



5880 Oak Street, Anderson, CA 96007
Phone: (530) 357-2121 Email: cccsd@clearcreekcsd.org

Board of Directors: Scott McVay - Chair
Logan Johnston, Vice Chair
Directors – Pam Beaver, Beverly Fickes, Terry Lincoln

General Manager: Dale Mancino

REGULAR MEETING: November 19, 2025, at 6:00PM: District Office Board Room

AGENDA

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

OPEN TIME/PUBLIC COMMENT: Pursuant to Gov. code §54950, persons wishing to address the Board of Directors on matters not listed on the agenda should notify the Secretary prior to the start of the meeting. To speak at this time and for any item listed on the agenda – raise your hand, and when recognized by the Chair – proceed to the podium to address the Board.

CONSENT AGENDA (Action)

The following items are expected to be routine. Any interested party may comment or request an item be removed from the consent agenda for separate discussion/action.

- 1. Minutes from Meetings:** Regular Meeting Minutes 10/15/2025
- 2. Bills Paid:** 10/10/2025 – 11/13/2025
- 3. Activity P&L Report:** October 2025

REGULAR AGENDA (Discussion/Action)

- 4. Technology Policy (Discussion/Action)**
- 5. Fatigue Policy (Discussion/Action)**
- 6. Prop 218 Advisory Committee Interviews (Discussion/Action)**

ADA Related Disabilities:

Contact the front office and speak with a Staff Member if special consideration is needed to attend any public meeting for disability related accommodations or aide is needed. Please give 72 hours - notice prior to the meeting to allow staff to meet your requests appropriately.

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- 7. Delinquencies and Water Service Disconnect Policy** (Discussion/Action)
- 8. Stale Customer Accounts**
 - a. Update to Rules and Regulations for Water Service Policy Regarding Customer Accounts Being Sent to a Collections Agency** (Discussion/Action)
 - b. Approval to Enter into an Agreement with Collections Agency** (Discussion/Action)
- 9. Adjustment Request – 17690 Warwick Place** (Discussion/Action)
- 10. Adjustment Request – 18298 Majestic View Drive** (Discussion/Action)
- 11. Happy Valley Community Foundation – Request for Sign Placement** (Discussion/Action)
- 12. Presentation and Acceptance of the 2023 Independent Financial Audit** (Discussion/Action)
- 13. General Managers Report**
- 14. Operations Oral Report**
- 15. STANDING COMMITTEES & AD HOC COMMITTEES REPORT OUTS**
 - a. Agriculture Committee –**
 - b. Finance Committee –**
 - c. Planning/Steering Committee –**
 - d. Personnel Committee –**
 - e. Centerville Contract Ad Hoc Committee -**
- 16. BOARD ITEMS**
- 17. ADJOURN THE MEETING**

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Logan Johnston, Vice Chair
Directors – Pam Beaver, Beverly Fickes, Terry Lincoln

General Manager: Dale Mancino

REGULAR MEETING: October 15, 2025, at 6:00PM: District Office Board Room

MINUTES

CALL TO ORDER: 6:01 PM

PLEDGE OF ALLEGIANCE: *Lead by Director Fickes*

ROLL CALL: *Director Lincoln, Director McVay, Director Fickes, Director Beaver, Director Johnston, General Manager Dale Mancino, Administrative Assistant Emily King*

OPEN TIME/PUBLIC COMMENT: *None*

CONSENT AGENDA

- 1. Minutes from Meetings:** Regular Meeting Minutes 09/17/2025, Agriculture Committee Meeting Minutes 09/24/2025, Finance Committee Meeting Minutes 9/24/25, Personnel Committee Meeting Minutes 10/2/2025.
- 2. Bills Paid:** 09/12/2025 – 10/09/2025
- 3. Activity P&L Report:** May 2025 – June 2025 – July 2025 – August 2025 – September 2025

Discussion took place on Centerville O&M and the Water Treatment Plants high fuel usage. In response to Director Johnston, General Manager Dale Mancino stated he is currently reviewing the property tax deposits being made.

Director Fickes, 2nd Director Johnston
Vote 5-0

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REGULAR AGENDA

4. Board of Directors Agenda Management Policy

Director Fickes thanked Administrative Assistant Emily King for a clear and well-written policy. Director McVay discussed how the board has historically handled the approval and placement of items on the agenda. Director McVay then stated that Item 17 needed to be pulled from the agenda because the wording "discussion/action" was not present. Administrative Assistant Emily King responded that "discussion/action" was included in the Item 17 memo and proceeded to read the relevant legal code, which clarified that specific wording is not required on the agenda for an item to be discussed and voted on.

Director McVay referenced the previous discussion on the item from the September regular meeting. Director Fickes stated that the chair of the board should oversee the agendas but should not make decisions that diminish the powers of board members, which is the reason for the policy. Director Fickes also addressed historical issues with previous general managers and chairs making sole decisions on agenda items. She emphasized that all items should be brought before the entire board for discussion and a vote.

Director McVay stated that his intent is to shorten meetings. At Director Beaver's request, Administrative Assistant Emily King read Government Code Section 54954.2, stating that the Brown Act does not grant the board chair exclusive authority to add or remove items from the agenda. She noted that most boards establish policies to clarify agenda procedures. Director Beaver emphasized that all board members must have the opportunity to discuss items in order to effectively represent the community.

A motion was made to approve the Board of Directors Agenda Management Policy.

*Director Lincoln, 2nd Director Beaver
Vote 5-0*

5. Extra Help Employees and Fatigue Policy

In response to Director McVay, Director Beaver and General Manager Dale Mancino stated that the positions in question would be seasonal. Director Johnston inquired about the scope of work for the seasonal employees, and General Manager Mancino clarified that the positions would involve non-certified, labor-only duties. He also noted that there are companies the district could contract with to provide workers as needed. Directors Fickes and Beaver both expressed concern regarding health and safety issues associated with staff working extended hours through the night.

Direction was given to move forward with the policy and to explore the hiring of seasonal employees, with the first step being to consult with the union.

*Director Fickes, 2nd Director Beaver
Vote 5-0*

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6. Prop 218 Advisory Committee Interviews

Director McVay stated that the Directors Handbook indicates the Finance Committee should handle Proposition 218. Director Fickes clarified that the updated 2017 Directors Handbook does not include that provision. Administrative Assistant Emily King informed the Board that, during the September Regular Meeting, they had already voted to create a Proposition 218 Advisory Committee, and that the current item is to interview applicants for the committee.

Applicant Chad Krick stated that he previously worked for Clear Creek CSD during the last Proposition 218 study and is a resident of the District. He noted that he has significant insight and that his goal is to help keep rates fair for the community. Director Johnston thanked Mr. Krick for applying to serve on the Advisory Committee. Director Fickes asked whether there would be a conflict of interest given that Mr. Krick is currently employed by Bella Vista Water District. Mr. Krick responded that he had spoken with his employer, who has no objection to his participation on the Advisory Committee.

Discussion took place regarding the other applicants who were not present at the meeting. It was decided that those applicants, as well as any new applicants, would be invited to the November meeting. In response to Director Fickes, Director McVay stated that the Advisory Committee is scheduled to begin meeting in January.

A motion was made to appoint Chad Krick as a member of the Proposition 218 Advisory Committee.

*Director Fickes, 2nd Director Lincoln
Vote 5-0*

7. General Administrative Policy Update: Clarification of Community Member Application Process

Director Johnston requested that language be added to specify that applicants must both reside within the district boundaries and receive water service from the district.

Director Fickes reviewed the desired structure of the Personnel Committee and requested that the section pertaining to employee surveys be removed. Discussion took place regarding employee surveys, with consensus that they are the responsibility of the General Manager. Director McVay questioned how the Board would be able to evaluate the General Manager if they cannot participate in employee surveys. Directors Lincoln, Beaver, and Fickes all stated that direct involvement with staff would constitute overstepping, and that the Board cannot approach employees directly.

A motion was made to approve the policy with the following changes:

- *Committee applicants must live within the district boundaries and receive water service from the district.*
- *Update the Personnel Committee structure description to reflect the revised policy.*

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Director Johnston, 2nd Director Beaver
Vote 5-0

8. Update to Rules and Regulations for Water Service Policy Regarding Delinquent Notices

Director Fickes discussed the history of late notices in the Rules and Regulations Policy, explaining that they were previously removed because staff reported it was costing a significant amount each month. She stated that she is in favor of reinstating late notices in the policy, noting that doing so would help with managing arrears accounts.

Director Beaver, 2nd Director Fickes
Vote 5-0

9. Adjustment Request – 17655 Warwick Place, Anderson

General Manager Dale Mancino read the protest letter from 17655 Warwick Place, in which the owners, Ana and Hunter Hartwell, requested a 100% adjustment of their September bill due to multiple service interruptions and the extended period without water. The Hartwell's were not present at the Board meeting.

Director Beaver read the relevant section of the Rules and Regulations Policy, noting that the District cannot guarantee uninterrupted water service during repairs. Director Fickes requested that the District announce in the monthly newsletter that non-potable water will be available to customers at the District office during service interruptions. Discussion took place regarding the hardships faced by customers during service breaks. Director Fickes also suggested providing customers with a copy of the Rules and Regulations Policy when submitting a letter of protest.

A motion was made to deny the adjustment request under Section 5.1(b) of the Rules and Regulations Policy.

Director Fickes, 2nd Director Beaver
Vote 5-0

10. Adjustment Request – 15901 Cloverdale Road, Anderson

General Manager Dale Mancino read the protest letter from 15901 Cloverdale Road, in which the owner, Michael Shreeve, requested an \$180 adjustment to his bill due to a leak caused by a broken valve, which he believes resulted from District repairs. Mr. Shreeve was present at the Board meeting and explained the situation and why he believes the District should adjust his bill for the water usage.

Discussion took place, and Director Fickes stated that the Board must adhere to the Rules and Regulations Policy. Director Fickes also invited Mr. Shreeve to submit an application to serve on the Prop 218 Advisory Committee, noting that he is knowledgeable and well-spoken.

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A motion was made to deny the adjustment request under Section 5.1(b) of the Rules and Regulations Policy.

*Director Fickes, 2nd Director Beaver
Vote 5-0*

11. Adjustment Request – 17648 Warwick Place, Anderson

General Manager Dale Mancino read the protest letter from 17648 Warwick Place, in which the owners, Moses and Tiffany Salazar, requested a 100% adjustment of their September bill due to multiple service interruptions and the extended period without water. The Salazar's were not present at the Board meeting.

A motion was made to deny the adjustment request under Section 5.1(b) of the Rules and Regulations Policy.

*Director Fickes, 2nd Director Beaver
Vote 5-0*

12. Adjustment Request – 4944 Lujo Drive, Anderson

General Manager Dale Mancino read the letter of protest from 4944 Lujo Drive, in which the owner, John Wallace, requested a 50% adjustment of his total bill due to a leak he believes was caused by the Districts faulty equipment. John Wallace was not present at the Board meeting.

A motion was made to deny the adjustment request under Section 5.1(b) of the Rules and Regulations Policy.

*Director Beaver, 2nd Director Fickes
Vote 5-0*

13. Approval to Enter into Contract for Legal Services

A motion was made to authorize the General Manager to enter into a contract with the law firm of Prentice/Long PC for legal services.

*Director Beaver, 2nd Director Lincoln
Vote 5-0*

14. Approval to Enter into an Agreement with Collections Agency

The Board requested that this item be brought back to the November regular Board meeting, with the addition of language in the Rules and Regulations Policy regarding the use of a collection agency, including a clear statement specifying how many days past due a customer's account must be before it is sent to collections.

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15. Rescheduling December Regular Board Meeting

The Board expressed that holding the December Board meeting earlier in the month would be more convenient.

Director Beaver, 2nd Director Fickes

Vote 5-0

16. Approval to Enter into a Lease with Carrel's Office Solutions

Administrative Assistant Emily King explained that the District's current lease for the copy machine expires at the end of the year. The current leasing company requires a new machine, which would increase monthly costs by approximately \$70. Mrs. King presented a quote from Carrel's Office Solutions, demonstrating potential monthly savings if the District switches to their services.

Director Fickes, 2nd Director Lincoln

Vote 5-0

17. Approval of Covering the Cost of Christmas Festival Flyers

Director McVay stated that several vendors from the Happy Valley Farmers Market expressed interest in holding a Christmas Festival at the Community Center. Director McVay presented the item to the Board to consider whether the District should cover the cost of printing a flyer for the event to be included with the monthly invoices. Director Beaver stated that she was not in favor of the District covering those costs.

A motion was made to deny the request for the District to cover the printing costs of the Christmas Festival flyers.

Director Beaver, 2nd Director Lincoln

Vote 4-0

Abstain: Director Fickes

18. GENERAL MANAGERS ORAL REPORT

General Manager Dale Mancino provided an update on recent operational activities and ongoing initiatives. He reported that several leak repairs were successfully completed over the past month and that the team continues to conduct pressure-reducing valve (PRV) inspections. In addition, a comprehensive field assessment is underway to identify service connections and valves that may require long-term replacement or rehabilitation as part of future infrastructure planning.

Mr. Mancino also noted that work has commenced on the Cross-Connection Control Plan, with HydroCorp beginning the initial phase of inspections. He concluded his report with an overview of the current audit status and outlined his objectives and priorities for the coming month.

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19. OPERATIONS ORAL REPORT

General Manager Dale Mancino reported that aging customer accounts past due continue to decline, with a reduction of over \$7,000 in the past month and more than \$50,000 over the past four months. He noted that the Water Treatment Plant has been progressing through several maintenance projects, and the Backwash Pond Project is moving forward successfully, though concrete pour schedules may fluctuate depending on weather conditions.

Mr. Mancino also shared that the Distribution Crew completed several planned leak repairs along with two emergency leak repairs during the previous month. In addition, the front parking lot at the District Office is scheduled to be sealed and repainted, an improvement expected to enhance safety, appearance, and overall functionality for staff and visitors.

20. STANDING COMMITTEES & AD HOC COMMITTEES REPORT OUTS

- a. Agriculture Committee** – Met on 9/24, presentation on pasture grass production. Director Johnston stated that there is 1 more Farmers Market of the season that will be held on 10/25/25.
- b. Finance Committee** – Met with the General Manager Dale Mancino and Bookkeeper Shireen Erlei to review and discuss the anomalies identified in the P&L Reports.
- c. Planning/Steering Committee** – Not met.
- d. Personnel Committee** – Met in closed session, nothing to report out.
- e. Centerville Contract Ad Hoc Committee** – Met several times and announced that a meeting with Centerville is scheduled for November 3, 2025, to discuss contractual matters and address concerns regarding the CPI-U figures used in prior calculations.

21. BOARD ITEMS

In response to Director Fickes, General Manager Dale Mancino reported that the District's hot tap machine is currently incomplete for use, and a new unit will be purchased to enable the completion of hookups for new service connections.

Director Johnston inquired about the status of the fire hydrant on Hopekay Lane. General Manager Mancino stated that the installation site has been marked, and a new hydrant will be installed in a location near the original.

In response to Director McVay, General Manager Mancino confirmed that the 2023 Audit has been completed and will be presented at the November Board Meeting for approval.

22. ADJOURN THE MEETING – 8:35 PM

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9:50 AM

11/12/25

Accrual Basis

Clear Creek Community Services District

Transaction Detail by Account

October 10 through November 10, 2025

Type	Date	Num	Name	Memo	Amount
8000 · Accounts Payable					
Bill Pmt -Check	10/11/2025	Auto P...	TDS	530-357-2121	-385.27
Bill Pmt -Check	10/13/2025	Auto P...	Pacific Gas & Electric	WTP 10620 Page Bar Rd	-4,248.36
Bill Pmt -Check	10/13/2025	Auto P...	Pacific Gas & Electric	WTP - Pond 10620 Page Bar Rd	-613.52
Bill Pmt -Check	10/17/2025	Auto P...	Pacific Gas & Electric	Clear Creek Rd/Happy Valley	-37.97
Bill Pmt -Check	10/17/2025	Auto P...	Pacific Gas & Electric	Outdoor Lights	-21.66
Bill Pmt -Check	10/17/2025	Auto P...	Pacific Gas & Electric	Cloverdale/Clear Crk N Booster	-610.15
Bill Pmt -Check	10/20/2025	Auto P...	Pacific Gas & Electric	Wells 1 & 2	-67.32
Bill Pmt -Check	10/20/2025	Auto P...	Pacific Gas & Electric	5880 Oak/Gas Point Well #3	-1,742.52
Bill Pmt -Check	10/22/2025	34465	Ace Hardware - Acct # 2186	2186	-841.69
Bill Pmt -Check	10/22/2025	34466	Ace Hardware - Acct# 2118	2118	-25.73
Bill Pmt -Check	10/22/2025	34467	Apex Automotive, Inc.	Vehicle Maintenance: Oil/Cabin Air Filters #8	-145.28
Bill Pmt -Check	10/22/2025	34468	AT&T	Well Field Booster Station Acct #248 134-2121 10...	-4.43
Bill Pmt -Check	10/22/2025	34469	Batteries Plus Bulbs	3572121	-621.53
Bill Pmt -Check	10/22/2025	34470	Beaver, Patricia A		-125.00
Bill Pmt -Check	10/22/2025	34471	Cintas Corporation	22228100	-43.67
Bill Pmt -Check	10/22/2025	34472	Cintas Fire Protection	Annual Fire Extinguisher Maintenance (Formerly ...	-690.04
Bill Pmt -Check	10/22/2025	34473	Computer Logistics Corp	Nov 2025 IT Service	-685.88
Bill Pmt -Check	10/22/2025	34474	Davis Excavating	Dist: 10% Down Pmt - Repairs 4 Locations \$5570...	-557.00
Bill Pmt -Check	10/22/2025	34475	Ferguson Waterworks	409921	-1,423.76
Bill Pmt -Check	10/22/2025	34476	Fickes, Beverly		-125.00
Bill Pmt -Check	10/22/2025	34477	Happy Stop Market	Dist: Monthly Fuel Expense Sept 2025	-1,905.20
Bill Pmt -Check	10/22/2025	34478	J and J Pumps	WTP: Centrifugal 1.5 HP	-2,682.12
Bill Pmt -Check	10/22/2025	34479	Johnston, Logan	10.15.25 Reg Board Meeting	-100.00
Bill Pmt -Check	10/22/2025	34480	McVay, Scott	10.15.25 Reg Board Meeting	-100.00
Bill Pmt -Check	10/22/2025	34481	Napa Auto Parts	1931	-91.48
Bill Pmt -Check	10/22/2025	34482	Nor Cal Gloves	5312	-391.56
Bill Pmt -Check	10/22/2025	34483	Pace Analytical Services LLC	28-100128	-1,493.60
Bill Pmt -Check	10/22/2025	34484	Pace Engineering		-32,773.50
Bill Pmt -Check	10/22/2025	34485	Pace Supply Corp		-128.88
Bill Pmt -Check	10/22/2025	34486	US Bank Equipment Finance	1453267	-610.39
Bill Pmt -Check	10/25/2025	Auto P...	Verizon	242343122-00001	-38.86
Bill Pmt -Check	10/30/2025		Ryan Herco Flow Solutions	QuickBooks generated zero amount transaction fo...	0.00
Bill Pmt -Check	11/01/2025	Auto P...	UNUM Life Insurance of Co.	Acct #0142066-001 6 Nov 1, 2025-Nov 30, 2025 ...	-1,347.77
Bill Pmt -Check	11/01/2025	Auto P...	RCAC-Loan Fund (Dump Tr...	6332-CCCS-01	-1,696.07
Bill Pmt -Check	11/01/2025	Auto P...	Humana - Dental Ins	412851-001	-1,054.57
Bill Pmt -Check	11/04/2025		Com-Pair Services	QuickBooks generated zero amount transaction fo...	0.00
Bill Pmt -Check	11/06/2025	ACH	Bay Alarm Company	1201366	-33.32
Bill Pmt -Check	11/07/2025	34487	Ability Answering & Paging S...	05-1-8495	-524.35
Bill Pmt -Check	11/07/2025	34488	Ace Hardware - Acct # 2186	2186	-24.31
Bill Pmt -Check	11/07/2025	34489	Amazon Capital Services, Inc.	A3SGCPAZF6QYSB	-512.53
Bill Pmt -Check	11/07/2025	34490	Apex Automotive, Inc.	Vehicle Maintenance: Oil/Filters/Replace Alternat...	-875.70
Bill Pmt -Check	11/07/2025	34491	AT&T	WTP 530-246-2316/530-246-7334	-436.02
Bill Pmt -Check	11/07/2025	34492	Badger Meter, Inc.	41827	-134.28
Bill Pmt -Check	11/07/2025	34494	Cintas Corporation	22228100	-98.18
Bill Pmt -Check	11/07/2025	34495	Computer Logistics Corp	Setup & Trouble Shoot Jim's/Dales Comp/Shiree...	-350.00
Bill Pmt -Check	11/07/2025	34496	CUSI (Continental Utility Sol...	Standard SSL Renewal/Customer Database Secu...	-240.00
Bill Pmt -Check	11/07/2025	34497	Davis Excavating	Dist: 10% Down Pmt - Repairs 4 Locations \$5570...	-5,013.00
Bill Pmt -Check	11/07/2025	34498	Fasteners Inc	373	-71.09
Bill Pmt -Check	11/07/2025	34499	Ferguson Waterworks	409921	-7,863.72
Bill Pmt -Check	11/07/2025	34500	Happy Stop Market	Dist: Monthly Fuel Expense Oct 2025	-1,694.90
Bill Pmt -Check	11/07/2025	34501	Harvest Printing Company	Customer Billing	-3,481.75
Bill Pmt -Check	11/07/2025	34502	J.F. Shea Construction, Inc.	Dist: Acct #144318 Base- Lassen & Audrey Leak	-367.17
Bill Pmt -Check	11/07/2025	34503	JR Martin & Associates	CPA:Cleanup AJE for Final Audit/Audit June 2023	-3,110.00
Bill Pmt -Check	11/07/2025	34504	McLarens, LLC	ACWA/JPIA Final Claim #19-0083 Carr Fire	-160,397.37
Bill Pmt -Check	11/07/2025	34505	Primo Brands	WTP Acct #8730220683 (used to be Alhambra)	-57.29
Bill Pmt -Check	11/07/2025	34506	RCAC -Loan Fund BWP Grant	1140-CCCS-02	-2,170.95
Bill Pmt -Check	11/07/2025	34507	Redding Comfort Heating & ...	5880 Oak St: Furnace Tune-Up/3 Unit Svc	-900.00
Bill Pmt -Check	11/07/2025	34508	SCP Distributors, LLC	970914	-22.13
Bill Pmt -Check	11/07/2025	34509	Shamrock Seal Coating & P...	Office Front Parking Lot Seal Coating and Striping	-4,250.00
Bill Pmt -Check	11/07/2025	34510	Valley Pacific	C850335	-285.85
Bill Pmt -Check	11/07/2025	34511	Denson, Kathleen	Customer Refund 17233Fuzzy Ln	-310.76
Bill Pmt -Check	11/07/2025	34512	Strickland, Tiffany	Customer Refund 7006 Bohn Blvd	-136.88
Bill Pmt -Check	11/10/2025	Auto P...	Pacific Gas & Electric	WTP 10620 Page Bar Rd	-3,819.36
Bill Pmt -Check	11/10/2025	Auto P...	Pacific Gas & Electric	WTP - Pond 10620 Page Bar Rd \$58.23 Climate ...	-486.55
Total 8000 · Accounts Payable					-255,097.24
TOTAL					-255,097.24

Clear Creek Community Services District

Profit & Loss

October 2025

	Oct 25
Ordinary Income/Expense	
Income	
11000 · Revenue - Customer Accts	
11005 · Base Rate Charge	149,554.40
11010 · Domestic Water Sales	
11011 · Metered Hydrant Usage	-1.09
11010 · Domestic Water Sales - Other	44,455.60
Total 11010 · Domestic Water Sales	44,454.51
11020 · Agricultural Water Sales	11,747.98
11060 · Billing Pmt Late Fee	206.66
Total 11000 · Revenue - Customer Accts	205,963.55
12000 · Revenue - Water Service	
12010 · Turn On Fees	320.00
12011 · Customer Deposit	-70.00
12015 · Centerville Admin O&M	15,988.31
12035 · Backflow Maint Charge	856.62
Total 12000 · Revenue - Water Service	17,094.93
13000 · Designated Revenue -Non Op	
13005 · Filter Plant Repayment Charge	20,644.49
13010 · Recycle Backwash Water Charge	1,051.46
13015 · State Loan Repayment Charge	2,728.00
13025 · WIIN Act Repayment Charge	5,128.64
13000 · Designated Revenue -Non Op - Other	1.96
Total 13000 · Designated Revenue -Non Op	29,554.55
15000 · Revenue - Taxes	
15005 · Taxes-General Property	21,342.50
Total 15000 · Revenue - Taxes	21,342.50
Total Income	273,955.53
Gross Profit	273,955.53
Expense	
30000 · Water Treatment Plant	
30100 · Utilities	
30105 · WTP - PGE 8185	3,819.36
30110 · Pond - PGE 3611	486.55
30115 · WTP - AT&T 2316	436.02
30125 · Internet	0.01
Total 30100 · Utilities	4,741.94
30150 · Safety Equipment & Training	
30155 · Safety Equipment - General	71.09
Total 30150 · Safety Equipment & Training	71.09
30170 · Supplies	69.59
30200 · WTP Repair & Maintenance O&M	2,350.83
30400 · Water Quality Analysis	210.00
30405 · Chemicals WTP	6,206.39
30500 · Vehicle Maintenance & Expense	
30505 · Fuel Expense	285.85
Total 30500 · Vehicle Maintenance & Expense	285.85
Total 30000 · Water Treatment Plant	13,935.69

Clear Creek Community Services District

Profit & Loss

October 2025

	Oct 25
40000 · Distribution	
40200 · Utilities	
40205 · Cloverdale Rd N.Boost- PGE 4189	906.06
40210 · Clear Crk/HV - PGE 9574	83.20
Total 40200 · Utilities	989.26
40300 · Safety Equipment & Training	
40310 · Personal Safety Equipment	391.56
40315 · Safety Training	375.00
Total 40300 · Safety Equipment & Training	766.56
40400 · Repair & Maintenance (O&M)	
40430 · Inventory/Tools	1,376.54
40440 · Water Quality Analysis - Dist	1,093.20
40450 · Repair & Maintenance(O&M)-Other	24,117.58
Total 40400 · Repair & Maintenance (O&M)	26,587.32
40500 · Vehicle Maintenance & Expense	
40530 · Dodge PU 2016 - Unit 8	145.28
40535 · Chevy PU 2015 - Unit 10	875.70
40555 · Ditch Witch Vac Trailer	334.57
Total 40500 · Vehicle Maintenance & Expense	1,355.55
Total 40000 · Distribution	29,698.69
41000 · Wells & Booster Station	
41100 · Utilities	
41105 · Wells 1 & 2 - PGE 2671	67.32
41110 · Well #3 - PGE 2838	1,742.52
41115 · So. Booster - AT&T 2121	4.43
41120 · So. Booster - Internet	0.00
Total 41100 · Utilities	1,814.27
Total 41000 · Wells & Booster Station	1,814.27
50000 · Administration/ General	
50100 · Utilities	
50110 · 2 Outdoor Lights - PGE 3564	21.65
50120 · Verizon - On-call Cell Phone	38.86
50130 · Answering Service	431.08
50135 · Telephone - TDS	386.96
Total 50100 · Utilities	878.55
50200 · Office Supplies	298.59
50300 · Organizational Dues	16,729.00
50310 · Advertising & Public Notices	-225.00
50315 · Postage	402.00
50320 · Meal & Reimbursements	68.92
50322 · Travel & Entertainment	131.04
50325 · Registration and Reimbursements	-253.20
50500 · Special & Professional Services	
50510 · Director Fees	450.00
50515 · Server & Computer Maintenance	
50517 · Software Subscriptions	457.35
50515 · Server & Computer Maintenance - Other	1,035.88
Total 50515 · Server & Computer Maintenance	1,493.23
50525 · Engineering	723.50
50530 · Equipment, Maintenance & Lease	610.39

Clear Creek Community Services District

Profit & Loss

October 2025

	Oct 25
50535 · Building & Ground Maint.-Office	
50536 · Waste Management	407.51
50535 · Building & Ground Maint.-Office - Other	107.56
Total 50535 · Building & Ground Maint.-Office	515.07
50545 · Special & Prof Svcs - Other	690.04
Total 50500 · Special & Professional Services	4,482.23
51400 · Employee Benefits	
51405 · Vision, Dental,	1,233.93
51415 · UNUM-Disability, Life, Accident	1,347.77
51440 · CalPERS Retirement Contribution	16,383.04
51450 · Boot Allowance	100.00
51455 · Uniform & Service	190.95
Total 51400 · Employee Benefits	19,255.69
51600 · Retiree Benefits	
51605 · Retiree Health Benefit - Direct	7,545.59
Total 51600 · Retiree Benefits	7,545.59
51700 · Property Taxes Paid	63.60
52000 · Interest Expense	
52005 · RCAC Loan Interest (dump truck)	322.32
Total 52000 · Interest Expense	322.32
53000 · Customer Accounts & Billing	
53016 · Meter Reading/ License	134.28
Total 53000 · Customer Accounts & Billing	134.28
Total 50000 · Administration/ General	49,833.61
60000 · Payroll Expense -Salary & Wages	
60100 · Payroll Exp - Administration/GM	10,384.62
60200 · Payroll Exp - Distribution	27,828.68
60300 · Payroll Exp - Water Treatment	23,073.56
60500 · Payroll Exp - Customer Accts	14,009.94
Total 60000 · Payroll Expense -Salary & Wages	75,296.80
80000 · Grants	
80010 · Backwash Pond Grant D2202015	
80011 · Engineering	32,050.00
80013 · RCAC Loan Interest - BWPGGrant	11,589.13
80015 · Backwash Ponds Grant Reimb	-449,049.25
80010 · Backwash Pond Grant D2202015 - Other	-986,209.00
Total 80010 · Backwash Pond Grant D2202015	-1,391,619.12
Total 80000 · Grants	-1,391,619.12
Total Expense	-1,221,040.06
Net Ordinary Income	1,494,995.59
Net Income	1,494,995.59

Clear Creek Community Services District

Profit & Loss Budget vs. Actual

Accrual Basis

July 2025 through June 2026

	Jul '25 - Jun 26	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
11000 · Revenue - Customer Accts				
11005 · Base Rate Charge	600,277.72	1,800,000.00	-1,199,722.28	33.3%
11010 · Domestic Water Sales				
11011 · Metered Hydrant Usage	-1.09	0.00	-1.09	100.0%
11010 · Domestic Water Sales - Other	222,423.56	470,000.00	-247,576.44	47.3%
Total 11010 · Domestic Water Sales	222,422.47	470,000.00	-247,577.53	47.3%
11015 · Water Out of District Sales	0.00	0.00	0.00	0.0%
11020 · Agricultural Water Sales	84,812.55	130,000.00	-45,187.45	65.2%
11050 · Penalty-Exceeded WA Allocation	0.00	0.00	0.00	0.0%
11060 · Billing Pmt Late Fee	-3,077.31	0.00	-3,077.31	100.0%
Total 11000 · Revenue - Customer Accts	904,435.43	2,400,000.00	-1,495,564.57	37.7%
12000 · Revenue - Water Service				
12005 · Capacity Charges	0.00	0.00	0.00	0.0%
12010 · Turn On Fees	2,350.00	5,500.00	-3,150.00	42.7%
12011 · Customer Deposit	-140.00	0.00	-140.00	100.0%
12015 · Centerville Admin O&M	81,043.47	200,000.00	-118,956.53	40.5%
12020 · Clearance Form	0.00	0.00	0.00	0.0%
12025 · Interest / Investment Income	2,659.23	1,250.00	1,409.23	212.7%
12030 · Convenience Fees	0.00	0.00	0.00	0.0%
12035 · Backflow Maint Charge	2,861.08	7,500.00	-4,638.92	38.1%
12040 · Trinity PUD Assessment	0.00	0.00	0.00	0.0%
12045 · CVP Restoration	0.00	0.00	0.00	0.0%
12100 · Misc. Revenue				
12105 · Repairs Charged to Customer	0.00	0.00	0.00	0.0%
12100 · Misc. Revenue - Other	95.00	0.00	95.00	100.0%
Total 12100 · Misc. Revenue	95.00	0.00	95.00	100.0%
Total 12000 · Revenue - Water Service	88,868.78	214,250.00	-125,381.22	41.5%
13000 · Designated Revenue -Non Op				
13005 · Filter Plant Repayment Charge	78,211.44	230,000.00	-151,788.56	34.0%
13010 · Recycle Backwash Water Charge	4,115.78	12,000.00	-7,884.22	34.3%
13015 · State Loan Repayment Charge	10,676.00	30,000.00	-19,324.00	35.6%
13025 · WIIN Act Repayment Charge	20,070.88	58,000.00	-37,929.12	34.6%
13000 · Designated Revenue -Non Op - Other	1.96			
Total 13000 · Designated Revenue -Non Op	113,076.06	330,000.00	-216,923.94	34.3%
14000 · Reserves				
14010 · WIIN Act Reserves to Operating	0.00	55,000.00	-55,000.00	0.0%
14015 · State Loan Reserve to Operating	0.00	60,000.00	-60,000.00	0.0%
14020 · Penalties Reserve to Operating	0.00	0.00	0.00	0.0%
14090 · Discretionary Fund Bal Reserve	0.00	0.00	0.00	0.0%
Total 14000 · Reserves	0.00	115,000.00	-115,000.00	0.0%
15000 · Revenue - Taxes				
15005 · Taxes-General Property	40,320.97	450,000.00	-409,679.03	9.0%
Total 15000 · Revenue - Taxes	40,320.97	450,000.00	-409,679.03	9.0%
17000 · Other Revenue Accounts				
17001 · Carr Fire Insurance Loss Pay	-160,397.37			
17002 · CERBT Reimb Retiree Health Ins	0.00	0.00	0.00	0.0%
17000 · Other Revenue Accounts - Other	0.00	0.00	0.00	0.0%
Total 17000 · Other Revenue Accounts	-160,397.37	0.00	-160,397.37	100.0%
Total Income	986,303.87	3,509,250.00	-2,522,946.13	28.1%
Gross Profit	986,303.87	3,509,250.00	-2,522,946.13	28.1%
Expense				
29000 · Supply Cost				
29005 · Water Purchase				
29010 · USBR Water Purchased				
29011 · Restoration Fee	0.00	0.00	0.00	0.0%
29012 · Trinity PUD Assessment	0.00	0.00	0.00	0.0%
29010 · USBR Water Purchased - Other	11,946.70	137,000.00	-125,053.30	8.7%
Total 29010 · USBR Water Purchased	11,946.70	137,000.00	-125,053.30	8.7%
29015 · McConnell Water Purchased	0.00	0.00	0.00	0.0%
29020 · City of Shasta Lake Water Purch	0.00	0.00	0.00	0.0%
Total 29005 · Water Purchase	11,946.70	137,000.00	-125,053.30	8.7%
29100 · WIIN Act Repayment Exp	0.00	0.00	0.00	0.0%
Total 29000 · Supply Cost	11,946.70	137,000.00	-125,053.30	8.7%
30000 · Water Treatment Plant				
30100 · Utilities				
30105 · WTP - PGE 8185	17,117.54	0.00	17,117.54	100.0%
30110 · Pond - PGE 3611	2,571.97	0.00	2,571.97	100.0%
30115 · WTP - AT&T 2316	1,694.52	0.00	1,694.52	100.0%
30120 · WTP - AT&T 1026	0.00	0.00	0.00	0.0%
30125 · Internet	275.00	0.00	275.00	100.0%
30130 · Backwash Sludge Disposal - Pond	984.38			
30100 · Utilities - Other	0.00	65,000.00	-65,000.00	0.0%
Total 30100 · Utilities	22,643.41	65,000.00	-42,356.59	34.8%
30135 · Office Supplies WTP	0.00	500.00	-500.00	0.0%
30140 · WTP Computer & Software	0.00	5,000.00	-5,000.00	0.0%
30145 · Shipping/Postage WTP	54.82	2,000.00	-1,945.18	2.7%
30150 · Safety Equipment & Training				
30155 · Safety Equipment - General	320.58	0.00	320.58	100.0%
30160 · Personal Safety Equipment	374.46	0.00	374.46	100.0%
30165 · Safety Training	0.00	0.00	0.00	0.0%
30150 · Safety Equipment & Training - Other	0.00	7,000.00	-7,000.00	0.0%
Total 30150 · Safety Equipment & Training	695.04	7,000.00	-6,304.96	9.9%
30170 · Supplies	261.87	0.00	261.87	100.0%
30200 · WTP Repair & Maintenance O&M	10,229.05	95,000.00	-84,770.95	10.8%
30400 · Water Quality Analysis	2,610.15	10,000.00	-7,389.85	26.1%
30405 · Chemicals WTP	34,371.32	65,000.00	-30,628.68	52.9%
30500 · Vehicle Maintenance & Expense				
30504 · Mileage	0.00	0.00	0.00	0.0%
30505 · Fuel Expense	1,307.56	0.00	1,307.56	100.0%
30525 · GM Truck Chev Colorado - Unit 9	1,272.86	0.00	1,272.86	100.0%
30500 · Vehicle Maintenance & Expense - Other	560.23	6,500.00	-5,939.77	8.6%
Total 30500 · Vehicle Maintenance & Expense	3,140.65	6,500.00	-3,359.35	48.3%
30600 · Capital Improvements	0.00	55,000.00	-55,000.00	0.0%
Total 30000 · Water Treatment Plant	74,006.31	311,000.00	-236,993.69	23.8%
30700 · Transmission & Conduit				
30705 · Conduit Repair and Maint O&M	0.00	4,000.00	-4,000.00	0.0%
30700 · Transmission & Conduit - Other	0.00	0.00	0.00	0.0%
Total 30700 · Transmission & Conduit	0.00	4,000.00	-4,000.00	0.0%
40000 · Distribution				
40200 · Utilities				
40205 · Cloverdale Rd N.Boost- PGE 4189	3,405.11	0.00	3,405.11	100.0%
40210 · Clear Creek IV - PGE 3574	420.22	0.00	420.22	100.0%
40200 · Utilities - Other	0.00	8,500.00	-8,500.00	0.0%
Total 40200 · Utilities	3,825.33	8,500.00	-4,674.67	45.0%

Clear Creek Community Services District

Profit & Loss Budget vs. Actual

Accrual Basis

July 2025 through June 2026

	Jul '25 - Jun 26	Budget	\$ Over Budget	% of Budget
40300 · Safety Equipment & Training				
40305 · Safety Equipment - General	245.58	0.00	245.58	100.0%
40310 · Personal Safety Equipment	1,461.97	0.00	1,461.97	100.0%
40315 · Safety Training	375.00	9,000.00	-8,625.00	4.2%
40300 · Safety Equipment & Training - Other	0.00	0.00	0.00	0.0%
Total 40300 · Safety Equipment & Training	2,082.55	9,000.00	-6,917.45	23.1%
40400 · Repair & Maintenance (O&M)				
40405 · Backflow Device Testing	5,435.00	6,500.00	-1,065.00	83.6%
40410 · USA Underground	1,989.65	10,000.00	-8,010.35	19.9%
40415 · Meter Register/Tranponder Repl	3,057.00	20,000.00	-16,943.00	15.3%
40420 · Tank Inspection	0.00	10,000.00	-10,000.00	0.0%
40430 · Inventory/Tools	6,754.76	30,000.00	-23,245.24	22.5%
40440 · Water Quality Analysis - Dist	4,217.23	10,000.00	-5,782.77	42.2%
40445 · Drought O&M Exp	0.00	0.00	0.00	0.0%
40450 · Repair & Maintenance(O&M)-Other	139,593.61	210,000.00	-70,406.39	66.5%
40400 · Repair & Maintenance (O&M) - Other	0.00	0.00	0.00	0.0%
Total 40400 · Repair & Maintenance (O&M)	161,047.22	296,500.00	-135,452.78	54.3%
40480 · Capital Improvements	0.00	10,000.00	-10,000.00	0.0%
40500 · Vehicle Maintenance & Expense				
40505 · Fuel Expense	8,814.55	0.00	8,814.55	100.0%
40510 · Ram PU 2019 - Unit 1	0.00	0.00	0.00	0.0%
40515 · Ford F350 2016 - Unit 3	0.00	0.00	0.00	0.0%
40520 · Chevy PU 2017 - Unit 5	0.00	0.00	0.00	0.0%
40525 · Freightliner 2012 Dump - Unit 7	0.00	0.00	0.00	0.0%
40530 · Dodge PU 2016 - Unit 8	145.28	0.00	145.28	100.0%
40535 · Chevy PU 2015 - Unit 10	896.16	0.00	896.16	100.0%
40540 · Chevy PU 2016 - Unit 11	773.86	0.00	773.86	100.0%
40545 · Bobcat Backhoe	173.23	0.00	173.23	100.0%
40550 · Ford ranger 2008 - Unit 2	35.56	0.00	35.56	100.0%
40555 · Ditch Witch Vac Trailer	4,157.79	0.00	4,157.79	100.0%
40500 · Vehicle Maintenance & Expense - Other	0.00	50,000.00	-50,000.00	0.0%
Total 40500 · Vehicle Maintenance & Expense	14,996.43	50,000.00	-35,003.57	30.0%
40000 · Distribution - Other	0.00	0.00	0.00	0.0%
Total 40000 · Distribution	181,951.53	374,000.00	-192,048.47	48.7%
41000 · Wells & Booster Station				
41001 · North Fork Ranch Project	0.00	0.00	0.00	0.0%
41100 · Utilities				
41105 · Wells 1 & 2 - PGE 2671	2,835.22	0.00	2,835.22	100.0%
41110 · Well #3 - PGE 2838	12,454.51	0.00	12,454.51	100.0%
41115 · So. Booster - AT&T 2121	22.42	0.00	22.42	100.0%
41116 · So. Booster - AT&T 6708	0.00	0.00	0.00	0.0%
41120 · So. Booster - Internet	275.00	0.00	275.00	100.0%
41100 · Utilities - Other	0.00	35,000.00	-35,000.00	0.0%
Total 41100 · Utilities	15,587.15	35,000.00	-19,412.85	44.5%
41200 · Water Quality Analysis	0.00	1,000.00	-1,000.00	0.0%
41300 · Repair & Maintenance (O&M)	0.00	5,000.00	-5,000.00	0.0%
41305 · Chemicals	0.00	500.00	-500.00	0.0%
41400 · Capital Improvements	0.00	0.00	0.00	0.0%
41000 · Wells & Booster Station - Other	1,071.43	0.00	1,071.43	0.0%
Total 41000 · Wells & Booster Station	16,658.58	41,500.00	-24,841.42	40.1%
50000 · Administration/ General				
50100 · Utilities				
50105 · Oak St. - PGE 2838	0.00	0.00	0.00	0.0%
50110 · 2 Outdoor Lights - PGE 3564	108.80	0.00	108.80	100.0%
50120 · Verizon - On-call Cell Phone	168.50	0.00	168.50	100.0%
50125 · Propane	0.00	0.00	0.00	0.0%
50130 · Answering Service	2,376.73	0.00	2,376.73	100.0%
50135 · Telephone - TDS	1,872.43	0.00	1,872.43	100.0%
50140 · Internet	0.00	0.00	0.00	0.0%
50100 · Utilities - Other	0.00	30,000.00	-30,000.00	0.0%
Total 50100 · Utilities	4,526.46	30,000.00	-25,473.54	15.1%
50200 · Office Supplies				
50205 · Janitorial supplies	19.27	0.00	19.27	100.0%
50210 · Ink and Toner	0.00	0.00	0.00	0.0%
50200 · Office Supplies - Other	2,050.48	7,000.00	-4,949.52	29.3%
Total 50200 · Office Supplies	2,069.75	7,000.00	-4,930.25	29.6%
50300 · Organizational Dues	16,729.00	20,000.00	-3,271.00	83.6%
50305 · Subscriptions	539.00	0.00	539.00	100.0%
50310 · Advertising & Public Notices	-225.00	1,500.00	-1,725.00	-15.0%
50315 · Postage	990.00	3,500.00	-2,510.00	28.3%
50320 · Meal & Reimbursements	642.84	5,000.00	-4,357.16	12.9%
50322 · Travel & Entertainment	2,796.22	0.00	2,796.22	0.0%
50325 · Registration and Reimbursements	0.00	8,500.00	-8,500.00	0.0%
50330 · Bank Service Fee/Finance Charge	3.30	7,500.00	-7,496.70	0.0%
50400 · Insurance				
50405 · JPA - Cyber Liability	773.00	3,000.00	-2,227.00	25.8%
50415 · Auto, Property & Liab Insurance	17,150.57	86,000.00	-68,849.43	19.9%
50420 · Vehicle Insurance	0.00	0.00	0.00	0.0%
Total 50400 · Insurance	17,923.57	89,000.00	-71,076.43	20.1%
50500 · Special & Professional Services				
50501 · Water Arrearages Repayment	0.00	0.00	0.00	0.0%
50504 · Accounting Services (non-audit)	2,105.00	0.00	2,105.00	100.0%
50505 · Audit Services	22,450.00	43,050.00	-20,600.00	52.1%
50510 · Director Fees	1,950.00	6,000.00	-4,050.00	32.5%
50512 · Director Elections Cost	0.00	0.00	0.00	0.0%
50515 · Server & Computer Maintenance				
50516 · Municipal Software				
50516.1 · Municipal Software Upgrade	0.00	0.00	0.00	0.0%
50516 · Municipal Software - Other	4,468.00	5,000.00	-532.00	89.4%
Total 50516 · Municipal Software	4,468.00	5,000.00	-532.00	89.4%
50517 · Software Subscriptions	3,967.77	15,000.00	-11,032.23	26.5%
50515 · Server & Computer Maintenance - Other	3,434.77	15,000.00	-11,565.23	22.9%
Total 50515 · Server & Computer Maintenance	11,870.54	35,000.00	-23,129.46	33.9%
50520 · Legal	374.47	15,000.00	-14,625.53	2.5%
50525 · Engineering	1,061.50	30,000.00	-28,938.50	3.5%
50530 · Equipment, Maintenance & Lease	2,569.83	6,000.00	-3,430.17	42.8%
50535 · Building & Ground Maint.-Office				
50536 · Waste Management	2,001.86	0.00	2,001.86	100.0%
50535 · Building & Ground Maint.-Office - Other	6,230.42	17,250.00	-11,019.58	36.1%
Total 50535 · Building & Ground Maint.-Office	8,232.28	17,250.00	-9,017.72	47.7%
50540 · OPEB Valuation & Actuarial	1,350.00	5,000.00	-3,650.00	27.0%
50545 · Special & Prof Svcs - Other	825.04	40,000.00	-39,174.96	2.1%
50500 · Special & Professional Services - Other	0.00	0.00	0.00	0.0%
Total 50500 · Special & Professional Services	52,788.66	197,300.00	-144,511.34	26.8%
50700 · Regulatory				
50705 · Water District Regulatory Fees				
50710 · SWRCB - Water Fee	0.00	10,000.00	-10,000.00	0.0%
50711 · SWRCB - CDTFA - Water Rights	0.00	23,000.00	-23,000.00	0.0%
50715 · Risk Management Plan	4,315.00	7,500.00	-3,185.00	57.5%
50720 · Groundwater Sustainability Act	0.00	0.00	0.00	0.0%
50725 · LAFCO Expense	5,342.40	7,100.00	-1,757.60	75.2%
50705 · Water District Regulatory Fees - Other	0.00	0.00	0.00	0.0%
Total 50705 · Water District Regulatory Fees	9,657.40	47,600.00	-37,942.60	20.3%

Clear Creek Community Services District

Profit & Loss Budget vs. Actual

Accrual Basis

July 2025 through June 2026

	Jul '25 - Jun 26	Budget	\$ Over Budget	% of Budget
50800 · Safety Equipment & Materials	0.00	1,000.00	-1,000.00	0.0%
50900 · Testing & License Fees	406.77	2,000.00	-1,593.23	20.3%
Total 50700 · Regulatory	10,064.17	50,600.00	-40,535.83	19.9%
51400 · Employee Benefits				
50410 · JPIA - Workers Comp	4,847.51	22,000.00	-17,152.49	22.0%
51405 · Vision, Dental,	4,577.48	15,000.00	-10,422.52	30.5%
51415 · UNUM-Disability, Life, Accident	4,871.03	18,000.00	-13,128.97	27.1%
51435 · CalPERS Health Insurance Exp	0.00	240,000.00	-240,000.00	0.0%
51440 · CalPERS Retirement Contribution	43,281.87	120,000.00	-76,718.13	36.1%
51442 · CalPERS Unfunded Accrued Liab	0.00	180,000.00	-180,000.00	0.0%
51445 · Medicare - District Cost	0.00	12,000.00	-12,000.00	0.0%
51450 · Boot Allowance	300.00	1,000.00	-700.00	30.0%
51455 · Uniform & Service	2,769.41	5,000.00	-2,230.59	55.4%
Total 51400 · Employee Benefits	60,647.30	613,000.00	-552,352.70	9.9%
51600 · Retiree Benefits				
51605 · Retiree Health Benefit - Direct	30,407.36	85,000.00	-54,592.64	35.8%
51610 · CalPERS Health Ins- Retiree	0.00	15,000.00	-15,000.00	0.0%
51600 · Retiree Benefits - Other	225.00			
Total 51600 · Retiree Benefits	30,632.36	100,000.00	-69,367.64	30.6%
51700 · Property Taxes Paid	63.60	400.00	-336.40	15.9%
51800 · General Tax Expense	0.00	200.00	-200.00	0.0%
51900 · License and Permits	23.00	3,000.00	-2,977.00	0.8%
52000 · Interest Expense				
52005 · RCAC Loan Interest (dump truck)	843.89	4,000.00	-3,156.11	21.1%
52011 · Interest Expense - Other	0.00	1,000.00	-1,000.00	0.0%
52000 · Interest Expense - Other	1,260.70	0.00	1,260.70	100.0%
Total 52000 · Interest Expense	2,104.59	5,000.00	-2,895.41	42.1%
53000 · Customer Accounts & Billing				
53015 · Supplies				
53020 · Postage	7,360.94	14,000.00	-6,639.06	52.6%
53025 · Billing Supplies & Materials	10,404.27	17,000.00	-6,595.73	61.2%
53027 · Supplies - Other	0.00	500.00	-500.00	0.0%
53015 · Supplies - Other	0.00	0.00	0.00	0.0%
Total 53015 · Supplies	17,765.21	31,500.00	-13,734.79	56.4%
53015 · Meter Readings/ License	537.12	8,000.00	-7,462.88	6.7%
53030 · Chargebacks, NSF, Act Refunds	336.34	2,000.00	-1,663.66	16.8%
53040 · Collections Expense -Liens/Fees	0.00	0.00	0.00	0.0%
53100 · Bad Debt Expense	0.00	0.00	0.00	0.0%
Total 53000 · Customer Accounts & Billing	18,638.67	41,500.00	-22,861.33	44.9%
55000 · Miscellaneous	275.00			
Total 50000 · Administration/ General	221,232.49	1,183,000.00	-961,767.51	18.7%
50319 · Training & Professional Develop	977.32	0.00	977.32	100.0%
59000 · Depreciation Expense	0.00	0.00	0.00	0.0%
60000 · Payroll Expense -Salary & Wages				
60100 · Payroll Exp - Administration/GM	45,799.44	155,000.00	-109,200.56	29.5%
60200 · Payroll Exp - Distribution	132,836.16	375,000.00	-242,163.84	35.4%
60300 · Payroll Exp - Water Treatment	103,298.70	260,000.00	-156,701.30	39.7%
60400 · Payroll Exp - Conduit Labor	0.00	5,000.00	-5,000.00	0.0%
60500 · Payroll Exp - Customer Accts	60,039.14	190,000.00	-129,960.86	31.6%
60600 · Payroll Exp-Well Field Stations	0.00	10,000.00	-10,000.00	0.0%
60000 · Payroll Expense -Salary & Wages - Other	0.00	0.00	0.00	0.0%
Total 60000 · Payroll Expense -Salary & Wages	341,973.44	995,000.00	-653,026.56	34.4%
66900 · Reconciliation Discrepancies	0.00	0.00	0.00	0.0%
70000 · Designated to Reserves - Non Op				
72205 · Filter Plant Repayment Reserve	0.00	230,000.00	-230,000.00	0.0%
72210 · Recycle Backwash Water Reserve	0.00	12,000.00	-12,000.00	0.0%
72215 · State Loan Repayment Reserve	0.00	30,000.00	-30,000.00	0.0%
72225 · WIIIN Act Repayment Reserve	0.00	58,000.00	-58,000.00	0.0%
75100 · Operating Reserve (4.1% usage)	0.00	34,600.00	-34,600.00	0.0%
75200 · Capital Imp & Mod Res (1.8% BR)	0.00	32,400.00	-32,400.00	0.0%
75300 · Emergency Fund Reserve	0.00	5,000.00	-5,000.00	0.0%
75400 · USBR Emergency Reserve	0.00	0.00	0.00	0.0%
75900 · Discretionary Fund Bal Reserve	0.00	1,750.00	-1,750.00	0.0%
Total 70000 · Designated to Reserves - Non Op	0.00	403,750.00	-403,750.00	0.0%
80000 · Grants				
80010 · Backwash Pond Grant D2202015				
80011 · Engineering	110,196.64	0.00	110,196.64	100.0%
80012 · Materials and Equipment	962,516.81	0.00	962,516.81	100.0%
80013 · RCAC Loan Interest - BWPGGrant	26,170.97	60,000.00	-33,829.03	43.6%
80015 · Backwash Ponds Grant Reimb	-460,156.53	0.00	-460,156.53	100.0%
80010 · Backwash Pond Grant D2202015 - Other	-1,545,278.00	0.00	-1,545,278.00	100.0%
Total 80010 · Backwash Pond Grant D2202015	-906,550.11	60,000.00	-966,550.11	-1,510.9%
80020 · SCADA Electrical Grant D2118158				
80021 · Engineering	0.00	0.00	0.00	0.0%
80022 · Materials and Equipment	0.00	0.00	0.00	0.0%
80023 · SCADA Electrical Grant Reimb.	0.00	0.00	0.00	0.0%
Total 80020 · SCADA Electrical Grant D2118158	0.00	0.00	0.00	0.0%
80030 · ARPA Grant-DIST00202401AMR				
80031 · Materials and Equipment	0.00	0.00	0.00	0.0%
80032 · Shasta Count ARPA Grant Reimb	0.00	0.00	0.00	0.0%
80030 · ARPA Grant-DIST00202401AMR - Other	0.00	0.00	0.00	0.0%
Total 80030 · ARPA Grant-DIST00202401AMR	0.00	0.00	0.00	0.0%
80040 · ACWA/JPIA Risk Control Grant				
80041 · ACWA/JPIA Risk Control Reimb	0.00	0.00	0.00	0.0%
Total 80040 · ACWA/JPIA Risk Control Grant	0.00	0.00	0.00	0.0%
Total 80000 · Grants	-906,550.11	60,000.00	-966,550.11	-1,510.9%
Total Expense	-57,803.74	3,509,250.00	-3,567,053.74	-1.6%
Net Ordinary Income	1,044,107.61	0.00	1,044,107.61	100.0%
Other Income/Expense				
Other Expense				
99999 · Suspense	0.00	0.00	0.00	0.0%
Total Other Expense	0.00	0.00	0.00	0.0%
Net Other Income	0.00	0.00	0.00	0.0%
Net Income	1,044,107.61	0.00	1,044,107.61	100.0%



5880 Oak Street, Anderson, CA 96007
Phone: (530) 357-2121 cccsd@clearcreekcsd.org

MEMO

Date: November 19, 2025
To: Board of Directors
From: General Manager – Dale Mancino

Re: 4 – Cell Phone, Technology and Communication Policy (Discussion/Action)

Discussion/Action:

To request Board approval to replace the District's existing Cell Phone Policy with an updated and comprehensive Cell Phone, Technology and Communication Policy. This policy establishes clear standards for the appropriate use, care, and management of District-issued technology, including mobile devices, computers, communication tools, and digital systems.

Background:

The District currently maintains a limited policy addressing the use and care of District-issued cell phones. However, there is no all-encompassing technology policy that provides guidance on cybersecurity, network use, data protection, and digital communications.

The proposed policy includes:

- Updated provisions for company cell phones, including proper care, authorized use, and security.
- Cybersecurity standards, such as password requirements, prohibited software, and access control measures.
- Internet, email, and communication protocols to ensure professional and appropriate use of District systems.
- Data protection and privacy measures, ensuring compliance with state and federal record retention requirements.
- Administrative access and oversight require that the IT Department and General Manager maintain access to all District systems and devices.
- Employee accountability for misuse, negligence, or unauthorized modifications of District technology.

Recommendation:

It is recommended that the Board of Directors approve and adopt the Cell Phone, Technology and Communication Policy, replacing the District's existing Cell Phone Policy.

Attachments:

Draft Cell Phone, Technology and Communication Policy

RESOLUTION NO. 2025-08



**Clear Creek Community Services District
Cell Phone, Technology and Communication
Policy**

Revised November 2025

1. Purpose

The Clear Creek Community Services District (CCCSD) provides technological resources including desktop computers, internet access, and email services to help employees perform their duties effectively. Many employees also use personal cell phones or other personal devices to conduct District business. This policy sets clear guidelines to ensure all technology use supports District operations, maintains safety, and protects confidential information.

2. Scope

This policy applies to all Clear Creek CSD employees, contractors, and authorized users who access or use:

- District owned desktop computers, laptop computers, email, and network services
- Internet access provided by Clear Creek CSD
- Personal devices (such as cell phones or tablets) when used for District related communication or work

3. General Use Guidelines

Technology and communications, whether on District equipment or personal devices used for work must be used primarily for official District business.

Limited personal use is allowed only if it:

- Does not interfere with work duties
- Does not incur costs for the District
- Does not violate District policy or law

4. Cell Phone Use at Work

Prohibited Uses:

- Using a cell phone while driving or operating equipment
- Surfing the internet, gaming, or streaming unrelated to work during work hours
- Occasional brief personal communication is acceptable, but it should be kept infrequent and not interfere with work duties
- Using a cell phone during meetings unless required for work purposes
- Recording confidential information without authorization

Acceptable Uses:

- Making or receiving work related calls in appropriate place and situation to do so
- Work related communication, such as text messaging or emailing, in appropriate places and situations
- Scheduling and managing work appointments
- Conducting work related research
- Tracking work tasks and contacts

Company cell phones are to be used exclusively for District related business and communication. Personal use is not permitted. Employees shall not alter settings, download or remove applications without prior authorization from the General Manager or IT Department. Phones must be set to an audible volume level sufficient to hear incoming calls and alerts over vehicle or worksite noise. Employees are expected to handle District devices with care to prevent damage from drops, spills or neglect. Any lost, stolen or damaged devices must be reported to the supervisor or General Manager immediately.

5. Technology Use (District Desktops, Laptops, Email, and Internet)

Employees must:

- Use District computers and systems for official business whenever possible
- Protect passwords and never share login credentials
- Log off or lock computers when unattended
- Use only authorized software and applications

6. Personal Devices for District Business

When using a personal device (such as a cell phone) for District work:

- Maintain professionalism in all communications
- Avoid sending or storing confidential information in unsecured apps
- Understand that official communications may be subject to the California Public Records Act (CPRA)
- Forward important work-related messages or documents to District systems for recordkeeping

7. Prohibited Activities (All Devices)

Whether using District technology or a personal device for District work, employees must not:

- Engage in harassment, discrimination, or threats
- Access or distribute obscene, offensive, or illegal material
- Conduct personal business ventures during work time
- Share confidential District information with unauthorized persons
- Download or install unauthorized software on District computers

8. Confidentiality & Records Compliance

- Use District email accounts for official business whenever possible
- Store and transmit confidential information only through secure, approved channels
- Understand that work-related communications on personal devices may be subject to disclosure under CPRA
- At any time and without prior notice the District reserves the right to examine E-Mail, personal file directories and other information on any device connecting to District networks.

9. Public Representation

- Company employees, personnel or third-party contractors using District facilities must not indicate their affiliation with the District in bulletin board discussions, chat sessions and other offerings on the internet.
- Company employees, personnel or third-party contractors using District facilities must not publicly disclose internal district information via the internet that may adversely affect the District, District's customer relations or public image.
- Users must not post network or server configuration information about any District information systems to public newsgroups or mailing lists. This includes internal machine addresses, server names, server types, or software version numbers.
- Users must ensure that postings on mailing lists, public news groups and related websites do not reveal details of the District's internal functioning, infrastructure or potential vulnerabilities in the District's Information Security infrastructure.

10. Configuration Management

Configuration details from the Internet Service Provider to the Internal Network must be documented and maintained.

11. Audit and Accountability of Internet Connections

Clear Creek CSD reserves the right to audit any internet connections created on the firewall or other connectivity gateways.

12. Software Download and Access

Employees shall not download, install or execute any software on Clear Creek CSD computers, servers or networked devices unless it has been approved, installed or directed by the IT Department.

This includes but is not limited to:

- Encryption software
- Password Protection Tools
- File or disk-locking applications
- Remote access programs
- Any software that restricts or hides data from administrative access

The IT Department and General Manager shall maintain administrative access to all Clear Creek CSD owned computers, user accounts and systems at all times.

Employees are strictly prohibited from adding, modifying or removing any software, settings or encryption that would prevent authorized access by the IT Department and General Manager.

13. Reporting Security Problems

Each user has the responsibility to notify the IT Department immediately of any evidence of any security violation involving internet connectivity with regard to:

- Unauthorized access to network, telecommunications, or computer systems
- Apparent transmittal of a virus or worm via networking technologies
- Apparent tampering with any file inappropriately
- There may be issues where another District employee or contractor may have committed a security violation. In these cases, notify the General Manager.

14. Disciplinary Action

Improper use of technology or cell phones may result in disciplinary action, up to and including termination. Illegal or dangerous use may result in legal consequences.

Board Adoption & Acknowledgment

This Cell Phone, Technology, and Communications Use Policy was reviewed and approved by the Board of Directors of the Clear Creek Community Services District on the date indicated below.

This policy replaces and supersedes all previous versions of any cell phone, technology, internet, or communications use policies, whether written or verbal.

All employees are required to read, understand, and comply with this policy. A signed acknowledgment will be kept in each employee's personnel file.

Adopted by the Clear Creek Community Services District Board of Directors
on this ____ day of _____, 2025

Board Chair: _____ Date: _____

General Manager: _____ Date: _____

RESOLUTION OF THE BOARD OF TRUSTEES OF THE
CLEAR CREEK COMMUNITY SERVICES DISTRICT
ADOPTING THE CELL PHONE, TECHNOLOGY AND
COMMUNICATION POLICY
RESOLUTION NO. 2025-08

WHEREAS, the Clear Creek Community Services District (“District”) is a Special District organized and operating under the laws of the State of California; and

WHEREAS, the Board of Directors is responsible for establishing and adopting policies to ensure the efficient and transparent operation of the District and the protection of public resources; and

WHEREAS, District staff have reviewed and recommended the adoption of the Cell Phone, Technology and Communication Policy, which establishes clear procedure and standards for authorized use, cybersecurity, administrative access and oversight and data protection; and

WHEREAS, the Board of Directors has reviewed and proposed policy and finds that adoption of the policy is in the best interest of the District and its ratepayers.

NOW, THEREFORE, BE IT RESOLVED the Board of Directors of the Clear Creek Community Services District hereby:

- a) Adopts the Cell Phone, Technology and Communication Policy, attached hereto as Exhibit A, as the official policy of the District;
- b) Directs staff to implement and adhere to the provisions of the policy effective immediately;

Duly passed and adopted this _____ day of _____, 2025, by the Board of Directors of the Clear Creek Community Services District by the following vote:

Ayes: _____ Noes: _____ Absent: _____ Abstain: _____

Chair of the Board of Directors, Scott McVay

Clerk of the Board, Dale Mancino



5880 Oak Street, Anderson, CA 96007
Phone: (530) 357-2121 cccsd@clearcreekcsd.org

MEMO

Date: November 19, 2025
To: Board of Directors
From: General Manager – Dale Mancino
Re: **5 – Fatigue Policy** (Discussion/Direction)

Purpose:

To request Board approval of a new Employee Fatigue Management Policy designed to ensure the safety, health, and well-being of all District employees, particularly those performing extended or emergency response work hours.

Background:

Clear Creek Community Services District's operations require employees to respond to emergency situations such as main line breaks, water outages, and after-hours service calls. These events often result in extended shifts, limited rest periods, and increased fatigue risk among staff.

Currently, the District does not have a formal policy addressing employee fatigue, rest periods, or missed meal breaks. This policy provides the framework necessary to manage work-related fatigue, ensure compliance with California labor laws, and maintain safety in field operations.

The proposed Employee Fatigue Management Policy establishes:

- Defined rest period.
- Guidelines for monitoring and managing employee fatigue during emergencies or extended operations.
- Procedures for assessing risk when assigning overtime or call-out work.
- Requirements for meal and rest break compliance in accordance with California Labor Code.
- Supervisor responsibilities for ensuring adequate rest periods and documenting exceptions.
- Inclusion of self-assessment.

This policy promotes both employee well-being and operational safety by preventing fatigue-related errors, accidents, or injuries.

Recommendation:

It is recommended that the Board of Directors approve and adopt the Employee Fatigue Management Policy as presented.

Attachments:

- Draft Employee Fatigue Management Policy
- RESOLUTION NO. 2025-09



**Clear Creek Community Services District
Employee Fatigue Management and
Break Compliance Policy**

Adopted November 19, 2025

1. Purpose

The purpose of this policy is to ensure the safety, health, and well-being of all employees working in Emergency Water Special Services for Clear Creek Community Services District (CCCSD). The policy aims to promote compliance with California Labor Code requirements for rest and meal breaks, as well as to implement effective fatigue mitigation strategies, particularly during high-stress, emergency, or extended operational shifts. This policy recognizes that fatigue can compromise safety, decision-making, and operational efficiency in water service emergencies, and therefore addresses the unique challenges faced by these employees.

2. Scope

This policy applies to all Emergency Water Special Services employees of CCCSD, including those who provide water distribution, repair, and emergency response during critical situations. It covers both routine work hours and emergency situations requiring extended or unscheduled shifts, including natural disasters, water contamination events, system failures, and other unforeseen emergencies that demand immediate response.

3. Rest and Meal Break Requirements

CCCSD is committed to reducing fatigue and promoting optimal performance during emergency water services. The following measures will be implemented:

- **Rest Breaks:**

Employees are entitled to a paid 15-minute rest break for every 4 hours worked or major fraction thereof. Rest breaks shall be taken in the middle of the work period whenever feasible.

- **Meal Breaks:**

Employees working more than 5 hours per day are entitled to a 30-minute unpaid, uninterrupted meal break. A second 30-minute break must be provided for shifts exceeding 10 hours unless the employee voluntarily waives it (if working under 12 hours total).

- **Shift Length and Rotation:**

Emergency situations may require extended shifts, but CCCSD will take the following actions to manage employee fatigue:

- Limit shifts to 12 hours, unless the emergency requires additional hours.
- When possible, implement shift rotation to ensure employees get adequate rest.

- **Fatigue Awareness and Training:**

Employees will receive specific training on:

- Recognizing the signs of fatigue and its impact on safety and performance.
- Understanding the importance of sleep, nutrition, and hydration during extended operations.
- Techniques for managing stress and maintaining focus during high-demand shifts.

4. Fatigue Monitoring and Support:

- **Self-Reporting and Supervisor Monitoring:** Employees are encouraged to report feelings of fatigue or inability to perform work safely. Supervisors are responsible for observing employee behavior, performance, and signs of fatigue (e.g., slower reaction times, irritability, impaired judgment), and they must ensure that employees are given proper rest.
- **Breaks for High-Risk Activities:** Employees involved in physically demanding tasks (e.g., operating machinery, working with hazardous materials, or high-pressure repairs) will be given additional rest breaks as needed to prevent physical and mental exhaustion.

6. Emergency Situations and Adjustments:

During emergency water service situations, CCCSD recognizes that staffing needs may be unpredictable, and employees may be required to work outside of their regular shifts. In these cases:

- **Additional Staffing:** CCCSD will make every effort to deploy additional staff or temporary support to minimize the burden on individual employees and prevent burnout.
- **Flexible Scheduling:** Where possible, flexible scheduling will be employed to allow employees to rest without compromising emergency response effectiveness.
- **Overtime and Voluntary Overtime:** Overtime may be required during emergencies, but CCCSD will make every attempt to limit overtime hours and provide employees with time off to recover once the emergency is under control.

7. Reporting and Accountability:

Employees are encouraged to report any concerns related to fatigue, unsafe work conditions, or non-compliance with this policy. Reports can be submitted confidentially to the Supervisor or General Manager. All concerns will be investigated, and corrective actions will be taken as necessary.

9. Policy Review:

This policy will be reviewed annually and updated to ensure it aligns with any changes in California Labor Code regulations, industry standards, and feedback from employees. Adjustments will also be made based on specific lessons learned from past emergency situations and shifts. This policy will be reviewed annually or upon change in applicable law. Any revisions must be approved by the Board of Directors.

Attachments: - Fatigue Risk Self-Assessment Form

APPROVAL AND ADOPTION:

This policy was reviewed, approved, and adopted by the Board of Directors on the date indicated below. It shall take effect immediately upon adoption and shall replace and supersede any previous versions or related policies. This policy shall remain in force until amended or repealed by the Board.

Signed this ____ day of _____, 2025

Scott McVay

Board Chair: _____

Dale Mancino

General Manager: _____

Fatigue Risk Self-Assessment Form
Clear Creek Community Services District (CCCSD)
Emergency Water Special Services

Employee Information:

- **Name:** _____
- **Date:** _____
- **Shift Start Time:** _____
- **Shift End Time:** _____
- **Supervisor Name:** _____

Self-Assessment Questions:

Please rate the following statements based on your current physical and mental condition. Answer truthfully to help us assess your fatigue levels. This assessment should be completed at the beginning of your shift and periodically during long or emergency shifts.

1. How many hours of sleep did you get in the last 24 hours?

(Choose one)

- ☐ Less than 4 hours
- ☐ 4-5 hours
- ☐ 5-6 hours
- ☐ 6-7 hours
- ☐ 7+ hours

2. How alert do you feel right now?

(Scale from 1 to 5, 1 = Very tired, 5 = Fully alert)

- ☐ 1
- ☐ 2
- ☐ 3
- ☐ 4
- ☐ 5

3. How would you rate your overall physical energy level right now?

(Scale from 1 to 5, 1 = Very fatigued, 5 = Full of energy)

- ☐ 1
- ☐ 2
- ☐ 3
- ☐ 4
- ☐ 5

4. How would you rate your mental focus and concentration?

(Scale from 1 to 5, 1 = Unable to concentrate, 5 = Highly focused)

- ☐ 1
- ☐ 2
- ☐ 3
- ☐ 4
- ☐ 5

5. Have you had any symptoms of fatigue such as drowsiness, irritability, or difficulty focusing?

(Select all that apply)

- ☐ Drowsiness
- ☐ Irritability
- ☐ Trouble focusing
- ☐ Slower reaction time
- ☐ Headaches
- ☐ Muscle weakness
- ☐ None of the above

6. Are you feeling any physical discomfort (e.g., sore muscles, dizziness, etc.)?

(Select one)

- ☐ Yes
- ☐ No
- ☐ If yes, please describe: _____

7. Have you been on-call or working in a state of heightened alert for an extended period of time (i.e., no regular breaks or rest)?

(Select one)

- ☐ Yes
- ☐ No
- ☐ If yes, for how long? _____

8. Have you taken any rest or meal breaks during your shift?

(Select one)

- ☐ Yes
- ☐ No
- ☐ If no, please indicate reason: _____

9. Are you able to perform your job duties safely and effectively at this time?

(Select one)

- ☐ Yes
- ☐ No
- ☐ Not sure

Supervisor Assessment (For Supervisors Only)

1. Have you noticed any signs of fatigue or reduced performance in this employee during the shift?

(Select one)

- ☐ Yes
- ☐ No
- ☐ If yes, describe the symptoms: _____

2. Is there a need for additional breaks, a shift rotation, or other accommodations to reduce fatigue risk for this employee?

(Select one)

- ☐ Yes
- ☐ No
- ☐ If yes, specify the accommodations: _____

3. Does the employee need to be relieved from duty or take a break for safety reasons?

(Select one)

- ☐ Yes
- ☐ No

Employee Declaration:

I hereby declare that the information I have provided in this Fatigue Risk Self-Assessment Form is true to the best of my knowledge. I acknowledge that if I feel unsafe to perform my job duties due to fatigue, I will notify my supervisor and take necessary precautions to protect myself and others.

- **Employee Signature:** _____
 - **Date:** _____
-

Supervisor Approval:

- **Supervisor Signature:** _____
 - **Date:** _____
-

Follow-Up Actions (if needed):

- ☐ Employee to take a rest break
- ☐ Employee to rotate out of duty or relieved from shift
- ☐ Additional staffing required
- ☐ Adjusted work hours for the employee

RESOLUTION OF THE BOARD OF TRUSTEES OF THE
CLEAR CREEK COMMUNITY SERVICES DISTRICT
ADOPTING THE FATIGUE POLICY
RESOLUTION NO. 2025-09

WHEREAS, the Clear Creek Community Services District (“District”) is a Special District organized and operating under the laws of the State of California; and

WHEREAS, the Board of Directors is responsible for establishing and adopting policies to ensure the efficient and transparent operation of the District and the protection of public resources; and

WHEREAS, District staff have reviewed and recommended the adoption of the Fatigue Policy, which establishes clear procedure and standards for extended shifts, defined rest periods, guidelines for monitoring and managing employee fatigue during extended operations; and

WHEREAS, the Board of Directors has reviewed and proposed policy and finds that adoption of the policy is in the best interest of the District and its ratepayers.

NOW, THEREFORE, BE IT RESOLVED the Board of Directors of the Clear Creek Community Services District hereby:

- a) Adopts the Fatigue Policy, attached hereto as Exhibit A, as the official policy of the District;
- b) Directs staff to implement and adhere to the provisions of the policy effective immediately;

Duly passed and adopted this _____ day of _____, 2025, by the Board of Directors of the Clear Creek Community Services District by the following vote:

Ayes: _____ Noes: _____ Absent: _____ Abstain: _____

Chair of the Board of Directors, Scott McVay

Clerk of the Board, Dale Mancino



5880 Oak Street, Anderson, CA 96007
Phone: (530) 357-2121 cccsd@clearcreekcsd.org

MEMO

Date: November 19, 2025
To: Board of Directors
From: General Manager – Dale Mancino

Re: 6 – Applications & Interviews for Prop 218 Advisory Committee (Discussion/Action)

Background:

As part of the upcoming Proposition 218 Water Rate Study, Clear Creek CSD is forming a Community Advisory Committee to provide input, represent ratepayer perspectives, and assist in reviewing key elements of the proposed rate structure. The committee will serve in an advisory capacity, offering feedback throughout the study process to help ensure transparency, community engagement, and alignment with district goals.

Applications to serve on the committee have been made available both online and at the District office. Community members who expressed interest and submitted an application have been invited to attend the November 19, 2025 Board Meeting for an opportunity to speak with the Board and participate in an informal interview.

Discussion:

During the meeting, each applicant will be asked to introduce themselves, share their background, and explain their interest in serving on the Advisory Committee. This informal interview will allow the Board to better understand each applicant's perspective and how they might contribute to the committee's work.

Following the interviews, the Board may choose to deliberate and appoint members to the Proposition 218 Advisory Committee. The committee will begin meeting shortly thereafter to support the rate study process.

Recommendation:

It is recommended that the Board:

1. Conduct informal interviews with each applicant for the Proposition 218 Advisory Committee.
2. Appoint selected members to serve on the committee.

Join the Clear Creek CSD Community Advisory Committee

Clear Creek Community Services District (CSD) is beginning the Proposition 218 Rate Study to evaluate water rates for the future needs of our District.

✦ We are inviting community members to participate in a Community Advisory Committee that will:

- ☒ Review information presented during the Prop 218 study
- ☒ Provide feedback and suggestions on possible water rate adjustments
- ☒ Help ensure the study reflects the needs and concerns of the community

💧 **Your voice matters** — this is your opportunity to be directly involved in shaping decisions that affect every water customer in Clear Creek CSD.

What's Involved?

- Committee members will meet periodically during the Prop 218 study process
- Review materials and share input with the District
- Work together to recommend fair and sustainable solutions

Interested in Serving?

Please complete the form below and return it to the Clear Creek CSD office:

📍 **Office Address:** 5880 Oak Street, Anderson, California

✉ **Email (optional):** cccsd@clearcreekcsd.org

📞 **Phone (for questions):** (530) 357-2121

Community Advisory Committee – Interest Form

Name:

Cole Miller

Address:

18284 VIEW POINT DR

Phone:

Email:

Signature:

[Signature]

Date:

8-22-25

✦ **Help shape the future of Clear Creek CSD – Be part of the solution!** ✦

💧 Together, we can build a stronger, sustainable community.

Join the Clear Creek CSD Community Advisory Committee

Clear Creek Community Services District (CSD) is beginning the Proposition 218 Rate Study to evaluate water rates for the future needs of our District.

✦ We are inviting community members to participate in a Community Advisory Committee that will:

- ☒ Review information presented during the Prop 218 study
- ☒ Provide feedback and suggestions on possible water rate adjustments
- ☒ Help ensure the study reflects the needs and concerns of the community

💧 **Your voice matters** — this is your opportunity to be directly involved in shaping decisions that affect every water customer in Clear Creek CSD.

What's Involved?

- Committee members will meet periodically during the Prop 218 study process
- Review materials and share input with the District
- Work together to recommend fair and sustainable solutions

Interested in Serving?

Please complete the form below and return it to the Clear Creek CSD office:

📍 **Office Address:** 5880 Oak Street, Anderson, California

✉ **Email:** cccsd@clearcreekcsd.org

📞 **Phone:** (530) 357-2121

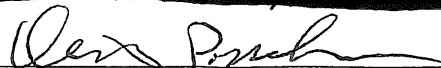
Community Advisory Committee – Interest Form

Name: Denny Possehn

Address: 17395 Coyote Ln., Anderson

Phone: [REDACTED]

Email: [REDACTED]

Signature: 

Date: 9-4-2025

✦ **Help shape the future of Clear Creek CSD – Be part of the solution!** ✦

💧 Together, we can build a stronger, sustainable community.



5880 Oak Street, Anderson, CA 96007
Phone: (530) 357-2121 cccsd@clearcreekcsd.org

MEMO

Date: November 19, 2025
To: Board of Directors
From: General Manager – Dale Mancino

Re: 7 – Delinquencies and Water Service Disconnection Policy (Discussion/Action)

Discussion/Action:

To request Board approval of an updated Delinquencies and Water Service Disconnection Policy that aligns District practices with the California Water Shutoff Protection Act (SB 998) and establishes consistent procedures for handling past-due accounts, payment arrangements, and disconnections for nonpayment.

Background:

The District's existing delinquency procedures are outdated and do not fully reflect the requirements of SB 998, codified in Health and Safety Code §§ 116900–116926, which standardizes notice periods, payment plan options, and protections for low-income and medically vulnerable customers.

The proposed policy:

- Establishes clear timelines and communication procedures for billing, delinquency notices, and shut-off warnings.
- Defines the sequence of notices—bill issuance, 10-day delinquency notice, 5-day shut-off notice, and final 24-hour notice.
- Sets standards for payment arrangements and extensions to support customers in hardship.
- Details reconnection procedures and fees consistent with SB 998 limitations.
- Requires that all disconnections and reconnections be performed only by authorized District personnel.

This update ensures compliance with state law, promotes consistency across departments, and improves customer communication while balancing accountability for unpaid charges.

Recommendation:

It is recommended that the Board of Directors approve and adopt the updated Delinquencies and Water Service Disconnection Policy as presented.

Attachments:

Draft Delinquencies and Water Service Disconnection Policy

RESOLUTION NO. 2025-10

DELINQUENCIES AND WATER SERVICE DISCONNECT POLICY



Date Approved: November 19, 2025, Ordinance 2025-XX

Approved By: Clear Creek CSD Board of Directors

Purpose of Policy

The Clear Creek Community Services District (District), established as a special district and operating as a community water system serving more than 200 service connections, is subject to the Senate Bill No. 998 (Dodd), known as the Water Shut-off Protection Act, effective February 1, 2020, and as further amended by Senate Bill No. 3 (2023).

This policy establishes the District's administrative procedures for the collection of delinquent accounts, including notifications, fee assessments, and service discontinuation for both residential and non-residential service accounts. The policy will be publicly available on the District's website. Customers may contact the District at (530) 357-2121 to discuss options for averting discontinuation of water service for nonpayment under the terms of this policy.

Delinquency Charge and Discontinuation of Service for Nonpayment

A. Delinquency Charge

If payment is not received by the twentieth (20th) day of the month, a late fee shall be applied to the account on the twenty-first (21st) day.

B. Discontinuation of Non-Residential Service for Nonpayment Policy

The District shall not discontinue a non-residential service for nonpayment until payment by a customer has been delinquent for thirty (30) calendar days.

1. Non-Residential Service delinquency timeline

- a. Regular monthly bills are issued on the last day of the month and are due by the twentieth (20th) of the following month.
- b. On the twenty-first (21st) of the month, any unpaid balances will incur a late fee. If one (1) month of billing remains delinquent, a "Shut-Off Notice" will be mailed, specifying a shut-off date ten (10) days from the date of the notice.
- c. Payment of the full delinquent amount shown on the "Shut-Off Notice" is due by the ninth (9th) day following the notice to avoid issuance of a "24-Hour Shut-Off Notice."
- d. Upon issuance of a "24-Hour Shut-Off Notice," payment of the full delinquent amount is required immediately to prevent disconnection of service.
- e. If payment is not received within 24 hours of the "24-Hour Shut-Off Notice," service will be disconnected. A \$50 disconnect fee will be assessed. Service will remain disconnected until payment of the full account balance, including the disconnect fee, is received. An additional \$50 reconnection fee will be charged when District staff are dispatched to restore service; this fee

will appear on the subsequent monthly bill.

2. Notice of Termination of Non-Residential Service

No less than ten (10) calendar days prior to the discontinuation of non-residential service for nonpayment, the Clear Creek Community Services District (the "District") shall provide written notice to the customer named on the account.

Written Notice:

The notice of delinquency and impending service discontinuation shall be mailed to the mailing address listed on the account. If the customer's mailing address differs from the address of the property receiving non-residential service, an additional notice shall be mailed to the service property address, addressed to "Occupant."

The notice will include:

- ☐ The total amount that is due, including any late fees.
- ☐ The date by which payment must be received to avoid service disconnection.
- ☐ Contact information for the District to discuss payment options or dispute the bill.

3. Good Faith Effort

If the District is unable to make written contact with the customer or an adult occupant of the property, or if the written notice is returned as undeliverable, the District shall make a good faith effort to notify the customer.

This effort may include a personal visit to the service location, during which the District will, leave notice of imminent discontinuation of service for nonpayment in a conspicuous location at the property, or make other reasonable arrangements to ensure that the notice is received by the customer.

The notice provided during this good faith effort shall include the full delinquent amount and the scheduled shut-off date.

4. Service Restoration

Unless otherwise specified in this Policy, non-residential service that has been disconnected for nonpayment in accordance with this Policy shall be restored upon payment of the full account balance, which includes:

- All delinquent charges
- Late fees
- Disconnect fees

- Reconnection fees
- Any required security deposits
- Any other applicable penalties

Service will not be restored until all amounts due, as listed above, have been paid in full.

C. Discontinuation of Residential Service for Nonpayment

The District shall not discontinue residential service for nonpayment until the account has been delinquent for sixty (60) calendar days, in accordance with this Policy. This Policy is publicly available on the District's website.

1. Residential Service Delinquency Timeline

- Regular monthly bills are issued on the last day of the month and are due by the twentieth (20th) of the following month.
- On the twenty-first (21st) of the following month, any unpaid balances will incur a late fee, which will appear on the current month's billing statement. A separate delinquency notice will also be mailed at the end of the month.
- If two (2) months of billing remain unpaid, a "Shut-Off Notice" will be mailed, specifying a shut-off date ten (10) days from the notice date.
- Payment of the full amount listed on the "Shut-Off Notice" is due by the ninth (9th) day following the notice to prevent issuance of a "24-Hour Shut-Off Notice."
- Upon issuance of a "24-Hour Shut-Off Notice," payment of the full delinquent amount is required immediately to avoid disconnection of service.
- If payment is not received within 24 hours of the "24-Hour Shut-Off Notice," service will be disconnected. A \$50 disconnect fee will be assessed. Service will remain disconnected until payment of the full account balance, including the disconnect fee, is received. An additional \$50 reconnection fee will be applied when District staff are dispatched to restore service; this fee will appear on the next monthly bill.

1. Notice of Termination of Residential Service

No less than ten (10) calendar days prior to the discontinuation of residential service for nonpayment, the District shall provide written notice to the customer listed on the account.

a. Written Notice:

When the District contacts the customer named in the account by written notice under this section, the written notice of payment delinquency and impending disconnection shall be mailed to the customer of the residence to which the residential service is provided incurring a \$5 administration fee. If the customer's address is not the address of the property to which residential service is provided, the notice shall also be sent to the

address of the property to which residential service is provided, addressed to "Occupant" incurring a \$5 administration fee for each occupant address notified.

The notice shall include the following information:

1. The customer's name and service address.
2. The total amount of delinquent charges.
3. The date by which payment or a payment arrangement must be made to avoid service discontinuation.
4. A description of the process to request an extension of time to pay the delinquent charges.
5. A telephone number for the customer to contact the District to discuss options for preventing discontinuation of service due to nonpayment.
6. A description of the procedure to request a bill review or appeal.

b. Alternative Payment Plan Option:

The notice shall include information on how the customer may request an alternative payment plan, including the option to amortize delinquent charges, consistent with the District's Discontinuation of Residential Service for Nonpayment Policy.

1. Good Faith Effort

Whenever the Clear Creek Community Services District is unable to make Written Contact with the customer or an adult occupying the residence, and when Written Notice is returned through the mail as undeliverable, the Clear Creek Community Services District shall make a Good Faith Effort to visit the residence and leave, or make other arrangements for placement in a conspicuous place, a Notice of Imminent Discontinuation of Residential Service for Nonpayment ("24-Hour Shut-Off Notice") and include the Clear Creek Community Services District's Discontinuation of Residential Service for Nonpayment Policy.

2. Alternatives to Discontinuation of Residential Service for Nonpayment:

a. Alternative Payment Plan

1. Prior to Termination of Residential Service, any customer can contact the Clear Creek Community Services District and request a Alternative Payment Plan whereby payments of the delinquent amount can be extended up to a twelve (12) month repayment schedule.
2. As a condition of this Plan, the customer will be required to pay the amortized amount plus the current water service charges.
3. If the District and customer enter into a Payment Arrangement, the customer shall comply with the agreement and remain current on any new water service charges as they are billed in each subsequent billing period. The customer may not request further amortization or reduction of any unpaid charges on subsequent bills while paying delinquent charges under an alternative payment arrangement. Commencing on the date the first

payment arrangement is entered into, customers who fail to comply with any agreed payment arrangement will not be eligible to establish future payment arrangements for a period of 24 months, except as otherwise prohibited by law.

4. Unless otherwise provided for in the Clear Creek Community Services District's Policy, failure to pay the amortized amount plus the current water service charges each billing period will nullify the amortization agreement and result in the issuance of a Notice of Termination of Residential Service that will require the customer to pay the entire outstanding balance within 5 business days or water service will be terminated.

5. Bill Review Request and Appeal Process

Residential service shall not be discontinued while a residential customer is engaged in the following review and appeal process:

a. Bill Review Request

1. If a customer wishes to dispute a water bill, the customer must, within five (5) business days of receipt of the disputed bill, contact the Clear Creek Community Services District during regular office hours and request a review of the account and provide staff with the reason for the review.
2. Upon review of the account, the Clear Creek Community Services District shall respond to the bill review request within ten (10) business days with a decision regarding the amount due.

b. Appeal Process

1. If the customer wishes to dispute the findings of the bill review request, the customer shall provide a request in writing to the Clear Creek Community Services District to have a review of the account by the General Manager. This request shall be provided to the Clear Creek Community Services District within ten calendar days from the date of mailing of the bill review request findings to the customer.
2. Upon review of the account, the General Manager shall respond to the bill review request within ten (10) business days with a decision regarding the amount due.
3. If the customer wishes to dispute the decision of the General Manager with respect to the bill review request, the customer shall provide a request in writing to appeal the decision to the Board of Directors. This request shall be provided to the Clear Creek Community Services District within ten calendar days from the date of mailing of the decision. The appeal will be heard by the Board and a decision will be made regarding the amount due at the next regularly scheduled meeting of the Board of Directors.

c. Waive Fees

1. The District may waive fees (e.g., Late Fees, Penalties) on delinquent bills a maximum of once every twelve (12) months.

6. Special Conditions

a. Medical Certification

1. The Clear Creek Community Services District shall not discontinue residential service for nonpayment if all of the following conditions are met:
 - i. The customer, or tenant of the customer, submits a certification of a primary care provider, as defined in subparagraph (A) of paragraph (1) of subdivision (b) of Section 14088 of the Welfare and Institutions Code, that the discontinuation of residential service will be life threatening to, or pose a serious threat to the health and safety of, a resident of the premises where residential service is provided.
 - ii. The customer demonstrates that they are financially unable to pay for residential service within the Clear Creek Community Services District's normal billing cycle. The customer shall be deemed financially unable to pay if any member of the customer's household is a current recipient of CalWORKS, CalFresh, general assistance, Medi-Cal, Supplemental Security, Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants and Children, or the customer declares that the household's annual income is less than 200 percent of the Federal poverty level.
 - iii. The customer is willing to enter into the Deferred Payment Arrangement Plan or Alternative Payment Schedule, as provided in this Policy, with respect to all delinquent charges.
2. If the items in Paragraph a.1(i), (ii) and (iii) above are met, the Clear Creek Community Services District shall offer the residential customer one of the following options, in the sole discretion of the Clear Creek Community Services District:
 - i. The Deferred Payment Arrangement Plan, as provided in this Policy; or
 - ii. The Alternative Payment Schedule, as provided in this Policy.
3. The Clear Creek Community Services District may grant a longer repayment period than provided in the Deferred Payment Arrangement Plan or the

Alternative Payment Schedule if the Clear Creek Community Services District, in its sole discretion, finds the longer period is necessary to avoid undue hardship to the customer based upon the circumstances of the individual case.

4. The residential service of a customer who is making repayment of a delinquent amount pursuant to an Alternative Payment Schedule or Deferred Payment Arrangement Plan under Section C (4) shall be disconnected no sooner than five (5) business days after the Clear Creek Community Services District posts a Final Notice of Intent to Disconnect Service in a prominent and conspicuous location at the property under either of the following circumstances:

- i. The customer fails to comply for 60 days or more with the terms of the Alternative Payment Schedule or Deferred Payment Arrangement Plan entered into by the customer for repayment of delinquent charges.
- ii. While complying with the terms of the Alternative Payment Schedule or Deferred Payment Arrangement Plan entered into by the customer for repayment of delinquent charges, the customer does not pay the current residential service charges for 60 days or more.

b. **Reconnection of Discontinued Service for Customers with income below 200% of the Federal Poverty Level**

1. The Clear Creek Community Services District shall provide all residential customers who have their services discontinued with information on how to restore their water service
2. For residential customers who demonstrate to the District a household income below 200 percent of the Federal poverty line, the District shall do **both** of the following:
 - i. Set a reconnection service fee during normal operating hours to a maximum of fifty dollars (\$50). For reconnection during nonoperational hours, the reconnection charge shall be a maximum of one hundred-fifty dollars (\$150).
 - ii. Waive fees (e.g., Late Fees, Penalties) on delinquent bills once every twelve (12) months per Policy.
3. The Clear Creek Community Services District shall deem a residential customer to have a household income below 200 percent (200%) of the Federal poverty line if any member of the household is a current recipient of CalWORKS, CalFresh, general assistance, Medi-Cal, Supplemental

Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or the customer declares that the household's annual income is less than 200 percent (200%) of the Federal poverty level.

c. **Discontinuation of Residential Service in Landlord-Tenant Situations**

1. This Section applies if there is a landlord-tenant relationship between the residential occupants and the owner, manager, or operator of the dwelling.
2. Where the Clear Creek Community Services District furnishes individually metered residential service to residential occupants of a detached single-family dwelling, a multiunit residential structure, mobile-home park, or permanent residential structure in a labor camp (as defined in California Health and Safety Code § 17008), and the owner, manager, or operator of the dwelling, structure, or park is the customer of record/owner, the Clear Creek Community Services District shall make every Good Faith Effort to inform the residential occupants/tenants, by means of Written Notice, when the account is in arrears that service will be terminated at least 10 calendar days (10) prior to the termination/shut off. The Written Notice shall further inform the residential occupants/tenants that they have the right to become customers, to whom the service will then be billed, without being required to pay any amount which may be due on the delinquent account.

If the service is terminated, the tenant may elect to establish service subject to the terms and conditions of service, meets the requirements of law and the Clear Creek Community Services District's Rules & Regulations. In order for the amount due on the delinquent account to be waived, the District requires that the applicant verify that the delinquent account customer of record is, or was, the landlord, manager, or agent of the dwelling. Verification may include, but is not limited to, a lease or rental agreement, rent receipts, a government document indicating that the occupant is renting the property, or information disclosed pursuant to Section 1962 of the Civil Code.

7. Non-Allowable Residential Water Service Termination

- a. In addition to the restrictions imposed by the Policy, the Clear Creek Community Services District has set forth the following restrictions on terminations of a residential customer's water service for nonpayment of residential water service charges. No customer's service shall be terminated:
 - i. On a Friday, weekend, Clear Creek Community Services District observed holiday (or the day prior), or at any time during which the

Clear Creek Community Services District Office is not open to the public.

8. Service Restoration

- a. Unless otherwise provided for pursuant to the Policy for Discontinuation of Residential Service for Nonpayment, Residential Water Service that has been terminated for Nonpayment in accordance with this Policy will be restored upon payment of the entire amount due, which shall include all Late Fees service disconnection charges, service reconnection charges, security deposit and other penalties.

9. Annual Reporting

- a. The annual number of discontinuations of residential services for inability to pay shall be reported on the Clear Creek Community Services District's webpage in January of each year.

Legal Authority and Compliance Notes (Updated November 2025)

This policy complies with the California Water Shutoff Protection Act (California Health and Safety Code §§ 116900–116926), enacted by Senate Bill 998 (Dodd, 2018) and amended by Senate Bill 3 (Dodd, 2023), effective August 1, 2024.

Key provisions reflected in this updated policy include:

- Application to all community water systems, regardless of size.
- Extended eligibility for all customers to request alternative payment arrangements.
- Updated accessibility requirements: this policy and associated notices are available in English, Spanish, Chinese, Tagalog, Vietnamese, and Korean upon request.
- Annual reporting of discontinuations of residential service for inability to pay, to be posted on the District's website by January 1 each year.
- Conformance with reconnection fee limits and notification standards under current state law.

RESOLUTION OF THE BOARD OF TRUSTEES OF THE
CLEAR CREEK COMMUNITY SERVICES DISTRICT
ADOPTING THE DELINQUENCIES AND WATER SERVICE
DISCONNECT POLICY
RESOLUTION NO. 2025-10

WHEREAS, the Clear Creek Community Services District (“District”) is a Special District organized and operating under the laws of the State of California; and

WHEREAS, the Board of Directors is responsible for establishing and adopting policies to ensure the efficient and transparent operation of the District and the protection of public resources; and

WHEREAS, District staff have reviewed and recommended the adoption of the Delinquencies and Water Service Disconnect Policy, which establishes clear procedure and standards for timelines and communication for billing, delinquency notices and shut-off notices, payment arrangements, reconnection procedures; and

WHEREAS, the Board of Directors has reviewed and proposed policy and finds that adoption of the policy is in the best interest of the District and its ratepayers.

NOW, THEREFORE, BE IT RESOLVED the Board of Directors of the Clear Creek Community Services District hereby:

- a) Adopts the Delinquencies and Water Service Policy, attached hereto as Exhibit A, as the official policy of the District;
- b) Directs staff to implement and adhere to the provisions of the policy effective immediately;

Duly passed and adopted this _____ day of _____, 2025, by the Board of Directors of the Clear Creek Community Services District by the following vote:

Ayes: _____ Noes: _____ Absent: _____ Abstain: _____

Chair of the Board of Directors, Scott McVay

Clerk of the Board, Dale Mancino



5880 Oak Street, Anderson, CA 96007
Phone: (530) 357-2121 cccsd@clearcreekcsd.org

MEMO

Date: November 19, 2025
To: Board of Directors
From: General Manager – Dale Mancino

Re: 8a. Update to Rules and Regulations for Water Service Policy Regarding Customer Accounts Being Sent to a Collections Agency (Discussion/Action)

Background:

The District currently has 115 closed, stale accounts with outstanding balances totaling \$45,496.82. We have no forwarding contact information for the account holders, and they no longer reside at the associated properties. Staff has determined that utilizing a professional debt collection agency is the most viable method to recover at least a portion of these outstanding balances, rather than writing off the debt entirely.

Discussion:

The proposed update to the Rules and Regulations for Water Service establishes a clear procedure for sending closed, delinquent customer accounts to a collections agency. The District currently has 115 stale accounts totaling \$45,496.82 with no forwarding information, and internal efforts to recover these funds have been exhausted. Adding this procedure formalizes how such accounts are identified and transferred, ensures consistency and transparency in the recovery process, and allows staff to utilize a collections agency on contingency basis to pursue outstanding balances at no cost to the District.

Recommendation:

Staff recommends approval of the Updated Rules and Regulations for Water Service Policy.

Attachments:

- I. Update to Rules and Regulations for Water Service Policy

to avoid waste of water, discontinue service of water through such privately owned lines until the condition is remedied.

- e. The district does not, as a rule, sell pipes, fittings or valves to customers or undertake the installation of private lines or repairs. The sell and repair of backflow devices are exempt. In an emergency situation, the district may, at its discretion, sell valves, repair couplings, etc. for installation by another.
- f. The employees, officers or agents of the district shall have unrestricted access at all reasonable hours to all premises supplied with water by the district and to inspect supply system, meters or other measuring devices and to see that rules and regulations of the district regarding the taking, use or waste of water are being observed.
- g. Only authorized employees or agents of the district are allowed to connect or disconnect service to any property or to turn on or turn off water at any connection or open or close any valve or other regulating device belonging to the district.
- h. Any damage to a meter, appurtenances, pipes, or other District property caused by the carelessness or neglect of the consumer shall be billed to the consumer. The charges must be paid in full upon presentation of the bill.

ARTICLE VII

7.1 DISCONTINUANCE OF SERVICE

- a. At the customer's request the district will turn off service on the requested date, provided at least 24 hours' notice is given and the requested date does not fall on a weekend or holiday. As a courtesy, the District will also shut off and restore water service during regular working hours at no charge when requested by the customer to facilitate repairs on the customer's side of the meter.
- b. Water service may be discontinued at the discretion of the District for failure to comply with any of the following:
 - Violation of these Rules and Regulations
 - Reclassification from Irrigation to Municipal & Industrial (M&I) use
 - Failure to submit an annual crop report by December 31st
 - Noncompliance with the long-term contract as determined by a field review

- c. If service is discontinued, the district shall require the payment of a penalty charge in addition to payment of delinquent and current balances due before service is restored.
- d. Once the district dispatches a service person to disconnect service due to delinquency, if the customer attempts to make arrangements to pay the past due bill, a 24-hour grace period will be granted and a penalty equal to the amount of reconnection fee will be added to the account. If the past due amount is not paid within the 24-hour grace period, the service will be disconnected without further notice. In order to restore service, the account must be paid in full including past and current amounts due, plus penalty and reconnection charges. The penalty charge is to offset the additional labor costs of dispatching personnel.
- e. Accounts with outstanding balances that are one hundred twenty (120) days or more past due shall be subject to external collection action. Prior to referral, a minimum of four (4) documented attempts to contact the account holder must be made through a combination of written correspondence, door hangers, electronic mail, and/or voice calls. If, after these documented efforts, no response or satisfactory payment arrangement has been received, the account shall be forwarded to an approved third-party collection agency for further action. All collection efforts and communications must be recorded in the customer's account file to demonstrate due diligence and compliance with this policy.

ARTICLE VIII

8.1 CROSS CONNECTION CONTROL

- a. In 2024, the State released an updated Cross Connection Control regulations handbook, effective July 1, 2024.
- b. The handbook requires the District to adopt a Clear Creek Community Services District - Cross Connection Control Plan (CCCSD-CCCP).
- c. The District approves the CCCSD-CCCP 2025, and this modification by ordinance 2025-04, and all further rules and regulations related to Cross Connection Control for the District is found in the CCCSD-CCCP.



5880 Oak Street, Anderson, CA 96007
Phone: (530) 357-2121 cccsd@clearcreekcsd.org

MEMO

Date: November 19, 2025
To: Board of Directors
From: General Manager – Dale Mancino

Re: 8b – Approval to Enter into an Agreement with Collections Agency (Discussion/Action)

Background:

The District currently has 115 closed, stale accounts with outstanding balances totaling \$45,496.82. We have no forwarding contact information for the account holders, and they no longer reside at the associated properties. Staff has determined that utilizing a professional debt collection agency is the most viable method to recover at least a portion of these outstanding balances, rather than writing off the debt entirely.

Discussion:

Empire Credit and Collections, a reputable corporate debt collection agency that serves numerous utility agencies. Key points of the proposed arrangement include:

- No upfront fees: The District will not incur any annual or monthly fees.
- Contingency-based collection: Empire Credit and Collections collects 30% of any debt recovered.
- No financial risk: There are no fees required from the District if no debt is collected.
- Credit reporting: Empire Credit and Collections reports collected debts to credit bureaus, potentially incentivizing payment.
- No formal contract required: The District can engage their services without entering into a binding long-term contract.

Fiscal Impact:

No fiscal impact, fees are contingency based. Empire Credit and Collections collects 30% of any debt they recover.

Recommendation:

Authorize staff to enter into an agreement with Empire Credit and Collections for debt recovery and Adopt the updated Rules and Regulations Policy

Attachments:

- I. Empire Credit and Collections Service Agreement



Empire Credit and Collection
We Will Get You Paid

A Proven Leader in Corporate Debt Collection

Empire Credit and Collection Agency is a premier enterprise debt recovery solution. We specialize in high-value commercial collections across a wide range of industries. In our 40 years of experience, we have developed an efficient, technology-driven approach that produces compliance and results.





No Recovery - No Fee Process

At Empire Credit and Collection, our No Recovery, No Fee service ensures you only pay when we successfully recover your funds. This risk-free model is designed to prioritize your financial goals while delivering exceptional results through a combination of industry expertise and cutting-edge technology.

The first phase is built around our professional collectors leveraging state-of-the-art debt recovery technology, including:



AI-Powered Analytics

Machine learning algorithms analyze debtor behavior, allowing us to prioritize accounts with the highest likelihood of recovery and customize outreach strategies.



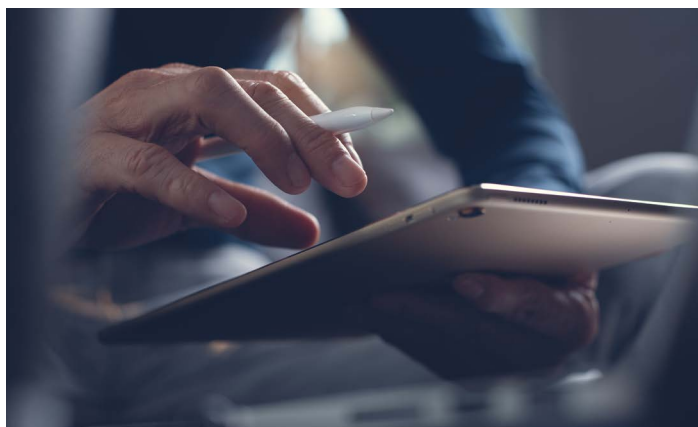
Omnichannel Communication

Our outreach includes personalized SMS, email, and automated voice messaging, ensuring debtors are engaged through their preferred communication channels.



Advanced Skip Tracing

We utilize comprehensive databases and cutting-edge skip tracing tools to locate hard-to-reach debtors, ensuring no lead goes unexplored.



During this phase, our collectors use a balanced approach—combining the human element of negotiation and empathy with data-driven tactics to maximize recovery rates. Daily contact attempts are made during the first 60 days, with messages tailored to encourage voluntary repayment while preserving your business relationships.

With our fully-transparent compliance strategy we will deliver you unparalleled debt collection.



Litigation Assessment (If Necessary)

If all attempts to resolve the matter continue to fail, we will provide a detailed explanation of the issues surrounding the case and present our recommendation for the next and final step. Our recommendation will be one of two options:

1. Case Closure:

Machine learning algorithms analyze debtor behavior, allowing us to prioritize accounts with the highest likelihood of recovery and customize outreach strategies.

2. If litigation is an option, you will have a decision to make:



Decline Legal Action

Should you choose not to proceed, we will close the case with no fees owed to our firm or affiliated attorney.



Proceed with Legal Action

If you opt to pursue litigation, you will be responsible for upfront legal costs such as court costs, filing fees, and process serving fees. These fees typically range from \$900 to \$1,800 depending on the debtor's jurisdiction and case specifics. Upon receipt of these funds, our affiliated attorney will immediately file a lawsuit on your behalf to recover all monies owed, including the costs associated with initiating the legal action.

Once litigation is underway, we will exhaust every legal method permitted by law to maximize the chances of a successful recovery. Legal remedies may include obtaining a judgment and pursuing enforcement actions such as wage garnishments, bank levies, and property liens. Throughout the litigation process, our team works closely with the assigned attorney to ensure prompt action, strategic filings, and timely updates to you. We are committed to aggressive yet ethical enforcement, ensuring all legal avenues are pursued while remaining compliant with all applicable federal and state regulations.

If litigation efforts do not result in recovery, the case will be closed with no financial obligation to you from our firm or affiliated attorney. For more information or to get started, visit empirecollectionagency.com.

Account Placement Form



Empire Credit and Collection
We Will Get You Paid

Client Info:

Company Name

Contact Name and Title

Address

City, State, Zip

Phone

Fax

E-mail

Debtor Info:

Company or Individual Name

Address

City, State, Zip

Country

E-mail

Phone

Fax

Principle Amount Owed

Interest/Fees

Primary Contact

SS or Tax ID #

Service or Product Provided

Date Provided

Terms Offered

Additional Information

Signed Contracts Available?

Yes

No

Service Agreement



Empire Credit and Collection
We Will Get You Paid

Terms and Conditions

This agreement is made this date between Empire Credit and Collection, Inc. and _____, hereinafter referred to as Creditor/Client and is for the collection of delinquent accounts by Empire Credit and Collection or its network of attorneys and collection specialists on behalf of Creditor/Client.

1. It shall be the intent of the Creditor/Client to retain the services of Empire Credit and Collection for the purpose of providing debt collection services. In the interest and spirit of maintaining the highest level of ethical and professional standards the parties agree to conduct themselves in accordance with the terms stated below.
2. Creditor/Client warrants the validity, amount and authenticity of all claims placed with Empire Credit and Collection for collection. Upon request, Creditor/Client agrees to forward documentation to Empire Credit and Collection to prove the amount and authenticity of the claim when requested. Any partial payments or full payments received after the date the account is submitted, are subject to fees pursuant to article 5 below.
3. Empire Credit and Collection is to act as it deems appropriate in the collection of claim(s) and is authorized to accept partial payments. Furthermore, Empire Credit and Collection shall have the right to endorse for deposit and collection any checks payable to the Creditor/Client. The compromise or settlement of any claim(s) will not be made without the consent of the Creditor/Client.
4. Creditor/Client agrees to cease all communication with the debtor(s). Creditor/Client agrees that the claim(s) is/are not to be handled by any other institution, collection agent, or representative. Creditor/Client agrees to inform Empire Credit and Collection immediately as to the nature and content of all contacts which debtor(s) makes or attempts to make directly with the Creditor/ Client. Claim(s) that are compromised by the Creditor/Client and or settled directly with the debtor are subject to fees pursuant to article 5 of this agreement. Any payments paid directly by the debtor(s) to the Creditor/ Client, partial or full shall be subject to fees pursuant to Article 5 of this agreement.
5. All claims placed with EMPIRE CREDIT AND COLLECTION by Creditor/Client regardless of amount shall be billed at the following rates below. If our company or you (client) do not receive any payments, you owe us absolutely nothing! If any partial or full payment is made to you (client) or our company, we are due our commission rate below:
 - 30% of the amount collected on accounts that are under (1) year in age.
 - 30% of the amount collected on accounts that are over (1) year in age.
 - 30% of any claim placed that has a principal value less than \$500.00.
 - 50% of the amount collected that are forwarded to an outside attorney that require litigation.
6. In the event claim(s) are withdrawn due to account placement error or are discovered to be previously paid shall be billed at a rate of 10% as an administrative, clerical and initiation fee. Once a payment is made on an account or legal Proceedings have been initiated, whether pre or post judgment the withdrawal or cancellation of the claim(s) is only permissible after all fees, court cost, and due diligence expenses have been paid. The jurisdiction for resolving any dispute arising under this agreement shall be in Suffolk County, New York, United States of America.
7. Cancellation of the agreement must be done in writing. Email your request to admin@empirecollectionagency.com or mail to our address above. Cancellation takes effect 30 days after the request is received. Any payments made prior to cancellation are subject to fees pursuant to Article 5. Claims canceled with active payments arrangements are subject to fees equal to the full balance of the account pursuant to Article 5 of this agreement.

Agreed on this date _____/_____/_____

Name (print)

Position with Company:

Signature:



5880 Oak Street, Anderson, CA 96007
Phone: (530) 357-2121 cccsd@clearcreekcsd.org

MEMO

Date: November 19, 2025
To: Board of Directors
From: General Manager – Dale Mancino
Re: **9 – Adjustment Request – 17690 Warwick Place**

Customer Protest Summary – Karen Yeager (17690 Warwick Place)
Date of Request Submission: October 17, 2025
Billing Period: September 2025
Amount Requested for Adjustment: \$73.48

In September, Karen Yeager was affected by the water main break and went without water for a total of four days in the month of September. Customer is requesting to have their September bill waived.

Recommendation:

Review, Discussion, Action.

I'll be dead before everything is paid off - Really!!
I need a break
just not a water break

RECEIVED OCT 17 2025



5880 Oak Street, Anderson, CA 96007
Phone: (530) 357-2121 Email: cccsd@clearcreekcsd.org

PROTEST FORM

Date: 10/10/2025
Account Holder's Name: Karen Yeager
Account Number: _____
Service Address: 17690 Warwick PL
Mailing Address: same
Phone Number: 530 366 0657
Email: - text
Disputed Amount: one month
Billing Month: September

Reason for Dispute:

Please include documentation and relevant information that may assist in determining the appropriate course of action.

I did write a letter to the board, now
another 2 days without water, Total
now 4 days of no water. Unacceptable
Never lived anywhere without water
Ever. The workers do a good job trying
to fix this. Water is so very
High. I request one month of No Charge
we struggle to pay these very high rates
Clear Creek Community Services District

Approved: _____ Denied: _____

Explanation for Approval/Denial:



Clear Creek Community Services District Account History

Customer Information

Account No. 11878
KAREN YEAGER
17690 WARWICK PL
ANDERSON, CA 96007
UNITED STATES

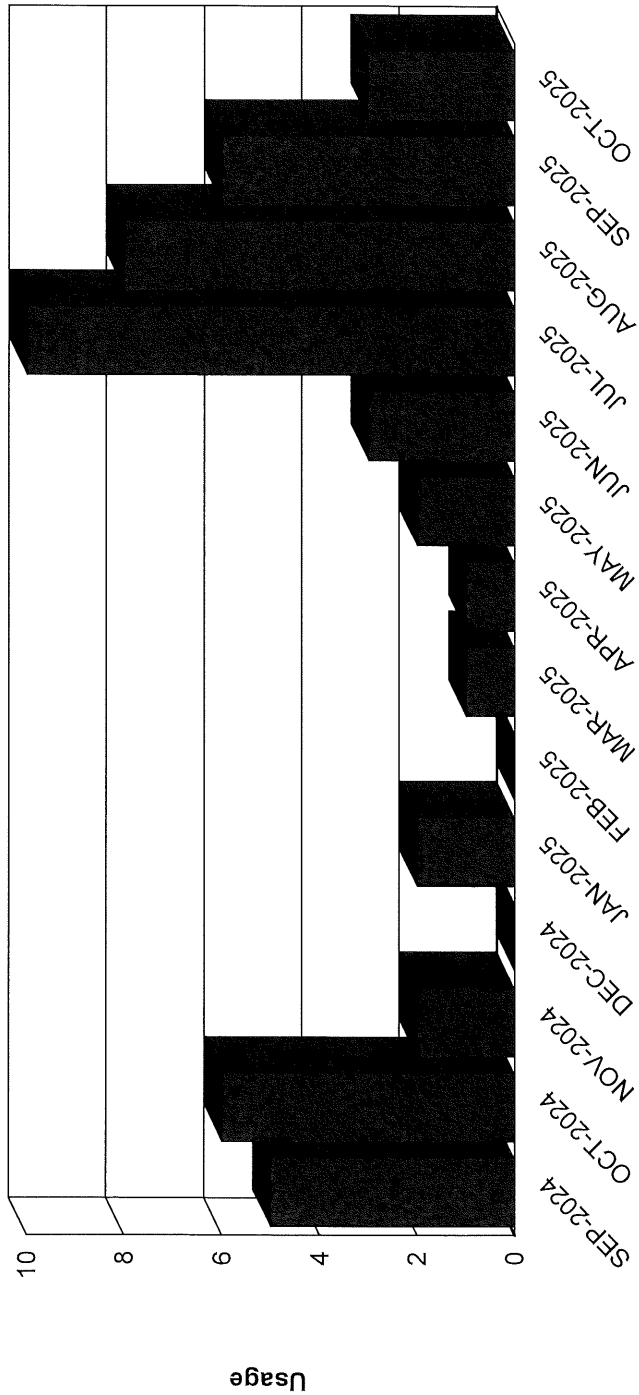
Location Information

Location No. 150400
17690 WARWICK PL

Trans. Date	Trans. Type	Reference	Type / Reason	Amount	Balance
10/27/2025	Charge			\$71.80	\$71.80
10/17/2025	Payment		Check	(\$73.48)	\$0.00
9/23/2025	Charge			\$73.48	\$73.48
9/10/2025	Payment		Check	(\$74.60)	\$0.00
8/25/2025	Charge			\$74.60	\$74.60
8/14/2025	Payment		Check	(\$75.72)	\$0.00

Consumption History

For Domestic





5880 Oak Street, Anderson, CA 96007
Phone: (530) 357-2121 cccsd@clearcreekcsd.org

MEMO

Date: November 19, 2025
To: Board of Directors
From: General Manager – Dale Mancino
Re: **10 – Adjustment Request – 18298 Majestic View Drive**

Customer Protest Summary – Cara and Les Anderson (18298 Majestic View Drive)
Date of Request Submission: October 8, 2025
Billing Period: October 2025
Amount Requested for Adjustment: \$25.00

In October, Cara and Les Anderson had a major water leak they had the leak repaired and then the next day it was leaking again, and the customer had the pipe repaired a second time. Cara and Les Anderson are concerned about the amount of water loss and the additional amount for their October bill, they are requesting assistance getting partial amount of bill waived due to financial hardship.

Recommendation:

Review, Discussion, Action.



5880 Oak Street, Anderson, CA 96007
Phone: (530) 357-2121 Email: cccsd@clearcreekcsd.org

PROTEST FORM

Date: 10-8-2025

Account Holder's Name: GARA & Les Anderson

Account Number: 11665 - 104200

Service Address: 18298 majestic View drive

Mailing Address: _____

Phone Number: 530 356 4837

Email: CLAPICKIE@gmail

Disputed Amount: \$25⁰⁰ Billing Month: October 2025

Reason for Dispute:

Please include documentation and relevant information that may assist in determining the appropriate course of action.

on Oct 4 2025 Our neighbor informed us we had a major water leak from box out by street. we called and had water turned off Sunday 10-5-25 dug up and repaired. Had water turned back on. Monday am found leaking water running down the road. Had water shut off again - we repaired again. We are not sure how much water leaked but sure it was alot. My husband on disability

Clear Creek Community Services District

Approved: _____

Denied: _____

Explanation for Approval/Denial:

and I am currently not working, (taking care
of my dad's estate).

We have always paid our bill. We are hoping
we can get an exemption on the water that
~~was~~ leaked.

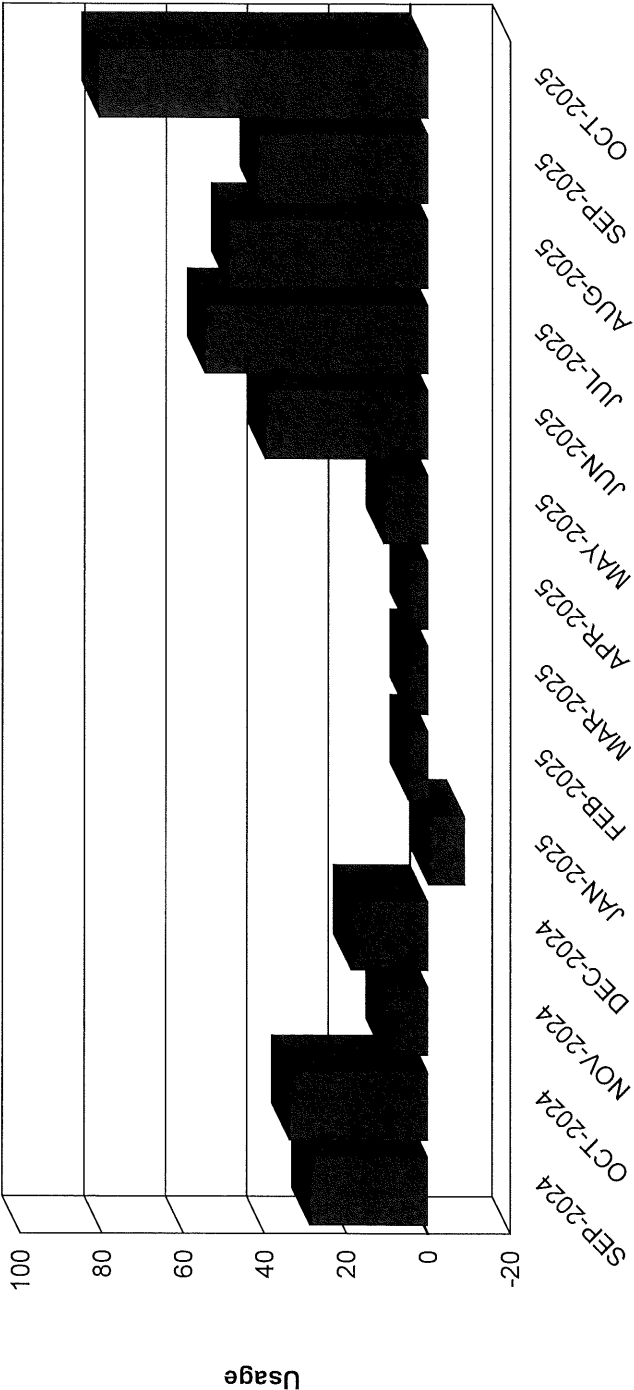
If you have any questions please call me.

Thank you.

CARA + Les
Anderson

Consumption History

For Domestic





Clear Creek Community Services District Account History

Customer Information

Account No. 11665
CARA ANDERSON
18298 MAJESTIC VIEW DR
ANDERSON, CA 96007
UNITED STATES

Location Information

Location No. 104200
18298 MAJESTIC VIEW DR

Trans. Date	Trans. Type	Reference	Type / Reason	Amount	Balance
10/27/2025	Charge			\$115.48	\$115.48
10/8/2025	Payment		Check	(\$93.64)	\$0.00
9/23/2025	Charge			\$93.64	\$93.64
9/17/2025	Payment		Check	(\$97.56)	\$0.00



5880 Oak Street, Anderson, CA 96007
Phone: (530) 357-2121 cccsd@clearcreekcsd.org

MEMO

Date: November 19, 2025
To: Board of Directors
From: General Manager – Dale Mancino

Re: 11- Happy Valley Community Foundation – Request for Sign Placement (Discussion/Action)

Background

The district has received a request from the Happy Valley Community Foundation (HVCF) regarding the placement of a community sign near District property. The Foundation maintains several “Welcome to Happy Valley” signs throughout the community. One of these signs, previously located on the southwest corner of Cloverdale Road and Placer Road, was recently destroyed after being struck by a vehicle

Discussion:

The Happy Valley Community Foundation (HVCF) has requested permission to install a replacement sign on the District’s water tower fence located at the corner of Cloverdale and Placer Road. The proposed sign measures 5 ft by 4 ft and is constructed of 1/16-inch aluminum. The new sign is intended to restore welcoming signage for residents and visitors traveling through one of Happy Valley’s primary thoroughfares. Approving this request would support local community engagement.

Recommendation:

Authorize the General Manager to coordinate with the Happy Valley Community Foundation regarding placement of the sign and to approve installation contingent upon staff review of site suitability and safety.



HAPPY VALLEY COMMUNITY FOUNDATION

5400 HAPPY VALLEY ROAD
ANDERSON, CA 96007
(530)357-5449

Board Members:

*Sarah Beer
Marlene Carmichael
Erin Ciapponi
John Fickes
Frank Muse
Steve Rankin
Samantha Rickards
Brice Roberts
Darcy Weekley
Steve Westaby
Harry Weldin*

October 14, 2025

Mr. Dale Mancino, General Manager

Board of Directors

Clear Creek Community Services District

5880 Oak Street

Anderson, CA 96007

The Happy Valley Community Foundation has established several community signs on the major thoroughfares welcoming all into our community. One of our signs was located on the southwest corner at the intersection of Cloverdale Road and Placer Road was struck by a vehicle and destroyed.

The Happy Valley Community Foundation is seeking approval to attach the sign to the fence surrounding the District water tower at the corner of Cloverdale and Placer. The sign dimensions are 5'x4'x1/16" aluminum.

We are happy to meet with you to review sign placement and approval.

Sincerely,

John Fickes

Board Member HVCF



Sponsor of the annual "Strawberry Festival"





5880 Oak Street, Anderson, CA 96007
Phone: (530) 357-2121 cccsd@clearcreekcsd.org

MEMO

Date: November 19, 2025
To: Board of Directors
From: General Manager – Dale Mancino

Re: 12 – Presentation and Acceptance of the 2023 Independent Financial Audit (Discussion/Action)

Background:

Government Code §26909 requires special districts to undergo an annual independent financial audit. Harshwal & Company has completed the draft 2023 Independent Financial Audit for the District. This audit evaluates the District's financial statements, internal controls, and compliance with applicable accounting standards. Each year, the completed audit must be presented to the Board in a public meeting for formal acceptance and inclusion in the District's official record.

Discussion/Action:

Staff will present the 2023 audit results, including the financial statements, auditor's opinion, and any noted findings or recommendations. The audit provides an objective assessment of the District's financial condition and accounting practices for the 2023 fiscal year.

The finance team continues to reconcile expenditures, capital asset adjustments, and loan interest reporting to ensure all financial records align with audit requirements. Overall, fiscal performance for the year remains consistent with budget projections. Acceptance of the 2023 audit will allow staff to complete required filings, finalize year-end financials, and proceed with ongoing financial reporting improvements.

Recommendation:

It is recommended that the Board of Directors approve and accept the 2023 Independent Financial Audit.

Attachments:

2023 Independent Financial Audit

CLEAR CREEK COMMUNITY SERVICES DISTRICT
AUDITED FINANCIAL STATEMENTS
JUNE 30, 2023



CLEAR CREEK COMMUNITY SERVICES DISTRICT
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JUNE 30, 2023

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FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Clear Creek Community Services District
Anderson, California

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the business-type activities of Clear Creek Community Services District, (the "District"), as of and for the year ended June 30, 2023, and the related notes to the basic financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the District as of June 30, 2023, and the respective changes in financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America, as well as accounting systems prescribed by the California State Controller's Office and the state regulations governing special District.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the California State Controller's *Minimum Audit Requirements for California Special District*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, as well as accounting systems prescribed by the California State Controller's Office and the state regulations governing special District; this include 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards; the standard applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the California State Controller's *Minimum Requirements for California Special District* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the California State Controller's *Minimum Requirements for California Special District*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 7 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 October 28, 2025, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's 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 the District's internal control over financial reporting and compliance.

Harshmal & Company LLP

San Diego, California
October 28, 2025

**CLEAR CREEK COMMUNITY SERVICES DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2023**

This Section of Clear Creek Community Services District (the "District") basis financial statements presented management's overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2023. We encourage the reader to consider the information presented here in conjunction with the financial statements as a whole.

INTRODUCTION TO THE BASIC FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the District's audited financial statements, which consist of the basic financial statements. This annual report is prepared in accordance with Governmental Accounting Standards Board (GASB) Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for States and Local Governments.

The required financial statements include the Statement of Net Position, the Statement of Revenues, Expenses, and Changes in Net Position, and the Statement of Cash Flows. The Notes to the Financial Statements and this summary support these statements. All Sections must be considered together to obtain a complete understanding of the financial picture of the District.

Statement of Net Position

This statement includes all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting as of the statement date. The difference between these items is represented as net position. The net position section of the statement identifies major categories of restrictions on assets and reflects the overall financial position of the District as a whole.

Statement of Revenues, Expenses, and Changes in Net Position

This statement presents the revenues earned and the expenses incurred during the year using the accrual basis of accounting. Under accrual basis, all increases or decreases in net position are reported as soon as the underlying event occurs, regardless of the timing of the cash flow. Consequently, revenues and/or expenditures reported during this fiscal year may result in changes to cash flows in the future period.

Statement of Cash Flows

This statement reflects the inflows and outflows of cash, summarized by operating, capital, financing, and investing activities.

Notes of the Basic Financial Statements

This additional information is essential for a full understanding of the data reported in the basic financial statements.

The District is a political sub-division of the State of California. It provides water services to its residents and is governed by an elected Board of Directors.

**CLEAR CREEK COMMUNITY SERVICES DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2023**

ANALYTICAL OVERVIEW

Business -Type Activity

The Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position present a summary of the District's business-type activities, which are composed of the District's enterprise fund.

**Table 1
Net Position**

	<u>June 30, 2023</u>	<u>June 30, 2022 (Restated)</u>	<u>Increase (Decrease) Amount</u>	<u>Percent Change</u>
Assets:				
Current and other assets	\$ 1,358,823	\$ 1,440,875	\$ (82,052)	(5.69)%
Noncurrent assets	<u>5,123,718</u>	<u>5,130,641</u>	<u>(6,923)</u>	<u>(0.1)%</u>
Total assets	<u>6,482,541</u>	<u>6,571,516</u>	<u>(88,975)</u>	<u>(1.35)%</u>
Deferred Outflows of Resources	<u>1,547,547</u>	<u>1,108,275</u>	<u>439,272</u>	<u>39.64%</u>
Liabilities:				
Current liabilities	513,685	827,763	(314,078)	(37.94)%
Noncurrent liabilities	<u>4,124,567</u>	<u>3,271,988</u>	<u>852,579</u>	<u>26.06%</u>
Total liabilities	<u>4,638,252</u>	<u>4,099,751</u>	<u>538,501</u>	<u>13.13%</u>
Deferred Inflows of Resources	<u>810,072</u>	<u>1,616,776</u>	<u>(806,704)</u>	<u>(49.90)%</u>
Net Position:				
Net investment in capital assets	2,961,264	2,985,305	(24,041)	(0.81)%
Restricted	1,250,908	586,206	664,702	113.39%
Unrestricted	<u>(1,630,408)</u>	<u>(1,608,247)</u>	<u>(22,161)</u>	<u>1.38%</u>
Total net position	<u>\$ 2,581,764</u>	<u>\$ 1,963,264</u>	<u>\$ 618,500</u>	<u>31.50%</u>

**CLEAR CREEK COMMUNITY SERVICES DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2023**

ANALYTICAL OVERVIEW - CONT'D

Summary

The total net position of the District has increased this year by \$618,500, which is related to income from operations. Current assets decreased by \$82,052 and noncurrent assets decreased by \$6,923.

Liabilities have increased this year by \$538,501 as a result of an increase in the net pension liability, offset by decreases in other liabilities due to regularly scheduled debt payments.

Unrestricted net position decreased by \$22,161 due to a restatement of the prior year's financials. The overall change in net position is an increase of \$618,500, resulting in a balance of \$2,581,764 as of June 30, 2023.

COMPARATIVE ANALYSIS OF CURRENT AND PRIOR YEAR ACTIVITIES AND BALANCES

	June 30, 2023	June 30, 2022 (Restated)	Increase (Decrease) Amount	Percent Change
Operating revenues	\$ 2,910,559	\$ 2,898,178	\$ 12,381	0.43%
Operating expenses	<u>2,661,505</u>	<u>2,341,050</u>	<u>320,455</u>	<u>13.69%</u>
Net operating income(loss)	<u>\$ 249,054</u>	<u>\$ 557,128</u>	<u>\$ (308,074)</u>	<u>(55.30)%</u>
Property taxes and other income	\$ 398,496	\$ 415,492	\$ (16,996)	(4.09)%
Interest and other expenses	<u>29,050</u>	<u>52,476</u>	<u>(23,426)</u>	<u>(44.64)%</u>
Nonoperating revenues	<u>\$ 369,446</u>	<u>\$ 363,016</u>	<u>\$ 6,430</u>	<u>1.77%</u>

- The increase in operating revenue is related to higher agricultural water sales.
- The increase in operating expenses is due to higher administrative expenses.
- The decrease in Property taxes and other income is due to a decrease in property taxes and other miscellaneous revenues.
- The decrease in interest and other expenses is due to minimal changes in other expenses.

CAPITAL ASSETS

Capital assets are discussed in detail in Note 4 of the financial statements. During the year, the District purchased \$96,413 in capital assets.

DEBT ADMINISTRATION

The District issued no new debt in the fiscal year 2023. The District made all scheduled repayments of existing debt. Each of the District's debt issues is discussed in detail in Note 5 to the financial statements.

**CLEAR CREEK COMMUNITY SERVICES DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2023**

ECONOMIC OUTLOOK AND MAJOR INITIATIVES

Financial planning is based on specific assumptions derived from recent trends, the State of California's economic forecasts, and historical growth patterns in the communities served by the District.

The economic condition of the District as it appears on the balance sheet reflects financial stability and the potential for organization growth. The District continues to be encouraged about its future growth and development, even with the current economic slowdown. The District will continue to maintain a watchful eye over expenses and remains committed to sound fiscal management practices to deliver the highest quality service to the citizens of the area.

REQUESTS FOR INFORMATION

This financial report is designed to provide our customers and creditors a general overview of the District's finances and demonstrate accountability for the money it receives. If you have any questions about this report or need additional financial information, please contact the District at Clear Creek Community Services District, 5880 Oak Anderson, California 96007-9216, or call (530) 357-2121.

BASIC FINANCIAL STATEMENTS

CLEAR CREEK COMMUNITY SERVICES DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2023

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

ASSETS

Current assets:

Cash and cash equivalents	\$ 324,340
Accounts receivable	219,092
Inventory	121,293
Cash and cash equivalents - restricted	<u>694,098</u>
Total current assets	<u>1,358,823</u>

Noncurrent assets:

Investments	19,491
Cash and cash equivalents - restricted	556,810
Capital assets, net	<u>4,547,417</u>
Total noncurrent assets	<u>5,123,718</u>
Total assets	<u>6,482,541</u>

DEFERRED OUTFLOWS OF RESOURCES

Related to OPEB	489,762
Related to pension	<u>1,057,785</u>
Total deferred outflows of resources	<u>1,547,547</u>
Total assets and deferred outflows of resources	<u>8,030,088</u>

LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION

LIABILITIES

Current liabilities:

Accounts payable	1,457
Accrued expenses	36,160
Compensated absences	33,225
Long-term debt	<u>442,843</u>
Total current liabilities	<u>513,685</u>

Noncurrent liabilities:

Long-term debt, due in more than one year	1,343,284
Customer deposits	256,316
Net pension liability	1,954,054
Net OPEB liability	<u>570,913</u>
Total noncurrent liabilities	<u>4,124,567</u>
Total liabilities	<u>4,638,252</u>

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

CLEAR CREEK COMMUNITY SERVICES DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2023

DEFERRED INFLOWS OF RESOURCES

Related to pension	487,722
Related to OPEB	<u>322,350</u>
Total deferred inflows of resources	<u>810,072</u>

NET POSITION

Net investment in capital assets	2,961,264
Restricted	1,250,908
Unrestricted	<u>(1,630,408)</u>
Total net position	<u>2,581,764</u>
Total liabilities, deferred inflows of resources, and net position	<u><u>\$ 8,030,088</u></u>

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

CLEAR CREEK COMMUNITY SERVICES DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2023

OPERATING REVENUES

Domestic water sales	\$ 2,264,877
Agricultural water sales	114,972
Water services	186,888
Other operating revenues	<u>343,822</u>
Total operating revenues	<u>2,910,559</u>

OPERATING EXPENSES

Water purchase	357,135
Water treatment	184,422
Transmission and distribution	237,320
Wells & booster station	152,445
Administrative and general	876,449
Payroll expense	602,195
Grants	870
Depreciation	<u>250,669</u>
Total operating expenses	<u>2,661,505</u>

Net operating income	<u>249,054</u>
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NONOPERATING REVENUES (EXPENSES)

Property taxes	394,493
Unrealized gain/(loss) on investments fair value	3,251
Investment income	752
Interest expenses	<u>(29,050)</u>
Total nonoperating revenues (expenses)	<u>369,446</u>

Change in net position	<u>618,500</u>
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Net position, beginning of year	2,083,441
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<i>Restatement</i>	<u>(120,177)</u>
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Net position, beginning of year, <i>restated</i>	<u>1,963,264</u>
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Net position, end of year	<u><u>\$ 2,581,764</u></u>
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The accompanying notes are an integral part of these financial statements.

CLEAR CREEK COMMUNITY SERVICES DISTRICT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023

CASH FLOWS FROM OPERATING ACTIVITIES:

Receipts from customers and other sources	\$ 3,035,059
Payment to suppliers and service providers	(1,913,455)
Payment to employees	<u>(724,078)</u>
Net cash provided by operating activities	<u>397,526</u>

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:

Property taxes	<u>394,493</u>
Net cash provided by noncapital financing activities	<u>394,493</u>

CASH FLOWS FROM INVESTING ACTIVITIES:

Interest received	752
Acquisitions of capital assets	<u>(96,413)</u>
Net cash used in investing activities	<u>(95,661)</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:

Repayment of loan	(480,215)
Interest expense	<u>(29,050)</u>
Net cash used in capital and related financing activities	<u>(509,265)</u>
Change in cash and cash equivalents	187,093
Cash and cash equivalents, beginning of year	<u>1,388,155</u>
Cash and cash equivalents, end of year	<u><u>\$ 1,575,248</u></u>

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

CLEAR CREEK COMMUNITY SERVICES DISTRICT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023

**RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY /
(USED IN) OPERATING ACTIVITIES:**

Operating income/(loss)	\$ 249,054
Adjustments to reconcile operating income/(loss) to net cash provided by operating activities:	
Depreciation	250,669
Change in operating assets and liabilities	
Accounts receivable - customer	144,781
Inventory	(19,718)
Deferred outflows of resources	(439,272)
Accounts payable	1,457
Accrued expenses	(106,271)
Compensated absences	(67,715)
Customer deposits	(563)
Net pension liability	897,006
Net OPEB liability	294,802
Deferred inflows of resources	(806,704)
Net cash provided by operating activities	<u>\$ 397,526</u>

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

CLEAR CREEK COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. General

Clear Creek Community Services District (the "District") was formed in the 1960's as a political subdivision of the State of California. It provides water services to its residents over an area of 33.88 square miles.

The District operates under an elected Board of Directors. The accounting methods and procedures adopted by the District conform to generally accepted accounting principles (GAAP) as applied to government entities. The Governmental Accounting Standards Board (GASB) is the accepted standard - setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies established in GAAP, and used by the District are discussed below.

B. Basis of Accounting

The activities of the District are accounted for as an enterprise fund. Enterprise funds are accounted for using the flow of economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flow takes place. The accounting objectives of this measurement focus are the determination of operating income, changes in net position, financial position, and cash flows. All assets, deferred outflows of resources, liabilities, and deferred inflows of resources associated with these activities are reported. Proprietary fund equity is classified as net position.

C. 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 and disclosures. Accordingly, actual results could differ from these estimates.

D. Cash and Cash Equivalents

Cash and cash equivalents includes amounts in demand deposits as well as short-term investments with a maturity date of three months to one year from the date acquired by the District.

E. Accounts Receivable - Customer Accounts

Accounts receivable represents revenues that have been earned but not yet collected. Receivables are uncollateralized. Any losses on uncollectible receivables are recognized when such losses become known or indicated.

F. Inventory

Inventory consists of pipes, meters, and various related materials, that have been stated at cost determined by the first-in, first-out method. The costs of inventories are recorded as expenses when consumed, rather than when purchased.

CLEAR CREEK COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONT'D

G. Capital Assets and Depreciation

Capital assets are defined by the District as assets that have an original cost or value of \$3,000 or more and an estimated useful life in excess of one year. Capital assets are recorded at cost, while equipment contributed to the District is recorded at fair market value as of the date of donation. Maintenance and repair costs are expensed as incurred unless they extend the useful life of the asset. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. The range of estimated useful lives by type of asset is as follows:

<u>Depreciable Assets</u>	<u>Estimated Life</u>
Buildings and improvements	20-50 years
Equipment & Machinery	1-10 years

H. Restricted Assets

The use of certain assets of the District are restricted by specific provisions of loan agreements, grants, or projects, or are related to customer deposits. Assets so designated are identified as restricted assets on the statement of net position. Restricted assets are classified as noncurrent if they are for the acquisition or construction of capital assets, for liquidation of long-term debt, or are for other than current operations.

I. Compensated Absences

Vested or accumulated sick leave, compensatory time, and vacation pay are recorded as an expense and liability as the benefits accrue to employees.

J. Customer Deposits

Customer deposits represent amounts received from customers that are held as security for water service and are expected to be used toward any final billing and returned to customers upon termination of service.

K. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period which will only be recognized as an outflow of resources (expense) in the future. The District contributions subsequent to the measurement date related to the pension and OPEB plans, are reported as deferred outflows of resources in the statement of net position. The District contributions subsequent to the measurement date will be amortized during the next fiscal year.

In addition to liabilities, the statement of net position includes a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and would only be recognized as an inflow of resources (revenue) at that time.

CLEAR CREEK COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONT'D

K. Deferred Outflows/Inflows of Resources - Cont'd

Changes in proportion and differences between the District's contributions and proportionate share of pension contributions, the District's proportionate share of the net difference between projected and actual earnings on pension plan investments, changes in assumptions, and the differences between the District's expected and actual experience, are reported as deferred inflows of resources or deferred outflows of resources in the statement of net position. These amounts are amortized over the estimated service lives of the pension plan participants.

Differences between projected and actual earnings on OPEB plan investments, changes in assumptions, and the differences between the District's expected and actual experience, are reported as deferred inflows of resources or deferred outflows of resources in the statement of net position. These amounts are amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided OPEB through the OPEB plan.

L. Net Pension Liability

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to the pension and pension expense, information about the fiduciary net position of the District's California Public Employees' Retirement system (CalPERS) plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

M. Net Other Postemployment Benefits (OPEB) Liability

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District's plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

N. Net Position

The proprietary fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted, and unrestricted.

- **Net investment in capital assets** - Net investment in capital assets represents the District's total investment in capital assets, net of outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of net investment in capital assets.
- **Restricted net position** - Restricted net position represents resources which are legally or contractually obligated to be spent in accordance with restrictions imposed by external third parties.
- **Unrestricted net position** - Unrestricted net position represents resources available for transactions relating to the general operations of the District, and may be used at the discretion of the governing board to meet current expenses for any purpose.

CLEAR CREEK COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONT'D

O. Classification of Revenues

The District distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from exchange-type transactions, such as providing services and producing and delivering goods in connection with the District's principal ongoing operations. The principal operating revenues of the District are charges to customers for sales and services. Operating expenses for the District include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. These are nonexchange transactions, such as interest income and property tax revenue.

P. Restricted Resources

When both restricted and unrestricted net positions are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Q. Property Taxes

The County of Shasta assesses, bills, and collects ad valorem property taxes for the District. Ad valorem property taxes levied in July 1, 2022 to June 30, 2023 are for the purpose of financing the budget of the 2023 fiscal year. Property tax revenue recognized for the 2023 fiscal year was levied in July 2022.

Key dates in the property tax cycle are as follows:

<u>Fiscal year ended June 30, 2023</u>	<u>Revenues</u>
Property taxes levied	July 1, 2022 to June 30, 2023
Property taxes payable	November 1, 2022, and February 1, 2023
Property taxes delinquent	December 10, 2022, and April 10, 2023
Lien date	January 1, of the preceding year

R. Budgetary Accounting

The District Manager submits a proposed operating budget to the District's Board of Directors for the fiscal year commencing the following July 1. The operating budget includes proposed expenses and the means of financing them. A public hearing is conducted to obtain taxpayer comments. Prior to September 7, the budget is legally enacted through the action of the Board of Directors. The annual appropriations lapse at fiscal year-end.

S. Accounting Pronouncements

Current Accounting Pronouncements - The following Governmental Accounting Standards Board (GASB) Statements have been implemented in the current financial statements:

GASB Statement No. 91: Conduit Debt Obligations - The provisions of this Statement are effective for reporting periods beginning after December 15, 2021.

GASB Statement No. 94: Public - Private and Public - Public Partnerships and Availability Payments Arrangements - The provisions of this Statement are effective for reporting periods beginning after June 15, 2022.

CLEAR CREEK COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONT'D

S. Accounting Pronouncements - Cont'd

GASB Statement No. 96: Subscription - Based Information Technology Arrangements - The provisions of this Statement are effective for reporting periods beginning after June 15, 2022.

GASB Statement No. 99: Omnibus 2022 - The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022.

The District had no reportable impacts for the fiscal year 2022-23.

Future Accounting Pronouncements - GASB Statements listed below will be implemented in future financial statements:

GASB Statement No. 99: Omnibus 2022 - The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023.

GASB Statement No. 100: Accounting Changes and Error Corrections - An Amendment of GASB Statement No. 62 - The provisions of this Statement are effective for fiscal years beginning after June 15, 2023.

GASB Statement No. 101: Compensated Absences - The provisions of this Statement are effective for fiscal years beginning after December 15, 2023.

GASB Statement No. 102: Certain Risk Disclosures - The requirements of this Statement are effective for the District's fiscal year ending June 30, 2026.

The primary objective of this Statement is to provide users of governmental financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. A concentration is defined as a lack of diversity related to an aspect of a significant inflow of resources. A constraint is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority.

GASB Statement No. 103: Financial Reporting Model Improvements - The requirements of this Statement are effective for the District's fiscal year ending June 30, 2026.

The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues.

GASB Statement No. 104: Disclosure of Certain Capital Assets - The requirements of this Statement are effective for the District's fiscal year ending June 30, 2026.

The objectives of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. This Statement requires certain types of capital assets to be disclosed separately in the capital asset note disclosures required by Statement 34, and also requires additional disclosures for capital assets held for sale.

The Districts is currently evaluating these new standards to determine what impact they will have on the Districts.

CLEAR CREEK COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 2 - CASH AND CASH EQUIVALENTS

The following is a summary of cash and cash equivalents:

	<u>Amount</u>
Cash and cash equivalents:	
Deposits (1)	\$ 323,767
Petty Cash	<u>573</u>
Total cash and investments	<u>\$ 324,340</u>

(1) Deposits:- The carrying amount of deposits includes checking accounts, savings accounts, nonnegotiable certificates of deposit, and money market accounts at financial institutions, if any.

The District segregates certain cash and cash equivalents that have legal or designated restrictions on their use. The District is required under the terms of certain long-term debt covenants to segregate and maintain certain funds for debt service. The District also holds funds that may only be used for specific repairs. The District's Board of Directors has designated certain funds to be used for the specific purposes noted below. As a result, these funds are not available for general District expenses. Such designation can be removed at the discretion of the Board of Directors.

The following is a summary of restricted cash and cash equivalents:

Restricted Cash and Cash Equivalents

Deposits (1):

Externally Restricted

Debt services	\$ 299,885
DWR filter plant reserves	263,614
Bureau of reclamation muletown conduit reserve	36,880
State loan repayment	33,408
Carr fire repairs	<u>177,571</u>

Total Externally Restricted	<u>811,358</u>
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Board Designated

Miscellaneous	62,757
Expansion and modernization	104,399
Backwash pond savings account	15,074
Operational reserve	1,004
Customer deposits	<u>256,316</u>

Total Board Designated	<u>439,550</u>
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Total Restricted Cash and Cash Equivalents	<u>\$ 1,250,908</u>
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Current Restricted Cash and Cash Equivalents	\$ 694,098
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Noncurrent Restricted Cash and Cash Equivalents	\$ 556,810
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CLEAR CREEK COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 2 - CASH AND CASH EQUIVALENTS - CONT'D

Collateral for Deposits

Under the California Government Code, California banks and savings and loan associations are required to secure deposits made by state or local governmental units by pledging government securities as collateral. The market value of the pledged securities must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure the District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

NOTE 3 - INVESTMENTS

Credit Risk - Investments

California Government Code, Section 53601, limits investments in commercial paper to “prime” quality of the highest ranking or of the highest letter and numerical rating as provided by nationally recognized statistical rating organizations (NRSRO), and limits investments in medium-term notes to a rating of A or better. The District has no investment policy that would further limit its investment choices. The District’s investments are unrated.

Fair Value Measurements

The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset’s fair value. The following provides a summary of the hierarchy used to measure fair value:

Level 1 - Quoted prices in active markets for identical assets that the District has the ability to access at the measurement date. Level 1 assets may include debt and equity securities that are traded in an active exchange market and that are highly liquid and are actively traded in over-the-counter markets.

Level 2 - Observable inputs other than Level 1 prices, such as quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, or other inputs that are observable, such as interest rates and curves observable at commonly quoted intervals, implied volatilities, and credit spreads. For financial reporting purposes, if an asset has a specified term, a Level 2 input is required to be observable for substantially the full term of the asset.

Level 3 - Unobservable inputs should be developed using the best information available under the circumstances, which might include the District’s own data. The District should adjust that date if reasonably available information indicates that other market participants would use different data or certain circumstances specific to the District are not available to other market participants.

The District has the following recurring fair value measurements as of June 30, 2023:

- Publicly traded stock of \$19,491 is valued daily based on the closing market price in the active exchange markets (level 1 inputs).

CLEAR CREEK COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 3 - INVESTMENTS - CONT'D

Concentration of Credit Risk - Investments

California Government Code, Section 53601, places the following concentration limits on the District's investments:

No more than 10% may be invested in the securities of any one issuer, except the obligations of the U.S. government, U.S. government agencies, and U.S. government-sponsored enterprises and where otherwise noted; no more than 10% may be invested in any one mutual fund; no more than 25% may be invested in commercial paper; no more than 40% may be invested in bankers' acceptances and no more than 30% may be invested in bankers' acceptances of any one commercial bank; no more than 30% may be invested in negotiable certificates of deposit; no more than 20% may be invested in reverse repurchase agreements; no more than 30% may be invested in medium-term notes; no more than 20% may be invested in mortgage passthrough and related securities; and no more than 30% may be invested in certain unsecured, unsubordinated obligations.

NOTE 4 - CAPITAL ASSETS

The capital asset activity for the year ended June 30, 2023 is as follows:

	<u>Balance</u> <u>July 01, 2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2023</u>
Capital assets, not being depreciated:				
Land	\$ 69,196	\$ -	\$ -	\$ 69,196
Construction-in-progress	<u>-</u>	<u>79,052</u>	<u>-</u>	<u>79,052</u>
Total capital assets, not being depreciated	<u>69,196</u>	<u>79,052</u>	<u>-</u>	<u>148,248</u>
Capital assets, being depreciated:				
Building and improvements	11,561,004	-	-	11,561,004
Machinery and equipment	<u>740,063</u>	<u>17,361</u>	<u>-</u>	<u>757,424</u>
Total capital assets, being depreciated	<u>12,301,067</u>	<u>17,361</u>	<u>-</u>	<u>12,318,428</u>
Less: accumulated depreciation for				
Building and improvements	(7,004,645)	(220,312)	-	(7,224,957)
Machinery and equipment	<u>(663,945)</u>	<u>(30,357)</u>	<u>-</u>	<u>(694,302)</u>
Total accumulated depreciation	<u>(7,668,590)</u>	<u>(250,669)</u>	<u>-</u>	<u>(7,919,259)</u>
Total capital assets, being depreciated, net	<u>4,632,477</u>	<u>(233,308)</u>	<u>-</u>	<u>4,399,169</u>
Total capital assets, net	<u>\$ 4,701,673</u>	<u>\$ (154,256)</u>	<u>\$ -</u>	<u>\$ 4,547,417</u>

Depreciation expense for the year ended June 30, 2023 is \$250,669.

CLEAR CREEK COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 5 - CHANGES IN LONG-TERM DEBT

The following is a summary of changes in long-term debt:

	Beginning Balance	Addition	Reduction	Ending Balance	Due Within One Year
State water resource loan	\$ 369,625	\$ -	\$ (11,795)	\$ 357,830	\$ 11,606
WIIN Act contract repayment	549,974	-	(350,000)	199,974	199,974
Filter plant expansion	1,254,222	-	(103,700)	1,150,522	214,418
RCAC equipment loan	<u>92,521</u>	<u>-</u>	<u>(14,720)</u>	<u>77,801</u>	<u>16,845</u>
Total	<u>\$ 2,266,342</u>	<u>\$ -</u>	<u>\$ (480,215)</u>	<u>\$ 1,786,127</u>	<u>\$ 442,843</u>

State Water Resource Loan

The District was ordered to construct and operate backwash recycling procedures at the filter plant. Total project costs equaled \$933,143, with half of the money provided through a grant and the other half, \$431,170, from a 1.7% low interest loan through the State Revolving Fund, State Water Resources Control Board.

Loan payments began in June 2019, with a loan duration of 30 years. Construction began in 2016 and was completed in early 2018.

Future payments of principal and interest to maturity are as follows:

Year ending June 30,	Principal	Interest	Total
2024	\$ 11,606	\$ 6,083	\$ 17,689
2025	11,803	5,886	17,689
2026	12,004	5,685	17,689
2027	12,208	5,481	17,689
2028	12,416	5,274	17,690
2029-2033	65,316	23,129	88,445
2034-2038	71,060	17,385	88,445
2039-2043	77,309	11,136	88,445
2044-2048	<u>84,108</u>	<u>4,338</u>	<u>88,446</u>
	<u>\$ 357,830</u>	<u>\$ 84,397</u>	<u>\$ 442,227</u>

CLEAR CREEK COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 5 - CHANGES IN LONG-TERM DEBT - CONT'D

WIIN Act Contract Repayment

Related to the WIIN Act contract discussed in Note 10, the District entered into a repayment contract with the United States Bureau of Reclamation. The terms of the contract require annual interest-free payments starting in December 2021. The payable matures in December 2023, as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ <u>199,974</u>	\$ <u>-</u>	\$ <u>199,974</u>
	\$ <u><u>199,974</u></u>	\$ <u><u>-</u></u>	\$ <u><u>199,974</u></u>

Filter Plant Expansion Loans

Under the Safe Drinking Water Bond law of 1988, the Department of Water Resources provided two loans totaling \$4,600,000.

Upon completion of the project, the District commenced semiannual payments to the State for a period not to exceed 30 years until the principal amount of the loans is paid in full.

These are level annual repayments of principal and interest on the loans, based on a standard semiannual payment loan amortization method to be determined by the State. The standard loan amortization method incorporates the outstanding loan principal and the loan interest rates of 2.973% and 2.542% for the first and second loans, respectively.

Loan principal and interest payments are due and payable within 30 days from the date of the invoice. The first semiannual payment was due and payable on October 1, 1997. The remaining amounts shall be made semiannually thereafter, commenced on April 1, 1998, until the principal amount of the loans is repaid in full. The final semiannual payment will be in an amount equal to the then unpaid portion of the principal amount of the loans plus interest accrued.

Future payments of principal and interest to maturity are as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 214,418	\$ 28,799	\$ 243,217
2025	220,759	22,458	243,217
2026	227,286	15,930	243,216
2027	228,406	9,209	237,615
2028	<u>259,653</u>	<u>2,422</u>	<u>262,075</u>
	\$ <u><u>1,150,522</u></u>	\$ <u><u>78,818</u></u>	\$ <u><u>1,229,340</u></u>

CLEAR CREEK COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 5 - CHANGES IN LONG-TERM DEBT - CONT'D

Rural Community Assistance Corporation (RCAC) Equipment

In November 2020, the District purchased a dump truck and a trailer for \$97,581, financed by a \$120,000 loan from the Rural Community Assistance Corporation (RCAC). The remaining loan proceeds were used for loan closing costs, modifications to the equipment, and other District maintenance costs. The interest rate on the loan is charged at 5% annually. The first payment of principal and interest was due October 13, 2020, with each payment due monthly thereafter until maturity, on September 1, 2027.

Future payments of principal and interest to maturity are as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 16,845	\$ 3,507	\$ 20,352
2025	17,707	2,646	20,353
2026	18,613	1,740	20,353
2027	19,565	787	20,352
2028	<u>5,071</u>	<u>42</u>	<u>5,113</u>
	<u>\$ 77,801</u>	<u>\$ 8,722</u>	<u>\$ 86,523</u>

CLEAR CREEK COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 6 - NET PENSION LIABILITY

Qualified employees are covered under a cost-sharing multiple-employer defined benefit pension plan maintained by the California Public Employees' Retirement System (CalPERS).

Summary

Net pension liability, deferred outflows or resources, deferred inflows of resources, and pension expense are reported as follows:

	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
CalPERS Public Agency Pool	\$ 1,954,054	\$ 1,057,785	\$ (487,722)	\$ 285,081

Net pension liability, deferred outflows of resources, and deferred inflows of resources are reported in the accompanying statement of net position; pension expense is reported in the accompanying statement of revenues, expenses, and changes in net position.

Plan Description: All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (the Plan), administered by the California Public Employees' Retirement System (CalPERS). The Plan's benefit provisions are established by statute. The Plan is included as a pension trust fund in the CalPERS Annual Comprehensive Financial Report (ACFR), which is available online at www.calpers.ca.gov.

Benefits Provided: The California Public Employees' Pension Reform Act (PEPRA) took effect January 1, 2013 and changed the way CalPERS retirement and health benefits are applied and placed limits on member compensation. Employees hired after PEPRA are eligible for retirement as early as age 52 with five years of service, and employees hired prior to PEPRA are eligible for retirement as early as age 50 with five years of service. For employees hired before PEPRA, at age 55, the employee is entitled to a monthly benefit of 2.7% of the highest three years of compensation for each year of service. For employees hired after PEPRA, at age 62, the employee is entitled to a monthly benefit of 2.0% of the highest three years of compensation for each year of service.

Retirement after age 55 will increase the percentage rate to a maximum of 2.7% for employees hired before PEPRA and to a maximum rate of 2.5% at age 67 for employees hired after PEPRA. The plan also provides death and disability benefits. Retirement benefits fully vest after five years of credited service. Upon separation from CalPERS, members' accumulated contributions are refundable with interest credited through the date of separation.

Contributions: For employees hired before PEPRA, active plan members are required to contribute 7.00% of their salary. For employees hired after PEPRA, active plan members are required to contribute 7.75% of their salary. Also, the District is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the CalPERS Board of Administration. For employees hired before PEPRA, the required employer contribution rate for the fiscal year ended June 30, 2023, was 14.03% (miscellaneous) or 8.63% (miscellaneous, second tier) of annual payroll. For employees hired after PEPRA, the required employer contribution rate for the fiscal year ended June 30, 2023, was 7.47% of annual payroll. The District's contributions to CalPERS for the fiscal year ended June 30, 2023, were \$242,004, and equaled 100% of the required contributions.

CLEAR CREEK COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 6 - NET PENSION LIABILITY - CONT'D

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Pension: As of June 30, 2023, the District reported a net pension liability of \$1,954,054 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021, rolled forward to June 30, 2022, using standard update procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating District and the State, actuarially determined. As of June 30, 2023, the District's proportion was 0.0418%.

For the year ended June 30, 2023, the District recognized pension expense of \$285,081. As of June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to the pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 39,241	\$ (26,282)
Changes of assumptions	200,233	-
Net difference between projected and actual earnings on investments	357,930	-
Differences in proportions	212,767	(418,693)
Difference between actual and proportionate share of contributions	5,610	(42,747)
Deferred Contributions	<u>242,004</u>	<u>-</u>
Total	<u>\$ 1,057,785</u>	<u>\$ (487,722)</u>

The \$1,057,785 reported as deferred outflows of resources related to the pension resulting from the District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the pension will be recognized in pension expense as follows:

Measurement Period Ended June 30,	Deferred Outflows/(Inflows) of Resources
2024	\$ 93,094
2025	57,422
2026	(41,378)
2027	<u>218,921</u>
Total	<u>\$ 328,059</u>

CLEAR CREEK COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 6 - NET PENSION LIABILITY - CONT'D

Actuarial Assumptions

The total pension liability in the June 30, 2023, actuarial valuation was determined using the following actuarial assumptions:

Valuation date	June 30, 2021
Measurement Date	June 30, 2022
Actuarial cost method	Entry age normal
Actuarial assumptions:	
Discount rate	6.90%
Inflation	2.50%
Salary increases	Varies by entry age and services
Investment rate of return	7.00%

CalPERS uses custom mortality tables to best fit the patterns of mortality among its members. The mortality table used was developed based on CalPERS' specific data. The table includes 15 years of mortality improvements using 90% of Scale MP-2016 published by the Society of Actuaries.

The actuarial assumptions used in the June 30, 2020, valuation were based on the results of an actuarial experience study for the period July 1, 1997, through June 30, 2015.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the short term (first 10 years) and the long term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

The tables below reflect long-term expected real rates of return by asset class. The rates of return were calculated using the capital market assumptions applied to determine the discount rate.

CLEAR CREEK COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 6 - NET PENSION LIABILITY - CONT'D

Asset Class	Asset Allocation	Real Return Years 10- ^{1 2}
Global Equity - Cap-weighted	30%	4.45%
Global Equity Non Cap-weighted	12%	3.84%
Private Equity	13%	7.28%
Treasury	5%	0.27%
Mortgage-backed Securities	5%	0.50%
Investment Grade Corporate	10%	1.56%
High Yield	5%	2.27%
Emerging Market Debt	5%	2.48%
Private Debt	5%	3.57%
Real Assets	15%	3.21%
Leverage	(5)%	(0.59)%
Total	<u>100%</u>	

¹An expected inflation of 2.30% used for this period.

²Figures are based on the 2021-2022 Asset Liability Management study.

Discount Rate: The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at a statutorily required rates, actuarially determined. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The following presents the District's proportionate share of the net pension liability, calculated using the discount rate of 6.90%, as well as what the District's proportionate share of the net pension liability if it were calculated using a discount rate that is one percent point lower (5.90%) or one percent point higher (7.90%) than the calculated rate:

	Discount Rate - 1% (5.9%)	Current Discount Rate (6.9%)	Discount Rate + 1% (7.9%)
Plan's Net Pension Liability/(Assets)	\$ 2,913,128	\$ 1,954,054	\$ 1,164,973

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

CLEAR CREEK COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 7 - OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Plan Description

The District has established a Retiree Healthcare Plan (HC Plan) under the CalPERS Public Employees' Medical and Hospital Care Act (PEMHCA), and participates in an agent multiple-employer defined benefit retiree healthcare plan. The HC Plan provides lifetime healthcare insurance for eligible employees and their eligible family members through the District's group health insurance plan, which covers both active and retired members. The HC Plan does not issue a separate stand-alone financial report.

Benefits Provided

The HC Plan provides employees who retire directly from the District, at the applicable minimum CalPERS retirement age of 50 or 52 (as described in note 6), with a minimum of ten years of CalPERS service credit (at least five years of which must be service to the District), payments for CalPERS medical insurance premiums for employee plus dependents, starting at 50% of the employer contribution and increasing 5% per year, up to 100% in the 20th year of service. The maximum benefits are set annually. At the measurement date of June 30, 2022, the monthly benefit caps were \$816 for single, \$1,548 for retiree plus spouse, and \$1,983 for family.

Employees Covered

Employees covered by the benefit terms of the HC Plan consisted of:

	<u>Number of Participants</u>
Inactive Employees Currently Receiving Benefits Payments	7
Participating Active Employees	<u>9</u>
Total Number of participants	<u><u>16</u></u>

Contributions

Benefit provisions are established and may be amended by the District's Board of Directors. The HC Plan provides for the District to contribute 100% of the cost of health insurance premiums for retiree and their eligible family members. For the fiscal year ended June 30, 2023, the District contributed \$110,684 representing premium payments on behalf of retired employees.

Net OPEB Liability

The District's net OPEB liability for the HC Plan is measured as the total OPEB liability, less the HC Plan's fiduciary net position. The net OPEB liability of the HC Plan is measured as of June 30, 2022, using an annual actuarial valuation as of June 30, 2021, rolled forward to June 30, 2022, using standard update procedures. On June 30, 2023, total OPEB liability was based on the actuarial methods and assumptions as shown below.

CLEAR CREEK COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 7 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) - CONT'D

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2022, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Actuarial cost method	Entry age normal
Actuarial assumptions:	
Discount rate	6.22%
Inflation	2.50%
Salary increases	3.00%
Healthcare cost trend	5.60%

Mortality is based on CalPERS 2017 Experience Study. CalPERS uses custom mortality tables to best fit the patterns of mortality among its members. The table includes mortality improvements using the MW Scale 2022 generationally.

Long-Term Expected Rate of Return

As of June 30, 2023, the long-term expected rates of return for each major investment class in the HC Plan's portfolio are as follows:

Major Asset Classification	Target Allocation	Long-Term Expected Real Rate of Return	
		Years 1-5	Years 6+
Global Equity	49%	4.40%	4.50%
Fixed income	23%	-1.00%	2.20%
Global Real Estate (REITs)	20%	3.00%	3.90%
Treasury Inflation Protected Securities	5%	-1.80%	1.30%
Commodities	3%	0.80%	1.20%
Total	100%		

Discount Rate

When the financing of OPEB liabilities is on a pay-as-you-go basis, GASB Statement No. 75 requires that the discount rate used for valuing liabilities is based on the yield or index rate for the 20-year, tax- exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). When a plan sponsor makes regular, sufficient contributions to a trust in order to fund the OPEB liabilities, GASB Statement No. 75 allows use of a rate up to the expected rate of return on the trust. Therefore, prefunding has an advantage of potentially being able to report overall lower liabilities due to future expected benefits being discounted at a higher rate. As the District holds a prefunding trust, the discount rate is based on the expected rate of return on HC Plan investments. As of June 30, 2022, the discount rate is 6.22%.

CLEAR CREEK COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 7 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) - CONT'D

Changes in the Net OPEB Liability

Total OPEB Liability

Service cost	\$ 66,174
Interest cost	116,025
Benefit payments	<u>(98,826)</u>
Net change in total OPEB liability	83,373
Total OPEB liability - beginning of year	<u>1,848,597</u>
Total OPEB liability - ending of year	<u><u>\$ 1,931,970</u></u>

Plan Fiduciary Net Position

Contributions - employer	\$ 98,826
Net investment income	(211,031)
Benefit payments	(98,826)
Administrative expense	<u>(398)</u>
Net change in plan fiduciary net position	(211,429)
Plan fiduciary net position - beginning of year	<u>1,572,486</u>
Plan fiduciary net position - end of year	<u><u>\$ 1,361,057</u></u>
Net OPEB liability - end of year	<u><u>\$ 570,913</u></u>
Plan fiduciary net position as a percentage of total OPEB liability	70.45 %
Covered- employee payroll	\$ 652,068
District's net OPEB liability as a percentage of covered-employee payroll	87.55 %

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

The following presents the District's net OPEB liability calculated using the discount rate of 6.22%, as well as the District's net OPEB liability if it was calculated using a healthcare trend rate that is one percentage point lower (5.22%) or one percentage point higher (7.22%) than the current rate:

	Discount Rate - 1% (5.22%)	Current Discount Rate (6.22%)	Discount Rate + 1% (7.22%)
Net OPEB Liability	\$ 838,503	\$ 570,913	\$ 352,436

CLEAR CREEK COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 7 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) - CONT'D

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

The following presents the District's net OPEB liability calculated using the Healthcare cost trend rate of 5.60%, as well as the District's net OPEB liability if it was calculated using a healthcare trend rate that is one percentage point lower (4.60%) or one percentage point higher (6.60%) than the current rate:

	Trend - 1% (4.60%)	Healthcare Trend (5.60%)	Trend + 1% (6.60%)
Net OPEB Liability	\$ 336,726	\$ 570,913	\$ 861,636

Plan Fiduciary Net Position

Detailed information about the HC Plan's fiduciary net position is available from CalPERS which issues a publicly available financial report on CERBT that can be obtained at www.calpers.ca.gov.

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

For the year ended June 30, 2023, the District recognized OPEB expense of \$13,439. As of June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 140,724	\$ (322,350)
Changes of assumptions	113,273	-
Net difference between projected and actual earnings on investments	125,081	-
Deferred Contributions	<u>110,684</u>	<u>-</u>
Total	<u>\$ 489,762</u>	<u>\$ (322,350)</u>

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

For the Fiscal Year Ending June 30,	Deferred Outflows/(Inflows) of Resources
2024	\$ (68,871)
2025	(45,337)
2026	10,096
2027	106,392
2028	44,625
thereafter	<u>9,823</u>
Total	<u>\$ 56,728</u>

CLEAR CREEK COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 8 - RESTRICTED NET POSITION

Restricted net position consists of assets that are restricted by external parties. These purposes and amounts are outlined in Note 2.

NOTE 9 - RISK MANAGEMENT

The District has obtained general liability, auto liability, public officials' liability, workers' compensation, and property coverage through the Association of California Water Agencies - Joint Powers Insurance Authority (JPIA), a joint powers authority of the California public water agencies.

June 30, 2023	JPIA Pooled Amount	Commercial Insurance Additional Coverage
General, auto, and public official's liability	\$ 5,000,000	\$ 55,000,000
Cyber	\$ -	\$ 5,000,000 *
Workers' compensation	\$ 2,000,000	\$ 200,000
Property coverage	\$ 100,000	\$ 500,000,000

*\$5,000,000/occurrence, \$5,000,000 aggregate

Each member's share of pooled insurance costs depends on the losses of all members. In addition, the cost to a member District will also depend on the loss experience of that District. The Districts with a consistent record of costly claims will pay more than Districts with a consistent record of less serious claims activity. Settled claims resulting from the risks identified above have not exceeded insurance coverage in the past three years. No significant reductions in insurance coverage from the prior year have been made.

A representative of each member District, appointed by the board of directors of that District, serves on the board of directors of the JPIA. The board of directors is responsible for deciding the risks the JPIA will underwrite, monitoring the costs of claims, and arranging financial programs. Each member of the board of directors has an equal vote in matters concerning the JPIA.

The District's share of year-end assets, liabilities, and fund equity is not calculated by the JPIA. Separately issued financial statements can be requested from the JPIA.

NOTE 10 - COMMITMENTS AND CONTINGENCIES

Federal Financial Assistance Program

The District participated in a federal financial assistance program for the repair and rehabilitation to the backwash pond due to damage caused by the Carr Fire in 2018. The program is subject to financial and compliance audits by the grantor or their representatives, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as a result of these audits is not believed to be material.

CLEAR CREEK COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 10 - COMMITMENTS AND CONTINGENCIES - CONT'D

WIIN Act

The WIIN Act is a comprehensive federal legislation relating to water infrastructure. Section 4011 of Subtitle J outlines the authority and direction for the Secretary of the Interior to negotiate contracts for repayment terms, which may include prepayments, lump sum, or accelerated payments, on existing water service contracts. The contract amendment results in a perpetual repayment contract providing for Project Water Service and Facilities Repayment with the United States Bureau of Reclamation. While the amendment guarantees a perpetual contract, it does not guarantee a water allocation. A coalition of California environmental interest groups is challenging the validity of the perpetual contracts of nearly one hundred water purveyors throughout California, including the District. The outcome is uncertain and could result in reverting to the previous water service contract.

Project Commitments

Project commitments are as follows:

<u>June 30, 2023</u>	<u>Remaining Project Commitment</u>
Backwash repair and rehabilitation project	\$ 410,849

Water Purchase Commitment

In March 2023, the District amended the water transfer agreement with the McConnell Foundation to purchase 500 acre feet of water at a total cost of \$125,000.

NOTE 11 - RESTATEMENT OF NET POSITION

During the fiscal year ended June 30, 2023, the District found that the changes to the beginning's net position were necessary due to bank balance, accrued liabilities, accounts receivable, and customer deposits were not correctly recorded on its previous year's financial statements. As a result, following the prior period adjustments have been made in the District's financial statements to record the proper beginning net position:

Net Position - beginning, as previously reported	\$ 2,083,441
Decrease in bank balance	(140,931)
Increase in accounts receivable	56,018
Decrease in allowance for accounts receivable	110,429
Increase in accrued liabilities	(1,048)
Increase in customer deposits	<u>(144,645)</u>
Net position - beginning, as <i>restated</i>	<u><u>\$ 1,963,264</u></u>

**CLEAR CREEK COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 12 - SUBSEQUENT EVENTS

The management has evaluated all subsequent events through October 28, 2025, the date through which the financial statements were available to be issued, and has determined that no adjustments are necessary to the amounts reported in the accompanying financial statements, nor have any subsequent events occurred, the nature of which would require disclosure.

REQUIRED SUPPLEMENTARY INFORMATION

CLEAR CREEK COMMUNITY SERVICES DISTRICT
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY -
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
LAST TEN FISCAL YEARS*

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
District's proportion of the net pension liability/(assets)	0.04180 %	0.05567 %	0.04144 %	0.04134 %	0.04156 %	0.04126 %	0.04201 %	0.01802 %	0.01663 %
District's proportionate share of the net pension liability/(assets)	\$1,954,054	\$1,057,048	\$1,747,920	\$1,655,329	\$1,564,994	\$1,626,577	\$1,459,355	\$1,236,614	\$1,034,741
District's covered - employee payroll	\$ 589,412	\$1,030,360	\$1,130,360	\$1,100,107	\$1,175,201	\$1,036,236	\$ 658,572	\$ 585,429	\$ 388,187
District's proportionate share of the net pension liability/(assets) as a percentage of its covered - employee payroll	331.53 %	93.51 %	158.89 %	140.86 %	151.03 %	246.99 %	238.15 %	211.23 %	266.56 %
Plan fiduciary net position as a percentage of the plan's total pension liability	72.23 %	83.92 %	72.76 %	73.13 %	71.95 %	67.69 %	68.33 %	72.89 %	76.49 %

*This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this schedule provides the information only for those years for which information is available.

**CLEAR CREEK COMMUNITY SERVICES DISTRICT
SCHEDULE OF DISTRICT'S CONTRIBUTIONS -
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
LAST TEN FISCAL YEARS***

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 242,004	\$ 220,035	\$ 229,216	\$ 156,457	\$ 240,637	\$ 215,778	\$ 169,347	\$ 118,900	\$ 93,933
Contributions in relations to the contractually required contribution	<u>(242,004)</u>	<u>(220,035)</u>	<u>(229,216)</u>	<u>(156,457)</u>	<u>(240,637)</u>	<u>(215,778)</u>	<u>(169,347)</u>	<u>(118,900)</u>	<u>(93,933)</u>
Contribution deficiency (excess)	\$ <u> - </u>	\$ <u> - </u>	\$ <u> - </u>	\$ <u> - </u>	\$ <u> - </u>	\$ <u> - </u>	\$ <u> - </u>	\$ <u> - </u>	\$ <u> - </u>
District's covered - employee payroll	\$ 589,412	\$ 1,030,360	\$ 1,130,360	\$ 1,100,107	\$ 1,175,201	\$ 1,036,236	\$ 658,572	\$ 585,429	\$ 388,187
Contributions as a percentage of covered - employee payroll	41.06 %	21.36 %	20.28 %	14.22 %	20.48 %	20.82 %	25.71 %	20.31 %	24.20 %

*This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this schedule provides the information only for those years for which information is available.

CLEAR CREEK COMMUNITY SERVICES DISTRICT
SCHEDULE OF CHANGE IN DISTRICT'S NET OPEB LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS*

	2023	2022	2021	2020	2019	2018
Total OPEB liability						
Service cost	\$ 66,174	\$ 64,196	\$ 62,326	\$ 74,074	\$ 71,741	\$ 60,882
Interest	116,025	103,339	99,514	147,921	137,704	141,292
Difference b/w actual and expected experience	-	194,640	-	(760,890)	-	(256,202)
Changes in assumption	-	127,558	-	34,415	-	60,264
Benefit payments, including refunds of employee contributions	<u>(98,826)</u>	<u>(106,428)</u>	<u>(111,714)</u>	<u>(76,316)</u>	<u>(66,554)</u>	<u>(66,228)</u>
Net change in total OPEB liability	83,373	383,305	50,126	(580,796)	142,891	(59,992)
Total OPEB liability - beginning	<u>1,848,597</u>	<u>1,465,292</u>	<u>1,415,166</u>	<u>1,995,962</u>	<u>1,853,071</u>	<u>1,913,063</u>
Total OPEB liability - ending (a)	<u><u>\$1,931,970</u></u>	<u><u>\$1,848,597</u></u>	<u><u>\$1,465,292</u></u>	<u><u>\$1,415,166</u></u>	<u><u>\$1,995,962</u></u>	<u><u>\$1,853,071</u></u>
Plan's fiduciary net position						
Contributions - employer	\$ 98,826	\$ 206,429	\$ 111,714	\$ 34,423	\$ 202,761	\$ 388,138
Net investment income	(211,031)	317,651	39,437	65,441	70,678	64,009
Benefit payments, including implicit subsidies net of retiree contributions	(98,826)	(106,428)	(111,714)	(76,316)	(66,554)	(66,228)
Administrative expense	(398)	(437)	(547)	(233)	(474)	(345)
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,175)</u>	<u>-</u>
Net change in plan's fiduciary net position	(211,429)	417,215	38,890	23,315	205,236	385,574
Plan's Fiduciary Net Position - beginning	<u>1,572,486</u>	<u>1,155,271</u>	<u>1,116,381</u>	<u>1,093,066</u>	<u>887,830</u>	<u>502,256</u>
Plan's Fiduciary Net Position - ending (b)	<u><u>\$1,361,057</u></u>	<u><u>\$1,572,486</u></u>	<u><u>\$1,155,271</u></u>	<u><u>\$1,116,381</u></u>	<u><u>\$1,093,066</u></u>	<u><u>\$ 887,830</u></u>
Net OPEB Liability - ending (a)-(b)	<u><u>\$ 570,913</u></u>	<u><u>\$ 276,111</u></u>	<u><u>\$ 310,021</u></u>	<u><u>\$ 298,785</u></u>	<u><u>\$ 902,896</u></u>	<u><u>\$ 965,241</u></u>
Plan's fiduciary net position as a percentage of the Total OPEB Liability	70 %	85 %	79 %	79 %	55 %	48 %
Covered employee payroll	\$ 652,068	\$ 920,890	\$ 921,757	\$ 1,165,401	\$ 995,360	\$ 995,360
Plan net OPEB liability as percentage of covered employee payroll	88 %	30 %	34 %	26 %	91 %	97 %

*This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this schedule provides the information only for those years for which information is available.

**CLEAR CREEK COMMUNITY SERVICES DISTRICT
SCHEDULE OF DISTRICT'S CONTRIBUTION - OPEB
LAST TEN FISCAL YEARS***

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Actuarially determined contribution (ADC)	\$ 89,863	\$ 88,478	\$ 91,560	\$ 91,504	\$ 151,451	\$ 161,555
Contributions in relation to the ADC	<u>110,684</u>	<u>98,826</u>	<u>206,428</u>	<u>111,714</u>	<u>34,423</u>	<u>202,761</u>
Contribution deficiency (excess)	<u>\$ (20,821)</u>	<u>\$ (10,348)</u>	<u>\$ (114,868)</u>	<u>\$ (20,210)</u>	<u>\$ 117,028</u>	<u>\$ (41,206)</u>
Covered - employee payroll	\$ 652,068	\$ 920,890	\$ 921,757	\$1,165,401	\$ 995,360	\$ 995,360
Contributions as a % of covered-employee payroll	16.97 %	10.73 %	22.40 %	9.59 %	3.46 %	20.37 %

*This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this schedule provides the information only for those years for which information is available.

**CLEAR CREEK COMMUNITY SERVICES DISTRICT
SCHEDULE OF INVESTMENT RETURNS - OPEB
FOR THE YEAR ENDED JUNE 30, 2023**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Annual money-weighted rate of return- net of investment expense	19 %	23 %	7 %	12 %	13 %	14 %

*This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this schedule provides the information only for those years for which information is available.

**CLEAR CREEK COMMUNITY SERVICES DISTRICT
SCHEDULE OF INVESTMENT RETURNS - OPEB
FOR THE YEAR ENDED JUNE 30, 2023**

1. CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Changes in Benefit Terms

There were no significant changes of benefit terms during the measurement period ended June 30, 2022.

Changes in Assumptions

During the measurement period ended June 30, 2022, the discount rate decreased from 7.15% to 6.90%.

2. NET OPEB LIABILITY

Changes in Benefit Terms

There were no significant changes of benefit terms during the measurement period ended June 30, 2022.

Changes in Assumptions

There were no changes in major assumptions during the measurement period ended June 30, 2022.

COMPLIANCE SECTION

**INDEPENDENT AUDITOR'S 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**

To the Board of Directors
Clear Creek Community Services District
Anderson, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of Clear Creek Community Services District (the "District"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 28, 2025.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and responses as items 2023-001 that we consider to be material weaknesses.

Report on Compliance and Other Matters

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

District's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the District's, response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of This Report

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

Harshmal & Company LLP

San Diego, California
October 28, 2025

**CLEAR CREEK COMMUNITY SERVICES DISTRICT
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2023**

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	Yes
• Significant deficiency(ies) identified that are not considered to be material weakness?	None reported
• Noncompliance material to financial statements noted?	No

**CLEAR CREEK COMMUNITY SERVICES DISTRICT
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2023**

SECTION II - FINANCIAL STATEMENT FINDINGS

2023-001 INTERNAL CONTROL (FINANCIAL REPORTING AND RECORDS RETENTION)

Material Weakness

Condition:

Current-year audit procedures identified several internal control-related matters as follows:

- The District's internal controls did not identify material adjustments needed to properly state the financial statements on the accrual basis.
- Bank reconciliations were not performed throughout the year, resulting in inaccurate cash balance reporting.
- The District was unable to provide deposit support or an accurate accounts receivable reconciliation for testing the accounts receivable balance.
- The District was unable to provide accrued liabilities support for testing the accrued liabilities balance.
- Supporting documentation was not provided for 10 out of 10 Miscellaneous Revenue samples and 19 out of 25 Revenue samples.
- The District was unable to provide oversight of management regarding payroll, overtime issues, and appropriate pay raises.
- The District failed to create and enforce policies and procedures for administrative personnel to perform their duties effectively and equitably for all customers.
- The Financial standing committee failed to meet consistently to review finances and make appropriate recommendations to the Board.
- The Planning and Steering Standing Committee failed to ensure that Reserve Accounts were used for the purposes intended.
- The District failed to review monthly financial statements that reflected actual vs. budgeted income and expenditures.
- The District failed to adhere to its established policies for maintaining adequate reserve accounts for capital expenses for repairs and replacement of equipment and delivery systems.
- The Board ignored independent audits that identified irreconcilable differences in the Customer Accounts Subsidiary Ledger with the General Ledger from 2014 to 2021.

Criteria:

Accounting records must be maintained on the accrual basis of accounting to ensure the financial statements are in conformity with Generally Accepted Accounting Principles (GAAP). Timely and complete reconciliation of all accounts must be performed to ensure the accuracy and reliability of financial data. Internal controls over financial reporting must be established and maintained to reduce the risk of misstatements to an acceptable level. The District must ensure proper records retention and documentation for all transactions and accounts, including customer deposits, accounts receivable, and accrued liabilities, to support the financial reporting process.

**CLEAR CREEK COMMUNITY SERVICES DISTRICT
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2023**

SECTION II - FINANCIAL STATEMENT FINDINGS - CONT'D

2023-001 INTERNAL CONTROL (FINANCIAL REPORTING AND RECORDS RETENTION) - CONT'D

Effect:

Material misstatements were not identified by the District's internal control structure, and incomplete records led to inaccuracies in financial reporting. Specifically:

- Inaccurate cash balances due to the lack of bank reconciliations.
- Misstatements in customer deposit liabilities due to improper booking.
- Inability to verify the accuracy of accounts receivable due to missing reconciliations.
- Potential misstatements in accrued liabilities, and test of control supporting documents, which could affect the accuracy of reported liabilities and expenses.

Cause:

The District experienced turnover in key personnel, which led to a disruption in the normal accounting processes and a breakdown in internal controls. The general ledger software in use during the year under audit was not conducive to performing accurate reconciliations, which hindered the proper recording of transactions and accurate reporting of financial information.

Recommendation:

We recommend that management use the accrual basis of accounting to record all transactions and implement procedures to ensure that all activity relating to the accounting period regularly reconciled and accurately captured. All related support and records should be maintained.

**CLEAR CREEK COMMUNITY SERVICES DISTRICT
CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED JUNE 30, 2023**



5880 Oak Street – Anderson, California 96007 – Telephone: (530) 357-2121 – Email: cccsd@clearcreekcsd.org

**CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED JUNE 30, 2023**

Date Submitted: 10/27/25

SECTION II - FINANCIAL STATEMENT FINDINGS

2023-001 INTERNAL CONTROL (FINANCIAL REPORTING AND RECORDS RETENTION)

Material Weakness

Condition:

Current-year audit procedures identified several internal control-related matters as follows:

- The District's internal controls did not identify material adjustments needed to properly state the financial statements on the accrual basis.
- Bank reconciliations were not performed throughout the year, resulting in inaccurate cash balance reporting.
- The District was unable to provide deposit support or an accurate accounts receivable reconciliation for testing the accounts receivable balance.
- The District was unable to provide accrued liabilities support for testing the accrued liabilities balance.
- Supporting documentation was not provided for 10 out of 10 Miscellaneous Revenue samples and 19 out of 25 Revenue samples.
- The District was unable to provide oversight of management regarding payroll, overtime issues, and appropriate pay raises.
- The District failed to create and enforce policies and procedures for administrative personnel to perform their duties effectively and equitably for all customers.
- The Financial standing committee failed to meet consistently to review finances and make appropriate recommendations to the Board.
- The Planning and Steering Standing Committee failed to ensure that Reserve Accounts were used for the purposes intended.
- The District failed to review monthly financial statements that reflected actual vs. budgeted income and expenditures.
- The District failed to adhere to its established policies for maintaining adequate reserve accounts for capital expenses for repairs and replacement of equipment and delivery systems.

**CLEAR CREEK COMMUNITY SERVICES DISTRICT
CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED JUNE 30, 2023**

- The Board ignored independent audits that identified irreconcilable differences in the Customer Accounts Subsidiary Ledger with the General Ledger from 2014 to 2021.

Criteria:

Accounting records must be maintained on the accrual basis of accounting to ensure the financial statements are in conformity with Generally Accepted Accounting Principles (GAAP). Timely and complete reconciliation of all accounts must be performed to ensure the accuracy and reliability of financial data. Internal controls over financial reporting must be established and maintained to reduce the risk of misstatements to an acceptable level. The District must ensure proper records retention and documentation for all transactions and accounts, including customer deposits, accounts receivable, and accrued liabilities, to support the financial reporting process.

2023-001 INTERNAL CONTROL (FINANCIAL REPORTING AND RECORDS RETENTION) - CONT'D

Effect:

Material misstatements were not identified by the District's internal control structure, and incomplete records led to inaccuracies in financial reporting. Specifically:

- Inaccurate cash balances due to the lack of bank reconciliations.
- Misstatements in customer deposit liabilities due to improper booking.
- Inability to verify the accuracy of accounts receivable due to missing reconciliations.
- Potential misstatements in accrued liabilities, and test of control supporting documents, which could affect the accuracy of reported liabilities and expenses.

Cause:

The District experienced turnover in key personnel, which led to a disruption in the normal accounting processes and a breakdown in internal controls. The general ledger software in use during the year under audit was not conducive to performing accurate reconciliations, which hindered the proper recording of transactions and accurate reporting of financial information.

Recommendation:

We recommend that management use the accrual basis of accounting to record all transactions and implement procedures to ensure that all activity relating to the accounting period regularly reconciled and accurately captured. All related support and records should be maintained.

MANAGEMENT RESPONSE - FINDING 2023-001
INTERNAL CONTROL (FINANCIAL REPORTING AND RECORDS RETENTION)

Condition:

The District acknowledges that past deficiencies in financial reporting and internal control occurred due to turnover, outdated accounting systems, and lack of documented procedures.

Corrective Action Taken:

Since mid-2023, management has implemented comprehensive corrective actions to address all internal control weaknesses noted in the FY 2022–2023 audit. These include:

Accounting Platform Modernization:

The District transitioned to QuickBooks Online (accrual-based) as its official accounting system of record.

All bank and credit accounts are now reconciled monthly, reviewed by the General Manager and presented to the

**CLEAR CREEK COMMUNITY SERVICES DISTRICT
CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED JUNE 30, 2023**

Finance Committee.

Deposit and customer account activity are integrated through the CUSI utility billing program, ensuring full traceability from customer billing through financial reporting.

Payroll and Personnel Oversight:

Payroll processing has been migrated to Paychex Flex, which automates tracking of overtime, pay adjustments, and benefits, ensuring compliance with District policies and labor law.

All personnel actions are reviewed by the General Manager and Personnel Committee, per the Employee Handbook.

Governance and Financial Oversight:

The Finance Committee now meets monthly to review financial statements, cash flow, and Actual vs. Budget reports.

The General Manager presents complete financial packets, including Profit & Loss, Balance Sheet, and bank reconciliations, to the Board at each regular meeting.

Standing Committees (Finance, Planning/Steering, Personnel) are reconvened and active.

Records Retention and Documentation:

The District has implemented a centralized digital filing system for all financial records, invoices, deposits, and supporting documentation in accordance with state records retention standards.

All accrual entries and adjustments are supported by electronic documentation retained in QuickBooks.

Stability in Key Personnel:

The turnover that contributed to the breakdown in internal controls has been resolved.

The District now has stable administrative staff under the direct oversight of the General Manager.

Result:

As of FY 2024–2025, the District's accounting and internal control systems are operating on a full accrual basis with regular reconciliations, consistent oversight, and improved transparency to both management and the Board. These actions have corrected the underlying deficiencies cited in the FY 2022–2023 audit and established sustainable practices to prevent recurrence.

Anticipated Completion Date:

All corrective actions implemented and verified by October 31, 2025; continuous monitoring and improvement ongoing.

Responsible Party:

Dale Mancino, General Manager



**CLEAR CREEK COMMUNITY SERVICES DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2023**

SECTION I - STATUS OF PRIOR YEAR AUDIT FINDINGS

<u>Prior Year</u>	<u>Audit Findings</u>	<u>Status</u>
2022-001	Internal Control (Financial Reporting and Records Retention)	Repeated and Modified



5880 Oak Street, Anderson, CA 96007
Phone: (530) 357-2121 cccsd@clearcreekcsd.org

MEMO

Date: November 19, 2025
To: Board of Directors
From: General Manager – Dale Mancino
Re: 13 – General Manager Report

Operational Overview

District operations have remained stable and productive throughout this reporting period. Field and office staff continue to demonstrate strong collaboration and accountability across maintenance, operations, and administrative functions.

Crews completed all scheduled asphalt patch repairs and final compaction verification across the district. The office paving project was successfully executed over the weekend, resulting in a fully restored and accessible parking area. The Backwash Pond reconstruction remains on schedule, with final concrete pours underway and completion anticipated within four weeks, pending weather conditions.

Backflow testing and delinquent account shut offs were carried out in early November in accordance with District policy. All notifications, service actions, and customer communications were completed professionally and consistently.

Planning, Projects & Infrastructure

Coordination continues with RCAC (Vida Lopez) to conduct a community income survey supporting upcoming grant applications. The district will submit a formal letter to the SWRCB (Emma Blankenship) requesting authorization to proceed. RCAC has provided draft documentation and participation guidelines.

Staff are also preparing to update the district's median household income (MHI) analysis to verify RCAC data accuracy. These efforts will strengthen the district's eligibility for upcoming grant cycles. A main break tracking spreadsheet is being developed to support both operational analysis and future funding narratives.

Administrative & Financial Review

The 2023 Audit draft has been completed by Harshwal and will be presented at the Board meeting for review and acceptance. The finance team continues to track expenditure and reconcile adjustments related to capital assets and loan interest reporting. Budget performance remains aligned with current-year projections.

Uniform contract spending has been flagged for review following observations of potential over-ordering patterns. Staff are working with the vendor to verify delivery frequency and inventory control to ensure cost efficiency and policy compliance.

Personnel & Labor Relations

Staff had UPEC Local 792 member check-in meeting, emphasizing transparent communication and continued partnership.

Governance & Regional Coordination

The District continues to maintain collaborative working relationships with neighboring agencies, including Centerville CSD and regional partners. Staff remain engaged in regulatory compliance coordination, grant positioning, and planning for upcoming capital project funding opportunities.

Next Steps

In the coming weeks, the General Manager will:

- Submit the RCAC authorization letter to SWRCB and schedule a project kickoff meeting.
 - Develop and finalize the main break tracking and preventive maintenance frameworks.
 - Support preparation for the Board's strategic planning and rate discussion workshop.
 - Continue internal documentation improvements to align reporting, compliance, and financial workflows.
-

Closing Note

District staff continue to perform with professionalism and teamwork across all departments. Ongoing focus remains on leadership stability, clear communication, and building transparent systems that enhance accountability and operational readiness. The district is well-positioned to continue its progress toward long-term sustainability and infrastructure resilience.



5880 Oak Street, Anderson, CA 96007
Phone: (530) 357-2121 cccsd@clearcreekcsd.org

MEMO

Date: November 19, 2025
To: Board of Directors
From: Administrative Assistant Emily King, Water Treatment Plant Operator Brandon Anderson and Distribution Supervisor Morgan Rau
Re: 14 – OPS Report

Administration -

There are 207 Accounts that are 121+ days delinquent totaling \$78,504
There are 89 Accounts that are 90-120 days delinquent totaling \$3,981
There are 138 Accounts that are 60-90 Days delinquent totaling \$9,056
There are 346 Accounts that are 30-60 Days delinquent totaling \$25,339

Aging	October 2025	November 2025	Difference	
121+ Days	223 accounts – \$79,351	207 accounts – \$78,504	-16 accounts	-\$847
90–120 Days	120 accounts – \$6,188	89 accounts – \$3,981	-31 accounts	-\$2,207
60–90 Days	200 accounts – \$13,923	138 accounts – \$9,056	-62 accounts	-\$4,867
30–60 Days	405 accounts – \$31,088	346 accounts – \$25,339	-59 accounts	-\$5,749
Totals				
	948 accounts – \$130,550	780 accounts – \$116,880	-168 accounts	-\$13,670

All aging categories reflected improvement. The most notable progress occurred in the 60–90 day range, which saw a 31% reduction in accounts (▼62 accounts, ▼\$4,867). The 30–60 day category also improved, down 59 accounts and \$5,749 from the prior month.

These results indicate stronger collections performance and improved account management, particularly in addressing mid-range delinquencies (30–90 days), which helps prevent accounts from aging into the higher delinquency brackets. Continued monitoring and follow-up should help sustain this positive trend in the coming months.

WTP OPERATIONS -

The WTP produced 283 AF of SW
Clear Creek CSD used 178 AF of SW in October (100 AF – M&I, & 78 AF- Ag)
2407 AF total SW for WY 25/26
Well Water Production- 0 AF

- Staff have been busy with routine maintenance, monitoring, and operation of the WTP. The WTP is currently producing 2MGD.
- WTP staff has welcomed a worksite learning student, Angel Robinson. Angel is in her first semester of water classes at Shasta College and has shown an enthusiasm for Water Treatment. Staff have been pleased to help her start her journey in water. Angel's last day of worksite learning is scheduled for 11-13-25.

- The WTP experienced a power outage on 10-10-25 that caused an issue with effluent valves opening and caused an NTU exceedance of 0.115 NTU's for a brief time.
- Pond #2 Update: On 11-7-25 the contractors poured the last remaining pads for the liner and the supports for the backwash discharge line in Pond #2.
- Staff tour: On 10-29-25 WTP staff held a tour for the Centerville operators and General Manager.
- The Turbidimeter and Automatic Cleaning Module for Filter #1 returned from service and has been installed.
- Don Woods tested all 4 WTP Backflow Assemblies. All 4 assemblies passed.
- Staff have experienced changes in source water quality since Whiskeytown Lake turned over and started its mixing cycle. Rain has added to the change with the tributaries bringing in runoff.

DISTRIBUTION OPERATIONS –

Leak Management

- This month, we addressed both planned and emergency leaks entirely in-house. Repairs ranged from service lines to 4-inch water lines and up to 14-inch water main lines. The most significant emergency shutdown impacted approximately 400 customers and was resolved in less than 24 hours.
- All post-repair testing returned absent results, and we kept the Water Resource Board informed throughout the process.
- Cleanup efforts following leaks were completed, including asphalt restoration at affected locations.
- Well #3 testing for iron and manganese was successfully completed, and bacteriological sampling remains in compliance.
- Backflow testing was completed, with two failures identified. Notification letters for corrective action will be issued.
- Additionally, the parking lot was sealed and coated. Exterior lighting installation is planned to improve nighttime visibility

Training

- Team members attended certified training classes this month, with additional sessions scheduled for next month on Confined Space and Excavation/Trenching Safety through JPIA.
- Risk Assessments have been prepared for discussion during an upcoming meeting with our Safety Advisor to enhance risk control measures.
- Sunbelt Rentals provided hands-on excavator training for all staff, improving operational confidence and familiarity with leak repair activities.

Meter Reads

- Registers for larger meters (3-inch to 6-inch) have been ordered, with installation planned by the end of December. This upgrade will transition these meters from manual reads to our automated system.
- Over 150 door hangers were distributed to accounts with outstanding balances. Shut offs have been minimal, as most customers have responded by paying their bills. The shut-off list continues to decrease each month.

ADA Related Disabilities:

Contact the front office and speak with a Staff Member if special consideration is needed to attend any public meeting for disability related accommodations or aide is needed. Please give 72 hours - notice prior to the meeting to allow staff to meet your requests appropriately.

“This District is an Equal Opportunity Provider”
