Groveland Community Services District

Tuolumne County
Groveland, California

Financial Statements with
Independent Auditor's Report

Year Ended June 30, 2021

GROVELAND
COMMUNITY SERVICES DISTRICT

TUOLUMNE COUNTY
GROVELAND, CALIFORNIA

FINANCIAL STATEMENTS WITH
INDEPENDENT AUDITOR'S REPORT

YEAR ENDED JUNE 30, 2021

GROVELAND COMMUNITY SERVICES DISTRICT

TABLE OF CONTENTS
JUNE 30, 2021

FINANCIAL SECTION

BRYANT L. JOLLEY
CERTIFIED PUBLIC ACCOUNTANTS

Bryant L. Jolley C.P.A.
Ryan P. Jolley C.P.A.
Darryl L. Smith C.P.A.
Luis A. Perez C.P.A.
Lan T. Kimoto

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Groveland Community Services District
Groveland, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Groveland Community Service District (District) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Groveland Community Services District, as of June 30, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Budgetary Comparison Schedules, Schedule of Changes in the District's Net OPEB Liability and Related Ratios, Schedule of the District's Proportionate Share of the Net Pension Liability and Schedule of Contributions on pages 3 - 18 and pages 50 – 54 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 2021, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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.

December 17, 2021

California law establishes the structure and process for governance, management and administration of the Groveland Community Services District (District or GCSD), and its financial affairs. A five member Board of Directors are elected at large from within the District boundaries, to serve four year staggered terms. The Board appoints a General Manager who is responsible for the day to day management of the District financial affairs, administered in accordance with policies adopted by the Board.

FINANCIAL POLICIES AND GUIDELINES

The financial integrity of GCSD is of utmost importance. Maintaining fiscal stability is a critical component of the overall financial plan. GCSD is accountable to its ratepayers and the public for the use of public funds. Resources should be used wisely to ensure adequate funding for services, public facilities and infrastructure necessary to meet present and future needs. GCSD's financial policies and guidelines provide the backbone for making financial decisions and a benchmark for monitoring financial activities.

General Financial Policy Guidelines

The GCSD Board has adopted financial policies to provide a framework to guide the District's decision-making with respect to operations, budgeting, debt issuance, and financial planning. These guidelines provide overview policy guidelines in the areas of general, revenue, budgeting and expenses, reserves, investments, debt management, capital improvements, purchasing and fixed assets.

These policies require that:

- The District will manage its financial assets in a sound and prudent manner.
- The District will maintain and further develop programs to assure its long-term ability to pay all the costs necessary to provide the level and quality of service required by its customers.

These policies are to promote sound financial management and to ensure that its finances are managed in a manner, which will:

- Support the continued delivery of quality services in compliance with legal and regulatory requirements and at a level meeting or exceeding industry standards,
- Ensure the District's stability, efficiency and effectiveness in accomplishing the Board of Director's goals and objectives for the long term,
- Maintain a balanced budget annually to ensure that the District is operating within its revenue constraints, even when faced with fluctuating service demands, and
- Maintain adequate reserves necessary to meet known and unknown future obligations.

The financial policies of the District are summarized below:

Investment Policy

The District's *Investment Policy* follows California Government Code objectives of safety, liquidity and yield (in that priority order). Annually during the budget development process of each year, the policy is reviewed and readopted by the Board of Directors to ensure GCSD's Investment Policy is up-to-date with current regulations. The General Manager also serves as the District's Treasurer who annually reviews the Investment Policy and as necessary, submits recommended revisions to the Board for their annual consideration and approval. The investing process is carefully monitored to ensure compliance with the Investment Policy and other applicable regulations.

Budget Policy

The budget policy defines the budget process for both the operating and CIP budgets. This policy provides guidance to District personnel performing budgetary process functions. The policy requires balanced budgets, which will serve as a financial plan to promote financial stability while accomplishing the Board's goals and objectives.

Reserve Policy

The District's *Reserve Policy,* is designed to distinguish between Legally Restricted Reserves and Board Designated Reserves, establish distinct purposes for each reserve category, set funding targets and accumulation levels for reserves, and identify events or conditions prompting use. The Reserve Policy provides guidance for establishing, funding and using reserves to meet known future obligations and unforeseen needs as deemed prudent and/or required by agreement. As available and deemed appropriate, Board Designated Reserves are funded to reserves in the following broad categories: operational and contingencies, capital facilities and equipment, and debt service.

Debt Management Policy

The policy is intended to provide guidance for debt structure, its justification and evaluation. The primary objective of the Debt Management Policy is to establish conditions for the use of debt and to create procedures and policies that minimize GCSD's debt service and issuance costs, retain the highest practical credit rating, and maintain full and complete financial disclosure and reporting.

Procurement Policy

The District's *Expense Authorization* policy provides the framework and guidelines for District purchases and contracts. This policy covers all District procurement activities (commodity and service purchases and public works contracts) and adheres to Government Code Section 54202 that requires local governmental agencies to adopt policies and procedures including "bidding regulations, governing purchases of supplies and equipment."

DISTRICT ADMINISTRATION AND RELATED EXPENSES

All GCSD administrative, or overhead expenses are budgeted annually in their own category for transparency and evaluation purposes. The salary and benefits of office staff, office expense, insurance, board expenses and other basic costs incurred to administer the affairs of the District, regardless of the services provided, are accounted for in the administrative expense. As a standard practice in allocating District administrative expenses, costs are distributed to the various services provided, at an allocation percentage based on the level of administrative effort that goes into delivering the respective service.

Beginning in 2018/19, GCSD began allocating the administrative expenses to each of its service funds based on an appropriate percentage of benefit derived. Prior to 2018/19, GCSD distributed the administrative expense only to the water, sewer and fire services, with very little to nothing, charged to park service expenses. There is most obviously a benefit derived by the park service by sharing office administrative expenses with other services; since if these services were provided by a separate special district, there would be expenses for a separate office, staff and Board expenses in an amount that would certainly exceed the shared administrative expenses of a CSD.

As management of the District, we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the year ended June 30, 2021. We encourage the readers to consider the information presented here in conjunction with the District's basic financial statements, which immediately follow this section. We also encourage readers to attend GCSD Board meetings to become familiar with District governance and operations and to provide public input. The Board meets in regular session on the second Tuesday of each month. Regular meetings are held at 10:00 a.m. at the District Office, 18966 Ferretti Road, Groveland, California. Board meetings are open to the public to attend physically or virtually via technology platforms such as Zoom. All meeting agendas and supporting materials are available on the District website in advance of the Board meetings and archived at **www.gcsd.org** .

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis provided here are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also includes required supplementary information intended to furnish additional detail to support the basic financial statements.

- **Government-wide financial statements**, which comprise the first two statements presented, provide both short-term and long-term information about the District's overall financial position. These statements are intended to provide the reader with a broad overview of the District's finances in a manner that is similar to that used by private-sector businesses.

  - The statement of net position presents financial information on all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Increases or decreases in the net position of the District over time are indicators of whether its financial position is improving or deteriorating, respectively.

  - The statement of activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses may be reported in the current period for some items that will only result in cash flows in future fiscal periods, or for which the cash flows have already occurred.

  - Both the statement of net position and the statement of activities distinguish between two types of activities carried out by the District: governmental activities, which are principally supported by property taxes, and business-type activities, which are intended to recover all or a significant portion of their costs through charges for services. The governmental activities of the District include fire protection and parks and recreation. The business-type activities of the District include water, sewer, and the Davis-Grunsky fund.

- **Fund financial statements.** A fund is a grouping of related accounts that is used to maintain separate accountability for resources that have been segregated for specific activities or objectives. All of the funds of the District can be divided into three categories: governmental funds, proprietary funds, and the fiduciary fund.

  - **Governmental funds** are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds focus on near-term inflows and outflows of spendable resources. Such information may be useful in assessing a government's near-term financial requirements and legal compliance. Because this information does not encompass the additional long-term focus of the government-wide statements, a reconciliation to the governmental fund statements is provided to explain the differences (or relationships) between them.

  - **Proprietary funds –** The District's proprietary funds, which are enterprise funds, are used to report the same functions presented as business-type activities in the government-wide financial statements, only in more detail.

  - **Fiduciary fund –** The District is responsible for the administration of the Improvement Districts (Sewer Assessment Districts Nos. 3 and 4) formed under the Municipal Improvement Act of 1911. The District is not obligated to repay the special assessment debt of these special assessment districts. Tuolumne County (County) functions as an agent for the property owners by collecting assessments and forwarding collections to the special assessment debt holders. The County has sufficient funds on hand to pay off these debts.

- **Notes to the financial statements**, which are included in the financial statements, provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements.

- **Required supplementary information** provides further explanations and additional support for the financial statements. The District's budget to actual comparisons for the year are included for the Fire Protection Fund and the Parks and Recreation Fund (major special revenue funds).

GOVERNMENT-WIDE OVERALL FINANCIAL ANALYSIS

<u>Net Position</u>

Net position over time may serve as a useful indicator of a government's financial position. For the District as a whole, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $16,462,374 as of June 30, 2021. This amount represents the District's net position.

The largest portion (61%) of the District's net position reflects its investment in capital assets (e.g., land, construction in progress, structures and improvements, furnishing and equipment, and vehicles) less any related outstanding debt that was used to acquire those assets. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources used to pay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The remaining balance of $6,364,720 is unrestricted and may be used to meet the District's ongoing obligations. The District accounts for this unrestricted fund balance separately for Water, Sewer, (the Business Type Activities), and Fire and Park Services (the Government Type activities), based on amounts budgeted and spent each year in accordance with adopted fund balance and reserve policies.

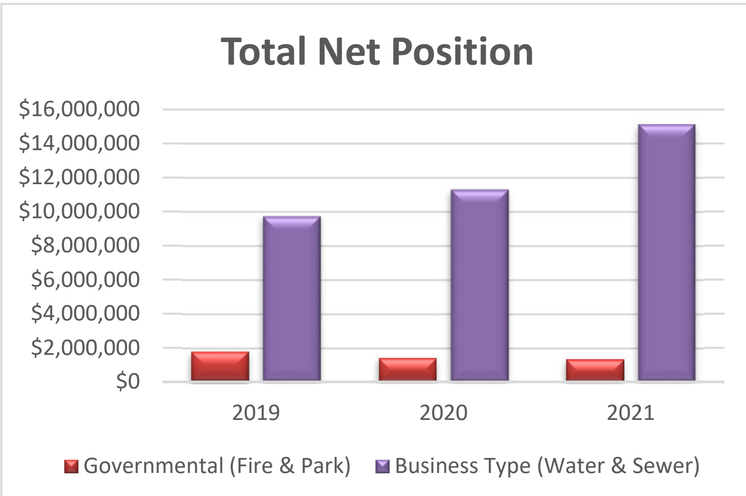
	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current assets and other assets	$ 1,192,181	$ 1,030,058	$ 9,046,649	$ 9,343,489	$ 10,238,830	$ 10,373,547
Capital assets	764,931	754,697	15,069,463	13,013,778	15,834,394	13,768,475
Total assets	1,957,112	1,784,755	24,116,112	22,357,267	26,073,224	24,142,022
Total deferred outflows of resources	148,689	37,486	705,553	850,879	854,242	888,365
Long-term liabilities	645,668	184,709	8,508,124	10,302,740	9,153,792	10,487,449
Other liabilities	30,995	18,211	456,252	490,205	487,247	508,416
Total liabilities	676,663	202,920	8,964,376	10,792,945	9,641,039	10,995,865
Total deferred inflows of resources	88,125	195,122	735,928	1,122,343	824,053	1,317,465
Net position:						
Net investment in capital assets	764,931	754,697	9,332,723	6,495,932	10,097,654	7,250,629
Unrestricted	576,082	669,502	5,788,638	4,796,926	6,364,720	5,466,428
Total net position	$ 1,341,013	$ 1,424,199	$15,121,361	$11,292,858	$ 16,462,374	$ 12,717,057

Changes in Net Position

The net position of the District as a whole was $16,462,374 as of June 30, 2021. This is an overall increase in net position of $3,745,317 from the prior year. Total investment in capital assets of $10,097,654 represents the net book value of capital assets, less bonds payable plus unspent bond proceeds. Total net position increased mainly due to the increase in net position for the Water Fund and Sewer Fund in which the reserves will be used for future capital projects as noted in the "Factors Bearing on the District's Future" section of the MD&A.

Governmental activities – The net position for governmental activities as of June 30, 2021 was $1,341,013. This is an overall decrease in net position of $83,186 from the prior year; primarily the result of expenses increasing at a higher rate than the growth in property tax revenue. Management has taken various actions to reduce expenses to neutralize the effect on governmental activities. Property values continue to increase slightly due to real estate market changes and higher overall assessed valuation, and therefore property tax revenue increased by 3.8%, $45,757 in FY2021. Total expenses exceeded total revenues which accounts for the decrease in net position.

Business-type activities – For the District's business-type activities the net position as of June 30, 2021 was $15,121,361 as shown below. This is an overall increase in net position of $3,828,503 from the prior year. Total revenues exceeded expenses which accounts for the increase in net position. This is due to an increase in base monthly and commodity rates for services for fiscal year 2020/2021, which were implemented to improve the cash position of the District and provide additional cash for investments in replacing and upgrading fixed assets, such as infrastructure and equipment. The rate increases were also necessary to provide the cashflow necessary to qualify for the maximum grants and other state and federal funding assistance received for improvement projects.



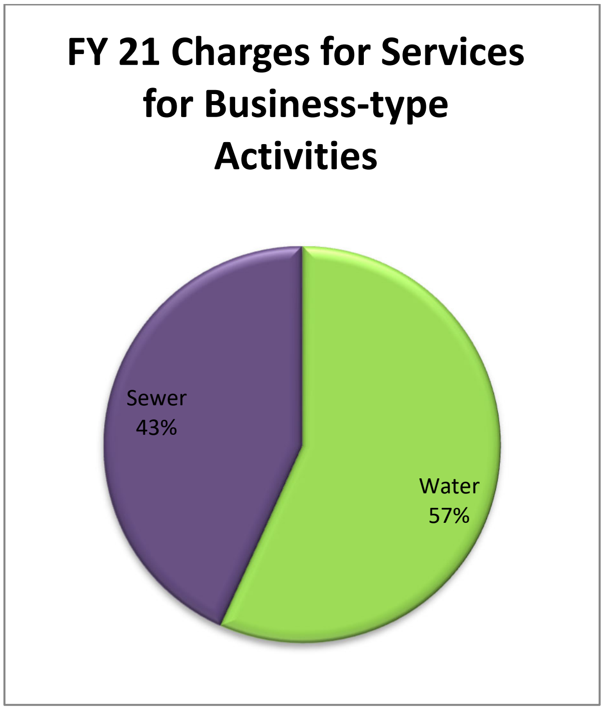
	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Program revenues:						
Charges for services	$ 2,778	$ 2,515	$ 5,985,612	$ 5,540,485	$ 5,988,390	$ 5,543,000
Capital grants and contributions	-	-	2,329,552	431,844	2,329,552	431,844
Operating grants and contributions	140,768	-	115,675	-	256,443	-
General revenues:						
Property taxes	1,265,174	1,219,417	3,740	3,755	1,268,914	1,223,172
Interest income	6,109	20,905	21,643	57,084	27,752	77,989
State revenue	136,239	-	-	-	136,239	-
Other revenues	91,644	129,129	16,150	35,544	107,794	164,673
Loss on disposal of capital asset	-	-	(42,721)	-	(42,721)	-
Total revenues	1,642,712	1,371,966	8,429,651	6,068,712	10,072,363	7,440,678
Expenses:						
Public safety	1,595,232	1,585,136	-	-	1,595,232	1,585,136
Parks and recreation	130,666	167,847	-	-	130,666	167,847
Water	-	-	2,628,808	2,791,551	2,628,808	2,791,551
Davis-Grunsky	-	-	2,308	(314)	2,308	(314)
Sewer	-	-	1,970,032	1,713,181	1,970,032	1,713,181
Total expenses	1,725,898	1,752,983	4,601,148	4,504,418	6,327,046	6,257,401
Change in net position	(83,186)	(381,017)	3,828,503	1,564,294	3,745,317	1,183,277
Net position - beginning	1,424,199	1,805,216	11,292,858	9,728,564	12,717,057	11,533,780
Net position - ending	$ 1,341,013	$ 1,424,199	$ 15,121,361	$ 11,292,858	$ 16,462,374	$ 12,717,057

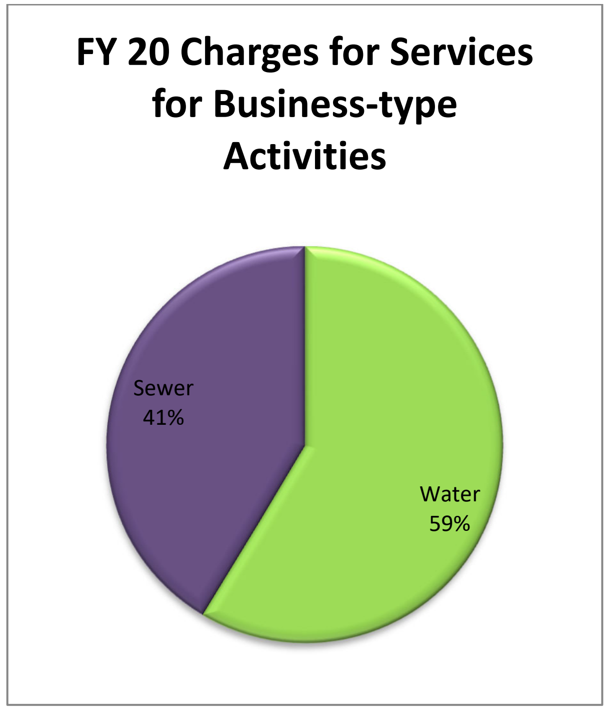
Designated Reserves - Also funded by the water and sewer rate increases were water and sewer infrastructure and equipment replacement reserves established beginning in fiscal year 2015/16 for the water fund and in 2018/19 for the sewer fund. The designated reserves were created specifically to fund annually budgeted equipment and infrastructure expenses, with any remaining amount of the annual allocations set aside to accumulate to fund future important projects. In addition to any budgeted capital outlay, the designated sewer reserves established a $100,000 set aside specifically to fund infrastructure replacement or improvements required. A summary of the designated reserves are shown below:

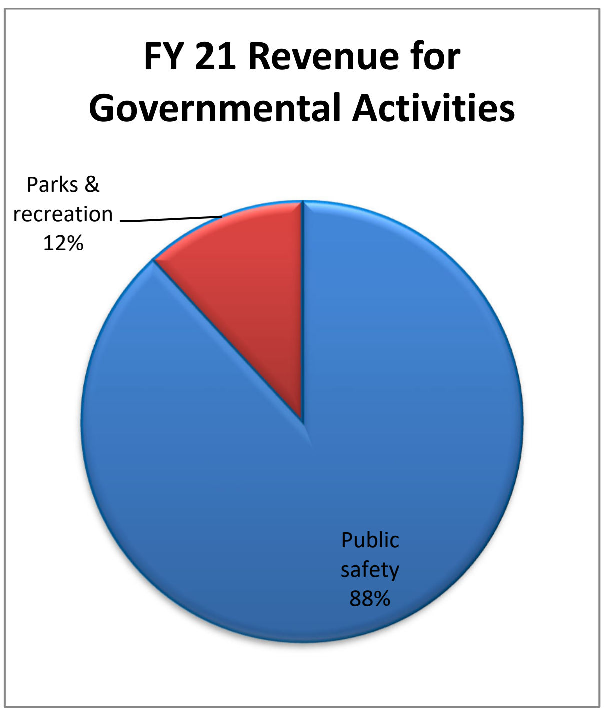
Infrastructure and Equipment Reserves

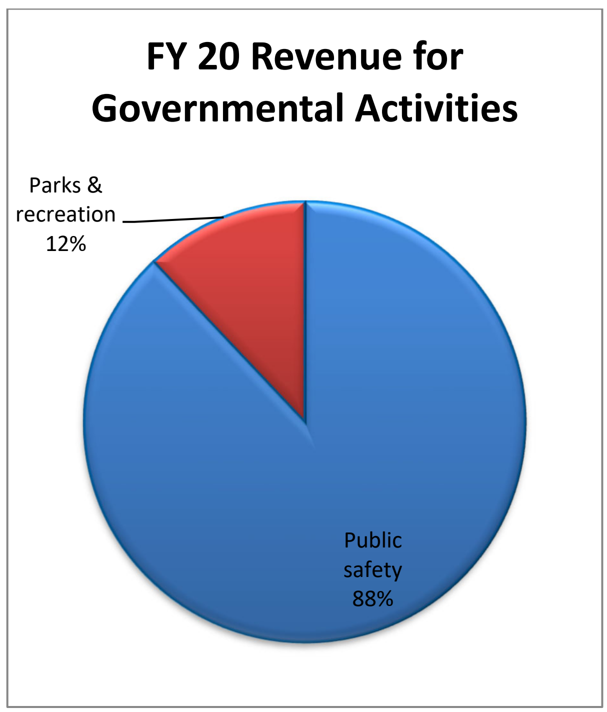
Fiscal Year	Water (Annual Capital Outlay & Reserved)	Sewer (Annual Capital Outlay)	Sewer (Reserve)
2015/16	$450,000	$0	$ -
2016/17	$463,500	$0	$ -
2017/18	$477,405	$0	$ -
2018/19	$491,727	$300,000	$ 100,000
2019/20	$506,479	$300,000	$ 100,000
2020/21	$506,479	$300,000	$ 100,000
Total	**$2,895,590**	**$900,000**	**$300,000**
Capital Expenditures	$ 5,327,945	$ 1,730,651	$ -
Grants Received	$ (3,244,246)	$ (994,278)	$ -
Reserve Balance	**$ 811,891**	**$ 163,627**	**$ 300,000**

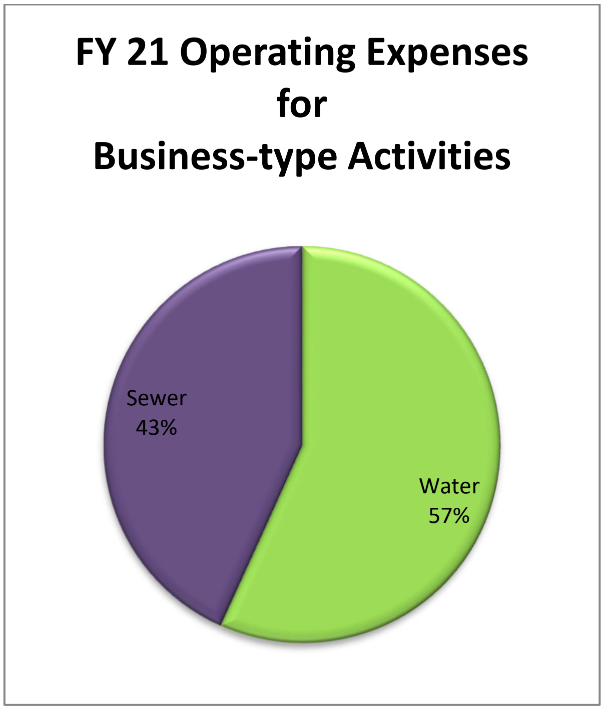
The water and sewer rate increases and reserve funds have provided for the upgrade and replacement of $7,058,596 in equipment, facility renovations and infrastructure since established, including the leveraging of $2,445,527 in grant funding reimbursements received during the fiscal year and resulted in a total accumulated water reserve of $811,891 and sewer reserve of $463,627 through June 30, 2021.

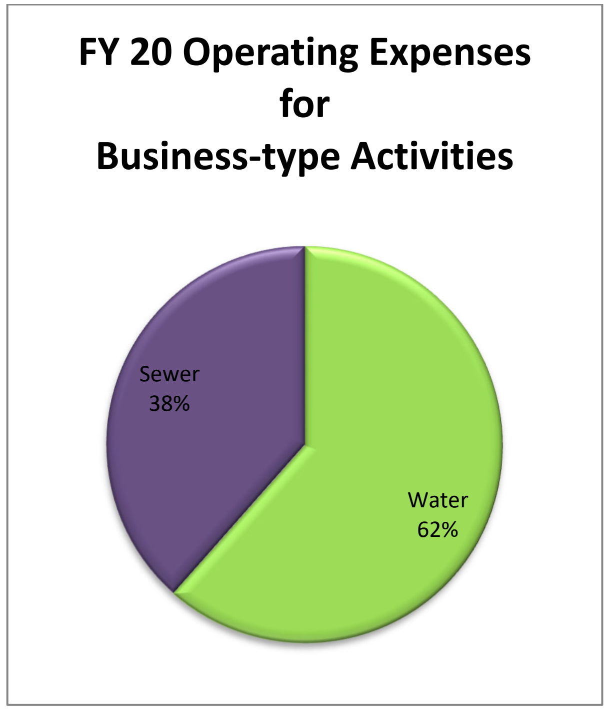

FY 21 Charges for Services for Business-type Activities
Sewer 43%
Water 57%

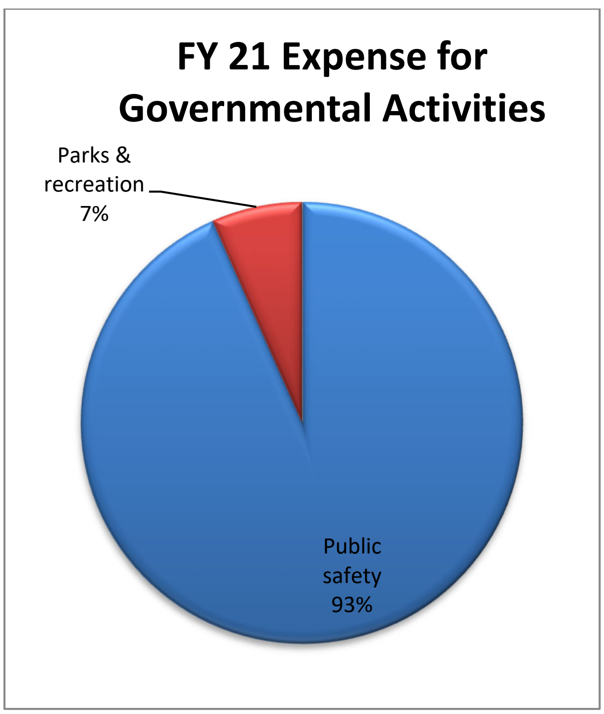

FY 20 Charges for Services for Business-type Activities
Sewer 41%
Water 59%

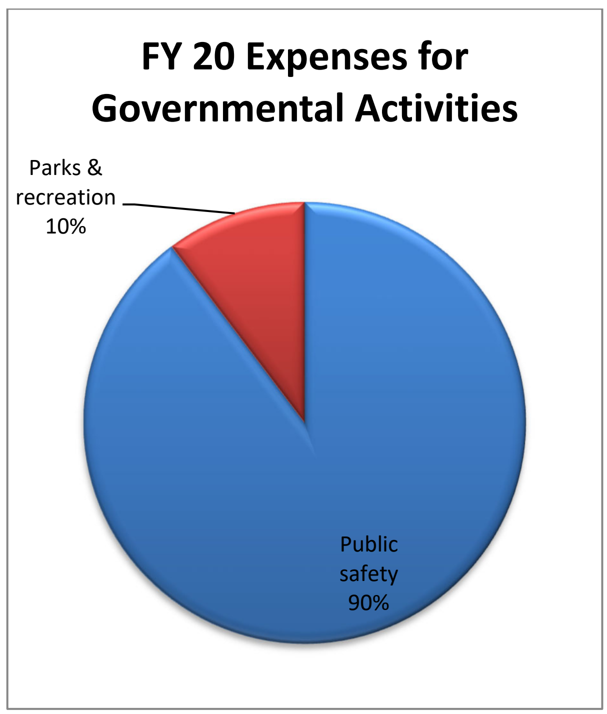

FY 21 Revenue for Governmental Activities
Parks & recreation 12%
Public safety 88%


FY 20 Revenue for Governmental Activities
Parks & recreation 12%
Public safety 88%


FY 21 Operating Expenses for Business-type Activities
Sewer 43%
Water 57%


FY 20 Operating Expenses for Business-type Activities
Sewer 38%
Water 62%


FY 21 Expense for Governmental Activities
Parks & recreation 7%
Public safety 93%


FY 20 Expenses for Governmental Activities
Parks & recreation 10%
Public safety 90%

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

Changes in Net Fund Balance/Net Position

Governmental fund balances

Fire Fund – A special benefit assessment for the fire department expired in June 2012, resulting in a reduced funding level for the fire department. The District subsequently eliminated its fire department staff positions and entered into a contractual agreement (Schedule A Contract) with CAL FIRE for the operation of the fire department, that began April 1, 2013. This contractual arrangement initially reduced expenses, but was quickly determined to not provide adequate staffing to achieve industry standard services year-round. Therefore, to maintain adequate firefighting resources, the District entered into agreement in 2014 with CAL FIRE to provide year-round staffing at their Merrell Road station (Amador Contract).

The budgeted cost of the Schedule A and Amador contract has exceeded available property tax revenue each year, however the actual amount billed by CAL FIRE has historically been well under budget. In addition, due to serious drought conditions from 2014 through 2017 which resulted in an extended state fire season, no Amador Contract expenses were incurred in those years and therefore revenue and expenses were in balance. In the 2018/19 and again in the 2019/20 fiscal year, the Amador contract expense was billed by CAL FIRE and the Schedule A billing began increasing by over 5% per year which approached the amount budgeted, causing the fund balance to be drawn down to balance revenue and expenses for the year. In the 2019/20 fiscal year, the fire department fund balance was depleted by $204,905 and then recovered by only $53,762 in fiscal year 2020/21. The District estimates that without additional revenue, the remaining fire department cash will be depleted in less than three years.

Considering the fire department budget deficit, inability to replace critical equipment and inability to reduce expenses further and continue to provide required staffing, the District completed an update of its fire department master plan to identify required immediate and long term expenses to meet established fire protection and emergency response standards and evaluate department revenue options. Concurrently in 2019/20 fiscal year, the District hired professional consultants to determine, develop and place before the voters a revenue measure to ensure that fire services are adequately funded into the future. Due to the Covid-19 Pandemic and its negative economic impact locally, the fire revenue measure planned for 2020 was placed on hold. In January 2021 the District entered into a joint powers agreement with Tuolumne County and the other county fire departments for the purpose of placing a special tax revenue measure on the June 8, 2021 special election ballot. If approved, the special tax measure would have provided over $500,000 annually to the District fire department to replace equipment and develop a contingency and reserve fund. The measure was defeated and the JPA dissolved.

In addition, as recommended in the updated 2020 Fire Master Plan, the District has been negotiating with the County of Tuolumne for funding assistance to offset the expense and impact of providing fire protection and emergency response services for an increasing 911 call volume occurring outside the District boundaries, predominantly in the county's responsibility area, as a result of the District's via its automatic/mutual aid agreement. As a result, the County assumed the cost of the Amador Contract which funds the non-fire season staffing at the CAL FIRE Merrell Rd fire station at an estimated cost of $260,000 annually. This action by the county will reduce the drawdown of the fire department fund balance in future years, but does not balance the fire department revenue and expense.

To address the cost of expanding fire department staffing in the future with the growth of the community, the District has adopted a Resolution of Intention to form a Community Facilities District which authorizes the levy of a special tax on newly developing properties, with the revenue being set aside for staff expansion when emergency call volume warrants.

Park Fund – The park services benefit from the administrative services of the District, which include shared Board, management and office expenses. Since the 2018/19 fiscal year, the District has allocated approximately 5% of the majority of administrative expenses to the park services, to accurately reflect the benefit received in accordance with law.

Business Type Activity Funds

The **Water Fund** generated operating income of $947,744, a net decrease from nonoperating activities of $123,828 and a net increase in capital activity of $1,946,388 for a total increase in net position of $2,770,304. The primary capital activity item was grant revenue of $1,946,388 and primary nonoperating item was interest expense of $99,523 on long-term debt.

The **Sewer Fund** generated operating income of $718,539, a net decrease from nonoperating activities of $45,007, and a net increase in capital activity of $383,164 for a total increase in net position of $1,056,696. The primary capital activity item was state grant revenue of $383,164 and primary nonoperating item was interest expense of $92,722 on long-term debt.

Change in Fund Balance/Net Position

	2021	2020	Increase (Decrease)
Governmental Fund Balance:			
Fire protection	$ 951,247	$ 897,485	$ 53,762
Parks and recreation	209,939	114,362	95,577
Enterprise Net Position:			
Water	9,081,061	6,310,757	2,770,304
Davis-Grunsky	14,790	13,287	1,503
Sewer	6,025,510	4,968,814	1,056,696

CAPITAL ASSETS

At June 30, 2021 the District has invested $15,834,394 in capital assets. This amount represents a net increase of $2,065,919 from last year. The increase in capital assets was primarily a result of $1,094,982 related to the annual depreciation expense offset by capital asset additions of $3,341,047. The most significant additions to the capital assets during this fiscal year are detailed below:

Assets Shared by Multiple Services

- Installation of a security camera system for the District administrative office
- Purchase of a vehicle maintenance diagnostic scanner to assist in reducing fire engine and utility vehicle downtime
- Replacement of the roof on the Operations building
- Replacement of the roof on the Maintenance building
- Administrative office server replacement and technology upgrades
- Renovation and restoration of the administrative office parking lot and access roads

Water Service

- Water Distribution System Improvements:
  - Replacement of pressure control valves and pump control valves
  - Purchase of a replacement crane truck capable of pulling pumps, motors, valves, fire hydrants, etc. to increase efficiency and safety
  - Replacement of an emergency power generator at Tank #2 and Tank #4
  - Draft final design and permitting for the Downtown Groveland/Big Oak Flat Water System Improvements
  - Tank #2 pump station heater/AC unit to reduce stress on electrical equipment
  - Purchase and installation of solar powered tank mixing equipment to improve the quality of water stored in tanks during summer heat
  - Purchase of an all terrain vehicle used to access infrastructure in difficult easements
- Water Treatment Plants:
  - Replacement of air conditioning unit at the Big Creek Water Plant
  - Complete renovation of the interior and exterior coatings of the Big Creek and Second Garrotte 2 million gallon clearwells which store and treat water to provide contact time with the chlorine injected at the treatment plants. Renovation and upgrade of the water booster pumping station at Butler Wy to increase efficiency, reliability and improve overall operation. This project was funded 100% by a $3.4 million state grant

Sewer Service

- Purchase of a replacement Bobcat loader for use to move solids at the wastewater treatment plant
- Replacement of flow monitoring equipment
- Replacement of an industrial, fixed air blower required to induce oxygen into the wastewater being treated
- Installation of a manhole for access to cleaning sewer within the park
- Installation of sewer manhole covers in several locations as a pilot project that monitors and transmits wastewater flow data for use in monitoring system performance and avoiding sanitary sewer overflows
- Purchased replacement submersible pumps for Lift Station #8 and #11

- Completed design of improvements to the wastewater treatment plant to increase efficiency, provide for increased operational control, reduce odor production and replace failed equipment
- Purchased a replacement solids removal screen system to be installed with the wastewater treatment plant improvements project
- Purchased replacement sludge press pump
- Completed planning, design, permitting and public bidding for a $5.8 million Groveland/Big Oak Flat Sewer Collection System Rehabilitation project funded with a state grant of $4.4 million and loan of $1.4 million. Construction will take place beginning in the 2021/22 fiscal year

Fire

- Fire station siding and gutter replacement, building repairs and paint

Total Funds Invested in Capital Assets

	2021	2020	Increase (Decrease)
Land	$ 468,436	$ 468,436	$ -
Structures and improvements	33,054,427	32,870,827	183,600
Furniture and equipment	3,029,324	2,860,631	168,693
Vehicles	1,594,109	1,409,511	184,598
Construction in progress	3,770,313	1,359,828	2,410,485
Accumulated depreciation	(26,082,215)	(25,200,758)	(881,457)
Total	$ 15,834,394	$ 13,768,475	$ 2,065,919

LONG-TERM DEBT

At June 30, 2021, the District has $9,153,792 in long-term debt, including the net pension liability and net OPEB liability. The changes to long-term debt are primarily attributable to scheduled principal payments and the change in the net pension liability and net OPEB liability.

The District also completed the following debt refunding and debt issuance during the year ended June 30, 2021:

> The District issued the 2021 Water Refunding Bonds (2021 Water Refunding) dated January 4, 2021 in the amount of $3,128,540 with an interest rate of 2.350% to current refund the 2013 Installment Sale Agreement and Water Revenue Refunding Bonds, Series 2014. Payments are due semiannually on July 10 and January 10. Final maturity is on July 10, 2027. The refunding reduced the District's debt service payments by $887,084 and provided for an economic gain (difference between the present value of the old and new debt service payments) of approximately $126,733 in aggregate.

The District provides pension benefits to its employees through the Groveland Community Services District Miscellaneous Plan, a cost-sharing multiple-employer defined benefit pension plan maintained by CalPERS, an agency of the State of California. Qualified employees are covered under the Miscellaneous 2.7% at 55 for classic employees and 2% at 62 for PEPRA employees in the Risk Pool (the Plan). CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. As of June 30, 2021, the District's proportionate share of the Plan's net pension liability was $2,753,741, which is determined by an actuary annually. The District is evaluating refinancing methods to further reduce its CalPERS Unfunded Accrued Liability.

For certain employees hired before July 1, 2016, the District offers a retiree healthcare plan that provides postemployment health benefits for eligible retired employees and their dependents through the retiree healthcare plan (the Plan). The District, through the authorization of their Board of Directors, elected to establish an irrevocable trust for the Plan through the California Employers' Retiree Trust (CERBT) fund, an agent multiple-employer plan, administered by CalPERS. The CERBT has pooled administrative and investment functions, while separate employer accounts are maintained to prefund and pay for health care or other postemployment benefits in accordance with the terms of the participating employers' plans. The CERBT offers three investment strategies for employers to choose from depending on their expected levels of return and volatility. Benefit provisions are established by the District. As of June 30, 2021, the District's net OPEB liability was $366,116 which is determined by an actuary annually. As a cost control measure, the District eliminated this benefit for employees hired after July 1, 2016.

	2021	2020	Increase (Decrease)
Bonds, net	$ 2,899,179	$ 6,935,116	$ (4,035,937)
Net OPEB obligation	366,116	2,082,536	(1,716,420)
Compensated absences	177,597	82,398	95,199
Net pension liability	2,753,741	2,388,940	364,801
Other long-term debt	2,957,159	9,783	2,947,376
Total	$ 9,153,792	$ 11,498,773	$ (2,344,981)

FACTORS BEARING ON THE DISTRICT'S FUTURE

At the time these financial statements were prepared, factors affecting the District's future included:

Fire Services – The District continued its contract with CAL FIRE for the operation of the Fire Department, and for the second consecutive year as predicted, the expenses associated with the Schedule A contract, building improvements and operating costs exceeded the available annual property tax allocation, causing a drawdown of fund balance reserves. As of June 1, 2020, the County of Tuolumne now funds the cost of the CAL FIRE contract (Amador Contract) to include year round staffing of the seasonal Fire Station (Station B) located on Merrell Rd. The cost of staffing this station is funded by the state during the (state) declared fire seasons, and by the County during non-fire season; typically November through April annually.

It is estimated that the cost associated with the CAL FIRE Schedule A and Amador Contract will increase by approximately 5% annually, at minimum over the next three years through June 30, 2024. It is also estimated that Fire Department revenue will increase at approximately 2% to 4% annually during this same period, resulting in further reductions in net position and cash unless additional revenue is secured to balance the budget. The District's Government (Fire) Fund balances could be depleted within the next three years and earlier if any catastrophic failure occurs to the main fire engines. Elimination of the Amador Contract expense alone did not and will not balance department expense and revenue, as the cost of the Schedule A contract alone will soon exceed total revenue available. Therefore, an increase in Fire Department revenue is critical to maintain services at the current level.

In addition, GCSD maintains over $4.7 million in Fire Department capital assets, including fire engines, buildings, tools and safety equipment. Recent past budgets have not included funding for the short and long term replacement of fire department equipment. In January 2020 the Board adopted the Fire Department capital asset replacement schedule which revealed that a $274,000 annual expense is required annually to replace critical department equipment and facilities as they wear out. The amount of funding available to the District for its Fire Department is inadequate to fund replacement of the capital assets. The Board subsequently adopted the updated Fire Master Plan in March 2020 which recommended a number of actions related to department finances, as listed below:

1. Pursue a cost reimbursement or direct funding assistance from Tuolumne County for the expense associated with providing fire services outside the District boundaries, including the Amador Contract costs. District management is actively collaborating with the county on cost sharing.

2. Pursue a fire special tax or assessment to fund the structural fire department deficit and to cover the cost of CAL FIRE contracts and equipment replacement. The District actively worked with Tuolumne County and the other fire districts in the county in formation of a Joint Powers Authority and placed a special parcel tax on the ballot countywide in June 2021. The measure failed and the JPA was dissolved. Other funding options are being evaluated.

3. Evaluate cost sharing agreements with Tuolumne County regarding services provided to new land development projects. District management is working with the county to assist in identifying appropriate cost and service level impact mitigation.

It is management's estimation that achieving success in all three actions listed will result in a balanced Fire Department budget and the ability to fully fund the necessary equipment replacement schedule.

Park Services – As with Fire services, the expense of delivering basic park services including building and facility maintenance and repair, cleaning, insurance and other necessary expenses exceed the amount of property tax funding available. There is not adequate reserve funding available to sustain Park services in perpetuity into the future. The District is currently evaluating various revenue producing options to fund park services into the future including upgrading facilities to reduce maintenance costs, adding park features to increase facility rentals and donations. The Park Improvements Plan will be completed in the 2021/22 fiscal year and the District will be seeking multiple grant opportunities.

Water Services – The District has completed the planning and design process for a large-scale Water System Replacement Project which will improve the water distribution lines in the Groveland- Big Oak Flat area. The planning was funded by a $405,000 state grant. The planning process resulted in engineered plans and specifications, state permits and environmental approvals necessary to construct the project should adequate grant and/or loan funding be awarded. The District has applied for project funding to the State Drinking Water State Revolving Fund and to the Community Development Block Grant program as a subrecipient to the County of Tuolumne. In addition, a state grant funding contract has been received for $3.4 million for the rehabilitation of two clear well water storage tanks, which will be completed in the 2021/22 fiscal year. The District Water System Master Plan will be completed in the 2021/22 fiscal year, which will contain a long and short term Capital Improvement/Replacement Plan; and for which the District will establish appropriate fees and charges, and seek funding and financing. Cash generated from recent increases to customer water rates are being used to leverage grant funds, make loan and debt service payments, and generate reserve funds for capital projects.

Sewer Services – The District has completed planning a large-scale Sewer System Replacement Project which will improve the sewer collection lines in various locations throughout the District's sewer system. This planning process was funded through a state grant in the amount of $399,000. The planning process resulted in preliminary engineering, state permits and environmental approvals necessary to support an application for state funding for project construction, which has been submitted. A $5.8 million state grant and loan funding agreement was received in this fiscal year, a construction contract has been executed and construction will begin immediately after state budget approval. The District also secured a $1,511,053 low interest loan as discussed in the Long Term Debt section above, for the purpose of constructing improvements to the wastewater treatment plant to increase operating efficiency and reduce the production of odors. Engineering design has been completed for the project and construction will begin in 2022. Cash generated from recent increases to customer sewer rates are being used to leverage grant funds, make loan and debt service payments, and generate reserve funds for capital projects.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, ratepayers, taxpayers, investors, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions regarding this report or need additional financial information, contact Peter Kampa, General Manager, Groveland Community Services District, 18966 Ferretti Rd., Groveland, CA 95321.

GROVELAND COMMUNITY SERVICES DISTRICT

STATEMENT OF NET POSITION
JUNE 30, 2021

	Governmental Activities	Business-type Activities	Totals
ASSETS:			
Cash and equivalents	$ 1,457,348	$ 7,898,934	$ 9,356,282
Accounts receivable	28,781	853,767	882,548
Internal balances	(293,948)	293,948	
Depreciable capital assets (net)	705,010	10,890,635	11,595,645
Nondepreciable capital assets	59,921	4,178,828	4,238,749
Total assets	1,957,112	24,116,112	26,073,224
DEFERRED OUTFLOW OF RESOURCES:			
Deferred outflow of resources related to pensions	138,992	502,488	641,480
Deferred outflow of resources related to OPEB	9,697	87,375	97,072
Deferred amount on debt refunding		115,690	115,690
Total deferred outflow of resources	148,689	705,553	854,242
LIABILITIES:			
Accounts payable and accrued liabilities	30,795	367,597	398,392
Interest payable		77,248	77,248
Deposits payable	200	11,407	11,607
Long-term liabilities, due within one year	12,431	930,950	943,381
Long-term liabilities, due in more than one year		5,090,554	5,090,554
Net OPEB obligation, due in more than one year	36,574	329,542	366,116
Net pension liability, due in more than one year	596,663	2,157,078	2,753,741
Total liabilities	676,663	8,964,376	9,641,039
DEFERRED INFLOW OF RESOURCES:			
Deferred inflow of resources related to pensions	10,768	38,931	49,699
Deferred inflow of resources related to OPEB	77,357	696,997	774,354
Total deferred inflow of resources	88,125	735,928	824,053
NET POSITION:			
Net investment in capital assets	764,931	9,332,723	10,097,654
Unrestricted	576,082	5,788,638	6,364,720
Total net position	$ 1,341,013	$ 15,121,361	$ 16,462,374

GROVELAND COMMUNITY SERVICES DISTRICT

STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021

		Program Revenues			Net (Expenses) Revenues and Changes in Net Position		
Functions/Programs	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants & Contributions**	**Governmental Activities**	**Business-type Activities**	**Totals**
Governmental Activities:							
Public safety	$ 1,595,232		$ 140,768		$ (1,454,464)		$ (1,454,464)
Parks and recreation	130,666	$ 2,778			(127,888)		(127,888)
Total Governmental Activities	1,725,898	2,778	140,768		(1,582,352)		(1,582,352)
Business-type Activities:							
Water	2,628,808	3,399,221	73,245	$ 1,946,388		$ 2,790,046	2,790,046
Davis-Grunsky	2,308					(2,308)	(2,308)
Sewer	1,970,032	2,586,391	42,430	383,164		1,041,953	1,041,953
Total Business-type Activities	4,601,148	5,985,612	115,675	2,329,552		3,829,691	3,829,691
Total Primary Government	$ 6,327,046	$ 5,988,390	$ 256,443	$ 2,329,552	(1,582,352)	3,829,691	2,247,339
General Revenues (Expenses):							
Property taxes					1,265,174	3,740	1,268,914
Interest earnings					6,109	21,643	27,752
State Revenue					136,239		136,239
Other revenue					91,644	16,150	107,794
Loss on disposal of capital asset						(42,721)	(42,721)
Total general revenues					1,499,166	(1,188)	1,497,978
Change in net position					(83,186)	3,828,503	3,745,317
Net position - beginning					1,424,199	11,292,858	12,717,057
Net position - ending					$ 1,341,013	$ 15,121,361	$ 16,462,374

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

GROVELAND COMMUNITY SERVICES DISTRICT

BALANCE SHEETS
GOVERNMENTAL FUNDS
JUNE 30, 2021

	Fire Protection	Parks and Recreation	Total Governmental Funds
ASSETS:			
Cash and equivalents	$ 1,037,650	$ 419,698	$ 1,457,348
Accounts receivable	28,781		28,781
Total assets	$ 1,066,431	$ 419,698	$ 1,486,129
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable and accrued liabilities	$ 23,369	$ 7,426	$ 30,795
Deposits payable		200	200
Due to other funds	91,815	202,133	293,948
Total liabilities	115,184	209,759	324,943
Fund balances:			
Committed:			
Fire protection	951,247		951,247
Parks and recreation		209,939	209,939
Total fund balances	951,247	209,939	1,161,186
Total liabilities and fund balances	$ 1,066,431	$ 419,698	$ 1,486,129

GROVELAND COMMUNITY SERVICES DISTRICT

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEETS TO THE STATEMENT OF NET POSITION
JUNE 30, 2021

Total fund balance, governmental funds	$ 1,161,186
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. This is the amount, net of accumulated depreciation, included in the statement of net position.	764,931
In the governmental funds, deferred outflows and inflows of resources relating to pensions and OPEB are not reported because they are applicable to future periods. In the governmental activities statement of net position, deferred outflow and inflows of resources are reported as follows:	
Deferred outflow of resources related to pensions	138,992
Deferred inflow of resources related to pensions	(10,768)
Deferred outflow of resources related to OPEB	9,697
Deferred inflow of resources related to OPEB	(77,357)
Compensated absence, net OPEB liability and the net pension liability are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities are included in the governmental activities in the statement of net position.	(645,668)
Total net position, governmental activities	$ 1,341,013

GROVELAND COMMUNITY SERVICES DISTRICT

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021

	Fire Protection	Parks and Recreation	Total Governmental Funds
REVENUES:			
Property taxes	$ 1,163,960	$ 101,214	$ 1,265,174
Interest earnings	4,518	1,591	6,109
Charges for services		2,778	2,778
Grant revenue	140,112		140,112
State revenue	136,239		136,239
Other revenues	3,300	89,000	92,300
Total revenues	1,448,129	194,583	1,642,712
EXPENDITURES:			
Public safety	1,316,278		1,316,278
Parks and recreation		96,773	96,773
Capital outlay	78,089	2,233	80,322
Total expenditures	1,394,367	99,006	1,493,373
Net change in fund balance	53,762	95,577	149,339
Fund balances - beginning of year	897,485	114,362	1,011,847
Fund balances - end of year	$ 951,247	$ 209,939	$ 1,161,186

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

GROVELAND COMMUNITY SERVICES DISTRICT

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2021

Net change in fund balances - total governmental funds		$ 149,339
Amounts reported for governmental activities and in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of these assets are allocated over their estimated useful lives and reported as depreciation expense:		
Capital outlay expenditures are added back to fund balances	$ 80,322	
Depreciation expense not reported in governmental funds	(70,095)	10,227
In governmental funds, pension costs are recognized when employer contributions are made. In the statement of activities, pension costs are recognized on an accrual basis. The difference between accrual basis pension costs and employer contributions was:		(360,954)
In governmental funds, retiree benefit costs are recognized when employer contributions are made. In the statement of activities, OPEB costs are measured on an accrual basis. The difference between accrual basis OPEB costs and employer contributions was:		122,368
Increases/decreases in compensated absences are not recorded as expenditures in governmental funds because they are not expected to be liquidated with current financial resources. In the statement of activities, changes in compensated absences are recognized as expenses.		(4,166)
Change in net position of governmental activities		$ (83,186)

GROVELAND COMMUNITY SERVICES DISTRICT

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2021

	Business-type Activities Enterprise Funds			
	Water Fund	Davis-Grunsky Fund	Sewer Fund	Totals
ASSETS:				
Cash and equivalents	$ 3,923,537	$ 15,213	$ 3,960,184	$ 7,898,934
Due from other funds	67,007	3,485	223,456	293,948
Accounts receivable	445,619		408,148	853,767
Depreciable capital assets (net)	6,625,037		4,265,598	10,890,635
Nondepreciable capital assets	2,791,895		1,386,933	4,178,828
Total assets	13,853,095	18,698	10,244,319	24,116,112
DEFERRED OUTFLOW OF RESOURCES:				
Deferred outflow of resources related to pensions	294,903		207,585	502,488
Deferred outflow of resources related to OPEB	59,433		27,942	87,375
Deferred amount on debt refunding	88,581		27,109	115,690
Total deferred outflow of resources	442,917		262,636	705,553
LIABILITIES:				
Accounts payable and accrued liabilities	195,716		171,881	367,597
Interest payable	32,756		44,492	77,248
Deposits payable	11,407			11,407
Long-term liabilities, due within one year	538,581	3,908	388,461	930,950
Long-term liabilities, due in more than one year	2,449,428		2,641,126	5,090,554
Net OPEB Obligation, due in more than one year	224,156		105,386	329,542
Net pension liability, due in more than one year	1,265,957		891,121	2,157,078
Total liabilities	4,718,001	3,908	4,242,467	8,964,376
DEFERRED INFLOW OF RESOURCES:				
Deferred inflow of resources related to pensions	22,848		16,083	38,931
Deferred inflow of resources related to OPEB	474,102		222,895	696,997
Total deferred inflow of resources	496,950		238,978	735,928
NET POSITION:				
Net investment in capital assets	6,606,334		2,726,389	9,332,723
Unrestricted	2,474,727	14,790	3,299,121	5,788,638
Total net position	$ 9,081,061	$ 14,790	$ 6,025,510	$ 15,121,361

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

GROVELAND COMMUNITY SERVICES DISTRICT

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2021

	Business-type Activities Enterprise Funds			
	Water Fund	Davis-Grunsky Fund	Sewer Fund	Totals
OPERATING REVENUES:				
Charges for services	$ 3,397,622		$ 2,586,391	$ 5,984,013
Other	1,599			1,599
Total operating revenues	3,399,221		2,586,391	5,985,612
OPERATING EXPENSES:				
Salaries and wages	421,361		360,659	782,020
Payroll expenses	439,932		315,226	755,158
Utilities	302,439		90,983	393,422
Supplies, equipment, and materials	304,052		133,438	437,490
Repairs and maintenance	164,673		173,344	338,017
Professional services	128,572		98,151	226,723
Licenses and permits	7,770		33,972	41,742
Insurance	80,275		54,472	134,747
Miscellaneous	36,164		17,350	53,514
Communications	11,158		5,120	16,278
Employee development	33,829		33,630	67,459
Janitorial	13,904		7,542	21,446
Rents and leases	7,044			7,044
Memberships, dues, and subscriptions	13,770		5,612	19,382
Depreciation	486,534		538,353	1,024,887
Total operating expenses	2,451,477		1,867,852	4,319,329
Operating income	947,744		718,539	1,666,283
NONOPERATING REVENUES (EXPENSES):				
Property taxes		$ 3,740		3,740
Federal revenue			42,430	42,430
State revenue	73,245			73,245
Interest earnings	9,868	71	11,704	21,643
Interest expense	(99,523)	(2,308)	(92,722)	(194,553)
Loss on disposal of capital assets	(42,721)			(42,721)
Amortization	(29,315)		(5,083)	(34,398)
Other expenses	(48,493)		(4,375)	(52,868)
Other income	13,111		3,039	16,150
Total nonoperating revenues	(123,828)	1,503	(45,007)	(167,332)
INCOME BEFORE CAPITAL ACTIVITY	823,916	1,503	673,532	1,498,951
CAPITAL ACTIVITY:				
Grant revenue	1,946,388			1,946,388
State revenue			383,164	383,164
Total capital activity	1,946,388		383,164	2,329,552
Change in net position	2,770,304	1,503	1,056,696	3,828,503
Net position - beginning	6,310,757	13,287	4,968,814	11,292,858
Net position - ending	$ 9,081,061	$ 14,790	$ 6,025,510	$ 15,121,361

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

GROVELAND COMMUNITY SERVICES DISTRICT

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2021

	Business-type Activities Enterprise Funds			
	Water Fund	Davis-Grunsky Fund	Sewer Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash received from customers	$ 3,227,447		$ 2,538,517	$ 5,765,964
Cash payments to suppliers for goods and services	(1,128,959)	$ (3,485)	(586,380)	(1,718,824)
Cash payments to/on behalf of employees	(1,212,921)		(898,581)	(2,111,502)
Net cash provided (used) by operating activities	885,567	(3,485)	1,053,556	1,935,638
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Cash received from grants	73,245		42,430	115,675
Cash received from taxes and assessments		3,740		3,740
Cash received from other nonoperating	13,113		3,039	16,152
Cash payments for other nonoperating	(23,493)		(4,375)	(27,868)
Net cash provided by non-capital and related financing activities	62,865	3,740	41,094	107,699
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Cash received from grants	1,946,388		383,164	
Purchase of capital assets	(2,450,806)		(672,489)	(3,123,295)
Interest paid on long-term debt	(142,184)	(194)	(98,345)	(240,723)
Principal paid on long-term debt	(540,573)	(3,812)	(305,473)	(849,858)
Payment to refunding escrow agent	(3,569,312)			(3,569,312)
Cost of issuance	(25,000)			(25,000)
Proceeds from refunding debt	2,899,179			2,899,179
Net cash used by capital and related financing activities	(1,882,308)	(4,006)	(693,143)	(4,909,009)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest on investments	9,868	71	11,704	21,643
Net increase (decrease) in cash and cash equivalents	(924,008)	(3,680)	413,211	(2,844,029)
Cash and cash equivalents - beginning of year	4,847,545	18,893	3,546,973	8,413,411
Cash and cash equivalents - end of year	$ 3,923,537	$ 15,213	$ 3,960,184	$ 5,569,382

(Continued)

GROVELAND COMMUNITY SERVICES DISTRICT

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2021
(Continued)

	Business-type Activities Enterprise Funds			
	Water Fund	Davis-Grunsky Fund	Sewer Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES:				
Operating income	$ 947,744		$ 718,539	$ 1,666,283
Reconciliation of operating income to net cash provided (used) by operating activities				
Depreciation expense	486,534		538,353	1,024,887
(Increase) decrease in:				
Accounts receivable	(166,840)		(47,874)	(214,714)
Due from other funds	(60,529)	(3,485)		(64,014)
Deferred outflows of resources	54,735		(28,620)	26,115
Increase (decrease) in:				
Accounts payable and accrued liabilities	20,655		110	20,765
Due to other funds			61,091	61,091
Deposits payable	(4,934)		(1,500)	(6,434)
Compensated absences	29,788		25,566	55,354
Net pension liability	(152,489)		(156,452)	(308,941)
Net OPEB obligation	(17,127)		(6,025)	(23,152)
Deferred inflows of resources	(251,970)		(49,632)	(301,602)
Net cash provided (used) by operating activities	$ 885,567	$ (3,485)	$ 1,053,556	$ 1,935,638

1. SIGNIFICANT ACCOUNTING POLICIES

A. ACCOUNTING POLICIES

The basic financial statements of the Groveland Community Services District (District) have been prepared in conformity with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants. The GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

B. REPORTING ENTITY

The District was formed in 1953, pursuant to the Community Services District Law of the State of California (Division 2 of Title 6 of the Government Code, Section 61600). The District provides water, sewer, fire, and park services throughout the District. The District's financial and administrative functions are governed by a Board of Directors (the Board) elected by the voting population within the District. The District is a separate legal reporting entity in Tuolumne County.

The District has reviewed criteria to determine whether other entities with activities that benefit the District should be included within its financial reporting entity. The criteria include, but are not limited to, whether the entity exercises oversight responsibility (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters), the scope of public service, and a special financing relationship.

The District has determined that no other outside entity meets the above criteria, and therefore, no agency has been included as a component unit in the District's financial statements. In addition, the District is not aware of any entity that would exercise such oversight responsibility that would result in the District being considered a component unit of that entity.

C. BASIS OF PRESENTATION

Government-wide financial statements – The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of proprietary fund financial statements, but differs from the manner in which the governmental fund financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are, therefore, clearly identifiable to a particular function. Certain indirect expenses are allocated to the funds based on relative percentages. Program revenues include charges paid by the recipients of goods or services offered by a program, as well as grants and contributions that are restricted to meeting the operational requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

Fund financial statements – Fund financial statements report more detailed information about the District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds include a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures, and changes in fund balances, which reports on the sources (i.e. revenues and other financing sources) and uses (i.e. expenditures and other financing uses) of current financial resources.

All proprietary fund types are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of revenues, expenses, and changes in fund net position presents increases (i.e. revenues) and decreases (i.e. expenses) in net position. The statement of cash flows provides information about how the District finances and meets the cash flow needs of its proprietary activities.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

D. BASIS OF PRESENTATION

Basis of accounting refers to when transactions are recorded in the financial records and reported in the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental fund financial statements use the modified accrual basis of accounting. Proprietary uses the accrual basis of accounting.

Expenses/Expenditures – Under the accrual basis of accounting, expenses are recognized at the time they are incurred. However, the measurement focus of governmental fund accounting is on decreases in the net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized on governmental fund financial statements.

When expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available for use, it is the District's policy to first apply the expenditure toward restricted fund balance and then to other, less restrictive classifications - committed amounts should be reduced first, followed by assigned amounts and then unassigned amounts.

E. FUND ACCOUNTING

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

Major Governmental Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specific purposes. The District maintains the following major special revenue funds:

The **Fire Protection Fund** is used to account primarily for property taxes allocated for fire protection services throughout the District.

The **Parks and Recreation Fund** is used to account primarily for property taxes allocated for recreation services throughout the District.

Major Proprietary Funds

Proprietary Funds – Enterprise Funds are used to account for a government's ongoing operation and activities that are similar to businesses found in the private sector. These funds are considered self-supporting in that the services rendered by them are generally financed through user charges. The District maintains the following major proprietary funds:

The **Water Fund** is used to account for all activity associated with water services throughout the District.

The **Davis-Grunsky Fund** is used to account for all activity associated with the Davis-Grunsky loans.

The **Sewer Fund** is used to account for all activity associated with waste water services throughout the District.

F. BUDGET AND BUDGETARY ACCOUNTING

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all of the District's governmental funds. By State Law, the Board must approve a tentative budget no later than June 30 and adopt a final budget no later than August 31. A public hearing must be conducted to receive comments prior to adoption.

These budgets are revised by the Board during the fiscal year to give consideration to unanticipated income and expenditures. The original and final revised budgets for the Fire Protection and Parks and Recreation funds are presented as required supplementary information in these financial statements.

Formal budgetary integration was employed as a management control device during the year for all budgeted funds. The District employs budget control by minor object and by individual appropriation accounts. Expenditures cannot legally exceed appropriations by major object account.

G. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflow of resources, liabilities and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual amounts could differ from those estimates.

H. CASH AND EQUIVALENTS

The District considers all highly liquid investments with a maturity of three months or less at the time of purchase to be cash equivalents.

I. CAPITAL ASSETS

Purchased capital assets are stated at historical cost or estimated historical cost when original cost is not available. Donated capital assets are recorded at their estimated fair value at the date of donation. The District's policy is to capitalize all capital assets with costs exceeding a minimum threshold of $2,500. Depreciation is recorded using the straight-line method over the estimated useful lives of the capital assets. The estimated useful lives are as follows:

Structures and Buildings	20-50 years
Improvements	10-50 years
Furnishings and Equipment	3-10 years
Vehicles	5-20 years

J. DEFERRED OUTFLOW/INFLOWS OF RESOURCES

In addition to assets, liabilities and net position, the statement of net position reports separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources represent a consumption of resources that applies to a future period(s) and will not be recognized as an outflow of resources (expense) until then. Conversely, deferred inflows of resources represent an acquisition of resources that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time.

The District's deferred amount on debt refunding, resulting from the difference in the carrying value and reacquisition price of the refunded debt, is reported as deferred outflows of resources and is amortized over the shorter of the life of the refunded debt or refunding bond.

Contributions made to the District's pension and OPEB plan(s) after the measurement date but before the fiscal year end are recorded as a deferred outflow of resources and will reduce the net pension liability and total OPEB liability in the next fiscal year.

Additional factors involved in the calculation of the District's pension and OPEB expenses and liabilities include the differences between expected and actual experience, changes in assumptions, differences between projected and actual investment earnings, changes in proportion, and differences between the District's contributions and proportionate share of contributions. These factors are recorded as deferred outflows and inflows of resources and amortized over various periods. See Notes 5 and 6 for further details related to these pension and OPEB deferred outflows and inflows.

K. PENSIONS

For purposes of measuring the net pension liability, deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the District's portion of the California Public Employees' Retirement System (CalPERS) Miscellaneous 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.

L. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

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 (OPEB Plan) and additions to/deductions from 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.

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date	July 1, 2020
Measurement Date	June 30, 2020
Measurement Period	July 1, 2019 to June 30, 2020

M. COMPENSATED ABSENCES

An employee accumulates vacation and sick leave time in accordance with the personnel policies handbook. Vacation and sick time vested and accrued depends on years of service and date of hire by the District. Vacation may be accumulated up to 8 weeks and is paid in full upon termination or retirement. Employee can accumulate up to 300 hours of sick leave, but unused sick leave is compensable at one half the total sick time accrued upon termination or retirement.

N. FUND BALANCES

Committed fund balances are set aside for specific purposes by the District's highest level of decision-making authority (the Board) pursuant to formal actions taken, such as a majority vote or resolution. These committed amounts cannot be used for any other purpose unless the Board removes or changes the specific use through the same type of formal action taken to establish the commitment.

O. PROPERTY TAXES

The District receives property taxes from the County of Tuolumne (County), which has been assigned the responsibility for assessment, collection, and apportionment of property taxes for all taxing jurisdictions within the County. Secured property taxes are levied on January 1 for the following fiscal year and on which date it becomes a lien on real property. Secured property taxes are due in two installments, on November 1 and February 1, and are delinquent after December 10 and April 10. Property taxes on the unsecured roll are due on the January 1 lien date and become delinquent if unpaid by August 31. Property tax revenues are recognized in the fiscal year they are received.

Based on a policy by the County called the Teeter Plan, 100% of the allocated taxes are transmitted by the County to the District, eliminating the need for an allowance for uncollectible accounts. The County, in return, receives all penalties and interest on the related delinquent taxes.

P. LONG-TERM OBLIGATIONS

The District reports long-term obligations of governmental funds at face value in the government-wide financial statements. Long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements and the government-wide financial statements.

2. CASH AND EQUIVALENTS

All Cash and equivalents as of June 30, 2021, $9,356,282, are classified in the accompanying financial statements as unrestricted.

Cash and equivalents as of June 30, 2021, consist of the following:

Cash with financial institutions	$	2,864,865
Cash on hand		500
Cash and equivalents with LAIF		4,587,152
Money market		1,903,765
Total cash and equivalents	$	9,356,282

Local Agency Investment Fund

The District is a voluntary participant the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. Separate complete financial statements are available at P.O. Box 942809, Sacramento, CA 94209-0001.

Investments Authorized by the California Government Code and the District's Investment Policy

The table below identifies the investment types that are authorized per the District's investment policy and allowed per the California Government Code. The table also identifies certain provisions of the California Government Code that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the District, rather than the general provisions of the California Government Code.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Reverse Repurchase Agreements & Securities Lending Agreements	92 days	20 % of the base value of the portfolio	None
Medium-Term Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	None
Collateralized Bank Deposits	5 years	None	None
Mortgage Pass-Through Securities	5 years	20%	None
Time Deposits	5 years	None	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	$50 Million

Investments Authorized by Debt Agreements

Investments held by trustees are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the District's investment policy. The table below identifies the investment types that are authorized for investments held by trustees. The table also identifies certain provisions of the debt agreements that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Investment pools authorized under CA Statutes governed by Government Code	N/A	None	$50 million
U.S. Treasury Obligations/Bills	5 years	None	None
Bank Savings Account	N/A	25%	None
Federal Agencies	5 years	75%	None
Commercial Paper	180 days	20%	None
Negotiable Certificates of Deposit	180 days	20%	None
Re-purchase Agreements	180 days	20%	None
Corporate Debt	5 years	25%	None
Money Market Accounts	N/A	None	None

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District has no investments that are highly sensitive to interest rate fluctuations.

Derivative Investments

The District did not directly enter into any derivative investments. Information regarding the amount invested in derivatives by the County Treasury was not available.

Disclosures Relating to Credit Risk

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

Concentration of Credit Risk

The investment policy of the District contains limitations on the amount that can be invested in any one issuer. There are no investments (other than U.S. Treasury securities, mutual funds, and external investment pools) in any one issuer that represents 5% or more of total District investments.

Custodial Credit Risk

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

District deposits held with financial institutions and with fiscal agents in excess of federal depository insurance limits are in accounts collateralized by securities held by the pledging financial institution that total $4,642,599.

3. CAPITAL ASSETS

Governmental Activities:

Capital asset activity for the year ended June 30, 2021 was as follows:

	Balance July 1, 2020	Additions	Deductions	Balance June 30, 2021
Capital assets, not being depreciated:				
Land	$ 48,044			$ 48,044
Construction in Progress	7,213	$ 11,115	$ (6,451)	11,877
Total capital assets, not being depreciated	55,257	11,115		59,921
Capital assets, being depreciated:				
Structures and improvements	1,164,922	65,595		1,230,517
Furnishings & Equipment	297,418	10,070		307,488
Vehicles	707,754			707,754
Total capital assets, being depreciated	2,170,094	75,665		2,245,759
Total accumulated depreciation	(1,470,654)	(70,095)		(1,540,749)
Total capital assets, being depreciated, net	699,440	5,570		705,010
Governmental activities capital assets, net	$ 754,697	$ 16,685	$ (6,451)	$ 764,931

For the year ended June 30, 2021, depreciation expense was charged to functions as follows:

Governmental activities:	
Public safety	$ 50,506
Parks and recreation	19,589
Total depreciation expense	$ 70,095

Business-Type Activities:

Capital asset activity for the year ended June 30, 2021 was as follows:

	Balance July 1, 2020	Additions	Deductions	Balance June 30, 2021
Capital assets, not being depreciated:				
Land	$ 420,392			$ 420,392
Construction in progress	1,352,615	$ 2,536,394	$ (130,573)	3,758,436
Total capital assets, not being depreciated	1,773,007	2,536,394	(130,573)	4,178,828
Capital assets, being depreciated:				
Structures and improvements	31,705,905	118,005		31,823,910
Equipment	2,563,213	392,646	(234,023)	2,721,836
Vehicles	701,757	207,222	(22,624)	886,355
Total capital assets, being depreciated	34,970,875	717,873	(256,647)	35,432,101
Total accumulated depreciation	(23,730,104)	(1,024,887)	213,525	(24,541,466)
Total capital assets, being depreciated, net	11,240,771	(307,014)	(43,122)	10,890,635
Business-type activities capital assets, net	$ 13,013,778	$ 2,229,380	$ (173,695)	$ 15,069,463

4. LONG-TERM DEBT

Long-term liability activity for the governmental activities the year ended June 30, 2021 was as follows:

Governmental Activities	Balance at June 30, 2020	Additions	Retirements	Balance at June 30, 2021	Due within one year
Compensated absences	$ 8,265	$ 4,166		$ 12,431	$ 12,431
Net OPEB obligation	65,638		$ (29,064)	36,547	
Net pension liability	110,806	485,857		596,663	
Total	$ 184,709	$ 490,023	$ (29,064)	$ 645,668	$ 12,431

Long-term liability activity for the business-type activities the year ended June 30, 2021 was as follows:

Business-type Activities	Balance at June 30, 2020	Additions	Retirements	Balance at June 30, 2021	Due within one year
February 2014 Revenue Refunding Bonds	$ 2,463,198		$ (2,463,198)		
2013 Installment Sales Agreement	1,646,687		(1,646,687)		
Davis-Grunsky Act loans	5,606		(1,698)	$ 3,908	$ 3,908
2019 Wastewater Installment Sale	1,506,452		(55,836)	1,450,616	57,722
2019 Wastewater Refunding	1,752,272		(249,637)	1,502,635	254,371
2021 Water Refunding		$ 2,899,179		2,899,179	449,783
Net OPEB obligation	352,694		(23,152)	329,542	
Net pension liability	2,466,019		(308,941)	2,157,078	
Compensated absences	109,812	55,354		165,166	165,166
Total	$ 10,302,740	$ 2,954,533	$ (4,749,149)	$ 8,508,124	$ 930,950

The District entered into an Installment Sale Agreement, dated February 1, 2013 (2013 Installment Sale Agreement) in the amount of $3,117,831, with an interest rate of 3.7%, to refund the 1998 Installment Sale Agreement causing the prepayment by the Groveland/Tuolumne Financing Authority of all of the outstanding Groveland/ Tuolumne Financing Authority Groveland Capital Facilities Refunding Revenue Bonds Issue of 1998 (1998 Bonds.) Payments are due semiannually on July 10 and January 10. Final maturity is on January 10, 2026. This bond was fully refunded January 2021 with the 2021 Water Refunding bonds as noted below and is considered legally defeased.

The District issued the Water Revenue Refunding Bonds, Series 2014, dated February 1, 2014 (February 2014 Revenue Refunding Bonds) in the amount of $4,024,000, with an interest rate of 3.65%, to refund the May 2007 Installment Sale Agreement. Payments are due semiannually on July 10 and January 10. This bond was fully refunded January 2021 with the 2021 Water Refunding bonds as noted below and is considered legally defeased.

The District issued the 2019 Wastewater Revenue Refunding Bonds (2019 Wastewater Refunding) dated December 10, 2019 in the amount of $1,906,811 with an interest rate of 2.840% to current refund the Wastewater Revenue Refunding Bonds, Series 2014 bonds (2014 Wastewater Revenue Refunding). Payments are due semiannually on July 10 and January 10. Final maturity is on July 20, 2026.

The District issued the 2019 Wastewater Revenue Installment Sale Agreement (2019 Wastewater Installment Sale) dated December 10, 2019 in the amount of $1,511,053, with an interest rate of 3.350% for the immediate replacement and improvement of the Wastewater Treatment Plant Headworks, recycled wastewater irrigation system and wastewater collection system lift station #2. Payments are due semiannually on July 10 and January 10. Final maturity is on July 10, 2039.

The District issued the 2021 Water Refunding Bonds (2021 Water Refunding) dated January 4, 2021 in the amount of $3,128,540 with an interest rate of 2.350% to current refund the 2013 Installment Sale Agreement and Water Revenue Refunding Bonds, Series 2014. Payments are due semiannually on July

10 and January 10. Final maturity is on July 10, 2027. The refunding reduced the District's debt service payments by $887,084 and provided for an economic gain (difference between the present value of the old and new debt service payments) of approximately $126,733 in aggregate.

Other Long-Term Debt

The District entered into a David-Grunsky Act Loan in the amount of $102,000 with an interest rate of 2.5%, payable semiannually, principal payable annually on December 1. Final maturity is on December 1, 2021. As of June 30, 2021, the principal balance was $3,908.

Annual debt service requirements for the business-type activities are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Totals
2022	$ 765,785	$ 154,545	$ 920,330
2023	782,859	134,640	917,499
2024	803,140	114,211	917,351
2025	822,780	93,262	916,042
2026	953,013	71,799	1,024,812
2027-2031	951,494	177,093	1,128,587
2032-2036	430,455	98,735	529,190
2037-2040	346,812	23,623	370,435
Total	$ 5,856,338	$ 867,908	$ 6,724,246

5. DEFINED BENEFIT PENSION PLAN

The District provides pension benefits to its employees through the California Public Employees' Retirement System (CalPERS) Miscellaneous Plan, a public agency cost-sharing multiple-employer defined benefit pension plan. CalPERS is an agency of the State of California. Qualified employees are covered under the Miscellaneous 2.7% at 55 for classic employees and 2% at 62 for PEPRA employees in the Risk Pool (the Plan). CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. CalPERS issues a publicly available financial report that includes financial statements and required supplementary information for the Plan. This report is available online at www.calpers.ca.gov.

Benefits Provided

The benefits for the Plan are established by contract with CalPERS, in accordance with the provisions of the California Public Employees' Retirement Law (PERL). The benefits are based on members' years of service, age, final compensation, and benefit formula. Benefits are provided for disability, death, and survivors of eligible members or beneficiaries. To be eligible for service retirement, members must be at least 50 and a minimum of five years of CalPERS-credited service. Members after January 1, 2013 must be at least 52.

Contributions

Section 20814(c) of the PERL requires employer contribution rates for all public employers be determined on an annual basis by the actuary and are effective on the July 1 following notice of a change in the rate. The contributions are determined through the CalPERS' annual actuarial valuation process. The actuarially determined rate is based on the estimated amount necessary to pay the Plans allocated share of the risk pool's costs of benefits earned by employees during the year, and any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The District's required contribution rate on covered payroll for the period ended June 30, 2021 for the PEPRA and miscellaneous plan were 7.732% and 14.194% of annual pay, respectively. Employer contributions rates may change if the Plan contract is amended.

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

The District's Net Pension Liability (NPL) for the Plan is measured as the proportionate share of the NPL. The NPL of the Plan is measured as of June 30, 2020 for the year ended June 30, 2021. The total pension liability (TPL) used to calculate the NPL was determined by an actuarial valuation as of June 30, 2019 rolled forward to June 30, 2020 using standard update procedures. As of June 30, 2021, the District's proportionate share of the Plan's net pension liability (NPL) was $2,753,741.

Using the District's individual employer rate plan's share of the risk pool TPL and Fiduciary Net Position (FNP), the proportionate shares of the TPL and FNP at the measurement date are determined for the District by the actuary. The District's employer allocation factor for the Plan as of June 30, 2020 was as follows:

	Plan
Proportion - June 30, 2020	0.065284%
Proportion - June 30, 2019	0.064348%
Change - increase (decrease)	0.000936%

For the year ended June 30, 2021, the District recognized pension expense of $384,734. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 141,908	
Changes in assumptions		$ (19,641)
Net differences between projected and actual investment earnings of pension plan investments	81,804	
Change in proportions	40,765	(13,137)
Change in proportionate share of contributions	24,090	(16,921)
Pension contributions subsequent to measurement date	352,913	
Total	$ 641,480	$ (49,699)

The $352,913 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the NPL in the year ending June 30, 2022. Other amounts reported as deferred outflows/inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30		
2022	$	31,772
2023		94,334
2024		73,525
2025		39,236

Actuarial Assumptions

For the measurement period ended June 30, 2020 (the measurement date), the TPL was determined by rolling forward the June 30, 2019 TPL. The June 30, 2019 TPL amounts were based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry-Age Normal
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table[1]	Derived using CalPERS' Membership data for all Funds
Post Retirement Benefit Increase	Contract COLA up to 2.50% until Purchasing Power Protection Allowance Floor on Purchasing Power applies

[1] The mortality table used was developed based on CalPERS' specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of scale MP 2016.

Discount Rate

The discount rate used to measure the TPL was 7.15%. 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 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.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which 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 the funds' asset classes, expected compound 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 expected real rates of return by asset class are as followed:

Asset Class[1]	Assumed Asset Allocation	Real Return Years 1 – 10[2]	Real Return Years 11+[3]
Global Equity	50.00%	4.80%	5.98%
Fixed Income	28.00%	1.00%	2.62%
Inflation Assets	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Estate	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%
Total	100.00%		

(1) In the System's CAFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.
(2) An expected inflation of 2.00% was used for this period.
(3) An expected inflation of 2.92% was used for this period.

Sensitivity of the District's Proportional Share of the NPL to Changes in the Discount Rate

The following presents the District's Proportional Share of the NPL of the Plan as of the measurement date, calculated using the discount rate of 7.15%, as well as what the District's Proportional Share of the NPL would be if it were calculated using a discount rate that is 1 percentage-point lower (6.15%) or 1 percentage-point higher (8.15%) than the current rate:

	Discount Rate – 1%	Current Discount Rate	Discount Rate + 1%
District's Proportionate Share of Plan's NPL	$ 4,397,500	$ 2,753,741	$ 1,395,554

<u>Recognition of Gains and Losses</u>

Under GASB Statement No. 68, gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense.

The amortization period differs depending on the source of the gain or loss:

Difference between projected and actual earnings	5 year straight-line amortization
All other amounts	Straight-line amortization over the average expected remaining service lives of all members that are provided with benefits (active, inactive and retired) as of the beginning of the measurement period

6. OTHER POSTEMPLOYMENT BENEFITS

Plan Description

The District has established a retiree healthcare plan that provides other postemployment health, dental, and vision care benefits for eligible retired employees and their dependents through the retiree healthcare plan (the Plan). The District, through the authorization of their Board of Directors, elected to establish an irrevocable trust for the Plan through the California Employers' Retiree Trust (CERBT) fund, an agent multiple-employer plan, administered by CalPERS. The CERBT has pooled administrative and investment functions, while separate employer accounts are maintained to prefund and pay for health care or other postemployment benefits in accordance with the terms of the participating employers' plans. The CERBT offers three investment strategies for employers to choose from depending on their expected levels of return and volatility. Benefit provisions are established by the District.

Benefits Provided

Employees who, 1) retire from the District after at least the minimum number of years of service, as specified by their contract with the District, and 2) who continue health insurance through a District-sponsored health insurance plan, will continue to pay their health insurance premium, at the same level of benefits as the retiree had at the time of retirement. The District will also continue contributing to the retirees Health Savings Account, until the retiree reaches the age of 65, after which, the retiree shall receive the Medicare Supplement insurance coverage.

Employees Covered

As of the July 1, 2019 actuarial valuation, the following inactive and active employees were covered by the benefit terms under the OPEB Plan:

Inactive employees receiving benefits	14
Inactive employees entitled to but not receiving benefits	0
Participating active employees	8
Total	22

Contributions

The District provides benefits on a pay-as-you-go basis. The District's policy is to prefund their benefits from time to time at the sole discretion of the Board by accumulating assets in the CERBT. The District's employees are not required to contribute to the plan.

Net OPEB Liability

The District's net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined using the Alternative Measurement Method with a valuation date of July 1, 2019 (June 30, 2019). Standard actuarial update procedures were used to project/discount from valuation to measurement dates.

Actuarial Assumptions

The total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Assumptions:	
Salary increases	3.00%
Inflation rate	3.00%
Investment rate of return	6.00%, net of OPEB plan investment expense
Health care cost trend rates	5.90% for 2020; 5.80% for 2021; decreasing 0.10 percent each year to an ultimate rate of 5.00 percent for 2029 and later years

Pre-retirement mortality rates were based on the PR-2014 Employee Mortality Table for Males or Females, as appropriate, without projection. Post-retirement mortality rates were based on the RP-2014 Health Annuitant Mortality Table for Males or Females, as appropriate, without projection.

Actuarial assumptions used in the July 1, 2019 valuation were based on a review of plan experience during the period July 1, 2017 to June 30, 2019.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. The calculated investment rate of return was set equal to the expected ten-year compound (geometric) real return plus inflation (rounded to the nearest 25 basis points, where appropriate). The table below provides the long-term expected real rates of return by asset class (based on published capital market assumptions).

Changes in Assumptions:

In measurement period June 30, 2020, there were no changes in assumptions or in the discount rate.

The CERBT offers three diversified allocation strategies. The District has elected to participate in CERBT's Strategy 3 which has the lowest long-term expected rate of return and return volatility. The following table shows the target asset allocation for employers participating in CERBT Strategy 3:

Asset Class	Assumed Asset Allocation	Real Rate of Return
Global ex-U.S. Equity	22%	5.5%
U.S Fixed	49%	1.5%
TIPS	16%	1.2%
Real Estate	8%	3.7%
Commodities	5%	0.6%
Total	100%	

For the June 30, 2020 measurement date, the annual money-weighted rate of return on investments, net of investment expense, was 6.32 percent. The money-weighted rate of return expenses investment performance, net of investment expense, adjusted for the changing amounts invested.

Discount Rate

Accounting standards for OPEB require a discount rate that reflects the following:

a) The long-term expected rate of return on OPEB plan investments – to the extent that the OPEB plan's fiduciary net position (if any) is projected to be enough to make projected benefit payments and assets are expected to be invested using a strategy to achieve that return;

b) A yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher – to the extent that the conditions in (a) are not met.

To determine a resulting single (blended) rate, the amount of the plan's projected fiduciary net position (if any) and the amount of projected benefit payments is compared in each period of projected benefit payments. The discount rate used to measure the District's total OPEB liability at June 30, 2021 is based on these requirements and the following information:

Measurement Date	Long-Term Expected Return on Plan Investments (if any)	Municipal Bond 20-Year High Grade Rate Index	Discount Rate
June 30, 2020	6.00%	2.45%	6.00%

Changes in the Net OPEB Liability

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

	Increase (Decrease)		
	Total OPEB Liability (TOL) (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
Balance at June 30, 2020 (Measurement date June 30, 2019)	$ 1,487,689	$ 1,069,357	$ 418,332
Changes recognized for the measurement period:			
Service cost	31,442		31,442
Interest on TOL	88,057		88,057
Difference between expected and actual experience			
Changes in assumptions			
Contributions—employer		104,561	(104,561)
Actual investment income		67,685	(67,685)
Benefit payments	(104,561)	(104,561)	
Administrative expense		(531)	531
Net changes	14,938	67,154	(52,216)
Balance at June 30, 2021 (Measurement date June 30, 2020)	$ 1,502,627	$ 1,136,511	$ 366,116

Sensitivity of the District's Net OPEB Liability to Changes in the Discount Rate

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

	Discount Rate – 1% (5.00%)	Current Discount Rate (6.00%)	Discount Rate +1% (7.00%)
Net OPEB liability	$ 543,545	$ 366,116	$ 218,212

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

The following presents the net OPEB liability of the District, as well as what the net OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1 percentage-point lower or 1 percentage-point higher than the current rate:

	Health Care Trend Rate – 1% (4.00%)	Health Care Trend Rate (5.00%)	Health Care Trend Rate +1% (6.00%)
Net OPEB liability	$ 195,974	$ 366,116	$ 574,268

OPEB plan fiduciary net position

Detailed information about the Plan's fiduciary net position is available on CalPER's website in an annual report titled "California Employers' Retiree Benefit Trust, Agent Multiple-Employer Other Postemployment Benefits Plan, Schedule of Changes in Fiduciary Net Position by Employer". Additionally, CalPERS annually issues a Comprehensive Annual Financial Report which includes the CERBT fund's financial .

Recognition of Deferred Outflows and Deferred Inflows of Resources

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time.

Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense.

The recognition period differs depending on the source of the gain or loss:

Net differences between projected and actual earnings on OPEB Trust investments	5 years
All other amounts	3.9 years, Expected average remaining service lives (EARSL) of plan participants

OPEB Expense and Deferred Outflows/Inflows Related to OPEB

For the year ended June 30, 2021, the District recognized OPEB expense of ($307,683). At June 30, 2021, 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
OPEB contributions subsequent to measurement date	$ 93,124	
Change in assumptions		$ (45,302)
Differences between expected and actual experience		(729,052)
Net difference between projected and actual return on investments	3,948	
Total	$ 97,072	$ (774,354)

The $93,124 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2020 measurement date will be recognized as a reduction of the net OPEB liability during the fiscal year ending June 30, 2022. Other amounts reported as deferred outflows/inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	
2022	$ (364,286)
2023	(367,247)
2024	(38,277)
2025	(596)

7. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the District carries insurance. The District is a member of the Special District Risk Management Authority (SDRMA), an intergovernmental risk sharing joint powers authority, created pursuant to California Government Code Sections 6500 et. seq., effective July 1, 2006. During its membership, the general and auto liability, employee dishonesty coverage, property loss, boiler and machinery, public officials' personal liability, workers' compensation coverage and employer's liability policies were in effect, with excess coverage for general and auto liability, and errors and changes of $10 million. Following is SDRMA's summary financial information as of June 30, 2020:

Total Assets	$ 130,676,871		
Total Deferred Outflows of Resources	595,599	Total Operating Revenues	$ 76,284,929
Total Liabilities	(70,083,643)	Total Operating Expenses	(77,599,711)
Total Deferred Inflows of Resources	(246,193)	Total Nonoperating income	5,892,853
Total Net Position	$ 60,942,634	Change in Net Position	$ 4,578,071

REQUIRED SUPPLEMENTARY INFORMATION

GROVELAND COMMUNITY SERVICES DISTRICT

BUDGETARY COMPARISON SCHEDULE
FIRE PROTECTION FUND
YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Property taxes	$ 1,108,503	$ 1,108,503	$ 1,163,960	$ 55,457
Interest earnings	10,000	10,000	4,518	(5,482)
Grant revenue	166,300	164,650	140,112	(24,538)
State revenue	20,500	79,605	136,239	56,634
Other revenue		1,600	3,300	1,700
Total revenues	1,305,303	1,364,358	1,448,129	83,771
EXPENDITURES:				
Public safety	1,875,847	1,668,885	1,316,278	352,607
Capital outlay	21,125	81,358	78,089	3,269
Total expenditures	1,896,972	1,750,243	1,394,367	355,876
Net change in fund balance	(591,669)	(385,885)	53,762	439,647
Fund balances - beginning	897,485	897,485	897,485	
Fund balances - ending	$ 305,816	$ 511,600	$ 951,247	$ 439,647

GROVELAND COMMUNITY SERVICES DISTRICT

BUDGETARY COMPARISON SCHEDULE
PARKS AND RECREATION FUND
YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES:				
Property taxes	$ 96,390	$ 96,390	$ 101,214	$ 4,824
Interest earnings	4,000	4,000	1,591	(2,409)
Charges for services	2,000	2,000	2,778	778
Other revenue	42,000	42,000	89,000	47,000
Total revenues	144,390	144,390	194,583	50,193
EXPENDITURES:				
Parks and recreation	112,283	131,520	96,773	34,747
Capital outlay	13,895	13,942	2,233	11,709
Total expenditures	126,178	145,462	99,006	46,456
Net change in fund balance	18,212	(1,072)	95,577	96,649
Fund balances - beginning	114,362	114,362	114,362	
Fund balances - ending	$ 132,574	$ 113,290	$ 209,939	$ 96,649

GROVELAND COMMUNITY SERVICES DISTRICT

SCHEDULE OF CHANGES IN THE DISTRICT'S NET OPEB LIABILITY AND RELATED RATIOS FOR THE MEASUREMENT PERIOD ENDED JUNE 30, LAST 10 YEARS*

	2020	2019	2018	2017
TOTAL OPEB LIABILITY				
Service cost	$ 31,442	$ 32,296	$ 122,616	$ 119,046
Interest	88,057	173,050	160,907	151,247
Differences between expected and actual experience		(1,423,388)		
Changes of assumptions		(88,448)		
Benefit payments	(104,561)	(113,741)	(113,141)	(105,560)
NET CHANGE IN TOTAL OPEB LIABILITY	14,938	(1,420,231)	170,382	164,733
TOTAL OPEB LIABILITY, Beginning	1,487,689	2,907,920	2,737,538	2,572,805
TOTAL OPEB LIABILITY, Ending (a)	1,502,627	1,487,689	2,907,920	2,737,538
PLAN FIDUCIARY NET POSITION				
Contributions—employer	104,561	298,741	295,909	286,010
Net investment income	67,685	59,152	28,892	15,864
Benefit payments	(104,561)	(113,741)	(113,141)	(105,560)
Trustee fees			(814)	
Administrative expense	(531)	(179)	(319)	(218)
NET CHANGE IN PLAN FIDUCIARY NET POSITION	67,154	243,973	210,527	196,096
PLAN FIDUCIARY NET POSITION, Beginning	1,069,357	825,384	614,857	418,761
PLAN FIDUCIARY NET POSITION, Ending (b)	1,136,511	1,069,357	825,384	614,857
DISTRICT'S NET OPEB LIABILITY, Ending (a) - (b)	$ 366,116	$ 418,332	$ 2,082,536	$ 2,122,681
Plan fiduciary net position as a percentage of the total OPEB liability	75.63%	71.88%	28.38%	22.46%
Covered-employee payroll	$ 473,494	$ 469,796	$ 595,041	$ 677,904
District's net OPEB liability as a percentage of covered-employee payroll	77.32%	89.05%	349.98%	313.12%

Notes to Schedule:

There were no changes to benefit terms or assumptions during the measurement period ending June 30, 2020, 2018 or 2017. For the measurement date ended June 30, 2019, the healthcare cost trend rate changed from 5% for 2018 and later years to 6.00% for 2019 decreasing 0.10 percent each year to an ultimate rate of 5.00 percent for 2029 and later years.

* Fiscal year 2018 was the 1st year of implementation, therefore only four years are presented.

GROVELAND COMMUNITY SERVICES DISTRICT

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY AS OF JUNE 30, LAST 10 YEARS*

	Measurement Date						
	2020	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
District's proportion of the net pension liability	0.065284%	0.064348%	0.063390%	0.061405%	0.061035%	0.059813%	0.048550%
District's proportionate share of the net pension liability	$ 2,753,741	$ 2,576,825	$ 2,388,940	$ 2,420,627	$ 2,120,274	$ 1,640,950	$ 1,199,800
District's covered-employee payroll	$ 1,097,703	$ 758,439	$ 819,134	$ 832,387	$ 704,247	$ 909,010	$ 898,662
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	250.86%	339.75%	291.64%	290.81%	301.07%	180.52%	133.51%
Plan fiduciary net position as a percentage of the total pension liability	75.10%	75.26%	75.26%	73.31%	74.06%	78.40%	81.15%

Notes to Schedule:

Change of benefit terms – There have been no changes to the benefit terms.

Changes in assumptions – GASB 68 states that the long-term expected rate of return should be determined net pension plan investment expenses, but without reduction for pension plan administrative expense. The discount rate changed from 7.50% (net of administrative expenses in 2014) to 7.65% as of the June 30, 2015 measurement date to correct the adjustment, which previously reduced the discount rate for administrative expenses. For the measurement period ended June 30, 2020, 2019, 2018, 2016 and 2014, there were no changes in assumptions. As of June 2017 measurement date the financial reporting discount rate for the PERF C was lowered from 7.65% to 7.15%.

* Fiscal year 2015 was the 1st year of implementation, therefore only seven years are shown.

GROVELAND COMMUNITY SERVICES DISTRICT

SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
AS OF JUNE 30,
LAST 10 YEARS*

	Fiscal Year						
	2021	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
Contractually required contribution (actuarially determined)	$ 355,314	$ 296,831	$ 231,810	$ 199,766	$ 184,529	$ 157,772	$ 96,691
Contributions in relation to the contractually required contributions	(355,314)	(296,831)	(231,810)	(199,766)	(184,529)	(157,772)	(96,691)
Contribution deficiency (excess)	$	$	$	$	$	$	$
District's covered-employee payroll	$ 1,272,283	$ 1,097,703	$ 758,439	$ 819,134	$ 832,387	$ 704,247	$ 909,010
Contributions as a percentage of covered-employee payroll	27.93%	27.04%	30.56%	24.39%	22.17%	22.40%	10.64%

* Fiscal year 2015 was the 1st year of implementation, therefore only seven years are shown.