

Special Meeting of the Board of Directors

9751 Merced Falls Road
February 20, 2019 at 1:00 p.m.

Mission Statement: *The Lake Don Pedro CSD is dedicated to providing our customers with ample quantities of high quality water meeting all standards, in a fiscally responsible manner.*

AGENDA

1. CALL TO ORDER: Presiding Officer: Establish Quorum, Pledge of Allegiance:

2. PUBLIC COMMENT:

Any person may address the Board at this time on any matter within the jurisdiction of the Board that is NOT ON THE AGENDA. A maximum of three minutes is allowed each person and a maximum of 20 minutes per topic. Any person wishing to address the Board on an item ON THE AGENDA will be given the opportunity at that time. Speakers are encouraged to consult District Management or Directors prior to agenda preparation regarding any District matters, as no action will be taken on non-agenda issues.

3. PRESENTATION ONLY:

- a. Presiding Officer's Report
- b. General Manager's Report: Peter J. Kampa
- c. Chief Plant Operator's Report: R. Gilgo

4. APPROVAL OF CONSENT AGENDA: The following items may all be approved in one motion or considered separately as determined appropriate by the President

- a. Read and file the January 2019 Treasurer's Report including summary of claims paid
- b. Approval of the Minutes of the Regular Meeting of January 22, 2019
- c. Adoption of a Resolution of Appreciation for Jose Santana for Achieving a State Grade II Water Treatment Certification
- d. Adoption of a CEQA Notice of Exemption for the Lake Don Pedro CSD Surface Water Reliability and Water Treatment Plant Modernization Feasibility Planning Study
- e. Adoption of a Resolution Designating a Representative Authorized to Sign and File a Financial Assistance Application to the State Water Resources Control Board for the Planning and Design of the Lake Don Pedro CSD Surface Water Reliability and Water Treatment Plant Modernization Project, and to Execute the Agreement and any Amendments, Provide Related Assurances, Certifications and Commitments, Certify Disbursements and Related Administration
- f. Adoption of a Resolution Pledging Revenue and Funds for the Payment of Drinking Water State Revolving Fund Financing for the Lake Don Pedro CSD Surface Water Reliability and Water Treatment Plant Modernization Project

5. DISCUSSION AND ACTION ITEMS

- a. Review and Acceptance of the 2017/18 Annual Independent (Financial) Audit
- b. Introduction of the Water Service Line Replacement Project Contractor and Discussion of the Project Construction Process and Schedule
- c. Review of the District Water System Operation and Maintenance Needs, Plans, Status, Opportunities and Constraints

- d. Capital Improvement/Replacement Projects for Infrastructure Reliability, Efficiency and Function
- e. Adoption of a Resolution Accepting the Dedication of the Waterline and Related Appurtenances Serving the Dollar General Store located at 14370 Las Palmas Way, La Grange

6. ADJOURNMENT:

Meeting agendas and written materials supporting agenda items, if produced, can be received by the public for free in advance of the meeting by any of the following options:

- A paper copy viewed at the District office, 9751 Merced Falls Rd., La Grange, CA 95329 during business hours or mailed pursuant to a written request and payment of associated mailing fees
- An electronic copy received by email. Note - a form requesting email delivery of agendas and/or meeting materials must be completed a minimum of one week in advance of the meeting
- Viewed on the Board page of the District's website
- A limited number of copies of agenda materials will also be available at the meeting

Americans with Disabilities Act Compliance: If you require special assistance to participate in Board Meetings, please contact the LDPCSD Board Secretary at (209) 852-2251 Ext. 2.

Advance notification will enable the District to make reasonable arrangements to insure accessibility

LAKE DON PEDRO COMMUNITY SERVICES DISTRICT

OPERATIONS MANAGER REPORT

Board of Directors Meeting
Wednesday, February 20th 2019

Treatment Operations – The plant has continued to operate well with no problems to report at this time.

Plant Maintenance – Maintenance included daily cleaning and calibrating of all our process analysis equipment, chemical injection pump maintenance and filter pump/motor maintenance

Water Distribution System - In the distribution system, staff performed site inspections for all facilities and conducted manual reading of all remote tank/pump site meters and gauges. We have noticed at some stations that the old galvanized piping has rusted out and have started leaking and will need to be replaced along with other minor things such as pump hour meters and pressure gauges. Staff will continue to address these issues in the immediate future one station at a time.

Last week a service line on Paraje had blown out of the corporation stop/service tap causing a huge amount of water loss and significant flooding of customer's property as the customer lives below the roadway and water main. Jose and I had to temporarily repair this leak to prevent any further flooding or property damage until Njirich could come out the following day to replace the service line, corporation stop and tapping saddle. After everything was replaced, we did our best to clean up customers property and restore it to original condition but because of the amount of water, mud, rocks etc. and the rainfall occurring at the time it was a huge chore to not only repair the leak but also to clean up the customers yard from damage and necessary equipment traffic. I have since spoken with the lady and assured her that once the damaged area dries up, we will return to finish grading her front yard and spread rock in the areas that erosion and puddling has occurred. At this time, she is happy with the efforts we have taken and the results thereof.

Aqua Sierra has been on site the past two weeks and has completed installing the new pressure transducers at all the districts tank sites and also completed the necessary programming changes to the S.C.A.D.A. system for the new transducers. I am hopeful that with this new equipment installed, the accuracy of operations and reporting will increase and possibly help reduce water loss due to errors in the tank levels.

Intake – The leak in the raw water main running down Barret Entrance Rd. has yet to be repaired. As I had mentioned in many reports before, we need the assistance of PG&E to support or remove the pole to repair this leak and as of now they haven't responded with a scheduled date.

The district has opted to terminate the contract for the barge with F&S Houseboats. No progress has been made for months and the contractor has been none responsive for the same amount of time so it was in the districts interests to move forward finding someone else to complete the construction.

After a lot of conversations and phone calls, I was able to once again secure Twin Lakes Management to finish the construction of the barge and at the time of writing this report Todd Catt is revising the initial estimate and will provide it to me next week along with a revised scope of work. I was hoping to have it included in this report but I didn't get confirmation of them once again providing their service until just days ago.

Wells – All of the wells continue to operate perfectly at this time.

Customer Service - In customer service, staffs remaining available time was spent responding to customer service requests and work orders that included meter lock offs and unlocks, meter read requests, meter install or removals, leak identification and underground service alerts.

Randy Gilgo
Water Operations Manager/Chief Operator
Lake Don Pedro C.S.D.

LAKE DON PEDRO COMMUNITY SERVICES DISTRICT

Treasurer's Report

Reporting Period: January 2019

The district ended the month of January 2019 with the following balances in our accounts:

* All bank accounts verified against bank statements

Restricted:		
Investment - LAIF	\$	168,371
Total Restricted:		<u>\$ 168,371</u>
Unrestricted:		
Checking	\$	45,672
Money Market - Working Capital	\$	963,667
Petty Cash	\$	<u>125</u>
Total Unrestricted:		<u>\$ 1,009,464</u>
Total Restricted & Unrestricted:		<u>\$ 1,177,835</u>

The district ended January 2019 with the following amounts affecting our financial status:

	Jan-2019	Year to Date
Sales & Business Revenue:	\$ 113,326	\$ 878,774
Total Operating Expenses:	\$ (99,292)	\$ (619,706)
Non-Operating Income/Expense:	\$ (19,976)	\$ (119,845)
Water Drought Income/Expense:	\$ (19,553)	\$ 199,905
Change in Net Assets (P&L):	\$ (25,495)	\$ 339,128
Net Cash Flow:	\$ 68,933	\$ 213,787

Accounts Receivable:

Billing Time Frame	Utility Billing	Availability Billing	A/R Other	A/R Accrue	A/R Water IRWMP	A/R Water USDA
Current	\$ 24,335	\$ -	\$ 73	\$ 97,584	\$ -	\$ -
> 30 Days	\$ 8,009	\$ -	\$ 96	\$ -	\$ 197,936	\$ -
> 60 Days	\$ 607	\$ -	\$ -	\$ -	\$ -	\$ -
> 90 Days	\$ 2,606	\$ -	\$ 14	\$ -	\$ -	\$ -
> 120 Days	\$ 14,603	\$ 186,360	\$ 5,242	\$ -	\$ -	\$ -
Credits	\$ (16,461)					
Total	\$ 33,699	\$ 186,360	\$ 5,425	\$ 97,584	\$ 197,936	\$ -
Total Combined	\$ 317,643		\$ 5,425		\$ 197,936	
G/L Balance	\$ 317,643		\$ 5,425		\$ 197,936	
Difference	\$ -		\$ -			\$ -

* Amount of availability payments received: \$100,732

* Amount of availability payments outstanding: \$85,628

Accounts Payables:

Payable Time Frame	A/P Trade	A/P Accruals	A/P Water Accrual
Current	\$ 63,492	\$ -	\$ 3,910
> 30 Days	\$ -	\$ -	\$ -
> 60 Days	\$ -	\$ -	\$ -
> 90 Days	\$ -	\$ -	\$ -
Credits	\$ -	\$ -	\$ -
Total	\$ 63,492	\$ -	\$ 3,910
G/L Balance	\$ 63,492	\$ -	\$ 3,910
Difference	\$0	\$0	\$0

“ I certify that the District investments have been made in accordance with the Investment Policy. I further certify that the District has adequate revenue to cover its operating expenses for the next six months, in accordance with California Government Code Sections 53646 (b) (2) and (3) respectively”.

Name	Title	Date
------	-------	------

Statement of Revenues and Expenses (P&L)
January 2019 & Year-To-Date Versus 6/30/19 Approved Final Budget

	Jan-19	January vs Budget %	2018-2019 YTD	YTD vs Budget %	2018-2019 Approved Final Budget	Remaining Budget
Revenue						
01-0-3010-301	Meter Reconnection Fee	-	#DIV/0!	200	#DIV/0!	- (200)
01-0-3010-302	Donated Capital - Meters Curre	-	0.00%	20,000	133.33%	15,000 (5,000)
01-0-4010-400	Water Sales Residential	17,377	5.50%	199,166	63.04%	315,917 116,751
01-0-4010-402	Water Availability Revenue	15,530	8.31%	109,721	58.68%	186,971 77,250
01-0-4010-403	Water Service Charges	79,895	8.40%	558,482	58.70%	951,430 392,948
01-0-4020-410	Interest Income - LAIF	1,011	43.55%	2,702	116.36%	2,322 (380)
01-0-4020-413	Int Inc Penalties - Customer	2,211	7.66%	16,828	58.34%	28,847 12,019
01-0-4020-414	Transfer Fee Income	450	5.86%	3,350	43.62%	7,680 4,330
01-0-4020-415	Other Income	448	8.09%	5,022	90.72%	5,536 514
01-0-4020-416	Meter Set Fee	-	0.00%	3,000	166.67%	1,800 (1,200)
01-0-4020-417	Interest Income Guaranty Fed	-	#DIV/0!	-	#DIV/0!	- -
01-0-4020-901	Hydrant Rental	66	34.38%	973	506.77%	192 (781)
01-0-4020-902	Hydrant Consumption	7	15.00%	2,111	4397.92%	48 (2,063)
01-0-4020-999	Avail Fee Income	-	0.00%	1,771	110.22%	1,607 (164)
01-0-4040-100	Lease Fee	2,745	6.35%	18,990	43.96%	43,200 24,210
01-0-4050-575	Office Fire Reimbursement	-	0.00%	-	0.00%	32,000 32,000
TBD	Connection/Capacity Fees	-	-	-	-	-
TBD	Transfer From Reserve	-	-	-	-	-
TOTAL REVENUE	119,741	7.52%	942,317	59.17%	1,592,550	650,233
Expenses						
01-1-5010-100	Regular Pay - Plant	7,754	4.97%	52,626	33.71%	156,093 103,467
01-1-5010-101	Overtime Pay	1,341	7.61%	10,001	56.72%	17,634 7,633
01-1-5010-102	Sick Pay	350	6.31%	2,519	45.45%	5,543 3,024
01-1-5010-104	Vacation Pay	534	7.13%	4,057	54.11%	7,498 3,441
01-1-5010-105	Holiday Pay	412	6.27%	4,129	62.87%	6,568 2,439
01-1-5010-200	PERS	737	7.63%	5,408	55.96%	9,665 4,257
01-1-5010-201	FICA/Medicare	833	6.23%	5,750	43.02%	13,367 7,617
01-1-5010-202	SUI	571	31.54%	868	47.96%	1,810 942
01-1-5010-203	Health Insurance	3,736	6.84%	25,747	47.12%	54,646 28,899
01-1-5010-204	Workers Compensation	571	9.43%	3,975	65.66%	6,054 2,079
01-1-5010-206	Dental Insurance	240	7.01%	1,683	49.09%	3,428 1,745
01-1-5010-207	Vision Care	-	#DIV/0!	-	#DIV/0!	- -
01-1-5010-546	Travel, Meetings & Mileage	-	0.00%	109	3.63%	3,000 2,891
01-1-5020-501	Lease Of Equipment	-	0.00%	-	0.00%	643 643
01-1-5020-510	Repair & Maintenance - Plant	627	3.48%	1,898	10.54%	18,000 16,102
01-1-5020-511	Repair & Maintenance - Vehicle	2,264	19.46%	9,587	82.38%	11,637 2,050
01-1-5020-512	Repair & Maintenance - Distribution	-	0.00%	47,683	80.89%	58,950 11,267
01-1-5020-515	R&M Transmission - Intake	-	0.00%	4,072	40.72%	10,000 5,928
01-1-5020-520	Small Tools & Equipment	1,497	51.22%	1,982	67.79%	2,923 941
01-1-5020-522	Gas, Oil & Lubricant - Plant	272	2.28%	6,935	58.00%	11,956 5,021
01-1-5020-524	Health & Safety	300	5.00%	2,046	34.10%	6,000 3,954
01-1-5020-529	Telephone - T & D	591	7.62%	3,956	51.03%	7,751 3,795
01-1-5020-544	Water Testing Fees	-	0.00%	5,200	27.37%	18,999 13,799
01-1-5020-545	Water System Fees	-	0.00%	3,534	33.86%	10,437 6,903
01-1-5020-548	Water Testing Materials	-	0.00%	612	16.05%	3,811 3,199
01-1-5021-521	Water Treatment Chemicals	6,139	15.35%	15,933	39.83%	40,000 24,067
01-1-5021-524	P G & E Power - Office	188	7.28%	1,536	59.51%	2,581 1,045
01-1-5021-525	P G & E Power - Intake	3,201	4.92%	44,943	69.09%	65,049 20,106
01-1-5021-526	P G & E Power - Well	22	0.75%	159	5.31%	3,000 2,841
01-1-5021-527	P G & E Power - Water Treatment	1,650	4.99%	17,856	53.96%	33,088 15,232
01-1-5021-528	P G & E Power - Distribution	2,264	7.10%	22,839	71.67%	31,868 9,029
01-1-5021-529	P G & E Power - Well 2	1,978	65.93%	8,196	273.20%	3,000 (5,196)
01-1-5021-530	P G & E Power - Medina	686	22.87%	1,902	63.39%	3,000 1,098
01-1-5021-532	P G & E Power - Well 5/6	686	22.87%	1,496	49.87%	3,000 1,504
01-1-5021-561	Purchased Water Actual-mid-p	6,008	7.85%	44,603	58.27%	76,546 31,943
01-1-5023-533	Outside Services	253	0.90%	2,527	8.96%	28,203 25,677
01-1-5023-535	Fire Protection/Weed Control	-	#DIV/0!	-	#DIV/0!	- -
01-1-5023-537	Pest Control	64	1.10%	256	4.39%	5,836 5,580
01-1-5023-538	Engineering Services	88	0.88%	2,135	21.35%	10,000 7,865
01-1-5023-539	Employee Education	-	0.00%	166	4.14%	4,000 3,834

	Jan-19	January vs Budget %	2018-2019 YTD	YTD vs Budget %	2018-2019 Approved Final Budget	Remaining Budget	
01-1-5024-540	Memberships	-	0.00%	400	46.40%	862	462
01-1-5024-542	Publications	286	46.20%	914	147.86%	618	(296)
01-1-5024-543	Licenses, Permits & Cert.	126	15.75%	604	75.44%	800	196
01-1-5032-583	Depreciation Expense	20,722	10.36%	143,720	71.87%	199,967	56,247
01-2-6010-100	Regular Pay - Administration	7,250	8.33%	48,616	55.84%	87,058	38,442
01-2-6010-101	Overtime Pay	-	0.00%	1,161	47.09%	2,466	1,305
01-2-6010-102	Sick Pay	313	5.24%	4,682	78.44%	5,969	1,287
01-2-6010-104	Vacation Pay	494	6.96%	4,764	67.11%	7,099	2,335
01-2-6010-105	Holiday Pay	322	7.22%	3,067	68.78%	4,459	1,392
01-2-6010-200	PERS	649	10.04%	5,178	80.11%	6,464	1,286
01-2-6010-201	FICA/Medicare	640	7.63%	4,704	56.12%	8,382	3,678
01-2-6010-202	SUI	331	20.97%	562	35.54%	1,580	1,018
01-2-6010-203	Health Insurance	2,011	8.42%	13,703	57.40%	23,873	10,170
01-2-6010-204	Workers Compensation	56	9.35%	395	65.45%	604	209
01-2-6010-206	Dental Insurance	159	8.83%	1,115	61.80%	1,804	689
01-2-6010-207	Vision Care	-	0.00%	-	0.00%	252	252
01-2-6010-546	Travel, Meetings & Mileage	-	0.00%	39	3.24%	1,200	1,161
01-2-6020-512	Propane	567	82.84%	633	92.49%	684	51
01-2-6020-515	Customer Billing Supplies	-	0.00%	388	23.30%	1,667	1,279
01-2-6020-529	Telephone - Admin	317	8.33%	2,159	56.80%	3,802	1,643
01-2-6020-530	Office Supplies	21	0.86%	1,262	52.46%	2,406	1,144
01-2-6020-531	Postage	474	5.24%	4,581	50.66%	9,042	4,461
01-2-6023-531	Computer IT	2,418	5.42%	18,552	41.62%	44,572	26,020
01-2-6023-533	Outside Services	13,483	9.91%	73,835	54.28%	136,017	62,182
01-2-6023-534	Temporary Outside Labor	-	#DIV/0!	-	#DIV/0!	-	-
01-2-6023-535	Office Cleaning Serv	140	9.26%	940	62.17%	1,512	572
01-2-6023-536	Legal Services	2,405	23.39%	5,818	56.58%	10,283	4,465
01-2-6023-537	Audit Services	7,000	56.68%	7,000	56.68%	12,350	5,350
01-2-6023-539	Employee Education	-	0.00%	-	0.00%	1,500	1,500
01-2-6024-540	Memberships	36	0.55%	5,336	82.16%	6,495	1,159
01-2-6024-542	Publications	450	14.34%	1,079	34.41%	3,137	2,058
01-2-6024-547	County Fees	-	0.00%	80	79.21%	101	21
01-2-6024-999	County Avail Fee	-	0.00%	1,788	87.84%	2,035	248
01-3-6025-100	Regular Pay	500	9.02%	3,300	59.52%	5,544	2,244
01-3-6025-201	FICA/Medicare	38	9.02%	252	59.54%	424	172
01-3-6025-546	Travel, Meetings & Mileage	-	0.00%	59	2.93%	2,000	1,941
01-9-6030-546	Travel, Meetings & Mileage	-	0.00%	-	0.00%	95	95
01-9-6030-569	Credit Card Service Charges	593	9.61%	4,019	65.11%	6,172	2,153
01-9-6030-572	Business Insurance Expense	12,357	29.22%	29,799	70.46%	42,289	12,490
01-9-6030-576	Misc Other Expense	14	0.70%	154	7.70%	2,000	1,846
01-9-6030-577	Retired Employee Health	2,267	8.20%	15,791	57.10%	27,655	11,864
01-9-6030-580	Retired EE Benefit Expense	-	0.00%	-	0.00%	148,142	148,142
01-9-6031-580	Interest Long Term Debt	3,370	7.54%	23,599	52.80%	44,692	21,093
01-9-6032-583	Depreciation Expense	18	8.11%	123	56.25%	219	96
01-9-6035-575	Office Fire Recovery	-	#DIV/0!	-	#DIV/0!	-	-
TOTAL EXPENSES		125,683	7.74%	803,093	49.46%	1,623,876	820,782

	Jan-19	January vs Budget %	2018-2019 YTD	YTD vs Budget %	2018-2019 Approved Final Budget	Remaining Budget
CAPITAL IMPROVEMENT PROJECTS (IN PROGRESS)						
01-1-5020-535	Water Supply Emergency 2014	-	#DIV/0!	-	#DIV/0!	-
01-9-6030-584	Well 2*	-	#DIV/0!	-	#DIV/0!	-
01-9-6030-585	Medina Well*	-	#DIV/0!	-	#DIV/0!	-
01-9-6030-586	Well 3/4	-	#DIV/0!	-	#DIV/0!	-
01-9-6030-587	Well 5*	-	#DIV/0!	-	#DIV/0!	-
01-9-6030-588	Well 6	-	#DIV/0!	-	#DIV/0!	-
01-0-1090-315	Intake Booster #2 Installation	-	#DIV/0!	-	#DIV/0!	-
01-0-1090-314	CIP-Barge Renovation	-	0.00%	1,988	2.48%	80,000
TBD	Springbrook Update	-	0.00%	-	0.00%	30,000
01-0-1090-305	Ranchito Well #1 Renovation	963	6.42%	5,582	37.21%	15,000
01-9-6030-591	IRWMP Service Lines	19,553	2.06%	138,393	14.57%	950,000
01-9-6030-592	IRWMP Administrative Expenses	-	0.00%	1,820	16.10%	11,307
01-9-6030-593	IRWMP Water Use Efficiency	-	0.00%	83,839	100.56%	83,369
TOTAL CIP IN PROGRESS		20,516	1.75%	231,622	19.80%	1,169,676
CARRYOVER PROJECT (GRANT) REVENUE						
01-0-4020-418	Well 2 Grant Revenue	-	#DIV/0!	21,630	#DIV/0!	-
01-0-4020-419	Medina Well Grant Revenue	-	#DIV/0!	21,630	#DIV/0!	-
01-0-4020-420	Well 3 & 4 Grant Revenue	-	#DIV/0!	21,630	#DIV/0!	-
01-0-4020-421	Well 5 Grant Revenue	-	#DIV/0!	21,630	#DIV/0!	-
01-0-4020-428	USDA Grant	-	#DIV/0!	-	#DIV/0!	-
01-0-4020-429	Flood Reimbursement	-	#DIV/0!	45,672	#DIV/0!	-
TBD	DWR Grant	-	-	-	-	86,520
01-0-4020-425	IRWMP Service Line Replacement	-	0.00%	183,973	21.71%	847,287
01-0-4020-427	IRWMP Regional Water Use Efficiency	-	0.00%	115,264	107.46%	107,260
01-0-4020-426	IRWMP Grant Administration***	-	0.00%	4,380	36.50%	12,000
TOTAL CARRYOVER PROJECT REVENUE		-	0.00%	435,810	41.38%	1,053,067
NEW CAPITAL PURCHASES / IMPROVEMENTS						
TBD	2018 SCADA Update Project***	-	0.00%	-	0.00%	55,000
TBD	Replacement Truck (2003 Chevy)	-	0.00%	-	0.00%	32,000
TBD	Replacement Truck (2005 Chevy)	-	#DIV/0!	-	#DIV/0!	-
TBD	Tablets for System Maintenance	-	#DIV/0!	-	#DIV/0!	-
TBD	Effluent Meter Replacement (Plant)	-	#DIV/0!	-	#DIV/0!	-
TBD	Replacement Flocculator Gear Drives	-	0.00%	-	0.00%	12,000
01-0-1090-316	Hormiga Water Line Replacement	-	0.00%	-	0.00%	46,463
TBD	Portable Generator	-	0.00%	-	0.00%	6,000
TOTAL NEW CAPITAL PURCHASES/IMPROVEMENTS		-	0.00%	-	0.00%	151,463
PROJECT PLANNING, DESIGN AND STUDIES						
TBD	CIP Development	-	-	-	-	20,000
TBD	Connection Fee Study	-	-	-	-	10,000
01-9-6030-594	Grant Application Services	-	0.00%	11,853	62.38%	19,000
01-9-6030-595	District Map Digitizing and Updates	-	0.00%	-	0.00%	5,000
TBD	Planning Study re Lake McClure	-	-	-	-	-
TOTAL PLANNING, DESIGN AND STUDIES		-	0.00%	11,853	21.95%	54,000

***Amounts from these accounts were not added properly on the approved budget. Differences on the totals of the approved budget and the budget on this form are from these accounts

LDPCSD Financials**Statement of Net Assets (Balance Sheet)
for the month ending January 2019****Asset :**

Cash and investments	\$	1,177,835
Restricted cash	\$	-
Accts Receivable net of res	\$	155,094
Water Drought Receivable	\$	197,936
Inventory	\$	69,931
Prpd expense & deposits	\$	29,391
Deferred Outflow of Resources	\$	157,167
Total current assets	\$	1,787,354

Property, plant & equipment	\$	11,452,244
less depreciation	\$	(7,167,813)
C I P	\$	466,971
Net P P & E	\$	4,751,402

Other L T Assets

Total Assets \$ 6,538,756

Liabilites:

Accounts payable	\$	63,492
Interest payable	\$	15,165
Water Accrual	\$	3,910
Accrued Payroll	\$	54,641
A/P Accrued Payables	\$	2,682
L T debt, current	\$	81,475
Total current liab	\$	221,365

L T debt		
Post Retirement Benefit	\$	1,168,000
Net Pension Liability	\$	300,607
Deferred Inflow of Resources	\$	95,631
Muni Loan	\$	778,326
less current above	\$	(81,475)

Total Liabilites \$ 2,482,454

Net assets \$ 4,056,302

Total liab & net ass't \$ 6,538,756

<u>Check Number</u>	<u>Vendor No</u>	<u>Vendor Name</u>	<u>Check Date</u>	<u>Check Amount</u>
23282	000076	USPS	01/02/2019	416.16
23812	000118	D & D PEST CONTROL *	01/03/2019	64.00
23813	660108	VERIZON WIRELESS	01/03/2019	151.26
23814	000746	Mariposa Co. Resource Conservation Distr	01/03/2019	14,746.23
23815	000606	BARRY ELECTRIC	01/03/2019	1,111.60
23816	000106	BINKLEY ASSOCIATES, INC	01/09/2019	2,065.00
23817	004779	California CAD Solutions	01/09/2019	1,312.50
23818	000746	Mariposa Co. Resource Conservation Distr	01/09/2019	16,304.22
23819	0028330	Core & Main LP	01/09/2019	549.79
23820	001888	SWRCB Accounting Office	01/09/2019	2,808.00
23821	000099	CYNTHIA MARCHESIELLO	01/09/2019	38.88
23822	000203	GRISWOLD, LaSALLE, COBB, DOWD	01/09/2019	1,519.20
23823	0003221	KAMPA COMMUNITY SOLUTIONS LLC	01/09/2019	6,250.00
23824	UB*10637	MR/MRS JOHN MIDDLETON	01/09/2019	722.70
23825	UB*10638	HECTOR & GLORIA FLORES	01/09/2019	132.10
23826	UB*10639	FRED & THERESA STEAGALL	01/09/2019	167.66
23827	UB*10640	MR & MRS ROBERT OTT	01/09/2019	97.00
23828	004212	SWRCB - DWOCF	01/09/2019	60.00
23829	000065	KKI CORPORATION	01/11/2019	202.50
23830	000032	BOBCAT CENTRAL INC.	01/11/2019	252.94
23831	000105	PACIFIC GAS & ELECTRIC	01/11/2019	7,360.54
23832	702	Warmerdam CPA Group	01/11/2019	2,500.00
23833	0002321	STREAMLINE	01/11/2019	200.00
23834	000446	ACWA	01/11/2019	9,450.00
23835	00071	Mother Lode Answering Service	01/11/2019	310.00
23836	0007349	Recology Mariposa	01/11/2019	252.65
23837	0000370	DEPARTMENT OF MOTOR VEHICLES	01/23/2019	66.00
23838	000051	MERCED IRRIGATION DISTRICT	01/23/2019	40,692.18
23839	000121	UNION DEMOCRAT*	01/23/2019	172.25
23840	000105	PACIFIC GAS & ELECTRIC	01/23/2019	1,978.01
23841	000105	PACIFIC GAS & ELECTRIC	01/23/2019	1,372.09
23842	0001157	Sierra Instant Printing	01/23/2019	285.54
23843	000585	MO CAL OFFICE SOLUTIONS	01/23/2019	149.84

Report Total: 113,760.84

Special Meeting Minutes of the Board of Directors
9751 Merced Falls Road
January 22, 2019 at 1:00 p.m.

1. CALL TO ORDER: Presiding Officer: Establish Quorum, Pledge of Allegiance:

The Board of Directors of the Lake Don Pedro Community Services District held a regular meeting at 9751 Merced Falls Rd., La Grange, CA 95329.

President Johnson called the meeting to order at 1:00 p.m.

Directors present: Johnson, Hankemeier, Warren, Sperry, and Ross

Also present: GM P. Kampa

Also present: Staff R. Gilgo

Also present: Staff S. Marchesiello

2. PUBLIC COMMENT:

The Board received no public comments

3. PRESENTATION ONLY:

- a. Presiding Officer's Report

President Johnson wished everyone a Happy New Year and informed them that February's board meeting is tentatively scheduled for February 20th

- b. General Manager's Report: Peter J. Kampa

Presented by GM P. Kampa

- c. Chief Plant Operator's Report: R. Gilgo

Presented by R. Gilgo

4. APPROVAL OF CONSENT AGENDA: The following items may all be approved in one motion or considered separately as determined appropriate by the President

- d. Read and file the December 2018 Treasurer's Report including summary of claims paid
e. Approval of the Minutes of the Regular Meeting of December 17, 2018

Motion: To approve the consent calendar

Votes: Carried 5-0

First: Hankemeier Second: Ross

Ayes: Hankemeier, Ross, Warren, Johnson, and Sperry

Nays

5. DISCUSSION AND ACTION ITEMS

- f. Review and Update of the District's Strategic Plan Including Development of District Priorities for Capital Improvement/Replacement Projects for Infrastructure Reliability, Efficiency and Function

Unanimous Consensus of the board: Direct GM P. Kampa to update and prioritize the CIP plan and create an operational list

- g. Confirmation of the Board President's Standing Committee appointments for the 2019 calendar year.

Motion: To approve the board presidents standing committee appointments as presented by the president:

Planning: Hankemeier / Johnson

Ordinance: Ross / Warren

Personnel: Sperry / Johnson

Finance: Hankemeier / Sperry

Public Information: Ross / Warren

Votes: Carried 5-0

First: Hankemeier Second: Warren

Ayes: Hankemeier, Warren, Ross, Johnson, and Sperry

Nays

6. ADJOURNMENT: 2:53

Respectfully submitted by,

S. Marchesiello
Board Secretary

LAKE DON PEDRO COMMUNITY SERVICES DISTRICT

RESOLUTION 2019-1

Resolution to commend Joseph (Jose) Santana for his dedication and on –going service to the Lake Don Pedro Community Services District and for obtaining his Grade 2 Water Treatment Plant Operation Certification

WHEREAS, The Lake Don Pedro Board of Directors wish to thank and recognize Jose Santana for his dedication, on-going service to the Lake Don Pedro Community Services District and for obtaining his Grade 2 Water Treatment Plant Operation Certification

And

WHEREAS, the community as a whole benefits from his dedication, knowledge and commitment,

THEREFORE, this resolution is passed by the Board of Directors of the

Lake Don Pedro Community Services District,

This 20th day of February, 2019 by the following vote:

AYES: (5) Johnson, Hankemeier, Sperry, Warren, Ross
NOES: (0)
ABSENT: (0)
ABSTAIN: (0)

Danny Johnson, President of the Board

ATTEST:

Syndie Marchesiello, Secretary

CERTIFICATE OF ACTING SECRETARY

I, Syndie Marchesiello, as Secretary of the Lake Don Pedro Community Services District, do hereby certify that the foregoing Resolution was duly and regularly adopted on the 20th day of February, 2019, at the Special Meeting of the Board of Directors.

Syndie Marchesiello, Secretary

Lake Don Pedro Community Services District

Regular Meeting of February 20, 2019

AGENDA SUPPORTING DATA

4. APPROVAL OF CONSENT AGENDA

- d. Adoption of a CEQA Notice of Exemption for the Lake Don Pedro CSD Surface Water Reliability and Water Treatment Plant Modernization Feasibility Planning Study
- e. Adoption of a Resolution Designating a Representative Authorized to Sign and File a Financial Assistance Application to the State Water Resources Control Board for the Planning and Design of the Lake Don Pedro CSD Surface Water Reliability and Water Treatment Plant Modernization Project, and to Execute the Agreement and any Amendments, Provide Related Assurances, Certifications and Commitments, Certify Disbursements and Related Administration
- f. Adoption of a Resolution Pledging Revenue and Funds for the Payment of Drinking Water State Revolving Fund Financing for the Lake Don Pedro CSD Surface Water Reliability and Water Treatment Plant Modernization Project

RECOMMENDED ACTION

Approval of the Consent Agenda approves the following motions and actions of the Board:

1. *I move to adopt of a CEQA Notice of Exemption for the Lake Don Pedro CSD Surface Water Reliability and Water Treatment Plant Modernization Feasibility Planning Study*
2. *I move to adopt a Resolution Designating a Representative Authorized to Sign and File a Financial Assistance Application to the State Water Resources Control Board for the Planning and Design of the Lake Don Pedro CSD Surface Water Reliability and Water Treatment Plant Modernization Project, and to Execute the Agreement and any Amendments, Provide Related Assurances, Certifications and Commitments, Certify Disbursements and Related Administration*
3. *I move to adopt a Resolution Pledging Revenue and Funds for the Payment of Drinking Water State Revolving Fund Financing for the Lake Don Pedro CSD Surface Water Reliability and Water Treatment Plant Modernization Project*

SUMMARY

This item is being placed on the Consent Agenda for approval in a single motion, as these actions are required by the State Water Board as part of the process of submitting a Planning Grant Application. The action authorizes the General Manager to submit and sign the funding application, submit all required certifications, reimbursement requests and other documentation related to the grant and proposed improvement project.

The resolutions also authorize the General Manager to submit the documents necessary for the District to receive construction grant/loan commitments for the project once the planning and design is complete if funded by the planning grant. The General Manager will seek additional

Board action prior to committing to construction of the project, once designed and a state funding agreement prepared.

FINANCIAL IMPACTS

No additional approved expenses at this time. Prior to committing funding to a construction project resulting from this planning project, the General Manager will seek additional Board actions.

ATTACHMENTS

- CEQA Notice of Exemption
- Resolution appointing the General Manager as the Authorized applicant
- Resolution pledging funds for the Lake Don Pedro CSD Surface Water Reliability and Water Treatment Plant Modernization Project

Notice of Exemption

Appendix E

To: Office of Planning and Research
P.O. Box 3044, Room 113
Sacramento, CA 95812-3044
County Clerk
County of: Tuolumne
2 S Green Street
Sonora, CA 95370

From: (Public Agency): Lake Don Pedro CSD
9751 Merced Falls Road
La Grange, CA 95329
(Address)

Project Title: Lake Don Pedro CSD Surface Water Reliability and Water Treatment Plant Modernization

Project Applicant: Lake Don Pedro Community Services District

Project Location - Specific:
9751 Merced Falls Road La Grange, CA 95329

Project Location - City: La Grange Project Location - County: Tuolumne

Description of Nature, Purpose and Beneficiaries of Project:
The purpose and nature of this project is to provide an evaluation and analysis of the water supply and demand of the Lake Don Pedro CSD to determine improvements that need to be made to provide more reliable water sources for the community during drought years.

Name of Public Agency Approving Project: Lake Don Pedro CSD

Name of Person or Agency Carrying Out Project: Lake Don Pedro CSD

Exempt Status: **(check one):**

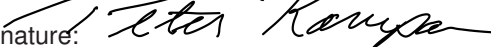
- Ministerial (Sec. 21080(b)(1); 15268);
- Declared Emergency (Sec. 21080(b)(3); 15269(a));
- Emergency Project (Sec. 21080(b)(4); 15269(b)(c));
- Categorical Exemption. State type and section number: Public Resources Code 15302 (c)
- Statutory Exemptions. State code number: Public Resources Code 15282 (k)

Reasons why project is exempt:
The project consists of only feasibility and planning studies and information collection. No ground disturbing activities are anticipated.

Lead Agency
Contact Person: Peter Kampa, General Manager Area Code/Telephone/Extension: (209) 591-7100

If filed by applicant:

1. Attach certified document of exemption finding.
2. Has a Notice of Exemption been filed by the public agency approving the project? Yes No

Signature:  Date: 2/20/2019 Title: General Manager

Signed by Lead Agency Signed by Applicant

Authority cited: Sections 21083 and 21110, Public Resources Code.
Reference: Sections 21108, 21152, and 21152.1, Public Resources Code.

Date Received for filing at OPR: _____

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE LAKE DON PEDRO
COMMUNITY SERVICES DISTRICT ESTABLISHING A DESIGNATED
REPRESENTATIVE FOR THE SUBMITTAL OF A FINANCIAL ASSISTANCE
APPLICATION AND TO EXECUTE RELATED DOCUMENTS**

RESOLUTION NO: 2019-02

WHEREAS the District has determined it necessary to evaluate options for improvements to its surface water supply system to improve reliability and pumping efficiencies; and

WHEREAS, the District's water treatment plant and water distribution systems are over 50 years old, and in need of upgrading to current design standards for technology, water treatment efficiency and water treatment/distribution system water quality and operational efficiency.

NOW THEREFORE BE IT RESOLVED BY THE Board of Directors of the Lake Don Pedro Community Services District as follows:

The General Manager (the "Authorized Representative") or designee is hereby authorized and directed to sign and file, for and on behalf of the Entity, a Financial Assistance Application for a financing agreement from the State Water Resources Control Board for the planning and/or design of Lake Don Pedro CSD Surface Water Reliability and Water Treatment Plant Modernization Project (the "Project").

This Authorized Representative, or his/her designee, is designated to provide the assurances, certifications, and commitments required for the financial assistance application, including executing a financial assistance agreement from the State Water Resources Control Board and any amendments or changes thereto.

The Authorized Representative, or his/her designee, is designated to represent the Entity in carrying out the Entity's responsibilities under the financing agreement, including certifying disbursement requests on behalf of the Entity and compliance with applicable state and federal laws.

CERTIFICATION

I do hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the Board of Directors held on February 20, 2019.

(Name, Signature, and Seal of the Clerk or Authorized Record Keeper of the Governing Board of the Agency)

RESOLUTION NO. 2019-03

RESOLUTION OF THE BOARD OF DIRECTORS OF THE LAKE DON PEDRO COMMUNITY SERVICES DISTRICT AUTHORIZING THE GENERAL MANAGER TO SIGN FINANCING AGREEMENT, AMENDMENTS, AND CERTIFICATIONS FOR FUNDING UNDER THE DRINKING WATER STATE REVOLVING FUND (DWSRF), TO APPROVE CLAIMS FOR REIMBURSEMENT, TO EXECUTE BUDGET AND EXPENDITURE SUMMARY TO SIGN THE FINAL RELEASE FORM AND PLEDGING AND DEDICATING NET WATER REVENUES FROM TO PAYMENT OF DWSRF FINANCING.

WHEREAS, the Lake Don Pedro Community Services District seeks financing from the State Water Resources Control Board for a project commonly known as Lake Don Pedro CSD Surface Water Reliability and Water Treatment Plant Modernization Project (“Project”); and

WHEREAS, the District is authorized to provide water service pursuant to California Government Code 61100; and

WHEREAS, the District has determined that improvements are needed in its source water supply system, water treatment plant and distribution system to improve supply reliability, water quality and operating efficiency; and

WHEREAS, the District requires financial assistance from the State of California to complete the planning, design, permitting and construction of the above mentioned project.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED, that

1. The **General Manager** is hereby authorized and directed to sign and file, for and on behalf of the Lake Don Pedro CSD a financial assistance application for a financing agreement from the State Water Resources Control Board for the Project;
2. The **General Manager** or designee is hereby authorized to sign the DWSRF program financing agreement for the Project and any amendments thereto, and provide the assurances, certifications and commitments required therefor;
3. The **General Manager** or designee is hereby authorized to represent the Lake Don Pedro CSD in carrying out the Lake Don Pedro CSD responsibilities under the financing agreement, including approving and submitting disbursement requests (including Claims for Reimbursement) or other required documentation, compliance with applicable state and federal laws, and making any other necessary certifications;
4. The **Lake Don Pedro Community Services District** does hereby dedicate and pledge its net water revenues and its water enterprise fund to payment of the DWSRF financing for the Project. The **Lake Don Pedro Community Services District** commits to collecting such revenues and maintaining such fund(s) throughout the term of such financing and until the **Lake Don Pedro Community Services District** has satisfied its repayment obligation thereunder unless modification or change is approved in writing by the State Water Resources Control Board. So long as the financing agreement(s) are outstanding, the **Lake Don Pedro Community Services District** pledge hereunder shall constitute a lien in favor of the State Water Resources Control Board on the foregoing fund(s) and revenue(s) without any further action necessary. So long as the financing agreement(s) are outstanding, the **Lake Don Pedro Community Services District** commits to maintaining the fund(s) and revenue(s) at levels sufficient to meet its obligations under the financing agreement(s). If for any reason, the said source of revenues proves insufficient to satisfy the debt service of the DWSRF obligation, sufficient funds shall be raised through increased water rates, user charges, or assessments or any other legal means available to meet the DWSRF obligation and to operate and maintain the project.; and
5. The authority granted hereunder shall be deemed retroactive. All acts authorized hereunder and performed prior to the date of this Resolution are hereby ratified and affirmed. The State Water Resources Control Board is authorized to rely upon this Resolution until written notice to the contrary, executed by each of the undersigned, is received by the State Water Resources Control Board. The

State Water Resources Control Board shall be entitled to act in reliance upon the matters contained herein, notwithstanding anything to the contrary contained in the formation documents of the **Lake Don Pedro Community Services District** or in any other document.

Passed and adopted by **Lake Don Pedro Community Services District Board of Directors** on **February 20, 2019**, by the following vote:

AYES:	Directors	_____
NOES:	Directors	_____
EXCUSED:	Directors	_____

Danny Johnson, President of the Board

ATTEST:

Syndie Marchesiello, Secretary
CERTIFICATE OF ACTING SECRETARY

I, Syndie Marchesiello, as Secretary of the Lake Don Pedro Community Services District, do hereby certify that the foregoing Resolution was duly and regularly adopted on the 20th day of February, 2019, at the Special Meeting of the Board of Directors.

Syndie Marchesiello, Secretary

Lake Don Pedro Community Services District
Regular Meeting of February 20, 2019

AGENDA SUPPORTING DATA

5. DISCUSSION AND ACTION ITEMS

- a. Review and acceptance of the 2017/2018 annual audit

RECOMMENDED ACTION

Staff recommends the following motion:

I move to accept and file the 2017/18 annual audit

SUMMARY

District Auditor John Blomberg will provide an overview of the 2017/18 fiscal year audit, completed by his firm. The purpose of an annual audit is to provide an outside, qualified auditor's evaluation of the District financial statements for compliance with law, accounting standards and district policy. Annual audits are also required by state law. Audits are not typically "approved" by the Board, as they are intended to be an outsider's report on District finances, not a recommendation for a particular Board action.

If the audit report contained negative findings regarding the District's policies, practices, or procedures, including internal controls; it would be typical action of the Board to direct staff to amend policies, procedures or practices, and to provide a response to the auditor. Our 2017/18 audit report contained no such findings of recommendations; so no action is required or requested at this time.

A more appropriate Board practice when receiving a clean audit such as ours, is to simply accept the audit and direct staff to file the audit with the appropriate entities.

FINANCIAL IMPACTS

None

ATTACHMENTS

2017/18 Final Audit

**LAKE DON PEDRO
COMMUNITY SERVICES DISTRICT**

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2018

LAKE DON PEDRO COMMUNITY SERVICES DISTRICT

TABLE OF CONTENTS

JUNE 30, 2018

Management’s Discussion and Analysis	1-4
Independent Auditors’ Report	5-6
<i>Government-Wide Financial Statements</i>	
Statement of Net Position – Proprietary Funds	7
Statement of Activities, and Changes in Net Position – Proprietary Funds	8
Statements of Cash Flows – Proprietary Funds	9
Notes to the Financial Statements	10-25
Schedule of Required Supplementary Information- Pension Plan	26
Other Auditor’s Report	
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	27-28

**LAKE DON PEDRO COMMUNITY SERVICES DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS**

June 30, 2018

This section of the annual financial report of the Lake Don Pedro Community Services District (District) presents the discussion and analysis of the District's financial performance during the fiscal year ended June 30, 2018. The Management's Discussion and Analysis (MD&A) should be read in conjunction with the District's financial statements, including the notes and the supplementary information that immediately follow this section.

FINANCIAL HIGHLIGHTS

The following summarizes the District's financial highlights for the year ended June 30, 2018.

- Total assets of the District were \$6,283,891 in 2018 and \$5,813,950 in 2017, an increase of \$469,941.
- Total liabilities increased by \$239,456 during the same period.
- Operating revenues increased by \$29,452 during the same period.
- Operating expenses increased by \$171,822.

OVERVIEW OF THE FINANCIAL STATEMENTS

This financial report consists of the following basic parts: management's discussion and analysis (this section) of the basic financial statements.

The basic financial statements contained in this report are presented using Governmental Accounting Standard's Board (GASB) accounting principles. These statements provide overall information about The District's financial activities on both a short-term and long-term basis. The statement of net position presents information about its assets (resources) and liabilities (the amount obligated to its creditors). The statements of revenues, expenses, and changes in net position present information about the current year revenues and expenses. The statement also provides useful information for determining whether the District's service revenue and other revenue sources were sufficient to allow the District to recover all of its costs. The final financial statement in this report is the statement of cash flows, which provides information about The District's cash from operations, investing, and financing activities. In addition, this statement provides useful information to answer questions such as where cash came from, what cash was used for, and what was the change in cash balance during the reporting period.

LAKE DON PEDRO COMMUNITY SERVICES DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
 June 30, 2018

OVERVIEW OF FINANCIAL STATEMENTS (Continued)

FUND FINANCIAL STATEMENTS

Proprietary fund - All of the District's expenses incurred for the provision of Water Services are reported to a proprietary fund, which focuses on measuring the total costs of the service, including depreciation, and primarily recovering those costs through user charges or other revenue sources. This fund is reported using the accrual basis of accounting, which recognizes revenue where earned and expenses when incurred.

NET POSITION

As of June 30, 2018, the District had net position totaling \$3,717,173. Below is a table showing the District's net position at year end with comparative numbers for 2018 and 2017.

TABLE 1: NET POSITION

	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Assets		
Cash and Investments	\$ 964,048	\$ 773,155
Other Assets	432,168	322,044
Capital Assets-Net	<u>4,887,675</u>	<u>4,718,751</u>
Total Assets	<u>6,283,891</u>	<u>5,813,950</u>
Liabilities		
Loan Payable	817,593	893,306
Other Liabilities	<u>1,749,125</u>	<u>1,433,956</u>
Total Liabilities	<u>2,566,718</u>	<u>2,327,262</u>
Net Position		
Invested in Capital Assets, Net of Related Debt	4,070,082	3,825,445
Unrestricted (Deficit)	<u>(352,909)</u>	<u>(338,757)</u>
Total Net Position	<u>\$ 3,717,173</u>	<u>\$ 3,486,688</u>

LAKE DON PEDRO COMMUNITY SERVICES DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
 June 30, 2018

NET POSITION (Continued):

The District has invested 109.49% of its total net position in capital assets, which total \$4,070,082, net of related debt.

After stabilizing the District's financial position, we have returned to policy specifications where the LAIF account cannot be accessed without Board approval.

GOVERNMENTAL ACTIVITIES

The District's total revenues exceeded expenses by \$230,485. Total revenues for the year were \$2,003,079. Of this, \$1,493,814 was received from operating revenues, \$1,935 from investment earnings, \$41,400 from miscellaneous sources and \$465,930 from various grants. Prior year's total revenue was \$1,991,481.

Expenses totaled \$1,772,594 attributable to water service. Prior year's expenses were \$1,604,414.

CAPITAL ASSETS

During fiscal year 2018, the District purchased a net amount of \$464,321 in capital assets with District and grant funds. The majority of capital asset additions were drought emergency wells.

TABLE 2: CAPITAL ASSETS

	June 30, 2018	June 30, 2017
Capital Assets		
Land	\$ 157,325	\$ 157,325
Plant and Structures	9,863,471	9,402,967
Equipment and Vehicles	1,431,448	1,697,912
Construction in Progress	459,401	288,978
Less: Accumulated Depreciation	(7,023,970)	(6,828,432)
Total Capital Assets -Net	\$ 4,887,675	\$ 4,718,750

**LAKE DON PEDRO COMMUNITY SERVICES DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS**

June 30, 2018

LONG-TERM DEBT

The Water District also had a loan with Municipal Finance Corporation for the Treatment Plant Upgrades with a balance of \$817,593. Payments of principal for 2018 and 2017 totaled \$75,713 and \$72,100, respectively. Interest paid for 2018 and 2017 totaled \$42,214 and \$45,856, respectively.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens and taxpayers with a general overview of the finances of those funds maintained by the District and to show the District's accountability for the money it receives. If you have questions about this report or need additional information, contact Lake Don Pedro Community Service District at 9751 Merced Falls Road, La Grange, CA 95329.



Blomberg & Griffin Accountancy Corporation
Certified Public Accountant

INDEPENDENT AUDITOR'S REPORT

To The Board of Directors
Lake Don Pedro Community Services District
La Grange, California

We have audited the accompanying financial statements of governmental activities of Lake Don Pedro Community Services District, as of and for the years ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents. The prior year summarized comparative information has been derived from the District's 2017 financial statements which we audited and expressed an unqualified opinion.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the *State Controller's Minimum Audit Requirements for California Special Districts*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinions


In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of Lake Don Pedro Community Services District, as of June 30, 2018, and the respective changes in financial position thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and schedule of required supplementary information on pages 1 through 4 and page 27, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 19, 2018 on our consideration of the Lake Don Pedro Community Services District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Lake Don Pedro Community Services District's internal control over financial reporting and compliance.



Blomberg & Griffin A.C.
Stockton, California
December 19, 2018

LAKE DON PEDRO COMMUNITY SERVICES DISTRICT
Statement of Net Position - Proprietary Funds
June 30, 2018 and 2017

	Business-Type Activities Enterprise Fund	
	2018	2017
Asset		
Cash And Invesments	\$ 964,048	\$ 773,155
Accounts Receivable	156,231	146,715
Prepaid Expense	48,839	50,938
Inventory	69,931	69,932
Land	157,325	157,325
Construction In Progress	459,401	288,978
Fixed Assets	11,294,919	11,100,880
Accumulated Depreciation	(7,023,970)	(6,828,432)
Deferred Outflows of Resources- Pension (Note-6)	157,167	54,459
Total Assets	6,283,891	5,813,950
Liabilities		
Accounts Payable	110,495	61,332
Interest Payable	11,801	12,880
Accrued Payroll	9,200	10,068
Compensated Absences	43,306	35,159
Net OEPB Liability (Note-4)	1,168,000	1,049,179
Net Pension Liability (Note-5)	310,692	195,610
Loans Payable	817,593	893,306
Deferred Inflows of Resources- Pension (Note-6)	95,631	69,728
Total Liabilities	2,566,718	2,327,262
Net Position		
Invested In Capital Assets -		
Net of Related Debt	4,070,082	3,825,445
Unrestricted (Deficit)	(352,909)	(338,757)
Total Net Position	\$ 3,717,173	\$ 3,486,688

See accompanying notes to basic financial statements.

LAKE DON PEDRO COMMUNITY SERVICES DISTRICT
Statements of Activities and Changes in Net Position - Proprietary Funds
For the Years Ended June 30, 2018 and 2017

	Business-Type Activities Enterprise Fund	
	2018	2017
Operating Revenues		
Water Sales And Assessments	\$ 1,449,038	\$ 1,411,290
Transfer Connection and Meter Fees	16,720	29,549
Interest and Penalties On Delinquent Accounts	28,056	23,523
	<u>1,493,814</u>	<u>1,464,362</u>
Operating Expenses		
Salaries And Benefits - Plant	186,076	277,942
Salaries And Benefits - Administrative	151,637	147,409
Post Retirement Benefit	194,459	141,330
Supplies And Services - Plant	797,106	586,760
Supplies And Services - Administrative	205,564	241,903
Depreciation	195,538	163,214
	<u>1,730,380</u>	<u>1,558,558</u>
Operating Income (Loss)	<u>(236,566)</u>	<u>(94,196)</u>
Nonoperating Revenues (Expenses)		
Grant Income (Drought Emergency)	465,930	491,060
Investment Earnings	1,935	1,059
Miscellaneous	41,400	35,000
Interest Expense	(42,214)	(45,856)
	<u>467,051</u>	<u>481,263</u>
Change In Net Position	230,485	387,067
Total Net Position - Beginning of Year	<u>3,486,688</u>	<u>3,099,621</u>
Total Net Position - End of Year	<u>\$ 3,717,173</u>	<u>\$ 3,486,688</u>

See accompanying notes to basic financial statements.

LAKE DON PEDRO COMMUNITY SERVICES DISTRICT
Statements of Cash Flows - Proprietary Funds
For the Years Ended June 30, 2018 and 2017

	Business-Type Activities Enterprise Fund	
	2018	2017
Cash Flows From Operating Activities		
Receipts From Customers	\$ 1,484,298	\$ 1,691,695
Payments To Suppliers	(988,768)	(840,594)
Payments To Employees	(330,434)	(377,069)
Net Cash Provided By (Used In) - Operating Revenues	165,096	474,032
Cash Flows From Non- Capital Financing Activities		
Miscellaneous Income	41,400	35,000
Net Cash Provided by (Used In) Non-Capital - Financing Activities	41,400	35,000
Cash Flows From Capital And Related - Financing Activities		
Grants Income	465,930	491,060
Capital Asset	(194,039)	(734,284)
Construction In Progress	(170,423)	-
Principal Payments On Long Term Debt	(75,713)	(72,100)
Interest Paid	(43,293)	(45,856)
Net Cash Provided by (Used In) Capital - And Related Financing Activities	(17,538)	(361,180)
Cash Flows From Investing Activities		
Interest Received	1,935	1,059
Net Cash Provided by (Used In) Investing Activities	1,935	1,059
Net Increase (Decrease) In Cash	190,893	148,911
Cash and Investments - Beginning	773,155	624,244
Cash and Investments - Ending	\$ 964,048	\$ 773,155
Reconciliation of Operating Loss to Net Cash Provided by Operating Activities		
Operating Income (Loss)	\$ (236,566)	\$ (94,196)
Adjustments to Reconcile Operating Loss to Net Cash Provided by Operating Activities		
Depreciation	195,538	163,214
Change in Assets and Liabilities		
Accounts Receivable	(9,516)	229,906
Prepaid Expenses and Other Current Assets	2,100	(2,574)
Accounts Payable	49,163	15,240
Accrued Expenses and other liabilities	7,279	3,117
Retirement Obligations	157,098	159,325
Net Cash Provided by (used for) Operating Activities	\$ 165,096	\$ 474,032

See accompanying notes to basic financial statements.

LAKE DON PEDRO COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the Lake Don Pedro Community Services District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. In June 1999, the GASB unanimously approved Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis for State and Local Governments*. Certain of the significant changes in the statement include the following:

The financial statements include:

- A Management's Discussion and Analysis (MD&A) section providing an analysis of the District's overall financial position and results of operations.
- Financial statements prepared using the full accrual accounting for all of the District's activities, including infrastructure.
- A change in the financial statements to focus on the major funds.

These and other changes are reflected in the accompanying financial statements (including notes to financial statements).

The more significant of the Districts accounting policies are described below:

A. Financial Reporting Entity

The Lake Don Pedro Community Services District was incorporated in August 1980. The District was formed to supply the inhabitants of the District with water for domestic use, irrigation, sanitation, industrial use, fire protection, and recreation.

The District operates under a Board of Directors form of government. The Board of Directors consists of five members elected at large for overlapping four year terms. The district appoints legal counsel.

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

The proprietary fund Financial Statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows: The District reports the following major proprietary funds:

The **Water Fund** accounts for the activities of the District's water service.

**LAKE DON PEDRO COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Assets, Liabilities, Net Position or Equity

1. Cash and Investments

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the District. The District follows the practice of pooling the cash from all funds for investment purposes.

California State statute authorizes the District to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds and repurchase agreements. Investments are stated at fair value.

2. Receivables and Payables

Billings for water services are sent monthly and are reflected on the accrual basis of accounting. Delinquent accounts are submitted to the Counties of Mariposa and Tuolumne and are attached to the County tax roles.

3. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2018 are recorded as prepaid items.

4. Restricted Assets

Certain proceeds of revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants.

5. Capital Assets

Capital assets are defined by the District as assets with an initial, individual cost of \$2,500 for equipment and \$25,000 for buildings and infrastructure. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at their estimated fair value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Depreciation is recorded in amounts sufficient to relate the cost of the depreciable assets to operations over their estimated service life using the straight-line method.

LAKE DON PEDRO COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. Compensated Absences

District employees earn vacation leave, and compensation time. It may be either taken or accumulated with prior approval of the general manager. Vacation is paid upon termination or retirement. Vacation and sick leave may be accumulated without limitation. Sick leave is not paid if an employee quits or is terminated, however, a 100% credit is allowed for eligible employee for longevity of service on retirement. In accordance with generally accepted accounting principles, an accrual for compensated absences is reflected in the accompanying general purpose financial statements.

7. Long-term Debt

Long-term debt and other obligations financed by proprietary funds are reported as liabilities in the appropriate funds

8. Net Position & Fund Equity

In proprietary fund financial statements, net position is reported in three categories: net position invested in capital assets, net of related debt; restricted net position and unrestricted net position. Restricted net position represents net position restricted by parties outside the District (such as creditors, grantors, contributors, laws and regulations of other governments).

All other net position is considered unrestricted.

Proprietary funds contributed capital represents equity acquired through capital grants and capital contributions from developers, customers, or other funds.

9. Use of Estimates

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

**LAKE DON PEDRO COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for all funds. All annual appropriations lapse at fiscal year-end.

Prior to June 30th, the proposed budget is presented to the Board of Directors for review. The Board of Directors holds public hearings and may add to, subtract from or change appropriations.

NOTE 3 - DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS

A. Cash and Investments

Cash and investments as of June 30, 2018 and 2017 are classified in the accompanying financial statements as follows:

Statement of Net Position

	2018	2017
Cash and Investments	\$ 964,048	\$ 773,155

Cash and investments as of June 30, 2018 and 2017 consist of the following:

Cash on Hand	\$ 125	\$ 125
Deposits with Financial Institutions	798,254	609,296
Local Agency Investment Fund	165,669	163,734
Total Cash and Investments	\$ 964,048	\$ 773,155

**LAKE DON PEDRO COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018**

**NOTE 3 - DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS
(Continued)**

Investments Authorized by the District's Investment Policy

The District's investment policy authorizes investment in the local government investment pool administered by the State of California (LAIF). The District's investment policy also authorizes cash to be invested in Certificates of Deposits, Bankers Acceptances, and Passbook Savings Demand Deposits. The District's investment policy does not contain any specific provisions intended to limit the District's exposure to interest rate risk, credit risk, and concentration of credit risk.

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. As of year-end, the weighted average maturity of the investments contained in the LAIF investment pool is approximately 6.36 months.

		Maturity Date
State Investment Pool	<u>\$ 165,669</u>	6.36 months average maturity
Total	<u><u>\$ 165,669</u></u>	

LAKE DON PEDRO COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 3 - DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS
(Continued)

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. LAIF does not have a rating provided by a nationally recognized statistical rating organization.

Concentration of Credit Risk

The investment policy of the District's contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code.

Custodial Credit Risk

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

At June 30, 2018, the District's deposits with financial institutions were covered by Federal Depository Insurance Corporation (FDIC) or the multiple financial institution collateral pool that insures public deposits. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF).

**LAKE DON PEDRO COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018**

**NOTE 3 - DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS
(Continued)**

Investment in State Investment Pool

The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis with funds generally available next business day.

Deferred Compensation Plan

The District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The District deposits deferred compensation plan assets with the California Public Employees Retirement System (PERS). Federal legislation requires that the assets of such plans be held in trust for the exclusive benefit of the plan participants and their beneficiaries. PERS act as the trustees for the plan assets and the District is considered to have limited fiduciary responsibility for the plan assets. As such, the District does not report the deferred compensation plan assets on its financial statements.

B. Accounts Receivable

Receivables at June 30, 2018 and 2017 for the District's water services are sent monthly and are reflected on the accrual basis of accounting. Delinquent accounts are submitted to the Counties of Mariposa and Tuolumne and are attached to the County tax role. All receivables are expected to be collected within one year.

	Water	
	2018	2017
Business-Type Activities		
Utility Billings	\$ 156,231	\$ 146,715
Total	\$ 156,231	\$ 146,715

**LAKE DON PEDRO COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018**

**NOTE 3 - DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS
(Continued)**

C. Payables And Other Liabilities

Payables at June 30, 2018 and 2017 for the District's individual major funds in the aggregate are as follows:

	<u>2018</u>	<u>2017</u>
Business-Type Activity		
Vendors	\$ 110,495	\$ 61,244
Salaries and Benefits	9,200	10,068
Accrued Compensated Absences	43,306	35,159
Interest Payable	<u>11,801</u>	<u>12,880</u>
 Total	 <u>\$ 174,802</u>	 <u>\$ 119,351</u>

Capital Assets

Capital asset activity for the year ended June 30, 2018 was as follows:

Depreciation was charged to functions/programs of the primary government as follows:

	<u>Balance 2017</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance 2018</u>
Business-Type Activities				
Capital Assets not Being Depreciated:				
Land	\$ 157,325	\$ -	\$ -	\$ 157,325
Construction in Progress	<u>288,978</u>	<u>204,838</u>	<u>34,415</u>	<u>459,401</u>
Total Capital Assets not Depreciated	<u>446,303</u>	<u>204,838</u>	<u>34,415</u>	<u>616,726</u>
Capital Assets Depreciated:				
Plant	8,964,448	460,504	-	9,424,952
Equipment	1,566,402	3,817	270,281	1,299,938
Structure	438,519	-	-	438,519
Vehicles	<u>131,510</u>	<u>-</u>	<u>-</u>	<u>131,510</u>
Total Capital Assets Depreciated	11,100,879	464,321	270,281	11,294,919
Less Accumulated Depreciation	<u>(6,828,432)</u>	<u>(195,538)</u>	<u>-</u>	<u>(7,023,970)</u>
Net Capital Assets Depreciated	<u>4,272,447</u>	<u>268,783</u>	<u>270,281</u>	<u>4,270,949</u>
 Total Net Capital Assets - Business-Type Activities	 <u>\$ 4,718,750</u>	 <u>\$ 473,621</u>	 <u>\$ 304,696</u>	 <u>\$ 4,887,675</u>

**LAKE DON PEDRO COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018**

**NOTE 3 - DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS
(Continued)**

D. Capital Assets (continued)

Depreciation was charged to functions/programs of the primary government as follows:

Business-Type Activity	Water	
	2018	2017
Depreciation Expense	\$ 195,538	\$ 163,214
Total	\$ 195,538	\$ 163,214

E. Long-Term Debt

The District secured financing with board approval on July 17, 2006 in the amount of \$1,500,000 for the improvements for the water treatment plant. Repayment will be made to the Municipal Financial Corporation in semi-annual payments of \$59,503 including interest at 4.95% through 2026. Note is secured by all net revenues.

The annual debt service requirements of the notes payable are as follows:

Year Ending June 30,	Muni	
	Principal	Interest
2019	\$ 79,507	\$ 39,499
2020	83,491	35,515
2021	87,676	31,330
2022	92,069	26,937
2023-2027	474,850	60,678
Total	\$ 817,593	\$ 193,959

**LAKE DON PEDRO COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018**

**NOTE 3 - DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS
(Continued)**

E. Long-Term Debt (Continued)

The following is a summary of changes in the District's long-term debt and other long-term liabilities during the year ended June 30, 2018:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Business-Type Activities					
Loans Payable	\$ 893,306	\$ -	\$ (75,713)	\$ 969,019	\$ 79,507
Compensated Absences	<u>35,159</u>	<u>8,147</u>	<u>-</u>	<u>43,306</u>	<u>4,331</u>
Total Long-Term Liabilities	<u>\$ 928,465</u>	<u>\$ 8,147</u>	<u>\$ (75,713)</u>	<u>\$1,012,325</u>	<u>\$ 83,838</u>

NOTE 4 - OTHER INFORMATION

A. Risk Management

The District is exposed to various risks of loss to torts; theft of, damage of, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District joined together with other special districts for insurance coverage under Special District Risk Management Authority (SDRMA). The District pays an annual premium to SDRMA for its general insurance coverage.

The District continues to carry commercial insurance for all other risks of loss, including workers' compensation, and employee health and accident insurance.

B. Commitments and Contingencies

The District has received various grants subject to audit by the grantor agencies. Any liability for reimbursement that may arise as a result is believed to be immaterial by management.

C. Post-Employment Benefits

The District implemented GASB Statement No. 75, *Financial Reporting for Postemployment Benefit Plans (OPEB) other than Pension Accounting and Financial Reporting by Employers for Postemployment Benefits other than Pension Plans* in FYE 2018. The District provides certain health care benefits which are recognized as an expenditure of health care premiums paid.

**LAKE DON PEDRO COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 4 - OTHER INFORMATION (Continued)

Significant Actuarial Assumptions Used for Total OPEB Liability:

Actuarial Assumption	June 30, 2018 Measurement Date
Actuarial Valuation Date	30-Jun-18
Contribution Policy	No pre-funding
Discount Rate	3.87% at June 30, 2018 (Bond Buyer 20-bond Index)
General Inflation	2.75% annually
Mortality, Retirement, Disability, Termination	CalPERS 1997-2015 Experience Study
Mortality Improvement	Post-retirement mortality projected fully generational with Scale MP-17
Salary Increases	Aggregate - 3% Annually. Merit - Tables from CalPERS 1997-2015 Experience Study
Medical Trend	Non-Medicare - 7.5% fro 2020, decreasing to an ultimate rate of 4.0% in 2076 and later years. Medicare - 6.5% for 2020, decreasing to an ultimate rate of 4.0% in 2076 and later years.
Medical Participation at Retirement	100%
Medical Plan at Retirement	Currently covered - Same as current election Currently waived - n/a

Sensitivity of the Net OPEB Liability to changes in the Trend rate – The following presents the District’s Net OPEB Liability if it were calculate using a trend table that is 1% point lower or 1% point higher than the current rate:

Net OPEB Liability as of June 30, 2017 measurement date: \$1,168,600.

Sensitivity of Total OPEB Liability: Changes in the Discount Rate

	<u>1% Decrease (2.87%)</u>	<u>Current Rate (3.87%)</u>	<u>1% Increase (4.87%)</u>
Total OPEB Liability	\$ 1,391,506	\$ 1,168,600	\$ 993,546

Changes in the Healthcare Trend Rate

	<u>1% Decrease</u>	<u>Current Trend</u>	<u>1% Increase</u>
Total OPEB Liability	\$ 963,420	\$ 1,168,600	\$ 1,446,100

**LAKE DON PEDRO COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 4 - OTHER INFORMATION (Continued)

Schedule of OPEB Expenses for Fiscal Year Ended June 30, 2018:

Changes in Total OPEB Liability	
Balances at 6/30/2017	\$ 1,147,347
Changes for the year	
Service Cost	64,722
Interest	42,904
Benefit changes	-
Actual vs. expected experience	-
Assumption changes	(59,089)
Benefit payments	(27,284)
	21,253
Net Changes	21,253
Balance at 6/30/2018	\$ 1,168,600

Deferred Inflows/Outflows of Resources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -
Changes of Assumptions	-	48,901
Employer contributions made subsequent to the measurement date	-	-
Total	\$ -	\$ 48,901

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ended June 30	Deferred Outflows/(Inflows) of Resources
2019	\$ (10,188)
2020	(10,188)
2021	(10,188)
2022	(10,188)
2023	(8,149)
Thereafter	-
	\$ (48,901)

**LAKE DON PEDRO COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 5 - DISTRICT EMPLOYEES RETIREMENT PLAN (DEFINED BENEFIT PENSION PLAN)

DEFINED BENEFITS PENSION PLANS – Miscellaneous Plan

The District provides eligible employee's pension plans benefits through the Lake Don Pedro Community Services District – Miscellaneous Plan (The Plan).

Plan Description, Benefits Provided and Employees Covered

The plan is a cost-sharing multiple-employer defined benefit pension plan administered by the California Public Employees; Retirement System (CalPERS). A full description of the pension plan benefit provisions, assumptions for funding purposes but not accounting purposes, and membership information is listed in the June 30, 2017 Annual Actuarial Valuation Report. Details of the benefits provided can be obtained in Appendix B of the June 30, 2017 actuarial valuation report. This report is a publically available valuation report that can be obtained at CalPERS' website under Forms and Publications.

Contribution Description

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through the CalPERS' annual actuarial valuation process. For public agency cost-sharing plans covered by either the Miscellaneous or Safety risk pools, the Plan's actuarially determined rate is based on the estimated amount necessary to pay the Plan's allocated share of the risk pool's costs of benefits earned by employees during the year, and any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and contribution rate of employees. For the measurement period ended June 30, 2017 (the measurement date), the active employee contribution rate is 6.900 percent of annual pay, and the average employer's contribution rate is 7.850 percent of annual payroll and unfunded accrual liability contribution is 2.701 percent. Employer contributions rates may change if plan contracts are amended. It is the responsibility of the employer to make necessary accounting adjustments to reflect the impact due to any Employer Paid Member Contributions or situations where members are paying a portion of the employer contribution

**LAKE DON PEDRO COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018**

DEFINED BENEFITS PENSION PLANS – Miscellaneous Plan (Continued)

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

For the measurement period ending June 30, 2017 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2016 total pension liability. Both the June 30, 2016 total pension liability and the June 30, 2017 total pension liability were based on the following actuarial methods and assumptions.

Actuarial Cost Method	Entry Age Normal in accordance with the requirements of GASB Statement No. 68
Actuarial Assumptions	
Discount Rate	7.15%
Inflation	2.75%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table	Delivered using CalPERS' Membership Data for all Funds
Post Retirement Benefit Increase	Contract COLA up to 2.75% until Purchasing Power Protection Allowance Floor on Purchasing Power applies 2.75% thereafter.

Discount Rate

The discount rate used to measure the total pension liability was 7.15 percent. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely results in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.15 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.15 percent is applied to all plans in the Public Employees Retirement Fund. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS' website under the GASB 68 section.

**LAKE DON PEDRO COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018**

DEFINED BENEFITS PENSION PLANS – Miscellaneous Plan (Continued)

The following presents the net pension liability/(assets) of the Plan as of the measurement date, calculated using the discount rate of 7.15 percent, as well as what the net pension liability/(asset) would be if it were calculated using a discount rate that is 1 percentage-point lower (6.15 percent) or 1 percentage-point higher (8.15 percent) than the current rate:

	<u>Discount Rate - 1 % (6.15 %)</u>	<u>Current Discount Rate (7.15 %)</u>	<u>Discount Rate + 1 % (8.15 %)</u>
Net Pension Liability	\$536,282	\$310,692	\$123,855

PENSION EXPENSE AND DEFERRED OUTFLOWS AND DEFERRED INFLOWS

For the fiscal year ended June 30, 2018 and 2017, pension expense recognized is as follows:

	<u>2017</u>	<u>2018</u>
Service Cost	\$ 30,843	\$ 40,124
Interest on Total Pension Liability	93,069	110,347
Changes of Benefits Terms	96	198
Recognize Changes of Assumptions	(5,740)	17,919
Recognize difference between Expected and Actual Experience	514	(2,174)
Net Plan to Plan Resource Movement	(2,148)	2,667
Employee Contributions	(14,484)	(17,226)
Projected Earnings on Pension Plan Investment	(74,811)	(79,516)
Recognize difference between Project and Actual Earnings on Plan Investment	7,810	(314)
Deferred Outflows of Resources	-	16,506
Deferred Inflows of Resources	-	5,062
Administrative Expenses	608	1,667
Pension Expense	<u><u>\$ 35,757</u></u>	<u><u>\$ 95,260</u></u>

**LAKE DON PEDRO COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018**

DEFINED BENEFITS PENSION PLANS – Miscellaneous Plan (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions	\$ 68,438	\$ 7,902
Difference between Expected and Actual Experience	552	5,218
Difference between Projected and and Actual Investment	15,478	-
Difference between Employer's Contribution and Proportionate Share of Contribution	-	33,610
Changes in Employer's Proportion Pension Contribution Made Subsequent to Measurement Date	48,884	-
	23,815	-
 Total	 \$ 157,167	 \$ 46,730

Amounts reported as deferred outflows of resources related to pensions will be recognized in future pension expense as follows:

Measurement Period Ended June 30,	Deferred Outflows/(Inflows) of Resources
2019	\$ 44,694
2020	32,538
2021	18,578
2022	(9,189)
2023	-
Thereafter	-

NOTE 6 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through January 22, 2019 the date which the financial statements were available to be issued.

LAKE DON PEDRO COMMUNITY SERVICES DISTRICT
Schedule of Required Supplementary Information- Pension Plan
For the Years Ended June 30, 2018, 2017 and 2016

Schedule of the Plan's Proportionate Share of the Net Pension Liability

	<u>June 30, 2016</u>	<u>June 30, 2017</u>	<u>June 30, 2018</u>
Plan's Proportion of the Net Pension Liability/(Asset)	0.001%	0.00563%	0.00313%
Plan's Proportionate Share of the Net Pension Liability/(Asset)	\$ 131,415	\$ 195,610	\$ 310,692
Plan's Covered-Employee Payroll	\$ 77,723	\$ 165,150	\$ 191,364
Plan's Proportionate Share of the Net Pension Liability/(Asset) as a Percentage of its Covered-Employee Payroll	55.03%	84.43%	162.36%
Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	0.00%	0.00%	73.31%
Plan's Proportionate Share of Aggregate Employer Contributions	\$ -	\$ -	\$ -

Schedule of Plan Contributions

	<u>June 30, 2016</u>	<u>June 30, 2017</u>	<u>June 30, 2018</u>
Actuarially Determined Contribution	\$ 18,621	\$ 21,388	\$ 23,815
Contributions in Relation to the Actuarially Determined Contribution	<u>(18,621)</u>	<u>(21,388)</u>	<u>(23,815)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-Employee Payroll	\$ 72,723	\$ 165,150	\$ 174,478
Contributions as a Percentage of Covered-Employee Payroll	25.61%	12.95%	13.65%

Notes to Schedule

Change in Benefit Terms: The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2016 as they have minimal cost impact.

Change in Assumptions: None



Blomberg & Griffin Accountancy Corporation
Certified Public Accountant

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

Governing Board
Lake Don Pedro Community Services District
La Grange, California

We have audited the financial statements of the governmental activities, the business-type activities, and each major fund of Lake Don Pedro Community Services District as of and for the year ended June 30, 2018, which collectively comprise Lake Don Pedro Community Services District's basic financial statements and have issued our report thereon dated December 19, 2018. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the *State Controller's Minimum Audit Requirements for California Special Districts*.

Internal Control over Financial Reporting

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

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

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

This report is intended solely for the information and use of the governing board, management, and the State Controller's Office, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Blomberg & Griffin A.C." with a stylized flourish at the end.

Blomberg & Griffin A.C.
Stockton, CA
December 19, 2018

ID	Task Mode	Task Name	Duration	Text Above	Start	Finish	Predecessors	Resource Names	Feb 17, '19							Feb 24, '19							Mar 3, '19							Mar 10, '19						
									W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T
1		Residence Services	97 days	No	Thu 2/14/19	Wed 7/3/19																														
2		Mobilization	3 days	No	Tue 2/26/19	Fri 3/1/19																														
3		9757 CARACOL CIR	1 day	No	Mon 3/4/19	Mon 3/4/19 2																														
4		9769 CARACOL CIR	1 day	No	Mon 3/4/19	Mon 3/4/19 2																														
5		9770 CARACOL CIR	1 day?	No	Fri 3/1/19	Fri 3/1/19 2																														
6		9775 CARACOL CIR	1 day?	No	Fri 3/1/19	Fri 3/1/19 2																														
7		9778 CARACOL CIR	1 day?	No	Mon 3/4/19	Mon 3/4/19 6																														
8		9779 CARACOL CIR	1 day?	No	Mon 3/4/19	Mon 3/4/19 6																														
9		9785 CARACOL CIR	1 day?	No	Mon 3/4/19	Mon 3/4/19 6																														
10		9788 CARACOL CIR	1 day?	No	Mon 3/4/19	Mon 3/4/19 6																														
11		9789 CARACOL CIR	1 day?	No	Tue 3/5/19	Tue 3/5/19 8																														
12		9794 CARACOL CIR	1 day?	No	Tue 3/5/19	Tue 3/5/19 8																														
13		Asphalt Paving	1 day	No	Wed 3/6/19	Wed 3/6/19 12																														
14		9684 MIRASOL WAY	1 day	No	Thu 3/7/19	Thu 3/7/19 13																														
15		9700 MIRASOL WAY	1 day	No	Thu 3/7/19	Thu 3/7/19 13																														
16		9705 MIRASOL WAY	1 day?	No	Thu 3/7/19	Thu 3/7/19 13																														
17		APN0212300040	1 day	No	Thu 3/7/19	Thu 3/7/19 13																														
18		APN0211700280	1 day	No	Fri 3/8/19	Fri 3/8/19 17																														
19		APN0211700290	1 day	No	Fri 3/8/19	Fri 3/8/19 17																														

Project: LDP CSD
Date: Fri 2/15/19

Summary		Project Summary		Inactive Milestone		Duration-only		Start-only		External Milestone
Task		Milestone		Inactive Summary		Manual Summary Rollup		Finish-only		Deadline
Split		Inactive Task		Manual Task		Manual Summary		External Tasks		Progress

ID	Task Mode	Task Name	Duration	Text Above	Start	Finish	Predecessors	Resource Names	Feb 17, '19				Feb 24, '19				Mar 3, '19				Mar 10, '19				
									W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F
39		9656 FACHADA WAY	1 day?	No	Tue 3/19/19	Tue 3/19/19 37																			
40		9657 FACHADA WAY	1 day?	No	Tue 3/19/19	Tue 3/19/19 37																			
41		Asphalt Paving	1 day	No	Wed 3/20/19	Wed 40 3/20/19																			
42		9663 FACHADA WAY	1 day?	No	Thu 3/21/19	Thu 3/21/19 41																			
43		9664 FACHADA WAY	1 day?	No	Thu 3/21/19	Thu 3/21/19 41																			
44		9669 FACHADA WAY	1 day?	No	Thu 3/21/19	Thu 3/21/19 41																			
45		9674 FACHADA WAY	1 day?	No	Thu 3/21/19	Thu 3/21/19 41																			
46		9682 FACHADA WAY	1 day?	No	Fri 3/22/19	Fri 3/22/19 45																			
47		APN0212300110	1 day?	No	Fri 3/22/19	Fri 3/22/19 45																			
48		9150 JALISCO WAY	1 day?	No	Fri 3/22/19	Fri 3/22/19 45																			
49		9156 JALISCO WAY	1 day?	No	Fri 3/22/19	Fri 3/22/19 45																			
50		9162 JALISCO WAY	1 day?	No	Mon 3/25/19	Mon 49 3/25/19																			
51		9168 JALISCO WAY	1 day?	No	Mon 3/25/19	Mon 49 3/25/19																			
52		Asphalt Paving	1 day	No	Tue 3/26/19	Tue 3/26/19 51																			
53		9174 JALISCO WAY	1 day?	No	Wed 3/27/19	Wed 52 3/27/19																			
54		9186 JALISCO WAY	1 day?	No	Wed 3/27/19	Wed 52 3/27/19																			
55		9194 JALISCO WAY	1 day?	No	Wed 3/27/19	Wed 52 3/27/19																			
56		9100 CAPULLO CIR	1 day?	No	Wed 3/27/19	Wed 52 3/27/19																			
57		9103 CAPULLO CIR	1 day?	No	Thu 3/28/19	Thu 3/28/19 56																			

Project: LDP CSD Date: Fri 2/15/19	Summary		Project Summary		Inactive Milestone		Duration-only		Start-only		External Milestone
	Task		Milestone		Inactive Summary		Manual Summary Rollup		Finish-only		Deadline
	Split		Inactive Task		Manual Task		Manual Summary		External Tasks		Progress

ID	Task Mode	Task Name	Duration	Text Above	Start	Finish	Predecessors	Resource Names	Feb 17, '19				Feb 24, '19				Mar 3, '19				Mar 10, '19			
									W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T
58		9108 CAPULLO CIR	1 day?	No	Thu 3/28/19	Thu 3/28/19	56																	
59		9109 CAPULLO CIR	1 day?	No	Thu 3/28/19	Thu 3/28/19	56																	
60		9114 CAPULLO CIR	1 day?	No	Thu 3/28/19	Thu 3/28/19	56																	
61		9117 CAPULLO CIR	1 day?	No	Fri 3/29/19	Fri 3/29/19	60																	
62		9126 CAPULLO CIR	1 day?	No	Fri 3/29/19	Fri 3/29/19	60																	
63		Asphalt Paving	1 day?	No	Mon 4/1/19	Mon 4/1/19	62																	
64		9133 BANDERILLA DR	1 day?	No	Tue 4/2/19	Tue 4/2/19	63																	
65		9141 BANDERILLA DR	1 day?	No	Tue 4/2/19	Tue 4/2/19	63																	
66		9149 BANDERILLA DR	1 day?	No	Tue 4/2/19	Tue 4/2/19	63																	
67		9152 BANDERILLA DR	1 day?	No	Tue 4/2/19	Tue 4/2/19	63																	
68		9167 BANDERILLA DR	1 day?	No	Wed 4/3/19	Wed 4/3/19	67																	
69		9184 BANDERILLA DR	1 day?	No	Wed 4/3/19	Wed 4/3/19	67																	
70		9185 BANDERILLA DR	1 day?	No	Wed 4/3/19	Wed 4/3/19	67																	
71		9889 BANDERILLA DR	1 day?	No	Wed 4/3/19	Wed 4/3/19	67																	
72		9193 BANDERILLA DR	1 day?	No	Thu 4/4/19	Thu 4/4/19	71																	
73		9194 BANDERILLA DR	1 day?	No	Thu 4/4/19	Thu 4/4/19	71																	
74		Asphalt Paving	1 day?	No	Fri 4/5/19	Fri 4/5/19	73																	
75		9662 PARAJE WAY	1 day?	No	Mon 4/8/19	Mon 4/8/19	74																	
76		9670 PARAJE WAY	1 day?	No	Mon 4/8/19	Mon 4/8/19	74																	

Project: LDP CSD Date: Fri 2/15/19	Summary		Project Summary		Inactive Milestone		Duration-only		Start-only		External Milestone
	Task		Milestone		Inactive Summary		Manual Summary Rollup		Finish-only		Deadline
	Split		Inactive Task		Manual Task		Manual Summary		External Tasks		Progress

ID	Task Mode	Task Name	Duration	Text Above	Start	Finish	Predecessors	Resource Names	Feb 17, '19				Feb 24, '19				Mar 3, '19				Mar 10, '19					
									W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
77		APN021140040	1 day?	No	Mon 4/8/19	Mon 4/8/19 74																				
78		9691 PARAJE WAY	1 day?	No	Mon 4/8/19	Mon 4/8/19 74																				
79		9707 PARAJE WAY	1 day?	No	Tue 4/9/19	Tue 4/9/19 78																				
80		9724 PARAJE WAY	1 day?	No	Tue 4/9/19	Tue 4/9/19 78																				
81		9621 VILLARREAL DR	1 day?	No	Tue 4/9/19	Tue 4/9/19 78																				
82		APN0211700060	1 day?	No	Tue 4/9/19	Tue 4/9/19 78																				
83		9638 VILLARREAL DR	1 day?	No	Wed 4/10/19	Wed 82 4/10/19																				
84		9643 VILLARREAL DR	1 day?	No	Wed 4/10/19	Wed 82 4/10/19																				
85		Asphalt Paving	1 day?	No	Thu 4/11/19	Thu 4/11/19 84																				
86		9648 VILLARREAL DR	1 day?	No	Fri 4/12/19	Fri 4/12/19 85																				
87		9657 VILLARREAL DR	1 day?	No	Fri 4/12/19	Fri 4/12/19 85																				
88		9662 VILLARREAL DR	1 day?	No	Fri 4/12/19	Fri 4/12/19 85																				
89		9673 VILLARREAL DR	1 day?	No	Fri 4/12/19	Fri 4/12/19 85																				
90		9674 VILLARREAL DR	1 day?	No	Mon 4/15/19	Mon 89 4/15/19																				
91		9704 VILLARREAL DR	1 day?	No	Mon 4/15/19	Mon 89 4/15/19																				
92		9705 VILLARREAL DR	1 day?	No	Mon 4/15/19	Mon 89 4/15/19																				
93		9712 VILLARREAL DR	1 day?	No	Mon 4/15/19	Mon 89 4/15/19																				
94		9717 VILLARREAL DR	1 day?	No	Tue 4/16/19	Tue 4/16/19 93																				
95		9734 VILLARREAL DR	1 day?	No	Tue 4/16/19	Tue 4/16/19 93																				

Project: LDP CSD Date: Fri 2/15/19	Summary		Project Summary		Inactive Milestone		Duration-only		Start-only		External Milestone
	Task		Milestone		Inactive Summary		Manual Summary Rollup		Finish-only		Deadline
	Split		Inactive Task		Manual Task		Manual Summary		External Tasks		Progress

Lake Don Pedro CSD Task Analysis,
Operations

NORMAL OPERATING EFFORT

TASK	TOTAL HOURS PER YEAR
Operate Water Treatment Plant	
Take and log readings, analyze data	216
Chemical readings and adjustments	108
Clean basin surface, retrieve surface debris	108
Backwash filters	140
Receive and transfer chemical	9
SUBTOTAL	581
Operate Water Distribution System	
Meter Reading Auto Read Meters	96
Meter Reading Manual Meters	24
Meter Reading Troubleshoot	416
SUBTOTAL	536
System Repair/Projects/Vehicles	
Line Leak Responses (Review, coordinate, inspect, paperwork)	208
Meter Troubleshooting	416
Frozen, Broken, Malfunctioning piping	176
Malfunctioning water treatment processes	192
Malfunctioning Control Valves or Distribution Equipment	312
Malfunctioning SCADA	104
Response to Power Outages	16
Tires, Vehicle Maintenance	72
SUBTOTAL	1496
Customer Service	
Customer Requested re-read	24
Customer Requested Service call	24
Lockoff/unlock non payment	54
Turn on/off on request	12
Meter Install	6
Meter read for title transfer	18
SUBTOTAL	138
Administration and Reporting	
Investigate/Audit Meter Readings	39
Coordinate sampling, Review and State Report	192
Operations Report for Board Meeting	12

Lake Don Pedro CSD Task Analysis,
Operations

Coordination with GM and Engineer on operations	104
Coordination with GM and Engineer on problems	26
Coordination with Office	52
Safety Training	26
Purchasing, Inventory control	52
Board Meeting Attendance	24
SUBTOTAL	527
GRAND TOTAL	3278
AVAILABLE WORK HOURS	1816
FTE	1.8

Lake Don Pedro CSD Task Analysis,
Maintenance

Intake Maintenance Item	Annual Time Requirement, HRS
Routine site visit inspection	26
Remote Readings/Physical Site Inspection (operate pumps/observe)	15
General Site Maintenance (weeds, locks, painting, cleaning)	4
Megger Pumps, check voltage and amps	6
Control Valve Maintenance (Pumps and surge tank)	16
Clean valve wells and Operate valve	0.5
Operate and Service intake wet well screens and valves (If accessible)	4
TOTAL	71.5

Wells Maintenance Item	Annual Time Requirement, HRS
Routine site visit inspection	52
Remote Readings/Physical Site Inspection	18
General Site Maintenance (weeds, locks, fence, painting, cleaning)	8
Megger Pumps, check voltage and amps	4
Clean valve wells and Operate valves	1
Pull pump and replace column piping, clean and descale casing	
TOTAL	83

Booster Stations and Tank Site Maintenance Item (7 tanks, 2 hydropneumatic stations, 3 Booster Stations)	Annual Time Requirement,
Remote Readings/Physical Site Inspection (Tank external, operate pumps)	156
General Site Maintenance (weeds, locks, fence, painting, cleaning)	64
Check Pump voltage and amps	8
Tank Internal Inspection, Cleaning and Video (Contracted to specialty contractors)	6
Pump Control Valve Service	80
Isolation valve well cleaning and operation	16
Control or valve rebuilding	19.2
TOTAL	349.2

Street Valves Maintenance Item	Annual Time Requirement, HRS
Clean isolation valve well and operate hydrant	481
Water Main Flushing	80
Perform hydrant flow testing	20
TOTAL	581

Lake Don Pedro CSD Task Analysis,
Maintenance

Pressure Regulating Valve Maintenance Item	Annual Time Requirement, HRS
Physical Site Inspection (open vault lid, check pressures)	6
Check PRV operation (operate downstream hydrant)	22
Pilot valve maintenance and service	27.5
Rebuild valve	17.6
TOTAL	73

Raw Water Distribution Maintenance Item	Annual Time Requirement, HRS
Gregoris Pond control valve inspection and service	24
Gregoris Pond vegetation maintenance	64
Isolation valve well cleaning and operation	2.5
TOTAL	91

Water Treatment Plant Maintenance Item	Annual Time Requirement, HRS
General facility inspection	130
Plant grounds maintenance	64
Filter Pumps service	10
Filter Control Valves service	12
Compressors (Daily check)	4
Online process monitoring equipment (Check operation daily, test, clean, maintain, standardize) ^{[i][1]}	180
Treatment Basin Cleaning	64
Chemical feed pumps maintenance	12
Filter maintenance	6
Mixer maintenance (Daily operating inspection)	24
Raw water tank inspection and cleaning (contracted, or drained and labor crew)	2
TOTAL	508

GRAND TOTAL MAINTENANCE PROGRAM, NORMAL SERVICE **1756**

PRELIMINARY

System Name:

Lake Don Pedro Community Services District

Date: 8/2/2016

System ID No. 5510008

Service Connections: 1429

Project Name	Task	Total Estimated Expense	Status	Priority	Year (FYE) to Complete
Fiscal Year Ending: 2017					
Replace Intake	Engineering Study: Identify and evaluate alternatives, estimate costs and compare to refurbishment of existing.	25,000	Planning	High	2017
Intake Booster	Install 2nd booster pump at intake (pump already purchased). Install tank bypass for float system.	150,000	Engineering Complete.	High	2017
Replace Raw Water Main	Planning, engineering and bid documents for replacement of raw water main	250,000	Planning	High	2018
Service Line Replacement	Remove and re-install the most damaged and continuous leaking service lines.	721,287	In Progress	High	2018
Ranchito Well Upgrade	Remove pump, video inspection and cleaning of well. Install digital flowmeter and tie into SCADA, repair RTU	37,611	Planning	High	2017
Septic System Upgrade at Treatment Plant	Move and update leach field	46,434	Engineering Complete, Permit Pulled	High	2017
Treatment Plant Upgrade	Install process analyzers to read and track ph/temp. on raw and treated water. Update SCADA system.	35,000	Planning	High	2017
Replace Water Meter at all 6 Tank Sites and intake	Install magnetic flow at all tank sites and tie into SCADA System.	157,305	Planning; to be completed with DWR grant	High	2017
Clean Chlorine Contact Tanks	Have the chlorine contact tanks cleaned	20,000	Major Maintenance Item (non-CIP) - Planning	Medium	2017
Sturtevant, Coronado, Lazo Tank Cleaning	Have tanks cleaned and inspected and replace level transmitters.	30,000	Major Maintenance Item (Non CIP) Planning	Medium	2017
Office Server Installation w/software	Fire closeout	107,000	Planning	Medium	2017
Air Conditioning for Board Room	Purchase and install air conditioning in Board Room	20,000	Planning	Medium	2017
Fiscal Year Ending 2018					
Replace Intake	Engineering: Design, plans, and bid docs for intake replacement (project scope contingent upon results of study)	150,000	Planning	High	2018
Replace Raw Water Main	Construction of new raw water main.	2,344,880	Planning	High	2018
Filter Media Replacement	Inspect and repair/replace filter media.	49,249	Planning	High	2018
Intake Float Pump Extension/Upgrade	Engineering and construction of modifications to new barge - move pumps to barge and eliminate old float. (Project scope contingent on intake study results)	33,770	Planning	Medium	2018
Ranchito PRV	Replace Ranchito PRV and vault	30,382	Valve is built. Needs installation.	Medium	2018

Install fire hydrant at Hernandez	Install fire hydrant at Hernandez	14,071	Research need for project.	Medium	2018
Treatment Plant Blow off	Convert old raw water pond to effluent to waste (blow-off). Clean and repair raw water pond drains.	28,142	Engineering work completed.	Medium	2018
Fiscal Year Ending 2019					
Remote Site Electronics Upgrade	Coronado, Arbolada, Central, Alamo, Enebro, Tulipan: Upgrade motor control panels.	120,000	Planning	High	2019
Coronado Pump Station Upgrade	Upgrade pump station to supply fire fighting water in Lazo zone when tank level is low.	150,000	Preliminary Engineering Design Completed.	High	2019
Replace Intake-Construction	Begin Construction of New Intake Structure (actual year of start/complete may depend on lake water level)	2,000,000	Planning	High	2020?
Upgrade Backwash Ponds	Upgrade piping and drainage.	35,178	Preliminary Engineering Design Completed.	Low	2019
Fiscal Year Ending 2020					
Treatment Plant Pump and Panel Upgrade.	Upgrade pumps to 1400 gpm and control panels and install VFD's	168,852	Planning	Medium	2020
Water Main Replacement	Replace Dead End Water Mains - Engineering and Construction.	6,500,000	Planning	Medium	2021
Tank Site Improvements	Central, Coronado, Enebro, Alamo, Arbolada, install roofs over RTUs, repair gage boards.	75,000	Planning	Low	2020
Fiscal Year Ending 2021					
Lazo Site Upgrade	Engineering and Construction: Seismic upgrade to foundation.	125,710	Planning	Medium	2022
Tulipan Site Upgrade	Install fence	16,885	Planning	Medium	2021
Replace Vehicle	Purchase and replace Vehicle	30,000	Planning	Low	2021

Projects Cost By Year: Estimated Cost

Fiscal Year Ending: 2017	1,599,637
Fiscal Year Ending 2018	2,650,494
Fiscal Year Ending 2019	2,305,178
Fiscal Year Ending 2020	6,743,852
Fiscal Year Ending 2021	172,595

Report Prepared By (title) _____

Date: _____

LAKE DON PEDRO COMMUNITY SERVICES DISTRICT

RESOLUTION 2019-__

A RESOLUTION OF THE BOARD OF DIRECTORS ACCEPTING DEDICATION OF WATER SYSTEM IMPROVEMENTS CONSTRUCTED BY CD DG LA GRANGE, LLC TO SERVE THE DOLLAR GENERAL STORE ON LAS PALMAS WAY

WHEREAS, The Lake Don Pedro Board of Directors entered into a Plan Check and Inspection Agreement dated August 18, 2017 which required that the Applicant, CD DG La Grange, LLC:

1. Applicant proposes to design and construct the following facilities that are referred to as the "Project" in the Agreement:
 - a. Develop and construct water main extensions, install fire hydrants, valves and other appurtenances; and
 - b. Construct inter-tie facilities and water main extensions to connect to the District's water system and provide adequate water service to the property; and
 - c. Dedicate the easements and rights of way necessary for operation and maintenance of the system
2. The District is willing to accept the transfer, operation and maintenance of the Project and to provide service therefrom through the District's water system, on the terms and conditions hereinafter provided.

WHEREAS, the improvements have been constructed and inspected by the District, and the appropriate documents, easements and assurances provided to allow for District acceptance of the improvements including the following.

- (a) The Project is finally inspected, tested and approved by the District
- (b) An engineer's certification that the Project is constructed in substantial conformance with the plans and specifications submitted to the District;
- (c) All real property, easements required to provide service through the Project, rights-of-way, permits, licenses, and other approvals to be obtained and delivered to the District have been so obtained and delivered to the District;
- (d) The record drawings (reproducible as-builts), specifications, accounting, operation manuals and instructions, CAD disk and warranties have been provided to the District;
- (e) Applicant has paid the District all applicable fees and charges of the District, all in accordance with the rules and regulations for the District;
- (f) A detailed accounting of amounts expended for improvements; and
- (g) A list of assessor parcel numbers and service addresses to be served by the Project.

THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS of the **Lake Don Pedro Community Services District as follows:**

1. The District shall accept ownership and operation of the above stated improvements, effective this day.
2. The District shall provide Notice of Acceptance of the Project to the project owner, and appropriate county

entities

3. The Applicant has provided the appropriate bond, letter of credit or other financial security satisfactory to the District in the sum of 10% of the cost of the Project (Maintenance Guarantee), which provides a one year warranty that the project is free from defects in materials and workmanship, as defined in the Agreement.

This 20th day of February, 2019 by the following vote:

AYES: (0)
NOES: (0)
ABSENT: (0)
ABSTAIN: (0)

Danny Johnson, President of the Board

ATTEST:

Syndie Marchesiello, Secretary

CERTIFICATE OF ACTING SECRETARY

I, Syndie Marchesiello, as Secretary of the Lake Don Pedro Community Services District, do hereby certify that the foregoing Resolution was duly and regularly adopted on the 20th day of February, 2019, at the Special Meeting of the Board of Directors.

Syndie Marchesiello, Secretary