

**CHRISTIAN VALLEY PARK
COMMUNITY SERVICES DISTRICT**

**FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT**

for the year ended June 30, 2021

ROBERT W. JOHNSON
Certified Public Accountant

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Christian Valley Park Community Services District
Auburn, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the business-type activities of Christian Valley Park Community Services District, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards issued by 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District'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 District'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 opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and business-type activities of Christian Valley Park Community Services District as of June 30, 2021, and the respective changes in financial position and cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America, as well as the accounting systems prescribed by the State Controller's Office and State Regulations governing Special Districts.

Other-Matters

Required Supplementary Information

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by the missing information.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Robert W. Johnson, An Accountancy Corporation

Citrus Heights, California
September 15, 2021

CHRISTIAN VALLEY PARK COMMUNITY SERVICES DISTRICT
STATEMENT OF NET POSITION
June 30, 2021

ASSETS	<u>Enterprise Fund</u>	<u>Governmental Fund</u>	<u>Total</u>
Current assets:			
Cash in bank	\$ 229,519	\$ 172,137	\$ 401,656
Temporary investments			
- LAIF (Note 3)	473,925	434,727	908,652
Accounts receivable - trade	13,061	-	13,061
Interest receivable	423	317	740
Prepaid expenses	<u>6,704</u>	<u>-</u>	<u>6,704</u>
Total current assets	<u>723,632</u>	<u>607,181</u>	<u>1,330,813</u>
Capital assets, at cost (Notes 4 and 5):			
Water utility plant in service	3,190,143	-	3,190,143
Less, accumulated depreciation	<u>1,999,158</u>	<u>-</u>	<u>1,999,158</u>
	1,190,985	-	1,190,985
Work in progress	<u>3,506,221</u>	<u>-</u>	<u>3,506,221</u>
	<u>4,697,206</u>	<u>-</u>	<u>4,697,206</u>
Restricted assets (Note 3):			
Cash in bank – Projects	<u>1,031,396</u>	<u>-</u>	<u>1,031,396</u>
	<u>\$6,452,234</u>	<u>\$ 607,181</u>	<u>\$7,059,415</u>

See notes to financial statements

LIABILITIES AND NET POSITION	<u>Enterprise Fund</u>	<u>Governmental Fund</u>	<u>Total</u>
Current liabilities:			
Current portion of long-term debt (Note 5)	\$ 26,650	\$ -	\$ 26,650
Interim tank financing – water tank project	3,371,000	-	3,371,000
Accounts payable and accrued liabs.	<u>40,030</u>	<u>-</u>	<u>40,030</u>
Total current liabilities	<u>3,437,680</u>	<u>-</u>	<u>3,437,680</u>
Long-term debt, net of current portion (Note 5)	<u>644,286</u>	<u>-</u>	<u>644,286</u>
Total liabilities	<u>4,081,966</u>	<u>-</u>	<u>4,081,966</u>
Net position (Note 6):			
Net investment in capital assets	655,270	-	655,270
Restricted	67,813	-	67,813
Unrestricted/unassigned	<u>1,647,185</u>	<u>607,181</u>	<u>2,254,366</u>
	<u>2,370,268</u>	<u>607,181</u>	<u>2,977,449</u>
	<u>\$6,452,234</u>	<u>\$ 607,181</u>	<u>\$7,059,415</u>

CHRISTIAN VALLEY PARK COMMUNITY SERVICES DISTRICT
STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION
for the year ended June 30, 2021

<u>Functions/Programs</u>	<u>Program Revenues</u>		
Primary government:	<u>Expenses</u>	<u>Charges for Services</u>	<u>Grants and Contributions</u>
Governmental activities:			
Roads	\$ <u>6,241</u>	\$ <u>-</u>	\$ <u>-</u>
Total governmental activities	<u>6,241</u>	<u>-</u>	<u>-</u>
Business-type activities:			
Water	<u>526,887</u>	<u>682,792</u>	<u>-</u>
Total business-type activities	<u>526,887</u>	<u>682,792</u>	<u>-</u>
Total primary government	<u>\$ 533,128</u>	<u>\$ 682,792</u>	<u>\$ -</u>
		General revenues:	
		Property taxes	
		Interest income	
		Other income	
		Total general revenues	
		Changes in net position	
		Net position – beginning	
		Net position – ending	

See notes to financial statements

Net (Expense) Revenue and Changes in Net Position

Primary Government

<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
\$(6,241)		\$(6,241)
(6,241)		(6,241)
	\$ 155,905	155,905
	155,905	155,905
(6,241)	155,905	149,664
69,218	44,728	113,946
2,315	3,050	5,365
-	200	200
<u>71,533</u>	<u>47,978</u>	<u>119,511</u>
65,292	203,883	269,175
<u>541,889</u>	<u>2,166,385</u>	<u>2,708,274</u>
<u>\$ 607,181</u>	<u>\$2,370,268</u>	<u>\$2,977,449</u>

CHRISTIAN VALLEY PARK COMMUNITY SERVICES DISTRICT
STATEMENT OF CASH FLOWS – ENTERPRISE FUND
for the year ended June 30, 2021

Cash flows from operating activities:		
Receipts from customers		\$ 676,272
Payments to suppliers		(367,360)
Payments to employees		<u>(49,495)</u>
Net cash provided by operating activities		259,417
Cash flows from noncapital financing activities:		
Receipts from property taxes and other nonoperating income	\$ <u>44,728</u>	44,728
Cash flows from capital and related financing activities:		
Purchase of capital assets including work in progress	(3,126,377)	
New debt issued	2,871,000	
Principal paid on long-term debt	(13,064)	
Interest paid on capital debt	<u>(27,229)</u>	
		(295,670)
Cash flows from investing activities:		
Interest income		<u>3,050</u>
Net increase in cash and cash equivalents		11,525
Cash and cash equivalents:		
Beginning of year		<u>1,723,315</u>
End of year		<u>\$1,734,840</u>
Reconciliation of cash and cash equivalents to statement of net position:		
Unrestricted – cash and cash equivalents		\$ 703,444
Restricted – cash and cash equivalents		<u>1,031,396</u>
		<u>\$1,734,840</u>

See notes to financial statements

CHRISTIAN VALLEY PARK COMMUNITY SERVICES DISTRICT
STATEMENT OF CASH FLOWS – ENTERPRISE FUND, continued
for the year ended June 30, 2021

Reconciliation of operating income (loss) to net cash provided by operating activities:		
Operating income (loss)		\$ 183,334
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation expense	\$ 54,232	
Changes in operating assets and liabilities:		
Receivables	(5,062)	
Prepays	(1,779)	
Accounts payable and accrued liabs.	(4,758)	
Intercompany – road fund	<u>33,450</u>	
		<u>76,083</u>
Net cash provided by operating activities		\$ <u>259,417</u>
Supplementary information:		
Cash paid for interest		\$ <u>27,229</u>

See notes to financial statements

CHRISTIAN VALLEY PARK COMMUNITY SERVICES DISTRICT
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES – ROADS
for the year ended June 30, 2021

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Program expenditures/expenses:			
Road maintenance	\$ 6,241	\$ -	\$ 6,241
Administrative	-	-	-
Capital outlay	-	-	-
Depreciation	-	-	-
	<u>6,241</u>	<u>-</u>	<u>6,241</u>
Total program expenditures/expenses			
Program revenues:			
Charges for services	-	-	-
Assessments	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total program revenues			
General revenues:			
Property taxes	69,218	-	69,218
Interest income	2,315	-	2,315
Other	-	-	-
Operating fund transfer	-	-	-
	<u>71,533</u>	<u>-</u>	<u>71,533</u>
Total general revenues			
Excess of revenues over expenditures/ change in net position	65,292	-	65,292
Beginning fund balances/net position	<u>541,889</u>	<u>-</u>	<u>541,889</u>
Ending fund balances/net position	<u>\$ 607,181</u>	<u>\$ -</u>	<u>\$ 607,181</u>

See notes to financial statements

CHRISTIAN VALLEY PARK COMMUNITY SERVICES DISTRICT
STATEMENT OF REVENUES AND EXPENDITURES – ROADS
BUDGET AND ACTUAL
for the year ended June 30, 2021

	<u>Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable) Variance</u>
Revenues:			
Property taxes	\$ 24,500	\$ 69,218	\$ 44,718
Interest	500	2,315	1,815
Operating fund transfer	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>25,000</u>	<u>71,533</u>	<u>46,533</u>
Expenditures:			
Road maintenance	40,000	6,241	33,759
Administrative	<u>5,000</u>	<u>-</u>	<u>5,000</u>
Total expenditures	<u>45,000</u>	<u>6,241</u>	<u>38,759</u>
Excess of revenues over expenditures	<u><u>\$ (20,000)</u></u>	<u><u>\$ 65,292</u></u>	<u><u>\$ 85,292</u></u>

See notes to financial statements

CHRISTIAN VALLEY PARK COMMUNITY SERVICES DISTRICT
NOTES TO FINANCIAL STATEMENTS
for the year ended June 30, 2021

1. Organization:

The Christian Valley Park Community Services District (the "District") was formed in 1962 by State Government Code Section 56452 to provide water service and road maintenance to residents of the Subdivision within the District. The District's financial and administrative functions are governed by a five member Board of Directors elected by the voting population within the District.

2. Summary of Significant Accounting Policies:

The basic financial statements of Christian Valley Park Community Services District have been prepared in conformity with generally accepted accounting principles as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

Fund Accounting

The accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The two funds in these financial statements are grouped as follows:

Enterprise Fund:

The enterprise fund is used to account for water operations that are financed and operated in a manner similar to private business enterprises. The intent of the District is that the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges.

Governmental Fund:

The governmental fund is used to account for all financial resources of the roads.

CHRISTIAN VALLEY PARK COMMUNITY SERVICES DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
for the year ended June 30, 2021

2. Summary of Significant Accounting Policies, continued:

Basis of Accounting

The basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of measurement made, regardless of the measurement focus applied.

The District's books and accounts are based upon the Uniform System of Accounts for Public Utilities as prescribed by the Division of Local Government Fiscal Affairs of the State of California. For the enterprise fund, the records are maintained and the accompanying financial statements are presented on the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

The governmental fund (roads) is accounted for on a spending or "current financial resources" measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period.

Operating revenues and expenses, such as water sales along with water expenses, result from exchange transactions associated with the principal activity of the District. Exchange transactions are those in which each party receives and gives up essentially equal values. Management, administration and depreciation expenses are also considered operating expenses. Other revenues and expenses not included in the above categories are reported as non-operating revenues and expenses. Non-operating revenues and expenses, such as grant funding, investment income and interest expense, result from non-exchange transactions, in which, the District gives (receives) value without directly receiving (giving) value in exchange.

Financing Corporation

In 2008 the Board of Directors approved Resolution No. 08-07 to incorporate the Christian Valley Park Community Services District Financing Corporation (the "Corporation"). The primary purpose of the Corporation is to provide financial assistance to the District by financing the construction of major capital facilities such as the Gayle Loop Project.

CHRISTIAN VALLEY PARK COMMUNITY SERVICES DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
for the year ended June 30, 2021

2. Summary of Significant Accounting Policies, continued:

Financing Corporation, continued

By an agreement between the Corporation and the District, all rights to receive installment payments from a bank and the obligation to pay the bank, have been assigned by the Corporation to the District.

Since both the management and financial obligation of the aforementioned transactions are supervised by the District, then the June 30, 2021 accompanying financial statements reflect both the expended costs and related long term debt.

Depreciation

Capital assets are recorded on the basis of purchase cost. Assets acquired by developer contribution are recorded at estimated cost or fair market value at the date of acquisition.

Depreciation is calculated by the straight-line method over the estimated useful lives of the respective assets which range from five to fifty years.

Road expenditures are classified as repairs and maintenance rather than as capital assets.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the District considers all highly liquid debt instruments purchased with an initial maturity of three months or less to be cash equivalents, including restricted assets. Cash in banks, deposits in the State of California Local Agency Investment Fund (LAIF) and deposits with fiscal agents are considered to be cash and cash equivalents.

Budget and Budgetary Accounting

The Board of Directors annually adopts an operating budget. The operating budgets are prepared on the accrual basis to match the interim operating statements.

CHRISTIAN VALLEY PARK COMMUNITY SERVICES DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
for the year ended June 30, 2021

2. Summary of Significant Accounting Policies, continued:

Investments

Investments consist of LAIF (State of California pooled investment fund). Investments are stated at fair value. Such investment is within the State statutes and the District's investment policy.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results may differ from those estimates.

Net Position

Net position is classified in the following categories:

Net Investment in capital assets – groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of these assets reduce this category.

Restricted – presents external restrictions imposed by creditors, grantors, contributors or laws and regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted – represents the net position of the District, which are not restricted or invested in capital assets net of related debt.

CHRISTIAN VALLEY PARK COMMUNITY SERVICES DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
for the year ended June 30, 2021

2. Summary of Significant Accounting Policies, continued:

Fund Balance

Fund balance is classified in the following categories:

Restricted – includes fund balance amounts that are subject to externally enforceable legal restrictions or constrained for a specific purpose by external parties, constitutional provisions or enabling legislation.

Committed – includes fund balance amount that can only be used for specific purposes pursuant to constraints imposed by the formal actions of the District’s Board of Directors.

Assigned – includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed.

Unassigned – includes fund balance which has not been classified within the above mentioned categories.

Property Taxes

The District receives property taxes from Placer County. Property taxes receivable are recorded in the fiscal year for which the tax is levied based on the assessed value as of September 1 of the preceding fiscal year. They become a lien on the first day of the year they are levied. Secured property tax is levied on September 1 and due in two installments, on November 1 and March 1. They become delinquent on December 10 and April 10, respectively. Unsecured property taxes are due on July 1, and become delinquent on August 31. The District elected to receive the property taxes from the County under the Teeter Bill Program. Under this Program, the District receives 100% of the levied property taxes in periodic payments, with the County assuming responsibility for delinquencies.

CHRISTIAN VALLEY PARK COMMUNITY SERVICES DISTRICT
 NOTES TO FINANCIAL STATEMENTS, continued
 for the year ended June 30, 2021

3. Cash and Investments:

Cash consists of the following at June 30, 2021:

	<u>Water</u>	<u>Roads</u>	<u>Total</u>
Operations	\$ 229,519	\$ 172,137	\$ 401,656
Restricted	<u>1,031,396</u>	<u>-</u>	<u>1,031,396</u>
Total cash and investments	<u>\$1,260,915</u>	<u>\$ 172,137</u>	<u>\$1,433,052</u>

Deposits:

At year-end the carrying amount of the District's deposits was \$1,433,052 and the bank balance was \$1,433,595.

Of the balance in the financial institutions, \$250,000 was covered by federal depository insurance and \$1,183,595 was collateralized as required by State Law (Government Code Section 53630), by the pledging financial institution with assets held in a common pool for the District and other agencies, but not in the name of the District.

CHRISTIAN VALLEY PARK COMMUNITY SERVICES DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
for the year ended June 30, 2021

3. Cash and Investments, continued:

Investments:

California statutes authorize the District to invest in a variety of credit instruments as provided for in the California Government Code Section 53600, Chapter 4 – Financial Affairs. The Government Code allows investments in obligations of the U.S. Treasury, agencies, and instrumentalities, commercial paper rated A-1 by Standard & Poor’s or P-1 by Moody’s Commercial Paper Record, bankers’ acceptances, repurchase agreements, medium-term corporate notes, mutual funds and the State Treasurer’s Local Agency Investment Fund (LAIF). The investment in LAIF is reported at fair value.

	<u>Carrying Amount</u>	<u>Maturity - 12 Months or Less</u>
Balance, June 30, 2021		
Local Agency Investment Fund	\$ <u>908,652</u>	\$ <u>908,652</u>

Pursuant to Government Accounting Standards Board Statement 3, the investment in LAIF is not classified in categories of credit risk. The District’s funds in LAIF are invested in a diversified portfolio (of underlying investments e.g. U.S. Treasury obligations) such that it considers the risk of material loss to be minimal. The funds held in LAIF can be withdrawn on demand.

Restricted cash and investments:

At June 30, 2021, the District had \$1,031,396 in cash pledged for the payment or security of a loan contract. The California Government Code provides that these monies, in the absence of specific statutory provisions governing the issuance of bonds, certificates, or leases, may be invested in accordance with the ordinance, resolutions, policies or indentures specifying the types of investments its fiscal agents may make.

	<u>Restricted Cash Balance, 6/30/21</u>
Gayle Loop Project	\$ 111,833
Water Tank Project	<u>919,563</u>
	<u>\$1,031,396</u>

CHRISTIAN VALLEY PARK COMMUNITY SERVICES DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
for the year ended June 30, 2021

4. Capital Assets:

Changes in enterprise capital assets for the year ended June 30, 2021 are as follows:

	<u>Balance</u> <u>July 1, 2020</u>	<u>Additions/</u> <u>Transfers</u>	<u>Disposals</u>	<u>Balance</u> <u>June 30, 2021</u>
Water equipment	\$1,294,638	\$ -	\$ -	\$1,294,638
Water system	<u>1,895,505</u>	<u>-</u>	<u>-</u>	<u>1,895,505</u>
	<u>\$3,190,143</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$3,190,143</u>
Work in progress:				
Reservoir tank project	<u>\$ 379,844</u>	<u>\$3,126,377</u>	<u>\$ -</u>	<u>\$3,506,221</u>

CHRISTIAN VALLEY PARK COMMUNITY SERVICES DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
for the year ended June 30, 2021

5. Long-Term Debt:

The following is a summary of the long-term debt activities for the year ended June 30, 2021:

	<u>Balance</u> <u>July 1, 2020</u>	<u>New Debt</u> <u>Issued</u>	<u>Debt</u> <u>Retired</u>	<u>Balance</u> <u>June 30, 2021</u>	<u>Current</u> <u>Portion</u>
Series 2020 Water Revenue Bonds - Water Tank Project	\$ 500,000	\$2,871,000	\$ -	\$3,371,000	\$ -
Series 2020 Water Revenue Refunding loan – Gayle Loop Refinance	<u>684,000</u>	<u>-</u>	<u>13,064</u>	<u>670,936</u>	<u>26,650</u>
	<u>\$1,184,000</u>	<u>\$2,871,000</u>	<u>\$ 13,064</u>	<u>\$4,041,936</u>	<u>\$ 26,650</u>

Gayle Loop

On May 1, 2020, the District entered into an installment obligation with a bank, known as the Series 2020 Water Revenue Refunding Loan Obligation (Gayle Loop Refunding Project). The \$684,000 in bond proceeds and \$175,727 in restricted cash was used to pay off a 2008 USDA loan, finance cost of bond issuance, and to establish a debt service reserve fund.

The \$684,000 revenue bonds bear interest at 2.66% and mature on August 1, 2040. Principal and interest payments are due on August 1 and February 1; annual debt service is \$44,322.

At June 30, 2021 the District maintained a required debt reserve fund of \$44,000. The loan is collateralized by a pledge of Net Revenues.

CHRISTIAN VALLEY PARK COMMUNITY SERVICES DISTRICT
 NOTES TO FINANCIAL STATEMENTS, continued
 for the year ended June 30, 2021

5. Long-Term Debt, continued:

Interim Tank Financing – Water Tank Replacement Project

On May 22, 2020 the District issued maximum principal amount \$3,371,000 Series 2020 Water Revenue Bond Anticipation Notes.

\$3,371,000 bond proceeds includes costs of issuance of \$35,043. Maturity date of the interim bond financing (with a bank) is February 1, 2023; interest rate is 2.34%. The final lender is expected to be USDA. At June 30, 2021 the District had taken the full \$3,371,000 in loan advances.

The loan is collateralized by a pledge of Net Revenues.

The future annual maturities of long-term borrowings except for \$3,371,000 due on Water Tank Project, as of June 30, 2021 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 26,650	\$ 17,672	\$ 44,322
2023	27,365	16,957	44,322
2024	28,097	16,225	44,322
2025	28,850	15,472	44,322
2026	29,622	14,700	44,322
2027-2031	160,442	61,167	221,609
2032-2036	183,104	38,505	221,609
2037-2041	<u>186,806</u>	<u>12,641</u>	<u>199,447</u>
	<u>\$ 670,936</u>	<u>\$ 193,339</u>	<u>\$ 864,275</u>

CHRISTIAN VALLEY PARK COMMUNITY SERVICES DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
for the year ended June 30, 2021

6. Net Position:

Net position at June 30, 2021 is analyzed as follows:

	<u>Enterprise Fund Water</u>	<u>Governmental Fund Roads</u>
Net investment in capital assets	\$ <u>655,270</u>	\$ <u>-</u>
Restricted:		
Gayle Loop	<u>67,813</u>	<u>-</u>
Unrestricted:		
Designated by Board:		
Minor CIP – Tier 2	46,600	-
Major CIP – Tier 3	<u>65,000</u>	<u>-</u>
	111,600	-
Undesignated/unassigned	<u>1,535,585</u>	<u>607,181</u>
	<u>1,647,185</u>	<u>607,181</u>
Total net position	<u>\$2,370,268</u>	<u>\$ 607,181</u>

7. Risk of Loss:

Christian Valley Park Community Services District is exposed to various risks of loss related to theft of, damage to, and destruction of assets; and injuries to employees. During the 2021 fiscal year, the District purchased certain commercial insurance coverages to provide for these risks.

CHRISTIAN VALLEY PARK COMMUNITY SERVICES DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
for the year ended June 30, 2021

8. Tank Project:

Christian Valley Park, CSD is in the final months of finishing the Reservoir Replacement Project. The project replaced the in-ground 1,500,000 gallon reservoir with two above ground storage tanks. Both tanks, which are 750,000 gallons each, have been in service since May 2021. For more information, please visit the District's website at www.christianvalley.org.

9. COVID-19:

In March 2020, the WHO declared a global health pandemic of the Coronavirus Disease COVID-19. The District remained committed to maintaining water delivery services to customers in its community. To date, the adverse effects on the District's financial position include the additional cost of having a Zoom account for virtual meetings along with varied delays in accounts receivable from a small fraction of the community's water customers. On the other hand, the District has had reduced costs in printing, and accessibility for the community members to attend online meetings has improved for those with reliable access.

10. Subsequent Events:

Management has evaluated subsequent events through September 15, 2021, the date these June 30, 2021 financial statements were available to be issued.

SUPPLEMENTAL DATA

CHRISTIAN VALLEY PARK COMMUNITY SERVICES DISTRICT
PRINCIPAL OFFICIALS
for the year ended June 30, 2021

Board of Directors:

Kathleen Daugherty

President

Lynn Cook

Vice President

Rolando de la Torre

Heidi Temko

Dan Negus

Management:

Don Elias

District Secretary/
General Manager

Kathleen Leas

Bookkeeper

CHRISTIAN VALLEY PARK COMMUNITY SERVICES DISTRICT
SCHEDULE OF ACTIVITIES AND CHANGES IN NET POSITION - DETAILED
for the year ended June 30, 2021

	Enterprise <u>Fund</u> <u>Water</u>	Governmental <u>Fund</u> <u>Roads</u>	<u>Combined</u>
Operating revenues:			
Service charges	\$ 665,309	\$ -	\$ 665,309
Hookup fees	17,483	-	17,483
Late fees	-	-	-
Other income	<u>200</u>	<u>-</u>	<u>200</u>
Total operating revenues	<u>682,992</u>	<u>-</u>	<u>682,992</u>
Operating expenses/expenditures:			
Water purchases	62,002	-	62,002
Water treatment	222,271	-	222,271
Transmission and distribution	51,593	-	51,593
Administrative and general	109,560	-	109,560
Depreciation	54,232	-	54,232
Road maintenance	<u>-</u>	<u>6,241</u>	<u>6,241</u>
Total operating expenses/expenditures	<u>499,658</u>	<u>6,241</u>	<u>505,899</u>
Operating income (loss)	<u>183,334</u>	<u>(6,241)</u>	<u>177,093</u>
Non-operating revenues and (expenditures):			
Property assessments/taxes	44,728	69,218	113,946
Interest expense	(27,229)	-	(27,229)
Interest income	<u>3,050</u>	<u>2,315</u>	<u>5,365</u>
	<u>20,549</u>	<u>71,533</u>	<u>92,082</u>
Income (loss) before contributions (carried forward)	<u>203,883</u>	<u>65,292</u>	<u>269,175</u>

CHRISTIAN VALLEY PARK COMMUNITY SERVICES DISTRICT
 SCHEDULE OF ACTIVITIES AND CHANGES IN NET POSITION - DETAILED, continued
 for the year ended June 30, 2021

	<u>Enterprise Fund Water</u>	<u>Governmental Fund Roads</u>	<u>Combined</u>
Income (loss) before contributions (carried forward)	\$ 203,883	\$ 65,292	\$ 269,175
Capital contributions	<u>-</u>	<u>-</u>	<u>-</u>
Changes in net position	<u>\$ 203,883</u>	<u>\$ 65,292</u>	269,175
Total net position:			
Beginning			<u>2,708,274</u>
Ending			<u>\$2,977,449</u>

