E (cont.) 57								
	CHECK 2 TOTAL		24.0000	2,108.63		359.01		Net Pay 1,749.62
	EMPLOYEE TOTAL		104.0000	6,448.04		1,348.62	406.34	Net Pay 4,693.08
**** 40 BOARD MEMBER Combs, William C 68	Board Meet			250.00	Social Security	44.72		Direct Deposit # 4499
	Health Stipend			471.34	Medicare	10.46		Check Amt 0:00
					CA Income Tax	7.20		Chkg 718 652.47
					CA Disability	6.49		
	EMPLOYEE TOTAL			721.34		68.87		Net Pay 652.47
Gamick, Philip 28	Board Meet			250.00	Social Security	73.02		Direct Deposit # 4500
	Health Stipend			927.84	Medicare	17.07		Check Amt 0:00
					Fed Income Tax	61.25		Chkg 486 1,002.93
					CA Income Tax	12.97		
					CA Disability	10.60		
	EMPLOYEE TOTAL			1,177.84		174.91		Net Pay 1,002.93
Kaufman, Joan B 67	Board Meet			275.00	Social Security	87.86		Direct Deposit # 4501
	Health Stipend			1,142.19	Medicare	20.55		Check Amt 0:00
					Fed Income Tax	97.68		Chkg 974 1,169.33
					CA Income Tax	29.02		
					CA Disability	12.75		
	EMPLOYEE TOTAL			1,417.19		247.86		Net Pay 1,169.33
Parkhurst, Dawn E 66	Board Meet			250.00	Social Security	61.58		Direct Deposit # 4502
	Health Stipend			743.18	Medicare	14.40		Check Amt 0:00
					Fed Income Tax	296.80		Chkg 495 598.28
					CA Income Tax	13.18		
					CA Disability	8.94		
	EMPLOYEE TOTAL			993.18		394.90		Net Pay 598.28
Preis, Cathy 44	Board Meet			300.00	Social Security	60.76		Direct Deposit # 4503
	Health Stipend			679.98	Medicare	14.21		Check Amt 0:00
					Fed Income Tax	65.06		Chkg 011 824.16
					CA Income Tax	6.97		
					CA Disability	8.82		
	EMPLOYEE TOTAL			979.98		155.82		Net Pay 824.16
**** 50 ADMIN Mehler, Deleane 51	Regular	42.0400	80.0000	3,363.20	Social Security	208.52	100.00	Direct Deposit # 4504
					Medicare	48.76	243.52	Check Amt 0:00
					Fed Income Tax	493.00	103.78	Chkg 963 1,959.35
					CA Income Tax	176.00		
					CA Disability	30.27		
	EMPLOYEE TOTAL		80.0000	3,363.20		956.55	447.30	Net Pay 1,959.35
Palmer, Steven V 65	Regular			7,080.77	Social Security	433.00	201.93	Direct Deposit # 4505
					Medicare	102.67		Check Amt 0:00

PAYROLL JOURNAL

0085 0085-T591 Donner Summit Public Utility

EMPLOYEE NAME ID	HOURS, EARNINGS, REIMBURSEMENTS & OTHER PAYMENTS				WITHHOLDINGS	DEDUCTIONS	NET PAY ALLOCATIONS	
	DESCRIPTION	RATE	HOURS	EARNINGS				REIMB & OTHER PAYMENTS
**** 50 ADMIN (cont.) Palmer, Steven V (cont.) 65								
					Fed Income Tax 1,444.85 CA Income Tax 545.88 CA Disability 63.73		Chkg 779 3,682.71 Savg 217 600.00	
	EMPLOYEE TOTAL		7,080.77		2,596.13	201.93	Net Pay 4,282.71	
COMPANY TOTALS 12 Person(s) 14 Transaction(s)	Regular		358,7500	29,524.29	Social Security 2,595.41	457	1,701.93	Check Amt 0.00
	Standby			585.00	Medicare 606.98	Credit Un 2 150.00	Dir Dep 26,642.79	
	Double Time		12,5000	1,285.25	Fed Income Tax 5,116.91	Garnishment 1,292.31		
	Overtime		37,0000	2,821.40	CA Income Tax 2,203.73	Life Ins EE Post 72.41		
	Board Meet			1,325.00	CA Disability 376.75	Loan 2 414.86		
	Health Stipend			3,964.53		Loan Payment 558.02		
	Holiday		10,0000	480.50		Overpayment Pa 129.65		
	Life Ins Reimb Txble			300.00				
	Sick		29,2500	1,337.92				
	Stand By			135.00				
	Vacation		2,0000	102.86				
	Sick Accr-Memo				5.55			
	Vacation -Memo				16.92			
	COMPANY TOTAL		449,5000	41,861.75				
					10,899.78	4,319.18	Net Pay 26,642.79	
					<i>Employer Liabilities</i>			
					Social Security 2,595.45			
					Medicare 607.01			
					Fed Unemploy 31.74			
					CA Unemploy 327.96			
					TOTAL EMPLOYER LIABILITY 3,562.16			
					TOTAL TAX LIABILITY 14,461.94			
(IC) = Independent Contractor								

CASH REQUIREMENTS

CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR ELECTRONIC FUNDS TRANSFERS (EFT) FOR CHECK DATE 03/31/23: \$45,271.85

IMPORTANT COVID-19 INFORMATION: If you filed IRS Form 7200, please notify your Paychex representative to avoid owing a balance at the end of the quarter and ensure your Form 941 is accurate.

TRANSACTION SUMMARY

SUMMARY BY TRANSACTION TYPE -	TOTAL ELECTRONIC FUNDS TRANSFER (EFT)	45,271.85
	CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR EFT	45,271.85
	TOTAL REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES	3,026.87
	CASH REQUIRED FOR CHECK DATE 03/31/23	48,298.72

TRANSACTION DETAIL

ELECTRONIC FUNDS TRANSFER - Your financial institution will initiate transfer to Paychex at or after 12:01 A.M. on transaction date.

<u>TRANS. DATE</u>	<u>BANK NAME</u>	<u>ACCOUNT NUMBER</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>		BANK DRAFT AMOUNTS & OTHER TOTALS
03/30/23	WELLS FARGO BANK, NA	xxxxxxxxxxxx393	Direct Deposit	Net Pay Allocations	26,642.79	26,642.79
03/30/23	WELLS FARGO BANK, NA	xxxxxxxxxxxx393	Readychex®	Check Amounts	4,167.12	4,167.12
				EFT FOR 03/30/23		30,809.91
03/31/23	WELLS FARGO BANK, NA	xxxxxxxxxxxx393	Taxpay®	Employee Withholdings		
				Social Security	2,595.41	
				Medicare	606.98	
				Fed Income Tax	5,116.91	
				CA Income Tax	2,203.73	
				CA Disability	376.75	
				Total Withholdings	10,899.78	
				Employer Liabilities		
				Social Security	2,595.45	
				Medicare	607.01	
				Fed Unemploy	31.74	
				CA Unemploy	327.96	
				Total Liabilities	3,562.16	14,461.94
				EFT FOR 03/31/23		14,461.94
				TOTAL EFT		45,271.85

REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES - Paychex does not remit these funds. You must ensure accurate and timely payment of applicable items.

<u>TRANS. DATE</u>	<u>BANK NAME</u>	<u>ACCOUNT NUMBER</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>		<u>TOTAL</u>
03/31/23	Refer to your records for account	Information	Payroll	Employee Deductions		
				457	1,701.93	
				Credit Un 2	150.00	

Agenda Item: 5A.3

DONNER SUMMIT PUBLIC UTILITY DISTRICT
 SCHEDULE OF CASH AND DEBT RESTRICTED RESERVES
 FEBRUARY 28, 2023

<u>Bank Account</u>	<u>Reserve</u>	<u>Book Balance</u>	<u>Reserves Restricted</u>
Wells Fargo - Checking		\$ (230,183.19)	
Wells Fargo - Deposit		1,095,409.93	
Wells Fargo - Savings		305,701.06	
Wells Fargo - Payroll		-	
LAIF		3,425.46	
	SWRCB Loan Construction		719,191.03
	WTP Loan Construction		18,187.00
	Big Bend Water Loan Reserve 1		10,435.58
	Big Bend Water Loan Reserve 2		4,286.03
	Big Bend Assessment		5,612.63
Totals		<u>1,174,353.26</u>	<u>757,712.27</u>
Unrestricted Cash Available			<u>\$ 416,640.99</u>

Agenda Item: 5A.4

DONNER SUMMIT PUBLIC UTILITY DISTRICT
FINANCIAL STATEMENTS
AND
INDEPENDENT ACCOUNTANTS' COMPILATION REPORT
FEBRUARY 28, 2023



100 West Liberty St.
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Reno, NV 89501

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bvcopas.com

INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

To the Board of Directors
Donner Summit Public Utility District

Management is responsible for the accompanying financial statements of the business-type activities of Donner Summit Public Utility District (the District) which comprise the statements of activities and changes in net position – budgetary basis for the eight months ended February 28, 2023 in accordance with the budgetary basis of accounting, and for determining that the budgetary basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or the completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The accompanying supplementary information contained on page 8 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. The supplementary information was subject to our compilation engagement. We have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

Management has elected to omit substantially all of the disclosures and the statement of cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures and statement of cash flows were included in the financial statements, they might influence the user's conclusions about the District's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

The financial statements are prepared on the budgetary basis of accounting, which includes expensing capital outlay purchases and principal payments on long-term debt. The budgetary basis of accounting is a basis of accounting other than accounting principles generally accepted in the United States of America.

Barnard, Vogler & Co.

Reno, Nevada
April 6, 2023

DONNER SUMMIT PUBLIC UTILITY DISTRICT
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DONNER SUMMIT PUBLIC UTILITY DISTRICT
STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION - BUDGETARY BASIS
COMBINED BUSINESS-TYPE ACTIVITIES
FOR THE EIGHT MONTHS ENDED FEBRUARY 28, 2023

	Water	Sewer	Treatment	Admin	Total
Program Revenue					
Water fees	\$ 473,222.01	\$ -	\$ -	\$ -	\$ 473,222.01
Sewer fees	-	353,492.56	1,060,477.67	-	1,413,970.23
Connection fees	8,500.00	10,123.00	-	-	18,623.00
Recycled water sales	-	-	45,202.80	-	45,202.80
Non-CFD revenue for WWTP loan	-	-	209,860.10	-	209,860.10
Sierra Lakes service	-	-	337,528.00	-	337,528.00
Big Bend service fees	22,630.44	-	-	-	22,630.44
Big Bend assessment	15,578.64	-	-	-	15,578.64
Total Program Revenue	<u>519,931.09</u>	<u>363,615.56</u>	<u>1,653,068.57</u>	<u>-</u>	<u>2,536,615.22</u>
Expenses					
Salaries-operations	92,784.62	78,680.09	253,052.20	177,744.78	602,261.69
Employee benefits and taxes	30,393.98	24,953.14	84,700.06	59,412.52	199,459.70
Board expense	-	-	-	44,240.79	44,240.79
Professional fees	29,358.00	912.18	47,775.46	86,827.17	164,872.81
Dues and subscriptions	-	-	2,106.73	8,829.05	10,935.78
Fees, permits, certifications, leases	6,471.14	351.26	26,618.24	9,513.79	42,954.43
Training, education, travel	510.00	-	3,117.99	2,063.23	5,691.22
Insurance	26,952.87	22,664.88	72,895.20	6,448.07	128,961.02
Office supplies and miscellaneous	-	185.56	1,980.04	5,789.18	7,954.78
Utilities, communications, telemetry	29,461.20	16,024.02	249,410.04	30,623.38	325,518.64
Chemicals and lab supplies	37,603.40	-	100,544.87	-	138,148.27
Laboratory testing	935.00	-	16,771.99	-	17,706.99
Equipment maintenance and repair	12,770.33	-	14,123.66	-	26,893.99
Small equipment and rental	-	-	927.31	-	927.31
Operating supplies	259.68	779.02	242.72	2,216.41	3,497.83
Sludge removal	-	-	15,530.38	-	15,530.38
Vehicle maintainance, repair, fuel	-	691.04	6,744.82	-	7,435.86
Infiltration and inflow program	-	18,501.47	-	-	18,501.47
Facility maintenance and repair	17,753.79	427.53	59,265.83	3,795.91	81,243.06
Amortization of land lease	-	-	13,500.00	-	13,500.00
Debt service	19,517.51	-	719,191.03	-	738,708.54
Capital equipment	12,856.85	855.39	72,196.02	-	85,908.26
Total Expenses	<u>317,628.37</u>	<u>165,025.58</u>	<u>1,760,694.59</u>	<u>437,504.28</u>	<u>2,680,852.82</u>
Excess (Deficiency) of Program					
Revenues Over Expenses	202,302.72	198,589.98	(107,626.02)	(437,504.28)	(144,237.60)
General Revenues					
Interest revenue	-	-	-	1,272.67	1,272.67
CFD revenue for WWTP loan	-	-	18,175.30	-	18,175.30
Property tax	19,965.19	38,878.15	171,274.01	-	230,117.35
Other income	5,716.02	9,964.63	-	5,474.49	21,155.14
Grants	-	19,847.59	-	650.00	20,497.59
Total General Revenues	<u>25,681.21</u>	<u>68,690.37</u>	<u>189,449.31</u>	<u>7,397.16</u>	<u>291,218.05</u>
Increase (Decrease) in Net Position	<u>\$ 227,983.93</u>	<u>\$ 267,280.35</u>	<u>\$ 81,823.29</u>	<u>\$ (430,107.12)</u>	<u>\$ 146,980.45</u>
Net Position, Beginning of Year					<u>12,800,341.19</u>
Net Position, End of Period					<u>\$ 12,947,321.64</u>

DONNER SUMMIT PUBLIC UTILITY DISTRICT
STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION - BUDGETARY BASIS
BUDGET AND ACTUAL
BUSINESS-TYPE ACTIVITY - WATER
FOR THE EIGHT MONTHS ENDED FEBRUARY 28, 2023

	Actual Year to Date 2/28/23	Budget Total Fiscal Year 2023	Budget Percent Complete 2/28/23	Remaining Budget 2/28/23
Program Revenue				
Water fees	\$ 473,222.01	\$ 622,878.00	75.97%	\$ (149,655.99)
Connection fees	8,500.00	-	0.00%	8,500.00
Big Bend service fees	22,630.44	30,627.00	73.89%	(7,996.56)
Big Bend assessment	15,578.64	20,772.00	75.00%	(5,193.36)
Total Program Revenue	<u>519,931.09</u>	<u>674,277.00</u>	<u>77.11%</u>	<u>(154,345.91)</u>
Expenses				
Salaries-operations	92,784.62	131,769.00	70.41%	38,984.38
Employee benefits and taxes	30,393.98	54,910.00	55.35%	24,516.02
Professional fees	29,358.00	73,000.00	40.22%	43,642.00
Dues and subscriptions	-	680.00	0.00%	680.00
Fees, permits, certifications, leases	6,471.14	14,680.00	44.08%	8,208.86
Training, education, travel	510.00	1,000.00	51.00%	490.00
Insurance	26,952.87	40,429.00	66.67%	13,476.13
Office supplies and miscellaneous	-	550.00	0.00%	550.00
Utilities, communications, telemetry	29,461.20	48,470.00	60.78%	19,008.80
Chemicals and lab supplies	37,603.40	22,800.00	164.93%	(14,803.40)
Laboratory testing	935.00	2,020.00	46.29%	1,085.00
Equipment maintenance and repair	12,770.33	5,600.00	228.04%	(7,170.33)
Small equipment and rental	-	2,820.00	0.00%	2,820.00
Operating supplies	259.68	3,380.00	7.68%	3,120.32
Vehicle maintenance, repair, fuel	-	9,106.00	0.00%	9,106.00
Facility maintenance and repair	17,753.79	24,380.00	72.82%	6,626.21
Angela WTP loan principal and interest	9,093.64	18,188.00	50.00%	9,094.36
Big Bend debt service	10,423.87	21,655.00	48.14%	11,231.13
Capital equipment	12,856.85	12,001.00	107.13%	(855.85)
Capital projects	-	32,473.00	0.00%	32,473.00
Total Expenses	<u>317,628.37</u>	<u>519,911.00</u>	<u>61.09%</u>	<u>202,282.63</u>
Excess of Program				
Revenues Over Expenses	202,302.72	154,366.00	131.05%	47,936.72
General Revenues				
Property tax	19,965.19	30,213.00	66.08%	10,247.81
Other income	5,716.02	-	0.00%	(5,716.02)
Grants	-	6,500.00	100.00%	6,500.00
Total General Revenues	<u>25,681.21</u>	<u>36,713.00</u>	<u>166.08%</u>	<u>11,031.79</u>
Increase in Net Position	<u>\$ 227,983.93</u>	<u>\$ 191,079.00</u>	<u>119.31%</u>	<u>\$ 58,968.51</u>

DONNER SUMMIT PUBLIC UTILITY DISTRICT
STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION - BUDGETARY BASIS
BUDGET AND ACTUAL
BUSINESS-TYPE ACTIVITY - SEWER
FOR THE EIGHT MONTHS ENDED FEBRUARY 28, 2023

	Actual Year to Date 2/28/23	Budget Total Fiscal Year 2023	Budget Percent Complete 2/28/23	Remaining Budget 2/28/23
Program Revenue				
Sewer fees	\$ 353,492.56	\$ 459,844.00	76.87%	\$ (106,351.44)
Connection fees	10,123.00	-	0.00%	10,123.00
Total Program Revenue	<u>363,615.56</u>	<u>459,844.00</u>	<u>79.07%</u>	<u>(96,228.44)</u>
Expenses				
Salaries-operations	78,680.09	110,806.00	71.01%	32,125.91
Employee benefits and taxes	24,953.14	46,173.00	54.04%	21,219.86
Professional fees	912.18	-	0.00%	(912.18)
Fees, permits, certifications, leases	351.26	3,460.00	10.15%	3,108.74
Training, education and travel	-	300.00	0.00%	300.00
Insurance	22,664.88	33,997.00	66.67%	11,332.12
Office supplies and miscellaneous	185.56	550.00	33.74%	364.44
Utilities, communications, telemetry	16,024.02	30,293.00	52.90%	14,268.98
Chemicals and lab supplies	-	500.00	0.00%	500.00
Operating supplies	779.02	3,500.00	22.26%	2,720.98
Infiltration and inflow program	18,501.47	18,500.00	100.01%	(1.47)
Equipment maintenance and repair	-	1,600.00	0.00%	1,600.00
Vehicle maintenance, repair, fuel	691.04	19,026.00	3.63%	18,334.96
Facility maintenance and repair	427.53	2,000.00	21.38%	1,572.47
Capital equipment	855.39	1,263.00	67.73%	407.61
Capital projects	-	90,678.00	0.00%	90,678.00
Total Expenses	<u>165,025.58</u>	<u>362,646.00</u>	<u>45.51%</u>	<u>197,620.42</u>
Excess (Deficiency) of Program				
Revenues Over Expenses	198,589.98	97,198.00	204.31%	101,391.98
General Revenues				
Property tax	38,878.15	20,353.00	191.02%	18,525.15
Other income	9,964.63	-	0.00%	9,964.63
CalOES Grant	19,847.59	27,388.00	72.47%	(7,540.41)
Total General Revenues	<u>68,690.37</u>	<u>47,741.00</u>	<u>143.88%</u>	<u>20,949.37</u>
Increase (Decrease) in Net Position	<u>\$ 267,280.35</u>	<u>\$ 144,939.00</u>	<u>184.41%</u>	<u>\$ 122,341.35</u>

DONNER SUMMIT PUBLIC UTILITY DISTRICT
STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION - BUDGETARY BASIS
BUDGET AND ACTUAL
BUSINESS-TYPE ACTIVITY - WASTEWATER TREATMENT
FOR THE EIGHT MONTHS ENDED FEBRUARY 28, 2023

	Actual Year to Date 2/28/23	Budget Total Fiscal Year 2023	Budget Percent Complete 2/28/23	Remaining Budget 2/28/23
Program Revenue				
Sewer fees	\$ 1,060,477.67	\$ 1,456,174.00	72.83%	\$ (395,696.33)
Recycled water sales	45,202.80	50,000.00	90.41%	(4,797.20)
Non-CFD revenue for WWTP loan	209,860.10	281,044.00	74.67%	(71,183.90)
Sierra Lakes service	337,528.00	512,570.00	65.85%	(175,042.00)
Total Program Revenue	<u>1,653,068.57</u>	<u>2,299,788.00</u>	<u>71.88%</u>	<u>(646,719.43)</u>
Expenses				
Salaries-operations	253,052.20	356,375.00	71.01%	103,322.80
Employee benefits and taxes	84,700.06	148,502.00	57.04%	63,801.94
Professional fees	47,775.46	42,070.00	113.56%	(5,705.46)
Dues and subscriptions	2,106.73	1,200.00	175.56%	(906.73)
Fees, permits, certifications, leases	26,618.24	16,600.00	160.35%	(10,018.24)
Training, education, travel	3,117.99	2,800.00	111.36%	(317.99)
Insurance	72,895.20	109,343.00	66.67%	36,447.80
Office supplies and miscellaneous	1,980.04	500.00	396.01%	(1,480.04)
Utilities, communications, telemetry	249,410.04	429,390.00	58.08%	179,979.96
Chemicals and lab supplies	100,544.87	172,406.00	58.32%	71,861.13
Laboratory testing	16,771.99	45,840.00	36.59%	29,068.01
Small equipment and rental	927.31	6,340.00	14.63%	5,412.69
Operating supplies	242.72	2,100.00	11.56%	1,857.28
Equipment maintenance and repair	14,123.66	61,034.00	23.14%	46,910.34
Vehicle maintenance, repair, fuel	6,744.82	9,300.00	72.52%	2,555.18
Sludge removal	15,530.38	14,510.00	107.03%	(1,020.38)
Facility maintenance and repair	59,265.83	43,675.00	135.70%	(15,590.83)
Amortization of land lease	13,500.00	20,250.00	66.67%	6,750.00
WWTP loan	719,191.03	719,191.00	100.00%	(0.03)
Capital equipment	72,196.02	73,632.00	98.05%	1,435.98
Total Expenses	<u>1,760,694.59</u>	<u>2,275,058.00</u>	<u>77.39%</u>	<u>514,363.41</u>
Excess (Deficiency) of Program				
Revenues Over Expenses	(107,626.02)	24,730.00	-435.20%	(132,356.02)
General Revenues				
CFD revenue for WWTP loan	18,175.30	282,392.00	6.44%	(264,216.70)
Property tax	171,274.01	86,767.00	197.40%	84,507.01
Other income	-	20,885.00	0.00%	(20,885.00)
Total General Revenues	<u>189,449.31</u>	<u>390,044.00</u>	<u>48.57%</u>	<u>(200,594.69)</u>
Increase in Net Position	<u>\$ 81,823.29</u>	<u>\$ 414,774.00</u>	<u>19.73%</u>	<u>\$ 332,950.71</u>

DONNER SUMMIT PUBLIC UTILITY DISTRICT
STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION - BUDGETARY BASIS
BUDGET AND ACTUAL
BUSINESS-TYPE ACTIVITY - ADMIN
FOR THE EIGHT MONTHS ENDED FEBRUARY 28, 2023

	Actual Year to Date 2/28/23	Budget Total Fiscal Year 2023	Budget Percent Complete 2/28/23	Remaining Budget 2/28/23
Program Revenue				
Service Fees	\$ -	\$ -	-	\$ -
Total Program Revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenses				
Salaries-operations	177,744.78	271,529.00	65.46%	93,784.22
Employee benefits and taxes	59,412.52	116,941.00	50.81%	57,528.48
Board expense	44,240.79	67,907.00	65.15%	23,666.21
Professional fees	86,827.17	133,989.00	64.80%	47,161.83
Dues and subscriptions	8,829.05	7,100.00	124.35%	(1,729.05)
Fees, permits, certifications, leases	9,513.79	20,650.00	46.07%	11,136.21
Training, education, travel	2,063.23	1,500.00	137.55%	(563.23)
Insurance	6,448.07	9,672.00	66.67%	3,223.93
Office supplies and miscellaneous	5,789.18	9,000.00	64.32%	3,210.82
Utilities, communications, telemetry	30,623.38	35,035.00	87.41%	4,411.62
Equipment maintenance and repair	-	6,660.00	0.00%	6,660.00
Operating supplies	2,216.41	-	0.00%	(2,216.41)
Facility maintenance and repair	3,795.91	3,000.00	126.53%	(795.91)
Total Expenses	<u>437,504.28</u>	<u>682,983.00</u>	<u>64.06%</u>	<u>245,478.72</u>
Deficiency of Program				
Revenues Over Expenses	(437,504.28)	(682,983.00)	64.06%	245,478.72
General Revenues				
Interest revenue	1,272.67	-	0.00%	1,272.67
Other income	5,474.49	6,500.00	84.22%	(1,025.51)
Grants	650.00	-	0.00%	650.00
Total General Revenues	<u>7,397.16</u>	<u>6,500.00</u>	<u>113.80%</u>	<u>897.16</u>
Decrease in Net Position	<u>\$ (430,107.12)</u>	<u>\$ (676,483.00)</u>	<u>63.58%</u>	<u>\$ 246,375.88</u>

SUPPLEMENTARY INFORMATION

DONNER SUMMIT PUBLIC UTILITY DISTRICT
SCHEDULE OF BIG BEND TRANSACTIONS
FOR THE EIGHT MONTHS ENDED FEBRUARY 28, 2023

Revenue	\$	38,209.08
Expenses		
Fees and permits		1,646.40
Telephone		621.36
Interest		10,288.68
Loan principal		135.19
Electricity		665.67
Repairs and maintenance		-
		<hr/>
Total expenses		13,357.30
		<hr/>
Excess of revenue over expenses	\$	<u>24,851.78</u>

Agenda Item: 5B

**Donner Summit Public Utility District
Board of Directors Regular Meeting
Minutes
Tuesday, March 21, 2023 - 6:00 P.M.
DSPUD Office, 53823 Sherritt Lane, Soda Springs California**

STAFF PRESENT: Steven Palmer, General Manager; Jim King, Plant Manager;
Deleane Mehler, Office Assistant

OTHERS PRESENT: Geoffrey O. Evers, General Counsel; Catherine Hansford,
Economic Consulting; Joni Kaufman

1. Call to Order

The Regular Meeting of March 21, 2023 of the Donner Summit Public Utility District Board of Directors was called to order at 6:09 p.m. by President Cathy Preis.

2. Roll Call

Cathy Preis, President	- Present
Joni Kaufman, Vice President	- Absent
Dawn Parkhurst, Secretary	- Present
Philip Gamick, Director	- Present
Craig Combs, Director	- Present

3. Clear the Agenda- None

4. Public Participation – *This is time set aside for the public to address the Board on any matter not on the agenda. Comments related to any item already on the agenda should be addressed at the time that that item is considered. Each speaker will be limited to five minutes, but speaker time may be reduced at the discretion of the Board President if there are a large number of speakers on any given subject.* None.

5. Consent Calendar

All items listed under the Consent Calendar are considered to be routine and will be approved by one motion. There will be no separate discussion of these items unless a member of the Board requests an item to be removed from the Consent Calendar for a separate action. Any items removed will be considered after the motion to approve the Consent Calendar

A. Approve Finance Report for March 21, 2023

- 1. Cash Disbursements–General**, Month of February
- 2. Cash Disbursements–Payroll**, Month of February
- 3. Schedule of Cash and Reserves**, January
- 4. Accountants Financial Statements**, January

- B. Approve Regular Meeting Minutes February 21, 2023**
- C. Approve Monthly Safety Meeting Minutes – February 2023**

Motion: Accept the Consent Calendar
By: Phil Gamick
Second: Craig Combs
Vote: 4 Ayes, 0 Noes, 1 Absent, 0 Abstain, 0 Vacancy
Motion Carries

6. Department Reports

- A. Administration - Steven Palmer, General Manager.** Reported
- B. Operations and Maintenance Summary, February.** Reported

7. Public Hearings

- A. Adopt an Ordinance Updating the Fees Charged to Connect to the Sewer System.** Catherine Hansford, Hansford Economic Consulting gave a presentation on the updated fees charged to connect to the sewer system.

Motion: Adopt Ordinance 2023-01 of the Donner Summit Public Utility Updating the Fees Charged to Connect to the Sewer System
By: Dawn Parkhurst
Second: Phil Gamick
Roll Call Vote
Cathy Preis - Aye
Phil Gamick - Aye
Joni Kaufman - Absent
Dawn Parkhurst - Aye
Craig Combs - Aye
Motion Carries

8. Action Items

- A. Adopt a Resolution Approving an Updated Employee Handbook. General Manager.** General Manager, Steven Palmer, presented the Updated Employee Handbook.

Adopt Resolution 2023-06 Approving an Updated Employee Handbook
By: Phil Gamick
Second: Dawn Parkhurst
Roll Call Vote
Cathy Preis - Aye
Phil Gamick - Aye
Craig Combs - Aye
Joni Kaufman - Absent
Dawn Parkhurst - Aye
Motion Carries

- 9. Director Reports:** *In accordance with Government Code Section 54954.2(a), Directors may make brief announcements or brief reports on their own activities (concerning the District). They may ask questions for clarification make a referral to staff or take action to have staff place a matter of business on a future agenda.*

10. Adjournment

Motion: **Adjourn Meeting at 7:27 p.m.**
By: Phil Gamick
Second: Craig Combs
Vote: 4 Ayes, 0 Noes, 1 Absent, 0 Abstain, 0 Vacancy
Motion Carries

Schedule of Upcoming Meetings

Regular Meeting – April 18, 2023
Regular Meeting – May 16, 2023
Regular Meeting – June 20, 2023

Respectfully Submitted,

Deleane Mehler

Deleane Mehler
Administrative Assistant

Agenda Item: 5C

Safety / Plant Training Donner Summit PUD WWTP

- **Safety Topics** : March 2023
 - Small Tools Safety

- **Training Notes** :
 - DVD

Attendance :

1. Justin Vosburgh



2. Sean Patrick



3. Josh Shelton



4. Jim King



5. Deleane Mehler



6. Steve Palmer

7. Paul Schott



Agenda Item: 5D



STAFF REPORT

TO: Board of Directors

PREPARED BY: Steven Palmer, PE, General Manager *SP*

SUBJECT: Approve Engagement Letter with Gibson & Company for an Audit of Financial Statements for the Fiscal Year Ending June 30, 2023

RECOMMENDATION

Approve engagement letter with Gibson & Company for an Audit of Financial Statements for the Fiscal Year Ending June 30, 2023 and authorize General Manager to sign.

BACKGROUND

An annual audit of Donner Summit Public Utility District (District) is required by state law. Gibson & Company, Inc. is a certified public accountant and well qualified to perform this work, and has been preparing annual audits for the District since 2006.

DISCUSSION

Gibson & Company, Inc. has provided the attached Engagement Letter for the District to approve and sign (Attachment 1). The letter details the scope of services that will be provided. The scope complies with all audit requirements and details how their work will comply with auditing standards generally accepted in the United States of America and the standards for financial audits contained in the Government Auditing Standards, issued by the Comptroller General of the United States. The scope generally includes the following tasks:

- Audit of financial statements to obtain reasonable assurance that they are free from material misstatements
- Evaluate appropriateness of accounting policies and financial statements
- Inquiries of management regarding methods of preparing the information and basic financial statements

ANALYSIS

In order to complete the audit, the Board needs to approve the engagement letter and authorize the General Manager to sign.

FISCAL IMPACT

The fee for these services is not to exceed \$31,000, which is the same as the agreement from last fiscal year.

CEQA ASSESSMENT

This is not a CEQA Project

ATTACHMENTS

1. Engagement Letter

April 18, 2023

Agenda Item: 5D

Attachment 1

MICHAEL V. GIBSON, C.P.A.

CATHERINE E. GIBSON, C.P.A.

JOSEPH A. JULIO, C.P.A.

FORREST M. GIBSON, ADMIN.

GIBSON & COMPANY, INC.
CERTIFIED PUBLIC ACCOUNTANT

4600 NORTHGATE BLVD., SUITE 115 • SACRAMENTO, CALIFORNIA 95834-1121
(916) 484-1252 FAX (916) 484-1123
WEBSITE WWW.GIBSONCOCPA.COM

March 28, 2023

Board of Directors and General Manager
Donner Summit Public Utility District
P.O. Box 610
Soda Springs, CA 95728

We are pleased to confirm our understanding of the services we are to provide Donner Summit Public Utility District for the year ended June 30, 2023.

Audit Scope and Objectives

We will audit the financial statements of the business-type activities, and the disclosures, which collectively comprise the basic financial statements of Donner Summit Public Utility District as of and for the year ended June 30, 2023. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Donner Summit Public Utility District's 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. As part of our engagement, we will apply certain limited procedures to Donner Summit Public Utility District's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding 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 will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient appropriate evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

1. Management's Discussion and Analysis.

We will also prepare your California Special Districts Financial Transaction Report for the year ended June 30, 2023.

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The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP; and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and Government Auditing Standards will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement of a reasonable user made based on the financial statements.

We have advised you of the limitations of our audit regarding the detection of fraud and the possible effect on the financial statements (including misappropriation of cash or other assets). We have offered to perform, as a separate engagement, extended procedures specifically designed to detect fraud and you have declined to engage us to do so at this time.

The objectives also include reporting on internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with Government Auditing Standards.

Auditor's Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS and the standards for financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and will include tests of your accounting records of Donner Summit Public Utility District and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and Government Auditing Standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, Government Auditing Standards do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

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Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and Government Auditing Standards. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

In connection with this engagement, we may communicate with you or others via email transmission. As emails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant that emails from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for interception or unintentional disclosure of emails transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of email transmissions, including any consequential, incidental, direct, indirect, or special damages, such as loss of revenues or anticipated profits, or disclosure or communication of confidential or proprietary information.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement and they may bill you for responding to this inquiry.

We have identified the following significant risks of material misstatement based on our prior year audit.

1. Limited separation of duties
2. Risks related to revenue being misstated

Planning for the current year audit has not concluded and modifications to the significant risks noted above may be made.

We may, from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Our audit of financial statements does not relieve you of your responsibilities.

Audit Procedures – Internal Control

We will obtain an understanding of the government and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Government Auditing Standards. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and Government Auditing Standards.

Audit Procedures-Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Donner Summit Public Utility District's compliance with provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to Government Auditing Standards.

Other Services

We will also assist in preparing the financial statements and related notes of Donner Summit Public Utility District in conformity with accounting principles generally accepted in the United States of America, preparing the California Special Districts Financial Transaction Report, maintaining your depreciation schedule, and preparing journal entries other than proposed audit entries based on information provided by you. These nonaudit services do not constitute an audit under Government Auditing Standards and such services will not be conducted in accordance with Government Auditing Standards. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services and additional items above previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with accounting principles generally accepted in the United States of America, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by GAAS and Government Auditing Standards.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts or grant agreements that we report.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with accounting principles generally accepted in the United States of America (GAAP). You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

With regard to publishing the financial statements on your website, you understand that websites are a means of distributing information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information on the website with the original document.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing. We will schedule the engagement based in part on deadlines, working conditions, and the availability of your key personnel. We will plan the engagement based on the assumption that your personnel will cooperate and provide assistance by performing tasks such as preparing requested schedules, retrieving supporting documents, and preparing confirmations. If, for whatever reason, your personnel are unavailable to provide the necessary assistance in a timely manner, it may substantially increase the work we have to do to complete the engagement within the established deadlines, resulting in an increase in fees over our original fee estimate.

We will provide copies of our reports to the District; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Gibson & Company, Inc., Certified Public Accountant and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the State of California or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Gibson & Company, Inc. Certified Public Accountant personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of seven years after the report release date or for any additional period requested by the State of California. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Michael V. Gibson is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. We expect to begin our audit approximately August 21, 2023 and to issue our reports no later than October 31, 2023.

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Our audit engagement ends on delivery of our audit report. Any follow-up services that might be required will be a separate, new engagement. The terms and conditions of that new engagement will be governed by a new, specific engagement letter for that service.

Our fee for services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree our gross fee, including expenses, will not exceed \$31,000. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

In addition, this fee estimate is based on Generally Accepted Government Accounting Standards (GAGAS) in effect as of June 30, 2022. The Governmental Accounting Standards Board (GASB) has issued and continues to issue several amendments and additions to these standards. In the event we need to spend additional time to perform extensive adjustments to your accounting records or substantial reformatting of the financial statements or the related disclosures as a result of these unknown changes, our additional time will be billed above our fees quoted above. We will discuss this with you when and if we encounter such a situation.

By signing this engagement letter, you agree to submit any dispute concerning the quality or timeliness of our services to final and binding arbitration conducted under the Rules of the American Arbitration Association which pertains to the resolution of claims against accountants. The arbitrator shall have the authority to award compensatory damages, but only for such damages as found to have been directly and solely caused by acts, errors, or omissions committed in violation of our professional duties. The arbitrator (or one of the arbitrators) shall be a certified public accountant with at least 20 years of experience in public accountancy.

By signing this engagement letter, you acknowledge and agree to our records retention policy. This policy states that all records for continuing clients of the firm will be destroyed after 7 years from this engagement date. Once the firm's relationship with a client comes to a close, our policy states that all records regarding that client will be destroyed after 4 years from the engagement date (except for files regarding financial statement audit engagements, which will be destroyed after 7 years). Gibson and Company, Inc. reserves the right to make exceptions to this policy at its sole discretion. Once our files are destroyed, the only record of your engagement will be copies we provided to you at the time of the engagement.

You may request that we perform additional services not addressed in this engagement letter. If this occurs, we will communicate with you regarding the scope of the additional services and the estimated fees. We also may issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter.

By executing this engagement letter you consent to Gibson & Company, Inc. CPA using your engagement information as a source of information to send you, by any medium, our newsletters or other communications. This consent is valid for five years.

Reporting

We will issue a written report upon completion of our audit of Donner Summit Public Utility District's financial statements. Our report will be addressed to management and those charged with governance of Donner Summit Public Utility District. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If circumstances occur related to the condition of your records, the availability of sufficient, appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements caused by error, fraudulent financial reporting, or misappropriation of assets, which in our professional judgment prevent us from completing the audit or forming an opinion on the financial statements, we retain the right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawing from the engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by Government Auditing Standards. The report on internal control and on compliance and other matters will state (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. The report will also state that the report is not suitable for any other purpose. If during our audit we become aware that Donner Summit Public Utility District is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in Government Auditing Standards may not satisfy the relevant legal, regulatory, or contractual requirements.

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You have requested that we provide you with a copy of our most recent external peer review report and any subsequent reports received during the contract period. Accordingly, our 2021 peer review report accompanies this letter.

We appreciate the opportunity to be of service to Donner Summit Public Utility District and believe this letter accurately summarizes the significant terms of our engagement. If you have questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign below and return it to us.

Very truly yours,

GIBSON & COMPANY, INC.



Michael V. Gibson
Certified Public Accountant

RESPONSE:

This letter correctly sets forth the understanding of Donner Summit Public Utility District.

Management Signature: _____

Title: _____

Date: _____

Governance Signature: _____

Title: _____

Date: _____



Report on the Firm's System of Quality Control

December 31, 2021

To the Partners of
Gibson & Company, Inc., CPA
and the Peer Review Committee of the California Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Gibson & Company, Inc., CPA (the firm) in effect for the year ended March 31, 2021. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act, and audits of employee benefit plans.

Gibson & Company, Inc., CPA
and the Peer Review Committee of the California Society of CPAs
December 31, 2021
Page 2

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Gibson & Company, Inc., CPA in effect for the year ended March 31, 2021, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of pass, pass with deficiency(ies) or fail. Gibson & Company, Inc., CPA has received a peer review rating of pass.

HKG, LLP
Pasadena, CA

Agenda Item: 6A



STAFF REPORT

TO: Board of Directors

PREPARED BY: Steven Palmer, PE, General Manager *SP*

SUBJECT: General Manager Report

Project Updates

Sugar Bowl West and East Village Sewer Project

- Agreement with Rollins PR for Public Outreach in the amount of \$9,665 has been executed.
- Schedule being updated by Auerbach
- Design work for West Village re-starting week of April 10, 2023

Other Items

- Newly adopted wastewater capacity fee ordinance has been posted in the newspaper, on the District website, and in public view within the District. The new fees become effective on April 21, 2023.

Upcoming Board Items

- Sugar Bowl Sewer East and West Village Wastewater Infrastructure Fee Program
- Draft Budget and Capital Improvement Plan
- Annual Appropriations Limit
- Delinquent Utility Billing for Tax Roll
- Annual Special Tax Levy for CFD No 1 and 3
- Water Resiliency Study Update

Agenda Item: 6B

DONNER SUMMIT

PUBLIC UTILITY DISTRICT

WASTEWATER AND FRESH WATER

TREATMENT PLANTS

END OF MONTH OPERATIONS AND MAINTENANCE

SUMMARY

March 2023

**April 18, 2023
Agenda Item: 6B**

**Donner Summit Public Utility District
Waste Water Flow Data**

MONTH OF March 2023		DSPUD Influent	SLCWD Influent	Total Plant Influent	Total Plant Influent	Total Plant EFF River	Total Plant EFF Snow Storage	Total Plant EFF Snow Delivery	DSPUD Fresh Water Treated	SLCWD Fresh Water Treated	Weather	Comments
DATE	DAY	MGD	MGD	MGD	Totalizer	MGD	MGD	MGD	MGD	MGD	Cond	
03/01/23	WED	0.14507	0.04293	0.18800	2.28510	0.180			0.175	0.0000	Snow	30" Snow
03/02/23	THU	0.17575	0.05525	0.23100		0.235			0.154	0.0867	Clear	
03/03/23	FRI	0.20600	0.05100	0.25700		0.231			0.194	0.0000	Clear	
03/04/23	SAT	0.17173	0.05327	0.22500		0.230			0.126	0.0000	Cloudy	
03/05/23	SUN	0.17684	0.04816	0.22500		0.231			0.113	0.0000	Cloudy	
03/06/23	MON	0.18397	0.06903	0.25300		0.234			0.166	0.0812	Snow	12" Snow
03/07/23	TUE	0.20162	0.04438	0.24600		0.250			0.231	0.0485	Snow	21" Snow
03/08/23	WED	0.24059	0.04741	0.28800		0.236			0.189	0.0555	Snow	12" Snow
03/09/23	THU	0.22900	0.05500	0.28400		0.266			0.190	0.0351	Snow	6" Snow
03/10/23	FRI	0.26757	0.06943	0.33700		0.332			0.217	0.0000	Clear	
03/11/23	SAT	0.21786	0.05714	0.27500		0.201			0.211	0.0000	Rain/Snow	6" Snow
03/12/23	SUN	0.19284	0.08216	0.27500		0.503			0.187	0.0646	Snow	5" Snow
03/13/23	MON	0.19228	0.11672	0.30900		0.348			0.174	0.0292	Snow	12" Snow
03/14/23	TUE	0.20290	0.08510	0.28800		0.317			0.159	0.0926	Snow	16" Snow
03/15/23	WED	0.23368	0.12132	0.35500		0.383			0.182	0.1022	Snow	11" Snow
03/16/23	THU	0.26364	0.10736	0.37100		0.422			0.211	0.0901	Lt Snow	2" Snow
03/17/23	FRI	0.23138	0.11162	0.34300		0.434			0.124	0.0650	Clear	
03/18/23	SAT	0.24791	0.12209	0.37000		0.396			0.153	0.0716	Clear	
03/19/23	SUN	0.28560	0.10140	0.38700		0.387			0.118	0.0325	Clear	
03/20/23	MON	0.21040	0.09160	0.30200		0.302			0.239	0.0898	Snow	1" Snow
03/21/23	TUE	0.18205	0.09395	0.27600		0.276			0.116	0.0971	Snow	3" Snow
03/22/23	WED	0.18540	0.08560	0.27100		0.271			0.194	0.1078	Clear	
03/23/23	THU	0.18450	0.08050	0.26500		0.265			0.200	0.0509	Snow	1" Snow
03/24/23	FRI	0.20598	0.07202	0.27800		0.278			0.228	0.0285	Snow	4" Snow
03/25/23	SAT	0.18301	0.09099	0.27400		0.274			0.247	0.0517	Snow	6" Snow
03/26/23	SUN	0.25295	0.08505	0.33800		0.338			0.241	0.0361	Clear	
03/27/23	MON	0.24485	0.08815	0.33300		0.333			0.180	0.1131	Lt Snow	1" Snow
03/28/23	TUE	0.20381	0.07519	0.27900		0.282			0.120	0.0357	Clear	
03/29/23	WED	0.19952	0.07848	0.27800		0.260			0.150	0.0456	Cloudy	
03/30/23	THU	0.21048	0.10752	0.31800		0.257			0.200	0.0640	Snow	18" Snow
03/31/23	FRI	0.26946	0.09254	0.36200		0.353			0.175	0.0397	Cloudy	
					2.3764000							167" Snow
3/2023 Daily Totals		6.59864	2.48236	9.08100	N/A	9.305	0.000	0.000	5.5640	1.6147		5" Snow
3/2023 Totalizer Total		6.64764	2.48236	9.13000	9.13000	9.305	0.0000	0.000	5.3200	1.7880		
Difference		0.04900	0.00000	0.04900	N/A	0.0000	0.0000	N/A	-0.2440	0.1733		
Percentage Difference		0.74%	0.000%	0.537%	N/A	0.000%	#DIV/0!	N/A	-4.586%	9.695%		
3/2023 AVG/DAY		214,440	80,076	294,516	294,516	300,161	0	0	171,613	57,677		
3/2022 Totalizer Total		5.50666	2.38454	7.8912	7.8912	8.786	0.000	0.510	5.1660	1.642000		
3/2022 AVG/DAY		177,634	76,921	254,555	254,555	283,419	0	16,452	166,645	52,968		

Donner Summit Public Utility District WWTP & WTP End of Month Operations and Maintenance Summary

Prepared for: Steve Palmer, General Manager

Prepared by: Jim King, Plant Manager

Date: March 2023

Operations WWTP

- ◆ Flows to river discharge 9.3 MG.
- ◆ Continued lime slurry feed.
- ◆ Completed and sent into the state the annual GeoTech report on the districts annual recycled water production and use.



- ◆ Staff spent most days dealing with heavy snow and multiple days clearing snow from equipment and buildings.
- ◆ Continued feeding and adjusting the ammonia and Micro C for winter operation.
- ◆ Staff dealt with minor power outages throughout the district.
- ◆ Removed 9' of clear water from the solids holding tank for added winter storage.

Operations Water Plant

- ◆ Completed and sent out monthly potable water reports to DHS.
- ◆ Worked on snow removal for many days.



Repairs and Maintenance WWTP

- ◆ Cleared out snow from the headworks heater for repair work to be completed by EMCOR.
- ◆ Swapped out membrane Train1, Skid2 permeate pump due to failure.
- ◆ Conducted maintenance change out of old UV Bulbs.



- ◆ Greased the loader.
- ◆ Installed a new faucet in the administration bathroom.

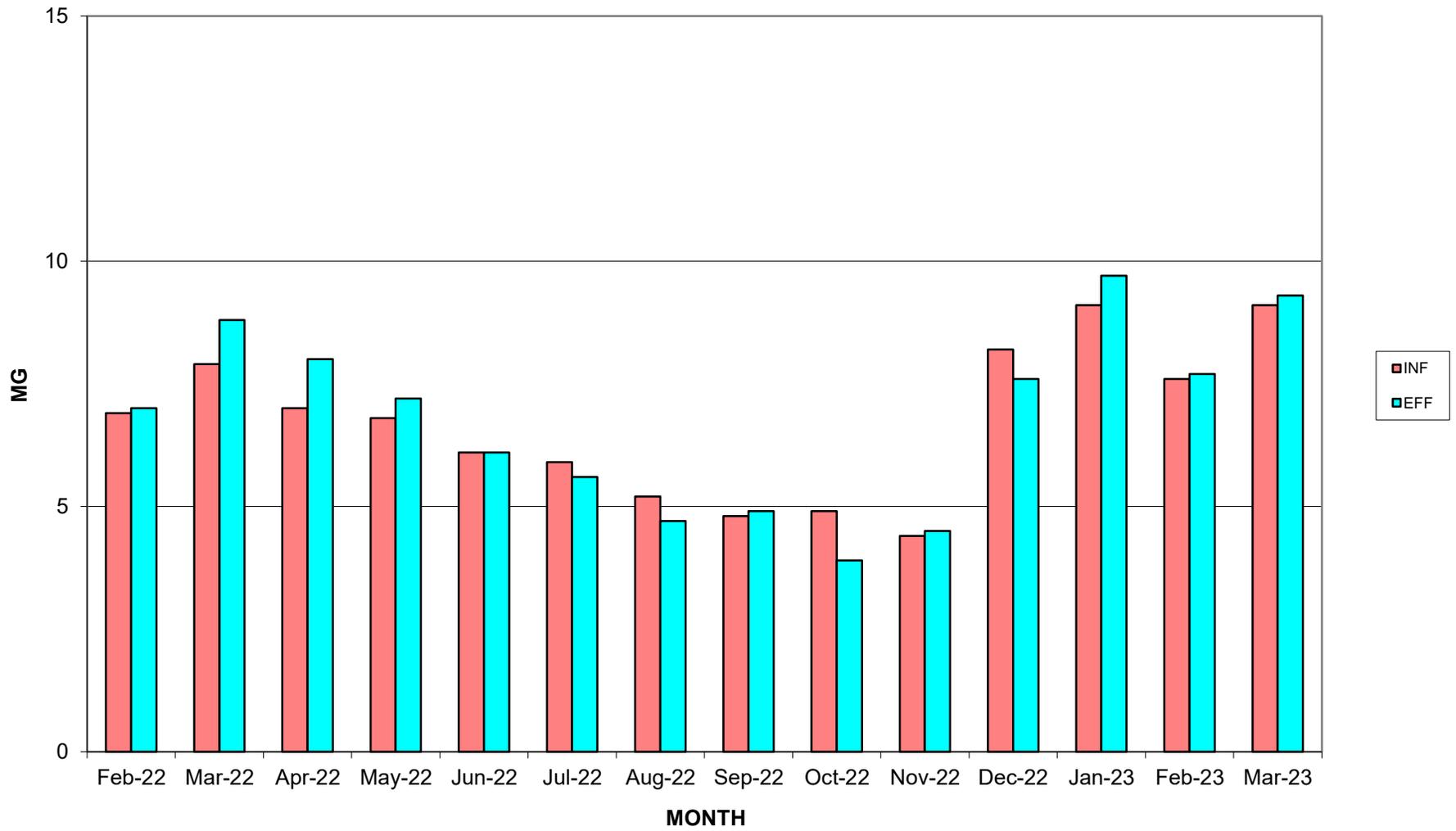
Repairs and Maintenance WTP

- ◆ No major repairs needed this month.

Laboratory

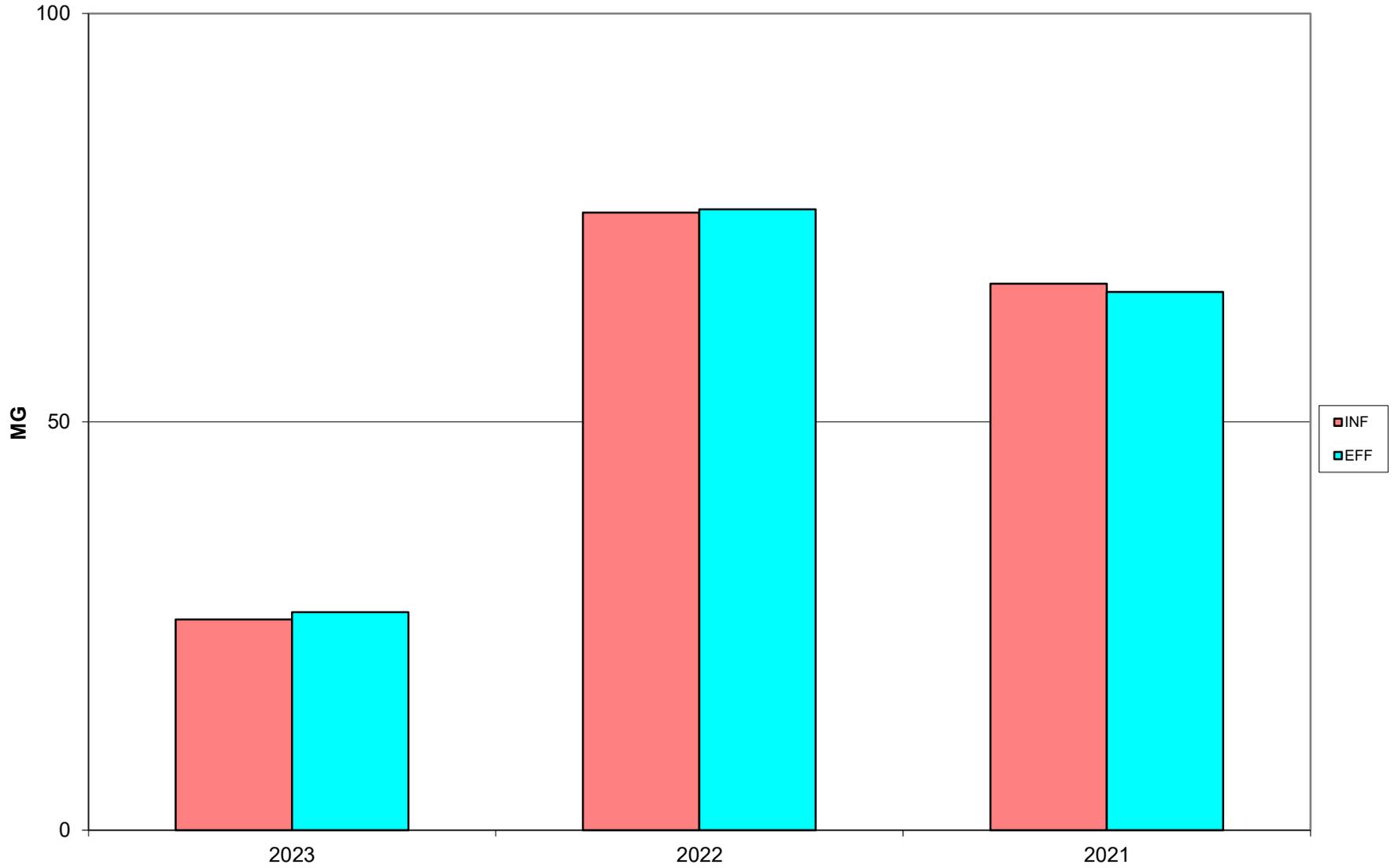
- ◆ Continued river discharge monitoring.

DONNER SUMMIT PUD WWTP
TOTAL INFLUENT FLOW TO TOTAL EFFLUENT FLOW
YEAR 2022/2023

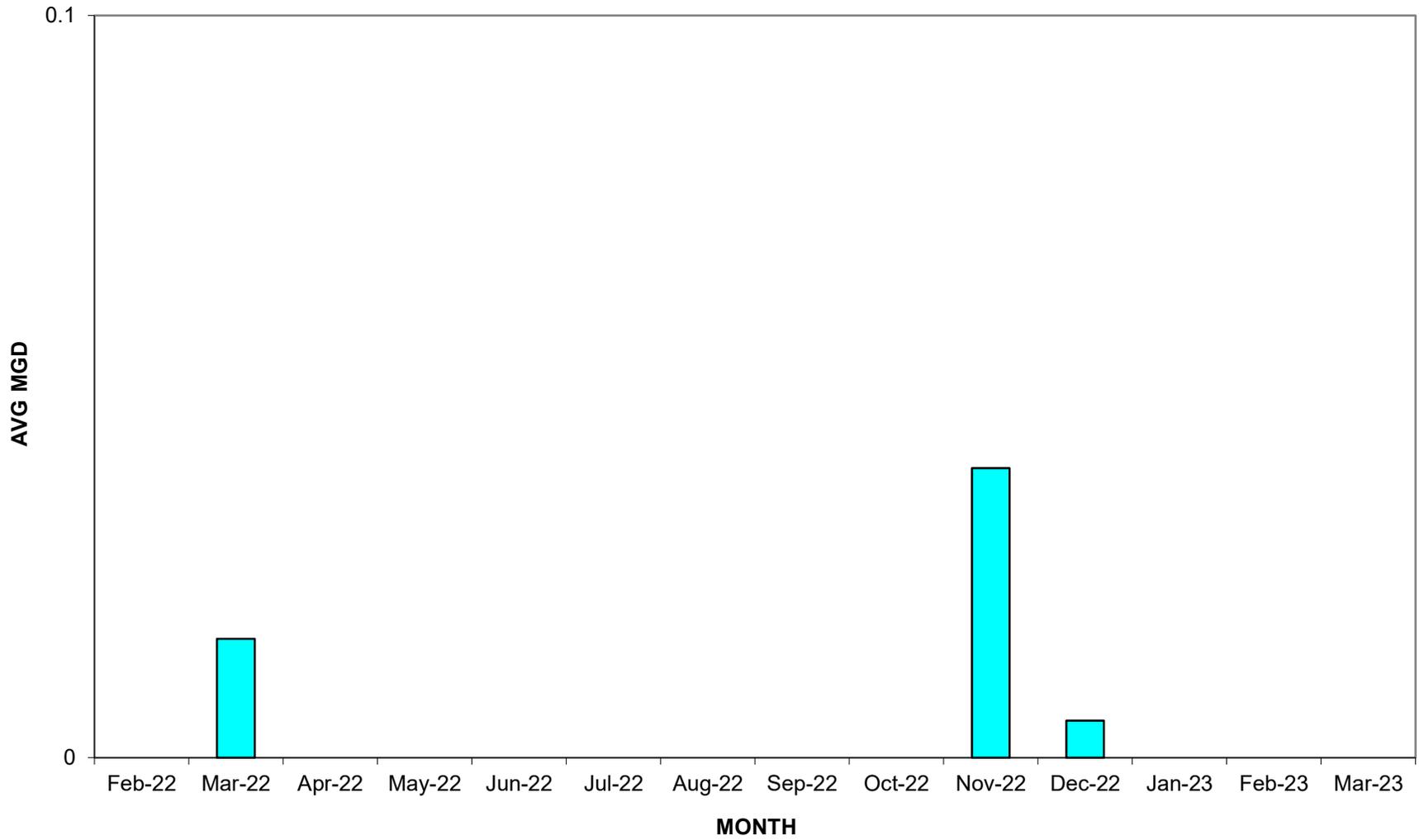


April 18, 2023
Agenda Item: 6B

DONNER SUMMIT PUD WWTP
ANNUAL TOTAL INFLUENT FLOW TO TOTAL EFFLUENT FLOW
2023 DATA THROUGH MARCH



DONNER SUMMIT PUD WWTP
AVG EFFLUENT FLOW TO SNOW STORAGE/PRODUCTION
YEARS 2022/2023



Agenda Item: 7A



STAFF REPORT

TO: Board of Directors

PREPARED BY: Steven Palmer, PE, General Manager *SP*

SUBJECT: Financial Health Checkup

RECOMMENDATION

Receive 2022 Financial Health Checkup.

BACKGROUND

The State of California and US Environmental Protection Agency make various technical resources available to small water systems through the Environmental Finance Center Network's Smart Water Management for Small Water Systems project managed by the University of North Carolina at Chapel Hill (EFCN). These resources are provided to small water and wastewater systems at no charge to the local system.

One resource offered is a Financial Health Checkup for Water and Wastewater Utilities. This Checkup provides an assessment of the financial performance of a water and/wastewater utility fund. The Checkup uses financial data readily available from annual financial statements (ie. audits) to compute key financial indicators that measure the ability to pay debt service, availability of cash to pay for operations and maintenance, the sufficiency of revenues generated, etc. These Indicators are compared to targets to demonstrate the financial health of the utility fund over the past 5 years.

DISCUSSION

The General Manager contacted the EFCN and provided them with copies of the District's audited financial statements from the last 5 years (FYE 2018-2022). The EFCN utilized the financial data to perform a Financial Health Checkup for District. The results are included as Attachment 1 and are summarized in this report. The results of the Checkup are being provided as informational to the Board and the community so that informed decisions can be made about future District budgets, rates, fees, and other financial decisions.

I. Financial Data Input

The financial data that was input into the Checkup are listed in the table below.

Financial Data	2018	2019	2020	2021	2022
Operating Revenues	\$ 2,977,262	\$ 3,123,711	\$ 3,052,694	\$ 3,228,408	\$ 3,746,096
Operating Expenses	\$ 3,413,155	\$ 3,673,872	\$ 3,510,172	\$ 3,665,106	\$ 3,671,237
Depreciation/Amor	\$ 791,123	\$ 803,877	\$ 806,926	\$ 895,859	\$ 875,748
Debt Principal Payments	\$ 699,772	\$ 716,935	\$ 727,911	\$ 777,756	\$ 714,547
Debt Interest Payments	\$ 134,577	\$ 126,441	\$ 119,144	\$ 126,656	\$ 130,117
Current Assets, excluding inventories, restricted cash, prepaids	\$ 2,670,519	\$ 2,237,754	\$ 1,673,603	\$ 1,067,580	\$ 847,881
Current Liabilities, excluding deposits & bond anticipation notes	\$ 1,085,093	\$ 1,049,607	\$ 1,084,198	\$ 1,126,761	\$ 1,039,342
Unrestricted Cash & Investments	\$ 2,670,519	\$ 2,237,754	\$ 1,673,603	\$ 1,067,580	\$ 847,881
Total Accumulated Depreciation	\$ 9,672,284	\$10,474,062	\$11,199,312	\$11,818,090	\$12,675,387
Total Depreciable Capital Assets	\$37,361,610	\$37,454,884	\$38,137,258	\$38,145,741	\$38,392,034

II. Financial Indicators

A. Operating Ratio

The Operating Ratio illustrates whether the revenues are sufficient to fund operations. The formula to calculate the Operating Ratio is the Operating Revenue divided by the Operating Expenses. This Indicator is calculated two different ways; once including depreciation, and once excluding depreciation. Depreciation is used as a surrogate for capital needs. Depreciation amount is often insufficient to cover actual capital and infrastructure needs, but it is useful to track the Operating Ratio with depreciation over time. If these Indicators are less than one, this means that the District is spending from reserves. The recommended benchmarks and the Districts values are summarized below.

Indicator	Target	District Value
Operating Ratio With Depreciation	1.0 to 1.2	1.02
Operating Ratio Without Depreciation	1.0 to 1.5	1.34

The District's Operating Ratios are within the target range however the Operating Ratio With Depreciation needs to be evaluated further. The Operating Ratio Without Depreciation is at 1.34 which indicates that the District revenue is sufficient to pay for operations and maintenance. The Operating Ratio With Depreciation is at the minimum target, which indicates that the District revenue barely meets capital replacement needs. This indicates

that the District should consider dedicating more funds towards capital needs and increasing this Indicator to 1.2.

The Financial Health Checkup also includes graphs showing the five-year trends for these Indicators. These graphs show that the Operating Ratios were flat between FY2018 and FY2021, and increased from FY2021 and FY2022. Additionally, the graphs show that the Operating Ratio With Depreciation was below the minimum benchmark of 1.0 for FY2018 through FY2021 and only reached a value of 1.0 in FY2022. The recent improvement in the Operating Ratios is due to the increased revenue from the rate increases that were approved by the Board in 2021 and were effective in July 2021.

B. Debt Service Coverage Ratio

The Debt Service Coverage Ratio measures the ability of the District to pay debt service with operating revenue. It is calculated by subtracting the operating expenses and depreciation from the operating revenue then dividing by the total debt payments (principal and interest). The target for this Indicator is 1.2. The District's current Debt Service Coverage Ratio is 1.13. As approved by the Board in 2021, utility rates increased on July 1, 2022 and will increase again on July 1, 2023. Due to the already approved rate increases, the General Manager expects that this Indicator will continue to increase and will meet the target of 1.2 on June 30, 2023.

The Financial Health Checkup graph of the five-year trend for the Debt Service Coverage Ratio shows that it was 0.5 or less from FY2018 through FY2021, and increased to 1.13 in FY2022. The recent improvement in the Debt Service Coverage Ratio is due to the increased revenue from the rate increases that were approved by the Board in 2021 and were effective in July 2021.

C. Quick Ratio

The Quick Ratio measures the ability of the District to pay its bills with unrestricted assets at the end of the fiscal year. This is an indicator of the District's short term liquidity. The Quick Ratio is calculated by dividing the current unrestricted assets by the current liabilities. EFCN indicates that it is good practice for this Indicator to be 2.0 with a minimum value of 1.0. The District's Quick Ratio for June 30, 2022 was 0.8

The Financial Health Checkup graph of the five-year trend for the Quick Ratio shows that it was 2.4 on June 30, 2018 and decreased to 0.8 on June 30, 2022. The Quick Ratio decreased significantly between June 30, 2018 and June 30, 2021 and began to stabilize between June 30, 2021 and June 30, 2022.

This Indicator shows that the District needs to consider increasing its unrestricted assets (ie. operating fund cash) with the goal of increasing the Quick Ratio to 2.0.

D. Days Cash on Hand

Days Cash on Hand measures the ability of the District to withstand a temporary reduction or disruption in revenue and still continue paying for daily operations and maintenance. In other words, it is an estimate of the number of days the District could operate without receiving revenue. Days Cash on Hand is calculated by dividing the unrestricted cash and investments by the total operating expenses excluding depreciation. According to EFCN, it is good practice for this Indicator to be greater than or less than 180 days. It should be more than enough to last one billing cycle. The District's Days Cash on Hand on June 30, 2022 was 111, which is less than the target of 180 days.

The graph of the five-year trend for this indicator shows that it has steadily decreased from 372 days on June 30, 2018 to 111 days on June 30, 2022. This decrease indicates that the District has been using money from cash reserves for expenses. Since the Operating Ratio Without Depreciation was greater than 1.0 and the Debt Service Coverage Ratio was less than 1.0 during the same period, the decrease in cash reserves is attributed to capital expenses and debt service.

E. Percent of Capital Assets Depreciated

The Percent of Capital Assets Depreciated is a measure of how much of the District's assets have been depreciated. This Indicator is calculated by dividing the total accumulated depreciation by the value of the total depreciable capital assets. A value of one hundred percent indicates that all of the District's assets have reached the end of their service life and need replacement. A value of zero percent indicates that all of the District's assets are brand new. This Indicator should never get near 100% and EFCN recommends a target of less than or equal to 35%. The District's Percent of Capital Assets Depreciated is 33%, which is considered acceptable. This value indicates that a large percentage of the District's assets still have considerable useful life remaining.

The graph of the five-year trend shows that this Indicator has decreased from 26% on June 30, 2018 to 33% on June 30, 2022. This illustrates the rate at which the District assets are aging.

ANALYSIS

The Financial Health Checkup for June 30, 2022 indicates the following:

1. District revenues are sufficient to pay for operations and maintenance.
The Operating Ratio Without Depreciation is 1.34, which is near the target of 1.5. Also, this Indicator has been increasing since the 2021 rate update. This data indicates that revenues were sufficient for day-to-day operations for year end June 30, 2022.
2. District revenues are marginally sufficient to pay for debt service.
The Debt Service Coverage Ratio target is 1.2 and the value on June 30, 2022 was 1.13. This Indicator increased significantly during FY2022 and is anticipated to reach to the target during FY2023.
3. District cash reserves do not meet recommendations.
The Quick Ratio of 0.8 is less than the minimum of 1.0 and target of 2.0. Additionally, Days Cash on Hand on June 30, 2022 was 111 days. This is less than the EFCN target of 180 days. The Board adopted Reserve Policy sets a goal of 4 to 6 months (120 to 180 days) of operating costs for unrestricted cash.
4. District revenues may not be sufficient to adequately fund capital expenses.
The Operating Ratio With Depreciation is 1.02, which equals the minimum value and is less than the recommended target of 1.2. This indicates that the District is funding the bare minimum for capital replacements. A more thorough evaluation would also consider an asset management plan, capital improvement program, and capital reserve needs. For example, the District has adopted a Reserve Policy which includes a goal that the Capital Reserves be 50% of the total five-year expenditures shown in the adopted capital improvement plan. Due to operating cash and restricted cash requirements, the District currently does not have any cash allocated to Capital Reserves.

FISCAL IMPACT

This item is informational only so there is no fiscal impact.

CEQA ASSESSMENT

This is not a CEQA Project.

ATTACHMENTS

1. Financial Health Checkup



Financial data input worksheet

Step 1: Type in your utility's information in the green cells below.

Prepared by: Hope Thomson
Date prepared: January 27, 2022

Utility / Organization: Donner Summit Public Utility District

End date of the most recent financial statement used: 6/30/2022

Key	Field in the financial statement/CAFR	Fiscal Year End				
		2018	2019	2020	2021	2022
[1]	Total Operating Revenues	\$ 2,977,262	\$ 3,123,711	\$ 3,052,694	\$ 3,228,408	\$ 3,746,096
[2]	Total Operating Expenses	\$ 3,413,155	\$ 3,673,872	\$ 3,510,172	\$ 3,665,106	\$ 3,671,237
[3]	Depreciation & Amortization Expenses	\$ 791,123	\$ 803,877	\$ 806,926	\$ 895,859	\$ 875,748
[4]	Debt Principal Payments	\$ 699,772	\$ 716,935	\$ 727,911	\$ 777,756	\$ 714,547
[4b]	Debt Interest Payments	\$ 134,577	\$ 126,441	\$ 119,144	\$ 126,656	\$ 130,117
[5]	Current Assets, excluding inventories, restricted cash, prepaids	\$ 2,670,519	\$ 2,237,754	\$ 1,673,603	\$ 1,067,580	\$ 847,881
[6]	Current Liabilities, excluding deposits & bond anticipation notes	\$ 1,085,093	\$ 1,049,607	\$ 1,084,198	\$ 1,126,761	\$ 1,039,342
[7]	Unrestricted Cash & Investments	\$ 2,670,519	\$ 2,237,754	\$ 1,673,603	\$ 1,067,580	\$ 847,881
[8]	Total Accumulated Depreciation	\$ 9,672,284	\$ 10,474,062	\$ 11,199,312	\$ 11,818,090	\$ 12,675,387
[9]	Total Depreciable Capital Assets	\$ 37,361,610	\$ 37,454,884	\$ 38,137,258	\$ 38,145,741	\$ 38,392,034

Need help finding these numbers from your audited financial statements?

See examples by clicking links below.

[1]	Total Operating Revenues	Statement of Revenues, Expenses, and Changes in Fund Net Assets - Proprietary Funds
[2]	Total Operating Expenses	
[3]	Depreciation & Amortization Expenses	
[4]	Debt Principal Payments	Statement of Cash Flows - Proprietary Funds
[4b]	Debt Interest Payments	
[5]	Current Assets, excluding restricted cash and prepaid items	Statement of Net Assets (or Net Position) - Proprietary Funds
[6]	Current Liabilities, excluding deposits & bond anticipation notes	
[7]	Unrestricted Cash & Investments	
[8]	Total Accumulated Depreciation	Detail Notes on Capital Assets
[9]	Total Depreciable Capital Assets	

* Note: Assumes audited financials were prepared following GASB generally accepted accounting principles. Names of statements and line items within each statement may vary.



Financial targets (benchmarks) worksheet

Did you generate the revenues needed to pay for O&M and a little for capital?

Operating Ratio (including depreciation)

Measures the profitability of the water and/or wastewater system. It shows whether the utility's revenues from sales are sufficient to cover the cost of operations (O&M) and depreciation, which is used here as a surrogate for capital needs.

[Read more about Operating Ratios in this blog post](#)

Formula

$$\frac{\text{Total Operating Revenues [1]}}{\text{Total Operating Expenses [2]}}$$

Set Your Target:

greater than or equal to: Minimum Benchmark: >1.0
 (you may wish it to be > 1.2)

1.0

Value for Donner Summit Public Utility District in Fiscal Year 2022:

1.02

Did you meet your target?

Did you improve since the previous year?

What's the trend over the last 5 years?

[See Full Size Graph](#)

Did you generate the revenues needed to pay for O&M by itself?

Operating Ratio (not including depreciation)

This version of operating ratio measures whether the utility's revenues from sales are sufficient to cover just the cost of operations and maintenance (without any consideration for capital expenses).

[Read more about Operating Ratios in this blog post](#)

Formula

$$\frac{\text{Total Operating Revenues [1]}}{\text{Total Operating Expenses [2] - Depreciation [3]}}$$

Set Your Target:

greater than or equal to: Minimum Benchmark: >1.0
 (you may wish it to be > 1.5)

1.0

Value for Donner Summit Public Utility District in Fiscal Year 2022:

1.34

Did you meet your target in Fiscal Year 2022?

Did you improve since the previous year?

What's the trend over the last 5 years?

[See Full Size Graph](#)



Financial targets (benchmarks) worksheet

Did you generate the revenues needed to pay for O&M and existing debt service?

Debt Service Coverage Ratio

Measures the ability to pay debt service with operating revenue. This means that after paying off your operating and maintenance costs, you have enough money left over to pay your existing debt service.

Applies only to utilities with debt.

[Read more about Debt Service Coverage Ratios in this blog post](#)

Formula

$$\frac{\text{Total Operating Revenues [1] - (Total Operating Expenses [2] - Depreciation [3])}{\text{(Debt Principal Payments [4] + Debt Interest Payments [4b])}}$$

Set Your Target:

greater than or equal to:

1.2

Minimum Benchmark: >1.0
 (Many bonds covenants require at least 1.2)

Value for Donner Summit Public Utility District in Fiscal Year 2022:

1.13

Did you meet your target in Fiscal Year 2022?



Did you improve since the previous year?



What's the trend over the last 5 years?



[See Full Size Graph](#)

Did you have enough liquidity to pay your current liabilities at the end of the year?

Quick Ratio

Measures short-term liquidity: the system's ability to pay its bills with its unrestricted assets on the day the financial statements are recorded. Remember that assets and liabilities are measured on the day your financial statements are prepared and may not be typical.

[Read more about Quick \(Current\) Ratios in this blog post](#)

Formula

$$\frac{\text{Current Assets excluding restricted assets and prepaid items [5]}}{\text{Current Liabilities excluding deposits and bond}}$$

Set Your Target:

greater than or equal to:

2.0

Minimum Benchmark: >1.0
 (Good practice is at least 2.0)

Value for Donner Summit Public Utility District in Fiscal Year 2022:

0.8

Did you meet your target in Fiscal Year 2022?



Did you improve since the previous year?



What's the trend over the last 5 years?



[See Full Size Graph](#)



Financial targets (benchmarks) worksheet

How many days could you continue to operate the utility with the cash levels available?

Days Cash on Hand

Measures the ability of the system to weather a significant temporary reduction in revenue to continue paying for daily operations and maintenance. How many days could you operate if no new revenue came in?

[Read more about Days Cash on Hand in this blog post](#)

Formula

$$\frac{\text{Unrestricted Cash \& Investments [7]}}{(\text{Total Operating Expenses [2] - Depreciation (within Operating Expenses) [3]} / 365)}$$

Set Your Target:

greater than or equal to:
180

More than enough to last a billing cycle or when you expect a substantial inflow of cash. Good practice is several months.

Value for Donner Summit Public Utility District in Fiscal Year 2022:

111

Did you meet your target in Fiscal Year 2022?



Did you improve since the previous year?



What's the trend over the last 5 years?



[See Full Size Graph](#)

How much have your utility's assets depreciated (nearing the end of their lives)?

Percent of Capital Assets Depreciated

An indicator that measures how much of the assessed value of all of your depreciable assets has already been depreciated. Keep in mind that depreciation is measured by accountants and not by your system engineers. The number may or may not be a good measure of the actual wear and tear on your system.

Formula

$$\frac{\text{Total Accumulated Depreciation [8]}}{\text{Total Depreciable Capital Assets [9]}}$$

Set Your Target:

Less than or equal to:
35%

Don't get close to 100%

Value for Donner Summit Public Utility District in Fiscal Year 2022:

33%

Did you meet your target in Fiscal Year 2022?



Did you improve since the previous year?



What's the trend over the last 5 years (reversed)?



[See Full Size Graph](#)

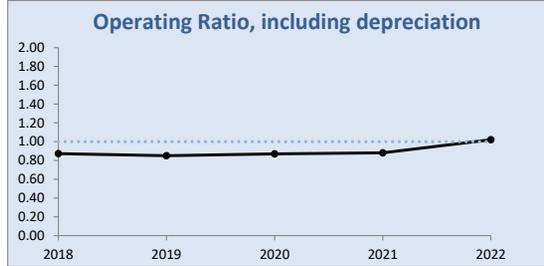


Five-Year Trends

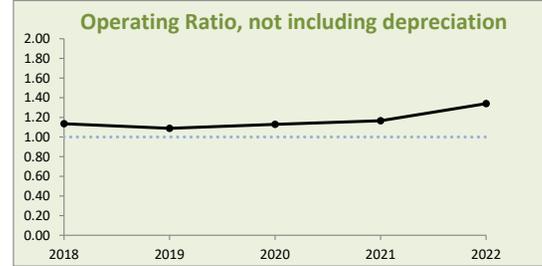
Key: Blue line = target (edit targets in Step 2) ← Above dotted line = exceeded target (good)
Below dotted line = did not meet target (needs improvement)

Assessment for Donner Summit Public Utility District

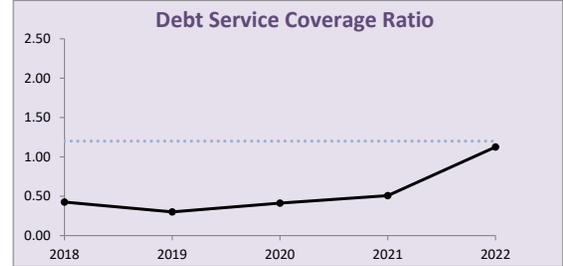
Did you generate the revenues needed to pay for O&M and a little for capital?



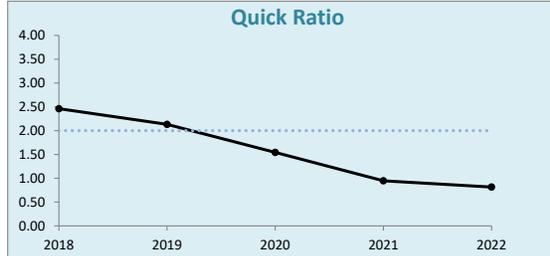
Did you generate the revenues needed to pay for O&M by itself?



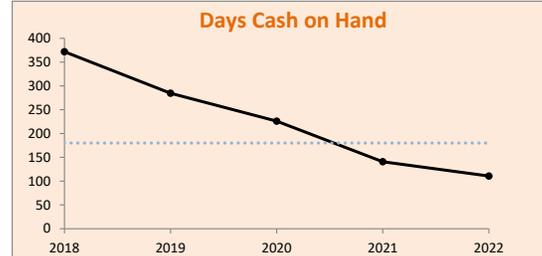
Did you generate the revenues needed to pay for O&M and existing debt service?



Did you have enough liquidity to pay your current liabilities at the end of the year?



How many days could you continue to operate the utility with the cash levels available?



How much have your utility's assets depreciated (nearing the end of their lives)?

