



**Budget and Administration Committee**  
**Tuesday, January 9, 2018**  
**5:30 p.m.**  
**2502 Country Club Drive, Cameron Park**  
**Agenda**

Members: Chair Director Greg Stanton (GS), Vice Chair Director Monique Scobey (MS)  
and Alternate Director Holly Morrison (HM)  
Staff: General Manager Jill Ritzman

**CALL TO ORDER**

**ROLL CALL**

**ADOPTION OF AGENDA**

**APPROVAL OF CONFORMED AGENDA**

**OPEN FORUM**

*At this time, members of the Committee or public may speak on any item not on the agenda that falls within the jurisdiction of this Committee; however, no action may be taken unless the Committee agrees to include the matter on a subsequent agenda.*

*Principal party on each side of an issue (where applicable) is allocated 10 minutes to speak, individual comments are limited to four minutes and individuals representing a group allocated five minutes. Individuals shall be allowed to speak to an item only once. The Committee reserves the right to waive said rules by a majority vote.*

**DEPARTMENT MATTERS**

***PUBLIC COMMENT***

*Public testimony will be received on each agenda item as it is called. Principal party on each side of an issue (where applicable) is allocated 10 minutes to speak, individual comments are limited to four minutes and individuals representing a group allocated five minutes. Individuals shall be allowed to speak to an item only once. The Committee reserves the right to waive said rules by a majority vote.*

- 1. Fiscal Year 2015/16 Audit** - Presentation Michael O'Connor, CPA, RIA, Director, RJ Riccairdi Certified Public Accountants; Brad Rockabrand, Manager and Kristen West, Consultant, Vavrinek, Trine, Day & Co. (Written reports will be distributed at meeting)
- 2. District Finance Report and Budget to Actuals, Fiscal Year 2017/18, 1<sup>st</sup> Quarter**
- 3. Lease Payment for Fire Engine**
- 4. District Organizational Chart**

5. **Server Upgrades** (oral update)
6. **Agreement with SCI Consulting Firm**
7. **Items for February Committee Agenda**
8. **Items to take to the Board of Directors**

**MATTERS TO AND FROM COMMITTEE MEMBERS**

**ADJOURNMENT**



**Budget and Administration Committee**  
**Tuesday, December 12, 2017**  
**5:30 p.m.**  
**2502 Country Club Drive, Cameron Park**  
**DRAFT Conformed Agenda**

Members: Chair Director Greg Stanton (GS), Vice Chair Director Monique Scobey (MS)  
and Alternate Director Holly Morrison (HM)  
Staff: General Manager Jill Ritzman

**CALL TO ORDER** – 5:30 p.m.

**ROLL CALL** – GS, MS

**ADOPTION OF AGENDA** - Adopted

**APPROVAL OF CONFORMED AGENDA** - Approved

**OPEN FORUM**

*At this time, members of the Committee or public may speak on any item not on the agenda that falls within the jurisdiction of this Committee; however, no action may be taken unless the Committee agrees to include the matter on a subsequent agenda.*

*Principal party on each side of an issue (where applicable) is allocated 10 minutes to speak, individual comments are limited to four minutes and individuals representing a group allocated five minutes. Individuals shall be allowed to speak to an item only once. The Committee reserves the right to waive said rules by a majority vote.*

**DEPARTMENT MATTERS**

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*Public testimony will be received on each agenda item as it is called. Principal party on each side of an issue (where applicable) is allocated 10 minutes to speak, individual comments are limited to four minutes and individuals representing a group allocated five minutes. Individuals shall be allowed to speak to an item only once. The Committee reserves the right to waive said rules by a majority vote.*

- 1. Resolution No. 2017-19 Authorizing Proposal Submission for the AB 2766 Vehicle Emissions Reductions Grant - Action**
- 2. Adding Members of the Public to Committees - Discuss**
- 3. Server Upgrades; separating public WiFi from business internet - Presentation**
- 4. Making Board Meeting Agendas More Clear – Discuss**

**5. Status of Audits - Budgets to the Actuals, Financial Reports and Mid-Year Budget - Information**

**6. Items for January Committee Agenda**

- *Staff Organizational Chart*
- *Audit*
- *Server Upgrades*

**7. Items to take to the Board of Directors**

- *Fire Mitigation Fee Agreement*
- *Board of Directors' Meeting Agenda Template*
- *AB 2766 Vehicle Emissions Reduction Grant*

**MATTERS TO AND FROM COMMITTEE MEMBERS**

**ADJOURNMENT** – 6:38 p.m.

## Agenda Transmittal

**DATE:** January 9, 2018

**FROM:** Jill Ritzman, General Manager

**AGENDA ITEM #2:** **DISTRICT FINANCE REPORT AND BUDGET TO ACTUALS, FISCAL YEAR 2017/18, 1<sup>ST</sup> QUARTER**

**RECOMMENDED ACTION:** Receive and Forward to the Board of Directors the District Financial Report

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**BUDGET ACCOUNT:** NOT APPLICABLE

**BUDGET IMPACT:**

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**Recommendation:**

Receive and Forward to the Board of Directors the District Financial Report.

**Discussion:**

Attached to this report is the District's 1<sup>st</sup> Quarter Budget to Actuals Report, which was distributed to staff shortly before the holidays. This report was developed in Excel by the Vavrinek, Trine, Day & Co. (VTD) staff. While Fin Trac (District's financial software) is used daily for tracking accounts payable, there was not enough support from Fin Trac to successfully upload the budget in a timely manner. VTD staff spent many, many hours uploading the budget and trying to resolve problems in producing a financial report in Fin Trac. In the end, a financial report had to be produced in Excel. The 2<sup>nd</sup> Quarter Report will be prepared shortly.

The 1<sup>st</sup> Quarter Budget to Actuals Report represents a progress report as the District moves forward in achieving accurate and transparent financial reports. The attached report is by no means a complete picture of the District's finances. Staff is actively reviewing alternatives and seeking solutions for its aged and under-performing financial software. In addition, District staff has sought financial information from the District's Bank, Umpqua Bank and the County Auditor's office.

**Conclusion:**

Providing a complete District financial report is a high priority for the District and VTD staff, and work is diligently progressing. The goal is to produce financial reports that are accurate, complete and transparent. Additional progress reports will be provided to the Board in the coming months. A clearer understanding will be achieved as staff moves forward with development of the Fiscal Year 2018/19 budget.

**Attachments:**

- Attachment A - 1<sup>st</sup> Quarter Report General Fund Budget
- Attachment B - 1<sup>st</sup> Quarter Report CCR
- Attachment C - 1<sup>st</sup> Quarter Report LLAD



CAMERON PARK COMMUNITY SERVICES DISTRICT

Budget to Actual Analysis

General Fund

Quarter End September 30, 2017

ACCOUNT	ACCOUNT DESC.	BUDGET	ACTUAL	VARIANCE	PCT
4110	Property Tax	\$ 3,879,151	\$ -	\$ (3,879,151)	-100%
4113	Franchise Fees	161,000	34,077	(126,923)	-79%
4133	Plan Review Fund 9	12,000	-	(12,000)	-100%
4145	Community Center You	-	6,729	\$ 6,729	100%
4146	Community Center Adu	-	6,944	6,944	100%
4147	Youth Sports	-	19,471	19,471	100%
4148	CC Adult Sports	-	1,162	1,162	100%
4149	Camp Revenues	-	2,119	2,119	100%
4153	Senior Programs	-	1,758	1,758	100%
4154	Recreation Program Revenue	327,139	-	(327,139)	-100%
4170	Special Events	35,030	8,379	(26,651)	-76%
4180	CP Lake Day - Kiosk	-	21,744	21,744	100%
4181	CP Lake Season Pass	-	264	264	100%
4182	CP Lake Reservations	-	4,775	4,775	100%
4183	Summer Kids Camp	-	11,738	11,738	100%
4184	CP Lake Concessions	-	4,207	4,207	100%
4185	Community Ctr Rental	-	18,696	18,696	100%
4186	CC Gym Rental	-	6,233	6,233	100%
4187	Community Center Poo	-	33,402	33,402	100%
4190	Facility Use Revenue	250,000	11,135	(238,865)	-96%
4209	Brochure Ads	-	375	375	100%
4220	Summer Spectacular	-	463	463	100%
4255	Sponsorships	21,000	2,000	(19,000)	-90%
4260	JPA Reimbursable	1,039,000	59,328	(979,672)	-94%
4262	Fire Apparatus Equipment Reimb	75,000	-	(75,000)	-100%
4400	Reimbursement	-	45	45	100%
4505	Interest	7,000	226	(6,774)	-97%
4600	Other Income/Donations	7,000	10,802	3,802	54%
<i>Total Revenues</i>		<u>\$ 5,813,320</u>	<u>\$ 266,070</u>	<u>\$ (5,547,250)</u>	<u>-95%</u>
5000	Salaries - Permanent	\$ 447,729	\$ 70,429	\$ (377,300)	-84%
5010	Salaries - Seasonal	165,000	72,536	(92,464)	-56%
5135	Health - Retired	106,121	28,812	(77,309)	-73%
5130	Health & Dental	65,575	18,622	(46,953)	-72%
5140	Vision Insurance	2,786	289	(2,497)	-90%
5150	Retiree Benefits	119,263	36,596	(82,667)	-69%
5160	Worker's Comp	13,531	5,929	(7,602)	-56%
5180	FICA/Medicare Employ	16,815	5,816	(10,999)	-65%
5190	UI/TT Contribution	9,250	4,550	(4,700)	-51%
<i>Total salaries and benefits</i>		<u>946,070</u>	<u>243,578</u>	<u>(702,492)</u>	<u>-74%</u>
5209	Agency Admin	\$ 42,900	\$ 12,851	\$ (30,049)	-70%
5210	Agency Administration Fee	76,400	(75)	(76,475)	-100%
5215	Agriculture	6,500	-	(6,500)	-100%
5220	Audit/Accounting	25,000	-	(25,000)	-100%
5221	Bank Charge	12,700	12,667	(33)	0%
5230	Clothing/Uniforms	4,850	1,979	(2,871)	-59%

Q1 1718 Budget to Actual

5231	Computer Software	14,900	1,285	(13,615)	-91%
5240	Cotractual Services -other	2,900	6,660	3,760	130%
5235	Contractual Services	294,230	113,776	(180,454)	-61%
5236	Contractual Services - Provider	3,624,070	99,837	(3,524,233)	-97%
5250	Director Comp	14,000	2,400	(11,600)	-83%
5260	EDC Dept Agency	5,400	-	(5,400)	-100%
5265	Educational Material	1,000	-	(1,000)	-100%
5275	Equipment-Minor/Smal	18,600	937	(17,663)	-95%
5282	Deposit Fund	-	-	-	100%
5285	Fire & Safety Supplies	3,800	654	(3,146)	-83%
5295	Fire Turnouts	21,000	1,353	(19,647)	-94%
5296	Fire-Volunteer/Resident	29,200	22,486	(6,714)	-23%
5300	Food	5,500	1,937	(3,563)	-65%
5305	Fuel	73,000	13,063	(59,937)	-82%
5310	Governmental Fees/Permits	16,650	943	(15,707)	-94%
5315	Household Supplies	24,550	4,863	(19,687)	-80%
5316	Instructors	84,000	24,811	(59,189)	-70%
5317	Interest	-	22	22	100%
5320	Insurance	54,000	493	(53,507)	-99%
5335	Legal Services	36,000	3,258	(32,742)	-91%
5345	Maintenance - Buildings	34,000	5,824	(28,176)	-83%
5350	Maintenance - Equipment	59,400	5,207	(54,193)	-91%
5355	Maintenance - Grounds	66,000	27,075	(38,925)	-59%
5360	Maintenance - Radios & Phones	2,000	330	(1,670)	-84%
5365	Maintenance - Tires & Tubes	12,000	3,651	(8,349)	-70%
5370	Maintenance - Vehicles	30,500	5,887	(24,613)	-81%
5375	Medical Supplies	200	516	316	158%
5380	Memberships/Subscrip	10,575	945	(9,630)	-91%
5385	Mileage Reimburse	2,900	55	(2,845)	-98%
5400	Office Supplies	13,100	5,357	(7,743)	-59%
5405	Pool Chemicals	53,000	28,138	(24,862)	-47%
5410	Postage	2,250	561	(1,689)	-75%
5415	Printing	1,475	74	(1,401)	-95%
5420	Professional Service	94,500	70,939	(23,561)	-25%
5421	Program Supplies	20,750	4,903	(15,847)	-76%
5425	Public & Legal Not	1,300	14	(1,287)	-99%
5430	Radios	500	35	(465)	-93%
5431	Refund-Activity	-	320	320	100%
5435	Rent/Lease - Bldgs	12,300	1,002	(11,298)	-92%
5440	Rent/Lease - Equip	2,350	162	(2,188)	-93%
5455	Staff Development	7,500	250	(7,250)	-97%
5470	Telephone	25,000	8,361	(16,639)	-67%
5480	Travel/Lodging	1,700	200	(1,500)	-88%
5490	Utilities - Water	55,300	13,626	(41,674)	-75%
5492	Utilities - Elec/Gas	123,500	56,523	(66,977)	-54%
5500	Vandalism	5,000	-	(5,000)	-100%
5466	Summer Spectacular	52,000	7,794	(44,206)	-85%
5465	Special Events Expense	17,500	3,293	(14,207)	-81%
5501	Cal Fire in Kind Barter	12,000	2,691	(9,309)	-78%
5625	Capital Equipment Ex	-	8,074	8,074	100%
	<i>Total services and supplies</i>	<u>5,209,750</u>	<u>588,006</u>	<u>(4,621,744)</u>	<u>-89%</u>
	<i>Total Expenditures</i>	<u>\$ 6,155,820</u>	<u>\$ 831,584</u>	<u>\$ (5,324,236)</u>	<u>-86%</u>



# Attachment B

## CAMERON PARK COMMUNITY SERVICES DISTRICT

### Budget to Actual Analysis

Fund 02 - CC&R

Quarter End September 30, 2017

ACCOUNT	ACCOUNT DESC.	BUDGET	ACTUAL	VARIANCE	PCT
<i>Revenues</i>					
4135	Special Assessment	\$ 68,000	\$ -	\$ (68,000)	-100%
4140	Arc Review Fees	11,475	5,010	(6,465)	-56%
4165	Transfer In	22,519	-	(22,519)	-100%
	<i>Total Revenues</i>	<u>\$ 101,994</u>	<u>\$ 5,010</u>	<u>\$ (96,984)</u>	<u>-95%</u>
<i>Expenditures</i>					
5000	Salaries - Permanent	\$ 54,000	\$ 14,044	\$ (39,956)	-74%
5150	Retirement Benefits	6,200	1,619	(4,581)	-74%
5160	Worker's Comp	525	312	(213)	-41%
5180	FICA/Medicare Employ	775	205	(570)	-73%
5190	UI/TT Contribtuion	434	-	(434)	-100%
	<i>Total salaries and benefiits</i>	<u>61,934</u>	<u>16,180</u>	<u>(45,754)</u>	<u>-74%</u>
5209	Advestising/Marketing	425	4	(421)	-99%
5210	Agency Admin	2,000	-	(2,000)	-100%
5221	Bank Charge	200	335	135	68%
5231	Computer Software	2,400	495	(1,905)	-79%
5235	Contractual Services - other	100	-	(100)	-100%
5240	Contractual Services	100	314	214	214%
5260	EDC Department Agency	1,500	-	(1,500)	-100%
5275	Equipment-Small Tool	100	-	(100)	-100%
5300	Food	50	53	3	6%
5305	Fuel	950	-	(950)	-100%
5320	Insurance	1,900	-	(1,900)	-100%
5335	Legal Services	25,000	334	(24,666)	-99%
5350	Maint. - Equipment	525	59	(466)	-89%
5370	Maint. - Vehicle Supplies	800	557	(243)	-30%
5380	Memberships/Subscrip		30	30	100%
5400	Office Supplies	1,000	1,380	380	38%
5410	Postage	350	142	(208)	-60%
5415	Printing	60	-	(60)	-100%
5420	Professional Service	600	1,190	590	98%
5470	Telephone	2,000	738	(1,262)	-63%
5492	Utilities - Elec/Gas		2,345	2,345	100%
	<i>Total services and supplies</i>	<u>40,060</u>	<u>7,976</u>	<u>(32,084)</u>	<u>-80%</u>
	<i>Total Expenditures</i>	<u>\$ 101,994</u>	<u>\$ 24,156</u>	<u>\$ (77,838)</u>	<u>-76%</u>

# Attachment C

## CAMERON PARK COMMUNITY SERVICES DISTRICT

### Budget to Actual Analysis

Fund 30 - LLADs

Quarter End September 30, 2017

ACCOUNT	ACCOUNT DESCRIPTION	BUDGET	ACTUAL	VARIANCE	PCT
<i>Revenues</i>					
4135	Special Assessments	\$269,323		(\$269,323)	-100%
	<i>Total Revenues</i>	\$269,323		(\$269,323)	-100%
<i>Expenditures</i>					
5190	Salaries - Permanent	\$30,000		(\$30,000)	-100%
5336	Salary/Benefits		\$13,691	\$13,691	-100%
	<i>Total salaries and benefits</i>	\$30,000	\$13,691	(\$16,309)	-54%
5210	Agency Admin Fee	\$10,000	\$17,106	\$7,106	71%
5215	Agriculture	\$500		(\$500)	-100%
5230	Clothing/Uniform		\$622	\$622	100%
5235	Contractual Services - Temp	\$45,000	\$9,390	(\$35,610)	-79%
5240	Contractual Services - Other	\$1,000		(\$1,000)	-100%
5335	Legal Services	\$5,000		(\$5,000)	-100%
5350	Maintenance - Equipment	\$5,000		(\$5,000)	-100%
5355	Maintenance - Grounds	\$59,723	\$23,893	(\$35,830)	-60%
5370	Maintenance - Vehicles	\$600		(\$600)	-100%
5490	Utilities - Water	\$12,500	\$4,364	(\$8,136)	-65%
5492	Utilities - Electric	\$100,000	\$24,424	(\$75,576)	-76%
	<i>Total services and supplies</i>	\$269,323	\$79,799	(\$159,524)	-67%
	<i>Total Expenditures</i>	\$269,323	\$93,490	(\$175,833)	-65%

**DRAFT**

**10/2/2017**

To be used only for management discussion purposes; engagement is incomplete; this draft is subject to final review and possible revision. \*\*Report/Letter date is TENTATIVE-TBD\*\*

**CAMERON PARK COMMUNITY SERVICES DISTRICT  
BOARD OF DIRECTORS & MANAGEMENT REPORT**

**For the Year Ended  
JUNE 30, 2016**

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DRAFT

Board of Directors  
Cameron Park Community Services District  
Cameron Park, California

In planning and performing our audit of the basic financial statements of Cameron Park Community Services District for the fiscal year ended June 30, 2016, in accordance with auditing standards generally accepted in the United States of America, we considered its internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the basic financial statements but not for the purpose of expressing an opinion on the effectiveness of its internal control. Accordingly, we do not express an opinion on the effectiveness of Cameron Park Community Services District's internal control.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or a combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

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

During our audit, we noted certain matters involving internal controls and other operational matters that are presented for your consideration in this report. We will review the status of these comments during our next audit engagement. Our comments and recommendations, all of which have been discussed with appropriate members of management, are not intended to be all-inclusive, but rather represent those matters that we considered worthy of your consideration. Our comments and recommendations are submitted as constructive suggestions to assist you in strengthening controls and procedures; they are not intended to reflect on the honesty or integrity of any employee. We will be pleased to discuss these comments in further detail at your convenience, to perform any additional study of these matters, or to assist Cameron Park Community Services District in implementing the recommendations.

This report is intended solely for the information and use of management of Cameron Park Community Services District and others within the organization, and is not intended to be, and should not be, used by anyone other than these specified parties.

We thank Cameron Park Community Services District's staff for its cooperation during our audit.

R.J. Ricciardi, Inc.  
Certified Public Accountants

San Rafael, California

Cameron Park Community Services District  
MANAGEMENT REPORT  
For the Year Ended June 30, 2016

We have audited the basic financial statements of Cameron Park Community Services District (The District) for the year ended June 30, 2016. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated June 29, 2016, our responsibility, as described by professional standards, is to plan and perform our audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement and are fairly presented in accordance with U.S. generally accepted accounting principles. Because an audit is designed to provide reasonable, but not absolute assurance and because we did not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us.

As part of our audit, we considered the internal control of the District. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

**Qualitative Aspects of Accounting Practices**

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the District are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. We evaluated the key factors and assumptions used to develop the accounting estimates in determining that it is reasonable in relation to the financial statements taken as a whole. The most sensitive estimate(s) affecting the financial statements were:

- Accrual and disclosure of compensated absences
- Capital asset lives and depreciation expense
- Pension plan and post-employment benefit actuarial assumptions
- Fair value of investments and financial instruments.

**Difficulties Encountered in Performing the Audit**

We encountered no significant difficulties in dealing with management in performing and completing our audit.

**Audit Adjustments**

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. For purposes of this letter, professional standards define an audit adjustment as a proposed correction of the financial statements that, in our judgment, may not have been detected except through our auditing procedures. An audit adjustment may or may not indicate matters that could have a significant effect on the District's financial reporting process (that is, cause future financial statements to be materially misstated).

Cameron Park Community Services District  
MANAGEMENT REPORT  
For the Year Ended June 30, 2016

The following audit adjustments, in our judgment, indicate matters that could have a significant effect on the District's financial reporting process:

The recording of depreciation expense and capital asset transactions was performed by RJ Ricciardi, Inc. Changes in long term debt, compensated absences, pension liabilities and other post-employment benefits were recorded by RJ Ricciardi, Inc. This resulted in approximately 10 audit entries.

**Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

**Management Representations**

We have requested certain representations from management that are included in the management representation letter dated XXXXX.

**Management Consultations with Other Independent Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

**Other Audit Findings or Issues**

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

**Other Matters**

We applied certain limited procedures to the Management's Discussion and Analysis which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

This report is intended solely for the information and use of management and the Board of Directors of the District and others within the organization, and is not intended to be, and should not be, used by anyone other than these specified parties.

Cameron Park Community Services District  
MANAGEMENT REPORT  
For the Year Ended June 30, 2016

**Current Year Observation**

1) Security Cameras

Observation:

During the course of our audit we noted the District's cash receipt counters are not monitored by security cameras. Most of our audit clients have installed security cameras above their cash receipt counter areas as these units now appear to be more affordable.

Recommendation:

We recommend the District consider installing security cameras to monitor their cash receipt counters.

2) Supporting Documentation for Debt Payments

Observation:

During the course of our audit we noted the District's debt payments are not supported by an invoice or copy of the related payment schedule that has been approved by the General Manager.

Recommendation:

We recommend the District ensure all debt payments are supported by approved invoices or payment schedules.

3) ACH Payments for Payroll and Employee Benefits

Observation:

During the course of our audit we noted the District's ACH payments reported in their monthly bank statements were not consistently supported by supporting documents and calculations.

Recommendation:

We recommend the District ensure all ACH payments are supported by approved invoices or payroll and benefit calculations.

**Prior Year Observations**

1) Bank Statements and Non-Recurring Journal Entries

Observation:

During the course of our audit we noted that in the review of the monthly bank and County of El Dorado statements, the related reconciliations and non-recurring journal entries were not documented. The review and approval of bank and County statements should be documented.



Cameron Park Community Services District  
MANAGEMENT REPORT  
For the Year Ended June 30, 2016

Recommendation:

We recommended the General Manager review the monthly bank and County statements, related reconciliations and non-recurring journal entries and document their review by initialing the journal entries, bank reconciliation and related statements.

Status:

This recommendation has been implemented for bank statements, but not for non-recurring journal entries.

DRAFT

**DRAFT**

**10/2/2017**

To be used only for management discussion purposes; engagement is incomplete; this draft is subject to final review and possible revision. \*\*Report/Letter date is TENTATIVE-TBD\*\*

**CAMERON PARK COMMUNITY  
SERVICES DISTRICT**

**CAMERON PARK, CALIFORNIA**

**BASIC FINANCIAL STATEMENTS**

**JUNE 30, 2016**

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Cameron Park Community Services District  
Cameron Park, California

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Cameron Park Community Services District, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise Cameron Park Community Services 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 State Controller's Minimum Audit Requirements for California Special Districts. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our 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, we consider internal control relevant to Cameron Park Community Services District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Cameron Park Community Services District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit 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, each major fund, and the aggregate remaining fund information of Cameron Park Community Services District, as of June 30, 2016, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 3-6) and the required supplementary information (page 30), as listed in the table of contents, 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 Information*

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary data (pages 31-32) is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

R. J. Ricciardi, Inc.  
Certified Public Accountants

San Rafael, California

Cameron Park Community Services District  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
For the Year Ended June 30, 2016

Cameron Park Community Services District's (the "District") Management's Discussion and Analysis (MD&A) is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the District's financial activity, (c) identify changes in the District's financial position (its ability to address the next and subsequent year challenges), and (d) identify individual fund issues or concerns.

Since the MD&A is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the District's basic financial statements.

## **OVERVIEW OF FINANCIAL STATEMENTS**

This annual report consists of three parts: management's discussion and analysis (this section), the basic financial statements and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District.

The first two statements are government-wide financial statements that provide both short-term and long-term information about the District's overall financial status.

The remaining statements are fund financial statements that focus on individual parts of the District, reporting the District's operation in more detail than the government-wide statements.

The fund financial statements are composed of:

- Governmental fund statements which tell how basic services were financed in the short term, as well as what remains for future spending.

### **The Statement of Net Position and the Statement of Activities**

The Statement of Net Position and Statement of Activities report information about the District as a whole and about its activities. These statements include all assets and liabilities of the District using the accrual basis of accounting, which is similar to the accounting used by private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the District's net position as well as changes to that net position. Net position is the difference between assets and liabilities, which is one way to measure the District's financial health, or financial position. Over time, increases or decreases in the District's net position are one indicator of whether its financial health is improving or deteriorating. To assess the overall health of the District, you need to consider additional non-financial factors including the condition of the District's buildings and other facilities.

## **REPORTING THE DISTRICT'S MOST SIGNIFICANT FUNDS**

### **Fund Financial Statement**

The fund financial statements provide more detailed information about the District's most significant funds; not the District as a whole. Funds are accounting devices for District use to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by law and covenants.
- The District establishes other funds to control and manage money for particular purposes or to show that certain revenues have been properly used.

Cameron Park Community Services District  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
For the Year Ended June 30, 2016

**Governmental Funds**

The District's basic services are reported in governmental funds, which generally focus on how money flows into and out of those funds and the balances left at year end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash, and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of fund information, which helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental fund statements that explains the relationship (or differences) between them.

**FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE**

The following table summarizes the District's net position as of June 30, 2016:

Table 1  
Governmental Activities Net Position

	Governmental Activities	
	2016	2015
Current and other assets	\$ 7,913,595	\$ 7,804,565
Capital assets, net of accumulated depreciation	20,859,330	20,750,343
Total assets	<u>28,772,925</u>	<u>28,554,908</u>
Deferred outflows of resources	<u>140,188</u>	<u>109,744</u>
Current liabilities	429,363	638,758
Long-term debt outstanding	<u>8,854,403</u>	<u>8,638,519</u>
Total liabilities	<u>9,283,766</u>	<u>9,277,277</u>
Deferred inflows of resources	<u>474,942</u>	<u>686,215</u>
Net position:		
Invested in capital assets, net of related debt	12,832,687	12,891,885
Unrestricted	<u>5,893,533</u>	<u>5,809,274</u>
Total net position	<u>\$ 18,726,220</u>	<u>\$ 18,701,159</u>

The District's net position was \$18,726,220 for the fiscal year ended June 30, 2016.

The following table summarizes the District's change in net position for the year ended June 30, 2016:

Cameron Park Community Services District  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
For the Year Ended June 30, 2016

Table 2  
Changes in Net Position

	Governmental Activities	
	2016	2015
<b>Revenues</b>		
Program revenues:		
Charges for services	\$ 1,232,446	\$ 907,334
Operating contributions and grants	1,039,004	1,063,792
Subtotal program revenues	<u>2,271,450</u>	<u>1,971,126</u>
General revenues:		
Property taxes	4,617,287	4,635,055
Interest income	16,428	77,702
Total revenues	<u>6,905,165</u>	<u>6,683,883</u>
<b>Program Expenses</b>		
General government	626,213	588,784
Recreation	347,497	607,288
Public safety - fire protection	4,011,185	3,375,160
Parks	706,392	635,952
Maintenance	922,570	796,703
Interest and fees	266,256	340,969
Total expenses	<u>6,880,113</u>	<u>6,344,856</u>
<b>Change in Net Position</b>	<u>\$ 25,052</u>	<u>\$ 339,027</u>

**Government Activities**

For the 2016 fiscal year, the total District revenues were \$6,905,165 and the total District expenses were \$6,880,113. The difference of \$25,052 is the change in net position bringing the total net position to \$18,726,220 on June 30, 2016. The main sources of revenue for the District are charges for services, operating grants and property taxes. The cost of all governmental activities was \$6,880,113 this year. District taxpayers ultimately financed \$4,617,287 for these activities through local taxes and assessments.

**Capital Assets**

At June 30, 2016, the District had \$20,859,330 in a broad range of capital assets, including land, buildings and furniture and equipment.

Table 3  
Capital Assets at Year End

	2016	2015
Land	\$ 8,093,000	\$ 8,093,000
Land and park improvement	317,936	317,936
Building and structure	15,836,176	15,751,758
Furniture and equipment	4,032,916	3,289,435
Accumulated depreciation	(7,420,698)	(6,701,786)
Net capital assets	<u>\$ 20,859,330</u>	<u>\$ 20,750,343</u>



Cameron Park Community Services District  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
For the Year Ended June 30, 2016

**Debt Administration**

The District made all scheduled repayments of existing debt. Each of the District's debt issues is discussed in detail in Note 5 to the basic financial statements. As of June 30, 2016, the District's debt comprised:

Net pension liability	\$ 976,452
General Obligation Bond	224,458
Refunding bonds	7,374,000
Compensated absences	87,024
Other post-employment benefits	349,807
Total	<u>\$ 9,011,741</u>

**Economic Outlook and Major Initiatives**

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

The economic condition of the District as it appears on the balance sheet reflects financial stability and the potential for organizational growth. The District will continue to maintain a watchful eye over expenditures and remain committed to sound fiscal management practices to deliver the highest quality service to the citizens of the area.

**Contacting the District Financial Management**

This financial report is designed to provide citizens, 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 any questions regarding this report or need additional financial information, contact the General Manager, Cameron Park Community Services District, 2502 Country Club Drive, Cameron Park, California, 95682.

## Cameron Park Community Services District

STATEMENT OF NET POSITION

June 30, 2016

ASSETS

Cash and investments	\$ 7,659,901
Accounts receivable	253,694
Non-depreciable capital assets	8,093,000
Depreciable capital assets, net	<u>12,766,330</u>
Total assets	<u>28,772,925</u>

DEFERRED OUTFLOWS OF RESOURCES

Deferred outflows of resources	<u>140,188</u>
--------------------------------	----------------

LIABILITIES

Accounts payable	1,409
Accrued expenses	50,626
Accrued interest	219,990
Long-term liabilities:	
Due within one year:	
General obligation bond	112,338
Refunding bonds	45,000
Fire Truck lease	67,091
Due after one year:	
General obligation bond	112,120
Refunding bonds	7,329,000
Fire Truck lease	361,094
Compensated absences	87,024
Other post employment benefits	349,807
Net pension liability	<u>976,452</u>
Total due after one year	<u>9,215,497</u>
Total liabilities	<u>9,711,951</u>

DEFERRED INFLOWS OF RESOURCES

Deferred inflows of resources	<u>474,942</u>
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NET POSITION

Invested in capital assets, net of related debt	12,832,687
Unrestricted	<u>5,893,533</u>
Total net position	<u>\$ 18,726,220</u>

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

Cameron Park Community Services District

STATEMENT OF ACTIVITIES

For the year ended June 30, 2016

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense)</u>
		<u>Charges for</u>	<u>Operating</u>	<u>Capital</u>	<u>Revenue and</u>
		<u>Services</u>	<u>Grants and</u>	<u>Grants and</u>	<u>Changes in</u>
			<u>Contributions</u>	<u>Contributions</u>	<u>Net Position</u>
					<u>Total</u>
					<u>Governmental</u>
					<u>Activities</u>
Governmental activities:					
General government	\$ 626,213	\$ -	\$ 1,039,004	\$ -	\$ 412,791
Recreation	347,497	752,514	-	-	405,017
Public safety	4,011,185	479,932	-	-	(3,531,253)
Parks	706,392	-	-	-	(706,392)
Facility	922,570	-	-	-	(922,570)
Interest and fees	266,256	-	-	-	(266,256)
Total governmental activities	<u>\$ 6,880,113</u>	<u>\$ 1,232,446</u>	<u>\$ 1,039,004</u>	<u>\$ -</u>	<u>(4,608,663)</u>
General revenues:					
Taxes					4,456,920
Franchise fees					160,367
Other income					-
Use of money and property					<u>16,428</u>
Total general revenues					<u>4,633,715</u>
Change in net position					<u>25,052</u>
Net position beginning of period restated					<u>18,701,168</u>
Net position ending of period					<u>\$ 18,726,220</u>

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

Cameron Park Community Services District  
 GOVERNMENTAL FUNDS  
BALANCE SHEET  
 June 30, 2016

	<u>General</u>	<u>Fire Development</u>	<u>Debt Service</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>ASSETS</u>					
Cash and investments	\$ 3,620,775	\$ 1,275,930	\$ 435,566	\$ 2,327,630	\$ 7,659,901
Accounts receivable	<u>226,512</u>	-	-	<u>27,182</u>	<u>253,694</u>
Total assets	<u>\$ 3,847,287</u>	<u>\$ 1,275,930</u>	<u>\$ 435,566</u>	<u>\$ 2,354,812</u>	<u>\$ 7,913,595</u>
<u>LIABILITIES</u>					
Accounts payable	\$ -	\$ -	\$ -	\$ 1,409	\$ 1,409
Accrued expenses	<u>50,626</u>	-	-	-	<u>50,626</u>
Total liabilities	<u>50,626</u>	-	-	<u>1,409</u>	<u>52,035</u>
<u>FUND BALANCES</u>					
Committed - stabilization reserve	65,000	-	-	-	65,000
Assigned - specific purposes	-	1,275,930	435,566	2,353,403	4,064,899
Unassigned	<u>3,731,661</u>	-	-	-	<u>3,731,661</u>
Total fund balances	<u>3,796,661</u>	<u>1,275,930</u>	<u>435,566</u>	<u>2,353,403</u>	<u>7,861,560</u>
Total liabilities and fund balances	<u>\$ 3,847,287</u>	<u>\$ 1,275,930</u>	<u>\$ 435,566</u>	<u>\$ 2,354,812</u>	<u>\$ 7,913,595</u>

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

Cameron Park Community Services District  
 Reconciliation of the  
GOVERNMENTAL FUNDS - BALANCE SHEET  
 with the Governmental Activities  
STATEMENT OF NET POSITION  
 For the year ended June 30, 2016

TOTAL FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$	7,861,560
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Amounts reported for Governmental Activities in the Statement of Net Position are different from those reported in the Governmental Funds above because of the following:

CAPITAL ASSETS

Capital Assets used in Governmental Activities are not current assets or financial resources and therefore are not reported in the Governmental Funds		20,859,330
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LONG-TERM ASSETS AND LIABILITIES

The assets and liabilities below are not due and payable in the current period and therefore are not reported in the Funds:

Fire truck lease		(428,185)
Accrued interest payable		(219,990)
General obligation bond		(224,458)
Other bonds		(7,374,000)
Other post employment benefits		(349,807)
Non-current portion of compensated absences		(87,024)
Deferred inflows		(474,942)
Deferred outflows		140,188
Net pension liability		<u>(976,452)</u>

NET POSITION OF GOVERNMENTAL ACTIVITIES	\$	<u>18,726,220</u>
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The accompanying notes are an integral part of these financial statements.

Cameron Park Community Services District  
 GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
 For the year ended June 30, 2016

	General	Fire Development	Debt Service	Other Governmental Funds	Total Governmental Funds
Revenues:					
Property taxes	\$ 3,595,879	\$ -	\$ 511,092	\$ 349,980	\$ 4,456,951
Franchise fees	160,367	-	-	-	160,367
Intergovernmental	1,039,004	-	-	-	1,039,004
Charges for services	700,621	10,848	-	469,084	1,180,553
Donations	51,893	-	-	-	51,893
Interest	3,125	5,294	1,350	6,659	16,428
Total revenues	<u>5,550,889</u>	<u>16,142</u>	<u>512,442</u>	<u>825,723</u>	<u>6,905,196</u>
Expenditures:					
General government	472,481	-	-	137,523	610,004
Recreation	348,547	-	-	-	348,547
Public safety	3,420,725	-	-	189,522	3,610,247
Parks	756,877	-	-	-	756,877
Facility	609,388	-	-	340,429	949,817
Debt service:					
Principal	-	-	260,000	30	260,030
Interest	-	-	226,000	-	226,000
Total expenditures	<u>5,608,018</u>	<u>-</u>	<u>486,000.0</u>	<u>667,504</u>	<u>6,761,522</u>
Excess (deficit) of revenues over (under) expenditures	(57,129)	16,142	26,442	158,219	143,674
Fund balances, beginning of period	<u>3,853,790</u>	<u>1,259,788</u>	<u>409,124</u>	<u>2,195,184</u>	<u>7,717,886</u>
Fund balances, end of period	<u>\$ 3,796,661</u>	<u>\$ 1,275,930</u>	<u>\$ 435,566</u>	<u>\$ 2,353,403</u>	<u>\$ 7,861,560</u>

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

Cameron Park Community Services District  
RECONCILIATION OF THE NET CHANGE IN FUND BALANCES -  
TOTAL GOVERNMENTAL FUNDS  
with the  
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES  
For the year ended June 30, 2016

Total net change in fund balances - governmental funds	\$	143,673
 <b>CAPITAL ASSETS TRANSACTIONS</b>		
Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is capitalized and allocated over their estimated useful lives and reported as depreciation expense.		
The capital outlay expenditures are therefore added back to the fund balance		827,899
Depreciation expense is deducted from the fund balance		(718,912)
 <b>LONG-TERM DEBT PROCEEDS AND PAYMENT</b>		
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond principal is an expenditure in the governmental funds, but in the Statement of Net Position the repayment reduces long-term liabilities.		
Repayment of debt principal is added back to the fund balance		260,000
Fire Truck lease proceeds		(428,185)
Government funds record pension expense as it is paid. However, in the Statement of Activities those costs are reversed as deferred outflows/(inflows) and an increase/(decrease) in net pension liability.		
		(26,196)
 <b>ACCRUAL OF NON-CURRENT ITEMS</b>		
The amounts below included in the Statement of Activities do not provide (or require) the use of current financial resources and therefore are not reported as revenue or expenditures in the governmental funds (net change):		
Accrued bond interest		(40,256)
Other post employment benefits		(16,209)
Long-term compensated absences		23,238
		25,052
Changes in net position of governmental activities	\$	25,052

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

Cameron Park Community Services District  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The District was duly organized and formed on June 26, 1961, pursuant to the Community Services District Law of the State of California (Division 2 of Title 6 of the Government Code, Section 61000, et seq.). The District was primarily formed to provide fire protection and park and recreation services but has the authority to provide many other services, including police protection, garbage collection and disposal, water, sewer, electric, street lighting, and mosquito abatement. The District is governed by a five-member elected Board of Directors.

The District has defined its reporting entity in accordance with GASB Statement No. 14, *The Financial Reporting Entity*, which provides guidance for determining which governmental activities, organizations, and functions should be included in its reporting entity.

The District levies assessments and provides services to eighteen Lighting and Landscaping Districts which are operated under the Lighting and Landscaping Act of 1972. All parcels within each Lighting and Landscaping District are assessed at varying rates depending upon the increased property values created by the installation of nearby public improvements.

B. Basis of Presentation - Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. The effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The District has no business-type activities or component units.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Certain indirect costs are allocated from the general government activity to the recreation and park activity based on relative percentages or prior year actual operating expenditures. Program revenues include 1) charges to customers who purchase, use or directly benefit from the goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *full accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue when reimbursable costs are incurred under the accrual basis of accounting.



Cameron Park Community Services District  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Basis of Presentation - Fund Financial Statements

The accounts of the District are organized on the basis of funds. A fund is a separate accounting entity with a self-balancing set of accounts. Each fund was established for the purpose of accounting for specific activities in accordance with applicable regulations, restrictions, or limitations. Separate financial statements are provided for each governmental fund. Major individual governmental funds are reported as separate columns in the fund financial statements.

The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

The District may fund programs with a combination of cost-reimbursement grants, categorical block grants, and general revenues. Thus, both restricted and unrestricted net position may be available to finance program expenditures. The District's policy is to first apply restricted grant resources to such programs, followed by general revenues if necessary.

The District reports the following major governmental fund types:

General Fund - this the District's primary operating fund. It is used to account for all activities, except those required to be accounted for in another fund.

Fire Development Special Revenue Fund - this fund was established to account for the purchase of capital equipment to support public safety services.

Other Governmental Funds are comprised of several non-major funds that include funds for separate smaller landscaping districts, funds reserved for specific capital acquisitions, fire prevention and safety and other miscellaneous fund balances.

D. Budgets

Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). Annual appropriated budgets are adopted and amended as required for the General Fund, the CC & R Special Revenue Fund, and the Impact Fee Special Revenue Fund and for active Lighting and Landscaping Special Revenue Funds. For each legally adopted operating budget, expenditures may not exceed budgeted appropriations at the activity level. The legal appropriation basis is at the level called "Department" (e.g., Parks) or an entire fund (e.g., CC & R Special Revenue Fund).

General fund expenditures were under appropriations in the amount of \$17,542.

Cameron Park Community Services District  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Cash and Investments

The District pools cash resources of its various funds to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The balance in the pooled cash and investment account is available to meet current operating requirements.

F. Interfund Transactions

Interfund transactions are reflected as loans, services provided, reimbursements, or transfers. Loans are reported as receivables and payables, as appropriate, and are referred to as either due from/due to other funds.

Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures. Reimbursements occur when one fund incurs a cost, charges the appropriate benefitting fund and reduces its cost as a reimbursement. All other interfund transactions are treated as transfers.

G. Capital Assets

Capital assets for governmental fund types are not capitalized in the funds used to acquire or construct them. Capital acquisitions are reflected as expenditures in the governmental fund, and the related assets are reported in the government-wide financial statements. Capital assets, owned by the District, are stated at historical cost or estimated historical cost, if actual historical cost is not available.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

- Structures and improvements: 5 to 30 years
- Equipment: 3 to 20 years

It is the policy of the District to capitalize all land, structures and improvements, and equipment, except assets costing less than \$5,000.

H. Compensated Absences

An employee accumulates vacation time in accordance with the employee's respective "Memorandum of Understanding." The amount of vacation and sick time vested and accrued depends on years of service and date of hire. Vacation vested may be accumulated up to various maximum hours and is paid in full upon termination or retirement. Sick leave time may be accumulated without limit from year to year. Upon non-disciplinary separation from the District, after one year of consecutive District employment, the District will pay to represented employees 30% of accumulated sick leave up to 960 hours. Upon retirement at age 55 or over after at least 5 years of consecutive District employment, or upon industrial disability retirement, the District will pay to represented employees 60% of accumulated sick leave up to 960 hours. In the event of death of the employee, the District will pay to the employee's designated beneficiary 100% of accumulated sick leave up to 960 hours.

Cameron Park Community Services District  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I. Property

All property taxes are collected and allocated by the County of El Dorado (the County) to the various taxing entities. Property taxes are determined annually as of January 1 and attach as an enforceable lien on real property as of July 1. Taxes are due November 1 and February 1 and are delinquent if not paid by December 10 and April 10, respectively. The District participates in the County "Teeter-Plan" method of property tax distribution. Under the Teeter Plan, the County remits property taxes to the District based on assessments, not on collections, according to the following schedule: 55 percent in December, 40 percent in April, and 5 percent at the end of the fiscal year. Property tax is recognized when it is available and measurable. The District considers property tax as available if it is received within 60 days after fiscal year end.

J. Net Position

GASB Statement No. 34 adds the concept of Net Position, which is measured on the full accrual basis, to the concept of Fund Balance, which is measured on the modified accrual basis.

Net position is the excess of all the District's assets over all its liabilities, regardless of fund. Net position is divided into three captions under GASB Statement No. 34. These captions apply only to net position, which is determined only at the Government-wide level, and are described below:

*Invested in capital, net of related debt* describes the portion of net position that is represented by the current net book value of the District's capital assets, less the outstanding balance of any debt issued to finance these assets.

*Restricted* describes the portion of net position that is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions that the District cannot unilaterally alter. These include amounts for debt service requirements.

*Unrestricted* describes the portion of net position that is not restricted to use.

K. Fund Equity

The accompanying basic financial statements reflect certain changes that have been made with respect to the reporting of the components of Fund Balances for governmental funds. In previous years, fund balances for governmental funds were reported in accordance with previous standards that included components for reserved fund balance, unreserved fund balance, designated fund balance, and undesignated fund balance. Due to the implementation of GASB Statement No. 54, the components of the fund balances of governmental funds now reflect the component classifications described below. In the fund financial statements, governmental fund balances are reported in the following classifications:

*Nonspendable* fund balance includes amounts that are not in a spendable form, such as prepaid items or supplies inventories, or that are legally or contractually required to remain intact, such as principal endowments.

*Restricted* fund balance includes amounts that are subject to externally enforceable legal restrictions imposed by outside parties (i.e., creditors, grantors, contributors) or that are imposed by law through constitutional provisions or enabling legislation.

Cameron Park Community Services District  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (concluded)

K. Fund Equity (concluded)

*Committed* fund balance includes amounts whose use is constrained by specific limitations that the government imposes upon itself, as determined by a formal action of the highest level of decision-making authority. The Board of Directors serves as the District's highest level of decision-making authority and has the authority to establish, modify or rescind a fund balance commitment via minutes action.

*Assigned* fund balance includes amounts intended to be used by the District for specific purposes, subject to change, as established either directly by the Board of Directors or by management officials to whom assignment authority has been delegated by the Board of Directors.

*Unassigned* fund balance is the residual classification that includes spendable amounts in the General Fund that are available for any purpose.

When expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned or unassigned) fund balances are available, the District specifies that restricted revenues will be applied first. When expenditures are incurred for purposes for which committed, assigned or unassigned fund balances are available, the District's policy is to apply committed fund balance first, then assigned fund balance, and finally unassigned fund balance.

L. Use of Estimates

The process of preparing financial statements in conformity with U.S. generally accepted accounting principles requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenditures/expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

M. Deferred Outflows and Inflows of Resources

Pursuant to GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, the District recognizes deferred outflows and inflows of resources.

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. A deferred outflow of resources is defined as a consumption of net position by the government that is applicable to a future reporting period. In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. A deferred inflow of resources is defined as an acquisition of net position by the District that is applicable to a future reporting period.

N. Pensions

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

Cameron Park Community Services District  
NOTES TO FINANCIAL STATEMENTS  
 For the Year Ended June 30, 2016

NOTE 2 - CASH AND INVESTMENTS

The District participates in the El Dorado County Treasury. El Dorado County (the County) pools its funds with those of other districts in the County and invests the cash. These pooled funds are carried at cost, which approximates market value. Interest earned is deposited quarterly into participating funds. Any investment losses are proportionately shared by all funds in the pool.

The County is authorized to deposit cash and invest excess funds by California Government Code Section 53648 et seq. The funds maintained by the County are either secured by federal depository insurance or are collateralized.

Furthermore, the County Treasurer has a written investment policy, approved by the Board of Supervisors, which is more restrictive than state code as to terms of maturity and type of investment. Also, the County has an investment committee, which performs regulatory oversight for its pool as required by California Government Code Section 27134.

Cash balances from all funds are combined and invested to the extent possible pursuant to the District Board Approved Investment Policy and Guidelines and State Government Code.

Deposits and Investments	Carrying Amount	Market Value	Investment Risk
Cash in County Treasury	\$ 4,239,659	\$ 4,239,659	AA
Cash in bank	<u>3,410,242</u>	<u>3,410,242</u>	N/A
Total cash and investments	<u>\$ 7,649,901</u>	<u>\$ 7,649,901</u>	

A. 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 custodial credit risk for deposits and investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

California Law requires banks and savings and loan associations to pledge government securities with a market value of 110% of the District's cash on deposit or first trust deed mortgage notes with a value of 150% of the deposit as collateral for these deposits. Under California Law, this collateral is held in the District's name and places the District ahead of general creditors of the institution.

B. Authorized Investments

California statutes authorize the District to invest idle or surplus funds in a variety of credit instruments as provided for in California Government Code Section 53600, Chapter 4: Financial Affairs. The Government Code allows investments in the following instruments:

- Securities of the United States Government, or its agencies
- Small Business Administration loans
- Certificates of Deposit (or Time Deposits) placed with commercial banks and/or savings and loan companies

Cameron Park Community Services District  
NOTES TO FINANCIAL STATEMENTS  
 For the Year Ended June 30, 2016

NOTE 2 - CASH AND INVESTMENTS (concluded)

B. Authorized Investments (concluded)

- Negotiable Certificates of Deposit
- Banker's Acceptances
- Commercial paper and medium-term corporate notes
- Local Agency Investment Fund (State Pool and County Pool) Demand Deposits - Repurchase Agreements (Repos)
- Passbook Savings Account Demand Deposits - Reverse Repurchase Agreements
- County Cash Pool

C. Fair Value Reporting - Investments

The District has adopted provisions of GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. GASB Statement No. 31 establishes accounting and financial standards for investments in interest earning investment contracts, external investment pools, and mutual funds. The statement requires all applicable investments to be reported at fair value on the balance sheet. Fair value is the amount at which an investment could be exchanged in a current transaction between willing parties, other than in a forced sale. All investment income, including change in fair market of investments, is recognized as revenue in the operating statement.

NOTE 3 - CAPITAL ASSETS

An analysis of capital assets as of June 30, 2016, is as follows:

	Balance at 07/01/15	Increase	Decrease	Balance at 6/30/16
<u>Governmental Activities</u>				
Capital assets, not being depreciated:				
Land	\$ 8,093,000	\$ -	\$ -	\$ 8,093,000
Total capital assets, not being depreciated	<u>8,093,000</u>	<u>-</u>	<u>-</u>	<u>8,093,000</u>
Capital assets, being depreciated:				
Land improvements	317,936	-	-	317,936
Buildings and structures	15,751,758	84,418	-	15,836,176
Furniture and equipment	<u>3,289,435</u>	<u>743,481</u>	<u>-</u>	<u>4,032,916</u>
Total capital assets, being depreciated	<u>19,359,129</u>	<u>827,899</u>	<u>-</u>	<u>20,187,028</u>
Less accumulated depreciation for:				
Land improvements	121,628	18,037	-	139,665
Buildings and structures	3,752,436	468,927	-	4,221,393
Furniture and equipment	<u>2,827,722</u>	<u>231,918</u>	<u>-</u>	<u>3,059,640</u>
Total accumulated depreciation	<u>6,701,786</u>	<u>718,912</u>	<u>-</u>	<u>7,420,698</u>
Total capital assets being depr. - net	<u>12,657,343</u>	<u>(108,987)</u>	<u>-</u>	<u>12,766,330</u>
Capital assets - net	<u>\$ 20,750,343</u>	<u>\$ (108,987)</u>	<u>\$ -</u>	<u>\$ 20,859,330</u>

Cameron Park Community Services District  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2016

NOTE 3 - CAPITAL ASSETS (concluded)

Depreciation allocation:

Recreation	\$ 179,728
Parks	179,728
Facility	179,728
Public safety	179,728
Total	\$ 718,912

NOTE 4 - LONG-TERM DEBT

The following is a summary of changes in long-term debt as of June 30, 2016:

	Balance at 07/01/15	Increase	Decrease	Balance at 6/30/16	Current
2005 Capital Appreciation bonds	\$ 224,458	\$ -	\$ -	\$ 224,458	\$ 112,338
Refunding bond	7,634,000	-	260,000	7,374,000	45,000
Fire Truck Lease	-	428,185	-	428,185	67,091
Other post-employment benefits	333,598	16,209	-	349,807	-
Compensated absences	110,262	-	23,238	84,024	-
Total	\$ 8,302,318	\$ 444,394	\$ 283,238	\$ 8,463,474	\$ 224,429
Unamortized premium	\$ -	\$ -	\$ -	\$ -	\$ -

General Obligation Bonds, Series A

On August 24, 2005, the District issued \$8,685,000 in general obligation bonds. The bonds were issued at a premium of \$274,347. The bonds were issued for the purpose of constructing a new community center.

The general obligation bonds are payable solely from *ad valorem* property taxes. The bonds were fully refunded with proceeds from Umpqua Bank at an interest rate of 3% through August 1, 2030.

Principal payments on the bonds are due August 1 and interest is due on August 1 and February 1 of every year. Debt service requirements are as follows:

Cameron Park Community Services District  
NOTES TO FINANCIAL STATEMENTS  
 For the Year Ended June 30, 2016

NOTE 4 - LONG-TERM DEBT (concluded)

Year Ending June 30	Principal	Interest	Total
2017	\$ 45,000	\$ 220,545	\$ 265,545
2018	46,000	219,180	265,180
2019	337,000	213,435	550,435
2020	371,000	202,815	573,815
2021	404,000	191,190	595,190
2022	442,000	178,500	620,500
2023	469,000	164,835	633,835
2024	510,000	150,150	660,150
2025	546,000	134,310	680,310
2026	585,000	117,345	702,345
2027	629,000	99,135	728,135
2028	673,000	79,605	752,605
2029	724,000	58,650	782,650
2030	770,000	36,240	806,240
2031	<u>823,000</u>	<u>12,345</u>	<u>835,345</u>
Total	<u>\$ 7,634,000</u>	<u>\$ 2,303,400</u>	<u>\$ 10,065,906</u>

Capital Appreciation Bonds

On August 24, 2005, the District issued capital appreciation bonds of \$224,458 as part of the General Obligation Bonds, Series A issuance. Principal payments on the term bonds are due August 1 and interest is due on August 1 of each year. Debt service requirements are as follows:

Year Ending June 30	Principal	Interest	Total
2017	\$ 112,338	\$ 137,662	\$ 250,000
2018	112,120	157,880	270,000
Total	<u>\$ 224,458</u>	<u>\$ 295,542</u>	<u>\$ 520,000</u>

Fire Truck Lease

On January 1, 2016, the District entered into a lease purchase agreement for a Fire truck in the amount of \$505,531. Principal payments on the lease are due January 1 and interest is due on January 1 of each year. Lease service requirements are as follows:

Year Ending June 30	Principal	Interest	Total
2017	\$ 67,091	\$ 10,554	\$ 77,645
2018	68,745	8,901	77,646
2019	70,440	7,206	77,646
2020	72,176	5,470	77,646
2021	73,955	3,691	77,646
2022	<u>75,778</u>	<u>1,868</u>	<u>77,646</u>
Total	<u>\$ 224,458</u>	<u>\$ 37,690</u>	<u>\$ 465,875</u>



Cameron Park Community Services District  
NOTES TO FINANCIAL STATEMENTS  
 For the Year Ended June 30, 2016

NOTE 5 - DEFINED BENEFIT PENSION PLAN

Plan Description: All qualified permanent and probationary employees are eligible to participate in the District's following cost-sharing multiple employer defined benefit pension plans (Plans):

- District Miscellaneous

The Plans are administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and District resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided - CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries.

Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plan provisions and benefits in effect at June 30, 2016, are summarized as follows:

	District Miscellaneous	
	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	2% @ 55	2% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50 – 55	52 - 67
Monthly benefits, as a % of eligible compensations	2.0% to 2.7%	1.0% to 2.5%
Required employee contribution rates	7%	6.5%
Required employer contribution rates	7%	6.5%

Contributions - Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

Cameron Park Community Services District  
NOTES TO FINANCIAL STATEMENTS  
 For the Year Ended June 30, 2016

NOTE 5 - DEFINED BENEFIT PENSION PLAN (continued)

For the year ended June 30, 2016, the contributions recognized as part of pension expense for each Plan were as follows:

	<u>Miscellaneous</u>
Contributions – employer	\$81,896

As of June 30, 2016, the District reported net pension liabilities for its proportionate shares of the net pension liability of the Miscellaneous Plans as follows:

	<u>Proportionate Share of Net Pension Liability</u>
Miscellaneous	\$ 702,394
Safety	\$ 274,058

The District's net pension liability for the Plans is measured as the proportionate share of the net pension liability. The net pension liability of the Plans is measured as of June 30, 2015, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2014 rolled forward to June 30, 2015 using standard update procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

The District's proportionate share of the net pension liability for each Plan as of June 30, 2014 and 2015 was as follows:

<u>District's Miscellaneous Plan</u>	<u>Miscellaneous</u>
Proportion - June 30, 2014	.028%
Proportion - June 30, 2015	.032%
Change – Increase (Decrease)	.004%

For the year ended June 30, 2015, the District recognized pension expense of (\$36,166). At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$ 132,760	\$ -
Differences between actual and expected experience	5,249	-
Changes in assumptions	-	(49,660)
Change in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions	2,179	(400,387)
Net differences between projected and actual earnings on plan investments	-	(24,895)
Total	\$ 140,188	\$ (474,942)

The \$132,760 amount reported as deferred outflows of resources related to contributions, subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017.

Cameron Park Community Services District  
NOTES TO FINANCIAL STATEMENTS  
 For the Year Ended June 30, 2016

NOTE 5 - DEFINED BENEFIT PENSION PLAN (continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Year Ended June 30</u>	
2017	\$ (190,139)
2018	(199,669)
2019	(200,045)
2020	122,340
Thereafter	-

Actuarial Assumptions - The total pension liabilities in the June 30, 2014 actuarial valuations were determined using the following actuarial assumptions:

	All Plans(2)
Valuation Date	June 30, 2014
Measurement Date	June 30, 2015
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.65%
Inflation	2.75%
Payroll Growth	3.0%
 Mortality Rate Table	 Derived using CalPERS Membership Data for all Funds (3)
Post Retirement Benefit Increase	Contract COLA up to 2.75% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.75% thereafter.

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2013 valuation were based on the results of a January 2014 actuarial experience study for the period 1997 to 2011. Further details of the Experience Study can found on the CalPERS website.

Discount Rate - The discount rate used to measure the total pension liability was 7.65% for each Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.65 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.50 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

According to Paragraph 30 of Statement 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. The 7.50 percent investment return assumption used in this accounting valuation is net of administrative expenses. Administrative expenses are assumed to be 15 basis points. An investment return excluding administrative expenses would have been 7.65 percent. Using this lower discount rate has resulted in a slightly higher Total Pension Liability and Net Pension Liability. CalPERS checked the materiality threshold for the difference in calculation and did not find it to be a material difference.

Cameron Park Community Services District  
NOTES TO FINANCIAL STATEMENTS  
 For the Year Ended June 30, 2016

NOTE 5 - DEFINED BENEFIT PENSION PLAN (continued)

CalPERS is scheduled to review all actuarial assumptions as part of its regular Asset Liability Management (ALM) review cycle that is scheduled to be completed in February 2018. Any changes to the discount rate will require Board action and proper stakeholder outreach.

For these reasons, CalPERS expects to continue using a discount rate net of administrative expenses for GASB 67 and 68 calculations through at least the 2017-18 fiscal years. CalPERS will continue to check the materiality of the difference in calculation until such time as we have changed our methodology.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns on all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 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 rounded down to the nearest one quarter of one percent.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

<u>Asset Class</u>	<u>New Strategic Allocation</u>	<u>Real Return Years 1-10<sup>(1)</sup></u>	<u>Real Return Years 11+<sup>(2)</sup></u>
Global Equity	47.0%	5.25%	5.71%
Global Fixed Income	19.0	0.99	2.43
Inflation Sensitive	6.0	0.45	3.36
Private Equity	12.0	6.83	6.95
Real Estate	11.0	4.50	5.13
Infrastructure and Forestland	3.0	4.50	5.09
Liquidity	2.0	(0.55)	(1.05)

(1) An expected inflation of 2.5% used for this period

(2) An expected inflation of 3.0% used for this period.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the District's proportionate share of the net pension liability for each Plan, calculated using the discount rate for each Plan, as well as what the District's proportionate share of the net pension 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:

Cameron Park Community Services District  
NOTES TO FINANCIAL STATEMENTS  
 For the Year Ended June 30, 2016

NOTE 6 - DEFINED BENEFIT PENSION PLAN (concluded)

	<u>Miscellaneous</u>
1% Decrease	6.65%
Net Pension Liability	\$1,108,837
Current Discount Rate	7.65%
Net Pension Liability	\$702,394
1% Increase	8.65%
Net Pension Liability	\$366,827
	<u>Safety</u>
1% Decrease	6.65%
Net Pension Liability	\$1,353,498
Current Discount Rate	7.65%
Net Pension Liability	\$274,058
1% Increase	8.65%
Net Pension Liability	(\$611,063)

Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

NOTE 6 - DEFERRED COMPENSATION PLAN

The District offers its employees a deferred compensation plan (the "Plan") created in accordance with Internal Revenue Code Section 457. The Plan, available to all full-time and permanent part-time employees, permits them to defer a portion of their salary until future years. Under this plan, participants are not taxed on the deferred portion of the compensation until distributed to them; distributions may be made only at termination, retirement, death or in an emergency as defined by the Plan.

The laws governing deferred compensation plan assets require plan assets to be held by a Trust for the exclusive benefit of plan participants and their beneficiaries. Since the assets held under these plans are not the District's property, are not managed by the District and are not subject to claims by general creditors of the District, they have been excluded from these financial statements.

NOTE 7 - POST-EMPLOYMENT BENEFITS OTHER THAN RETIREMENT

*Plan Description.* The District's defined benefit post-employment healthcare plan, Cameron Park Community Services District Other Post-Employment Benefit Program, provides medical benefits to eligible retired District employees and their beneficiaries. The contribution requirements of plan members and the District are established and may be amended by the District's governing board. Depending on the number of years of service and the circumstances surrounding retirement, employees may be eligible to receive health care insurance cost reimbursement of between 50%-100%.

*Funding Policy.* Under GASB Statement No. 45, the District is required to expense the *annual required contribution of the employer (ARC)*, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The current ARC rate is 21.3% percent of annual covered payroll.

Cameron Park Community Services District  
NOTES TO FINANCIAL STATEMENTS  
 For the Year Ended June 30, 2016

NOTE 7 - POST-EMPLOYMENT BENEFITS OTHER THAN RETIREMENT(concluded)

The District has not contributed to a trust for the pre-funding of OPEB; therefore, the District's funding policy is currently pay-as-you-go.

Annual OPEB Cost and Net OPEB Obligation/(Asset)

The following table shows the components of the District's Annual OPEB Cost for the fiscal years ended June 30, 2016, the amounts actually contributed to the plan (including administrative costs), and changes in the District's Net OPEB Obligation/(Asset):

	2016	2015
Annual Required Contributions	\$ 120,532	\$ 120,532
Interest on Net OPEB Obligation/(Asset)	13,344	11,281
Adjustment to Annual Required Contributions	(19,292)	(16,310)
Annual OPEB cost (expense)	114,584	115,503
Contributions made	(98,375)	(63,936)
Increase in Net OPEB Obligation/(Asset)	16,209	51,567
Net OPEB Obligation/(Asset) – beginning of year	333,598	282,031
Net OPEB Obligation/(Asset) – end of year	\$ 349,807	\$ 333,598

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation was as follows, based on the District's actuarial valuation as of July 1, 2014:

Fiscal Year Ended	Annual OPEB Cost	Employer OPEB Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/13	\$ 161,876	\$ 66,821	41%	\$ 188,673
6/30/14	\$ 161,876	\$ 68,518	42%	\$ 282,031
6/30/15	\$ 115,503	\$ 63,936	55%	\$ 333,598
6/30/16	\$ 114,584	\$ 98,375	86%	\$ 349,807

*Actuarial Methods and Assumptions.* Projections of benefits for financial reporting purposes are based on the substantive Plan (the Plan as understood by the employer and the Plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and Plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2014 actuarial valuation, the projected unit credit cost method was used. The actuarial assumptions included a 4% investment rate of return (net of administrative expenses), which is the expected long-term investment return on plan assets and an annual healthcare cost trend rate of 8%. Annual increase in projected payroll is not applicable. The actuarial value of assets was determined based on the market value of investments (\$0). The UAAL is being amortized as a level percentage of projected payrolls on an open basis. The amortization period is thirty years.

Cameron Park Community Services District  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2016

NOTE 8 - 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; injuries to employees; and natural disasters. The District participates in the Special District Risk Management Authority (SDRMA), an intergovernmental risk-sharing, joint powers authority (risk-sharing pool) established to provide an independently managed, self-insurance program for members. The purpose of SDRMA is to spread the adverse effect of losses among the members and to purchase excess insurance as a group, thereby reducing its expense.

The District contributes its pro-rata share of anticipated losses to a pool administered by SDRMA. Should actual losses among participants be greater than the anticipated losses, the District will be assessed its pro-rata share of that deficiency. Conversely, if the actual losses are less than anticipated, the District will be refunded its pro-rata share of the excess. Settled claims have not exceeded commercial excess liability coverage in any of the past three fiscal years.

NOTE 9 - CONTINGENT LIABILITIES

The District is involved in various lawsuits. One specific claim was filed on March 2, 2016, by the Friends of El Dorado County regarding developer impact fees. The outcome of these lawsuits is not presently determinable.

NOTE 10 - STEWARDSHIP AND COMPLIANCE

At June 30, 2016, only one non-major fund had negative fund equity as follows: Promotional Grant.

The fund's negative fund equity balance is expected to return to a positive status in fiscal year 2017.

REQUIRED SUPPLEMENTARY INFORMATION

DRAFT



PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET)

Required Supplementary Information

Last 10 Years\*

	<u>June 30, 2015</u>	<u>June 30, 2016</u>
Proportion of the net pension liability	0.01139%	0.03225%
Proportionate share of the net pension liability	\$ 708,539	\$ 976,452
Covered payroll	\$ 450,150	\$ 450,150
Proportionate share of the net pension liability as a percentage of covered payroll	157.40%	216.92%
Plan fiduciary net position as a percentage of the total pension liability	75.43%	91.01%

NOTES TO SCHEDULE:

Changes in Benefit Terms- None

Changes in Assumptions

The discount rate was changed from 7.5 percent (net of administrative expense) to 7.65 percent to correct for an adjustment to exclude administrative expense.

\* Schedule is intended to show information for ten years. Additional years will be displayed as they become available.

SCHEDULE OF CONTRIBUTIONS  
 Required Supplementary Information  
 Last 10 Years\*

	<u>June 30, 2015</u>	<u>June 30, 2016</u>
Actuarially required contribution (actuarially determined)	\$ 82,050	\$ 81,896
Contributions in relation to the actuarially determined contributions	<u>(82,050)</u>	<u>(81,896)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 450,150	\$ 450,150
Contributions as a percentage of covered-employee payroll	18.23%	18.19%

\* Schedule is intended to show information for ten years. Additional years will be displayed as they become available.

DRAFT

SCHEDULE OF FUNDING PROGRESS FOR OTHER POST-EMPLOYMENT BENEFITS

Required Supplementary Information  
Last 10 Years\*

Schedule of Funding Progress:

Valuation Date	(A) Actuarial Value of Assets	(B) Actuarial Accrued Liability	(C) Unfunded Liability (Excess Assets) [(B)-(A)]	(D) Funded Ratio [(A)/(B)]	(E) Annual Covered Payroll	(F) UAAL as a % of Payroll {[(B)-(A)]/(E)}
7/01/11	\$ -	\$ 1,990,747	\$ 1,990,747	0%	\$ 581,998	342%
7/01/14	\$ -	\$ 1,483,107	\$ 1,483,107	0%	\$ 539,978	275%

NOTE 1 - SCHEDULE DESCRIPTION

Cameron Park Community Services District (the District) sponsors a defined benefit postemployment healthcare plan (the Plan) to subsidize healthcare benefits to eligible retired employees. The above schedule presents information about the funded status for the Plan's two actuarial valuations.

NOTE 2 - ACTUARIAL VALUATIONS

Actuarial valuations of an on-going plan involve estimates of the value of the reported amounts and assumptions about the probability of occurrence of events far into the future. Amounts determined regarding the funded status of the plan and the annual required contribution of the District are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. Information regarding the actuarial methods and assumptions for the July 1, 2014 actuarial valuation can be found in Note 7 of the basic financial statements.

Cameron Park Community Services District  
GENERAL FUND  
SCHEDULE OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES

Budget and Actual

For the year ended June 30, 2016

(Unaudited)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Property taxes	\$ 3,555,460	\$ 3,555,460	\$ 3,595,879	\$ 40,419
Franchise fees	160,000	160,000	160,367	367
Intergovernmental	1,056,705	1,056,705	1,039,004	(17,701)
Charges for services	558,229	558,229	752,514	194,285
Interest and other income	14,500	14,500	3,125	(11,375)
Total revenues	<u>5,344,894</u>	<u>5,344,894</u>	<u>5,550,889</u>	<u>205,995</u>
Expenditures:				
General government	408,802	408,802	472,481	(63,679)
Recreation	352,055	352,055	348,547	3,508
Public safety	3,751,051	3,751,051	3,420,725	330,326
Facility	568,353	568,353	609,388	(41,035)
Parks	545,299	545,299	756,877	(211,578)
Total expenditures	<u>5,625,560</u>	<u>5,625,560</u>	<u>5,608,018</u>	<u>17,542</u>
Excess (deficit) of revenues over (under) expenditures	<u>\$ (280,666)</u>	<u>\$ (280,666)</u>	(57,129)	<u>\$ 223,537</u>
Fund balances, beginning of period			<u>3,853,790</u>	
Fund balances, end of period			<u>\$ 3,796,661</u>	

Cameron Park Community Services District  
NON-MAJOR GOVERNMENTAL FUNDS  
BALANCE SHEET  
June 30, 2016

	CC& R 2	Quimby Act 3	AB 1600 4	Fire Training 5	Fire Equipment Replacement 7	Fire Safe Project 8	Fire Prevention 9	Maintenance 30-50	Community Center 70	Fund 71	Cap Projects 73	Per Capita Grant 80	Promotional Grant 81	Total Governmental Funds
<u>ASSETS</u>														
Cash and investments	\$ 232,078	\$ 20,005	406,376	\$ 58,827	\$ 595,372	\$ 5,075	\$ 33,011	\$ 813,914	\$ 1	\$ 12,078	\$ -	\$ 150,929	\$ (36)	\$ 2,327,630
Accounts receivable	1,828	-	-	-	-	-	-	25,354	-	-	-	-	-	27,182
Total assets	<u>\$ 233,906</u>	<u>\$ 20,005</u>	<u>\$ 406,376</u>	<u>\$ 58,827</u>	<u>\$ 595,372</u>	<u>\$ 5,075</u>	<u>\$ 33,011</u>	<u>\$ 839,268</u>	<u>\$ 1</u>	<u>\$ 12,078</u>	<u>\$ -</u>	<u>\$ 150,929</u>	<u>\$ (36)</u>	<u>\$ 2,354,812</u>
<u>LIABILITIES</u>														
Accounts payable	\$ 1,179	\$ -	\$ -	\$ -	\$ -	\$ 230	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,409
Total liabilities	<u>1,179</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>230</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,409</u>
<u>FUND BALANCES</u>														
Assigned for:														
Specific purposes	232,727	20,005	406,376	58,827	595,372	4,845	33,011	839,268	1	12,078	-	150,929	(36)	2,353,403
Total fund balances	<u>232,727</u>	<u>20,005</u>	<u>406,376</u>	<u>58,827</u>	<u>595,372</u>	<u>4,845</u>	<u>33,011</u>	<u>839,268</u>	<u>1</u>	<u>12,078</u>	<u>-</u>	<u>150,929</u>	<u>(36)</u>	<u>2,353,403</u>
Total liabilities and fund balances	<u>\$ 233,906</u>	<u>\$ 20,005</u>	<u>\$ 406,376</u>	<u>\$ 58,827</u>	<u>\$ 595,372</u>	<u>\$ 5,075</u>	<u>\$ 33,011</u>	<u>\$ 839,268</u>	<u>\$ 1</u>	<u>\$ 12,078</u>	<u>\$ -</u>	<u>\$ 150,929</u>	<u>\$ (36)</u>	<u>\$ 2,354,812</u>

Cameron Park Community Services District  
NON-MAJOR GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
For the year ended June 30, 2016

	CC& R 2	Quimby Act 3	AB 1600 4	Fire Training 5	Fire Equipment Replacement 7	Fire Safe Project 8	Fire Prevention 9	Fire Maintenance 30-50	Community Center 70	Fund 71	Per Capita Grant 80	Promotional Grant 81	Total Governmental Funds
Revenues:													
Property taxes	\$ 102,310	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 247,670	\$ -	\$ -	\$ -	\$ -	\$ 349,980
Charges for services	24,669	20,003	122,210	20,593	271,965	-	9,644	-	-	-	-	-	469,084
Other income	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest	918	2	1,093	67	140	-	64	4,375	-	-	-	-	6,659
Total revenues	<u>127,897</u>	<u>20,005</u>	<u>123,303</u>	<u>20,660</u>	<u>272,105</u>	<u>-</u>	<u>9,708</u>	<u>252,045</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>825,723</u>
Expenditures:													
General government	106,307	-	-	26,423	-	-	4,793	-	-	-	-	-	137,523
Public safety	-	-	-	-	189,522	-	-	-	-	-	-	-	189,522
Facility	-	-	-	-	-	-	-	340,429	-	-	-	-	340,429
Debt service:													
Principal	-	-	-	-	30	-	-	-	-	-	-	-	30
Interest	-	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	<u>106,307</u>	<u>-</u>	<u>-</u>	<u>26,423</u>	<u>189,552</u>	<u>-</u>	<u>4,793</u>	<u>340,429</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>667,504</u>
Excess (deficit) of revenues over (under) expenditures	21,590	20,005	123,303	(5,763)	82,553	-	4,915	(88,384)	-	-	-	-	158,219
Fund balances, beginning of period	<u>211,137</u>	<u>-</u>	<u>283,073</u>	<u>64,590</u>	<u>512,819</u>	<u>4,845</u>	<u>28,096</u>	<u>927,652</u>	<u>1</u>	<u>12,078</u>	<u>150,929</u>	<u>(36)</u>	<u>2,195,184</u>
Fund balances, end of period	<u>\$ 232,727</u>	<u>\$ 20,005</u>	<u>\$ 406,376</u>	<u>\$ 58,827</u>	<u>\$ 595,372</u>	<u>\$ 4,845</u>	<u>\$ 33,011</u>	<u>\$ 839,268</u>	<u>\$ 1</u>	<u>\$ 12,078</u>	<u>\$ 150,929</u>	<u>\$ (36)</u>	<u>\$ 2,353,403</u>

## Agenda Transmittal

**DATE:** January 9, 2018

**FROM:** Jill Ritzman, General Manager

**AGENDA ITEM #3:** LEASE PAYMENT FOR FIRE ENGINE

**RECOMMENDED ACTION:** Review and Forward to the Board of Directors a Budget Adjustment for Lease Payment on Fire Engine

---

**BUDGET ACCOUNT:**

GENERAL FUND, FIRE DEPT, 3000	
EXPENDITURE ACCT 5625, CAPITAL EQUIPMENT	\$78,072
REVENUE ACCOUNT, FIRE APPARATUS EQUIP REIMBURSEMENT	(\$78,072)
<b>BUDGET IMPACT:</b>	<b>\$0</b>

---

**RECOMMENDATION:**

Review and Forward to the Board of Directors a Budget Adjustment for Lease Payment on Fire Engine.

**BACKGROUND:**

In December 2015, the District executed an interim funding agreement with Umpqua Bank, Financial Pacific Leasing to finance the purchase of a fire engine. The principle totaled \$505,730, a 7 year term at 2.46%. The payments are annual, beginning in January 2016 and the last payment will be January 2022.

**DISCUSSION:**

Upon review of the General Fund budget, there is not an allocation for this payment. Typically purchases such as Fire apparatus or Parks large-scale mowers are budgeted in Account 5625: Capital Equipment. This request will add \$78,072 in expenditures to make this payment.

Staff is also requesting the addition of revenues to support this payment. Due to the significant fire events, the District will realize revenues from leasing fire equipment to CAL FIRE. While a specific amount of revenues has not been determined yet, the total revenues received will more than cover the cost of the lease payment.

Staff will work with the Budget & Administration Committee and Board of Directors on appropriate, transparent financial tracking and budget processes for Fire Department revenues and capital equipment expenditures. Process changes will be realized in the upcoming Fiscal Year 2018/19 Budget.





## Agenda Transmittal

**DATE:** January 9, 2018

**FROM:** Jill Ritzman, General Manager

**AGENDA ITEM #4:** DISTRICT ORGANIZATIONAL CHART

**RECOMMENDED ACTION:** Review and Discuss Recommended Organization Chart; Review and Discuss Filling a Finance/Human Resources Officer Position

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**BUDGET ACCOUNT:**

**BUDGET IMPACT:**

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### RECOMMENDATION

- Review and Discuss Recommended Organization Chart;
- Review and Discuss Filling a Finance/Human Resources Officer Position.

### BACKGROUND

In recent months, District has been staffed, especially in the Finance Office, with Account Temps and Blue Ribbon employees. The District moved away from its historical Organizational Chart because of difficulties filling positions.

### INTRODUCTION

In an effort to re-establish best practices in the District, staff asked the Municipal Resource Group (MRG) to make recommendations for an Organizational Chart. MRG's scope of services was to survey "like" agencies, assess standards for staffing and determine the best staff organization structure for the District. Staff felt a simple, yet thorough analysis was needed before filling any existing staff vacancies, such as the full-time Marketing & Communications Specialist or the 30 hour/week Administrative Assistant to the General Manager.

### DISCUSSION

MRG's Organizational Analysis, along with recommendations, is attached. Based on MRG's recommendations and the current disorder in the Finance Office, staff feels that filling the Finance/Human Resources Officer position is the District's highest priority and is recommending filling the position as soon as possible. The salary would be commensurate with the Parks Superintendent, salary \$52,025-\$63,237.

Staff recognizes there are many financial and budgetary unknowns at this time, and the desire would be to present this recommendation with a clearer financial picture, which is not possible at this time. The duty of this position will be to assist the General Manager and Board in realizing complete, accurate and transparent financial reports. An additional benefit would be to transition away from staffing the District with temp agency employees, and invest in both part-time and full-time District employees to stabilize the District's workforce.

Consideration could be made to fill the position with an experienced part-time or temporary employee, until the District's financial situation is clearer; but a temporary appointment would perpetuate the recent instability in the Finance Office. If the District appointed a permanent, full-time position, the employee would be invested in the outcomes and future of the District. Consideration can also be made to not fill the Administrative Assistant (currently filled by a 15-hour, temporary employee) and Marketing & Communications Specialist (currently vacant position) until a clearer financial status is presented by staff.

#### Finance/Human Resources Officer Responsibilities

Budget Development and Monitoring  
Financial Reports: General Fund, CCR, LLAD's and Funds held at County  
Monitoring Contract Services  
Maintaining Personnel Files  
Managing Worker's Compensation  
Implementing District's Purchasing Policy  
Assuring Accuracy with Payroll and Accounts Payable  
Securing & Implementing New Financial Software  
Liaison with Special District Risk Management Association (District's insurer)  
Liaison with Umpqua Bank (District bank)  
Employee Hiring Processes  
Manage Internet Technology: phones, computers, software, electronic filing  
Implementing Records Retention Policy  
Supervise Front Desk staff  
Recommendation for New Fiscal Policies

Currently, the above list of essential operational tasks is being managed by the General Manager, with assistance from the Accounting Specialist. The District has an interest in strengthening visibility and partnerships in the community, and in order to achieve that objective, the General Manager needs to spend less time in the office and more time in the community with groups and residents. In addition to building community partnerships, the General Manager would continue to oversee the Board of Directors and Board Committees' agendas and reports; serve as the liaison with District Counsel; manage the Fire & Emergency Services contract; labor relations; work with County Department heads; negotiate and implement capital improvement and professional services contracts; and implement Park Planning efforts.

Key Benefits of Finance/Human Resources Officer

Move away from utilizing temp agencies for staff; savings on wages & invest in employees

Depth of knowledge in the organization

Keep other managers and supervisors in the field

Streamline processes for payments on goods & services, timesheets & payroll processing

Ensure labor laws are known and followed

Manager present in the office during normal business hours

Consistent oversight of Front Desk staff

Eliminate need for current professional services contracts for accounting and human resources

Prevent delays in audits and financial reporting

Provide expertise to support staff in developing and monitoring the budget

**CONCLUSION**

The key purpose of the Finance/Human Resources Officer is to keep the General Manager, Park Superintendent and Recreation Supervisor visible in the field and in the community: implementing programs and services, supervising staff, ensuring customer service standards are met, and partnering with community groups and residents. The instability in the Finance Office has led to delays with audits and financial reports, errors in processing payroll, District policy not being followed, aged financial software and inefficient processes for accounts payable. A full-time, permanent Finance/Human Resources Officer will assist in stabilizing the work force and adding depth of knowledge about District operations.

Attachments: Municipal Resource Group Organizational Analysis



CAMERON PARK

## Item #4.



December 8, 2017

**TO:** Jill Ritzman, General Manager, Cameron Park CDS

**SUBJECT:** ORGANIZATIONAL ANALYSIS

### **SUMMARY/BACKGROUND**

The Cameron Park Community Services District (District) has experienced organizational changes over the years, at least partially related to staffing issues. To determine if the current organizational structure provides the needed support and management for staff and functions staff, a basic organizational analysis was requested of Municipal Resource Group (MRG) that would involve collecting organizational charts of other districts in the general geographical area and job descriptions. The goal of the analysis was to determine best practices in other community services/parks and recreation districts related to how the work is typically organized for maximum efficiency and effectiveness.

### **METHODOLOGY/ANALYSIS**

Since the goal of the organizational study was to determine the best organizational structure as practiced in other entities that have similar functions to the District and was not intended to be a job classification and/or compensation study, using other community services/parks and recreation districts that are fairly similar to the District and within the basic geographical area was appropriate. With this general guideline in mind, organizational charts and job descriptions were collected from the following districts:

- ARDEN CREEK PARKS AND RECREATION
- ARDEN MANOR
- ARDEN PARK PARKS AND RECREATION
- CARMICHAEL PARK AND RECREATION DISTRICT
- FAIR OAKS RECREATION AND PARK DISTRICT
- FULTON-EL CAMINO RECREATION AND PARK DISTRICT
- NORTH HIGHLANDS RECREATION AND PARK DISTRICT
- ORANGEVALE RECREATION AND PARK DISTRICT

## Item #4.

Some of these districts are smaller than CPCSD and some are larger in both size and population. They all have responsibility for similar functions except that the Cameron Park CDS also has a Fire Chief who oversees the fire and emergency services contract and the Fulton-El Camino District has a park police department headed by a Chief of Park Police. Except for these anomalies, all eight districts and CPCSD are responsible for the core functions of parks and recreation.

Appendix B lists the management and supervisory positions below the General Manager/District Administrator in each survey district. By showing the management/supervisory positions, the major departments/functional work units of each district are more readily revealed. For instance, not counting the Fire Chief as it is an anomaly, the Cameron Park CDS has only two supervisory/management positions under the General Manager: the Parks Superintendent and Recreation Supervisor. As can be seen from Appendix B, the Arden Park District is the only other survey district which only has two managers/supervisors in its organizational structure, also over parks and recreation. All of the other seven survey districts have managers/supervisors over parks and recreation (Arden Manor only uses a Park Maintenance Worker over its park function); however, they additionally have management/supervisory positions over their administrative functions. The titles vary from Administrative Services Manager to Office Manager with the use of Administrative Services Manager being the most commonly used title (Arden Manor, Carmichael Park and Recreation District, Fair Oaks Recreation and Park District).<sup>1</sup>

It is clear from the survey results that the majority of other districts have a distinct administrative services department/functional work unit headed by a management/supervisory position responsible for managing such functions as finance, human resources, information technology, risk management, and/or office management. Given the difficulties the District has experienced with many of its administrative functions over the past year or so, it can be logically concluded that the lack of an expert manager overseeing and handling these functions is directly related to these problems. Additionally, with a manager over the District's administrative functions, the General Manager can provide more focus on the community and the Board without getting overly bogged down in administrative minutiae.

Another key element that is important for efficient operations of the District is the function of the General Manager's work team. Having direct administrative support for developing Board agendas, minutes, special projects, and communications allows the General

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<sup>1</sup> Note about "Manager" titles: While larger organizations tend to use the terms "Director" and "Manager" in their job titles, it is appropriate to use the "Manager" title in small organizations as well. Use of "Manager" denotes the management of an important function in a smaller organization. Use of "Superintendent" is similarly used but is more common for field management positions.

## Item #4.

Manager to spend more time within the community strengthening support for public services. A consistent approach of the survey agencies to this type of support was not found. Some of the survey agencies have these types of responsibilities residing with an Office Manager or other administrative supervisor or analyst, some use a class similar to the District's position, often called Administrative Assistant, and some had no support position at all. Since there were no consistent best practices noted, the optimal approach would be to look at current needs of the District. Because of the need for administrative, Board, and special project support, a new specialized job class would help address these three important work assignments. The new class should be called Administrative Specialist/Clerk of the Board to denote its various responsibility areas. However, given the fact that the position is currently filled on a part-time basis by a retired annuitant, implementing a new class is not urgent and can be developed a later date.

Finally, a review of the District's maintenance work unit was conducted. The only concern from this review relates to the supervisory span of control which appears very narrow. That is, there is a Parks Superintendent, a Parks Supervisor, and two Maintenance Workers who are considered lead workers. This number of supervisory and lead job classes/positions is unusual for such a small organization, especially when some of these classes are supervising or leading seasonal and temporary employees. The responsibility level of supervising regular staff is very different from supervising temporary employees who serve "at will". Therefore, supervisory/lead staff are not needed for just overseeing temporary workers.

When the park maintenance divisions are reviewed from the survey agencies, only two other districts (Fair Oaks and North Highlands) have such narrow spans of control. Given that all of the positions are filled except the Parks Superintendent, no changes are recommended at this time. However, should any vacancies in the Parks Supervisor or Lead Maintenance Worker II classes occur, thought should be given to expanding the span of control (number of employees directly supervised) to a larger ratio rather than the current one supervisor/lead worker to one or two regular, full-time employees or just only temporary employees.

### **RECOMMENDATION**

It is recommended that the District effect the following changes:

#### **Immediate Recommendations**

- Reinststitute the old Finance/Human Resources Officer job class with a new title of Administrative Services Manager with the revisions as tracked in Appendix C; set salary at the same level as Parks Superintendent.
- Implement the proposed organizational chart in Appendix D.

## Item #4.

### Recommendations for Future Changes

- When the retired annuitant in the Administrative Assistant/Special Projects position leaves, develop a new Administrative Specialist/Clerk to the Board job description before starting a new recruitment.
- Take advantage of any future vacancies in the maintenance work unit to expand the current narrow span of control ratios.

Bronda Silva  
Human Resources Consultant, MRG

### ATTACHMENTS:

Attachment A – Organizational Charts of Eight Survey Districts

Attachment B - Survey District and CPCSD Showing all

Management/Supervisory Positions Below the General Manager/District Administrator

Attachment C - Updated/Retitled Job Description for Administrative Services Manager

Attachment D – Proposed Organizational Chart

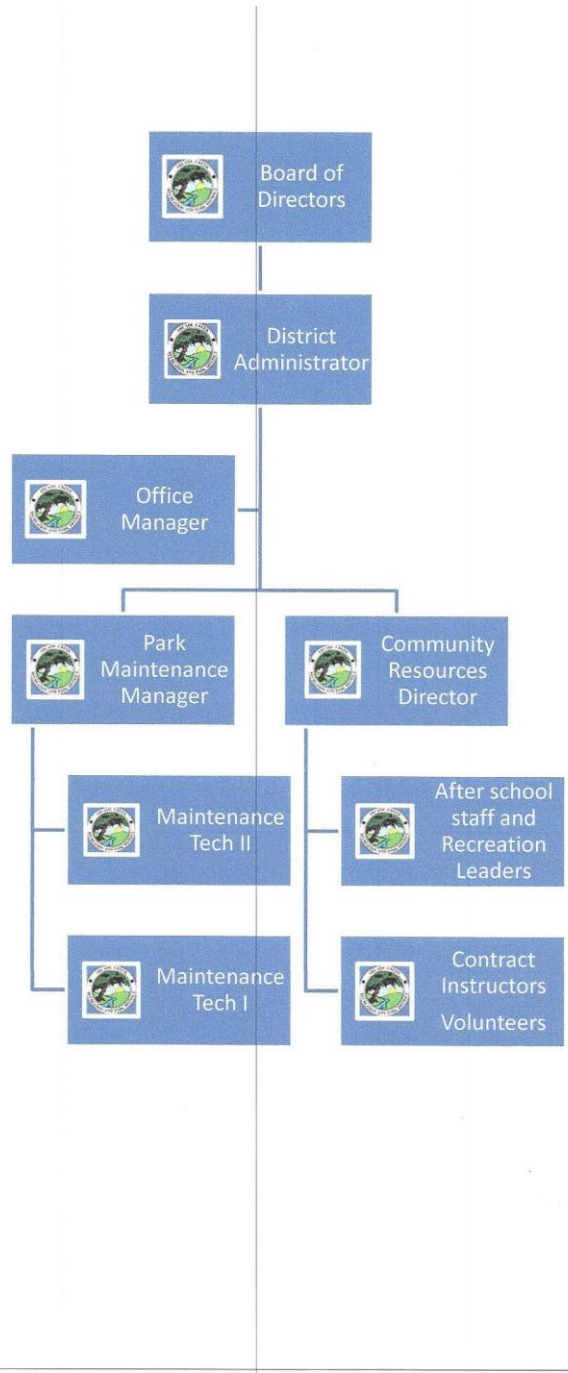
## **Item #4.**

### APPENDIX A – ORGANIZATIONAL CHARTS OF THE EIGHT SURVEY DISTRICTS



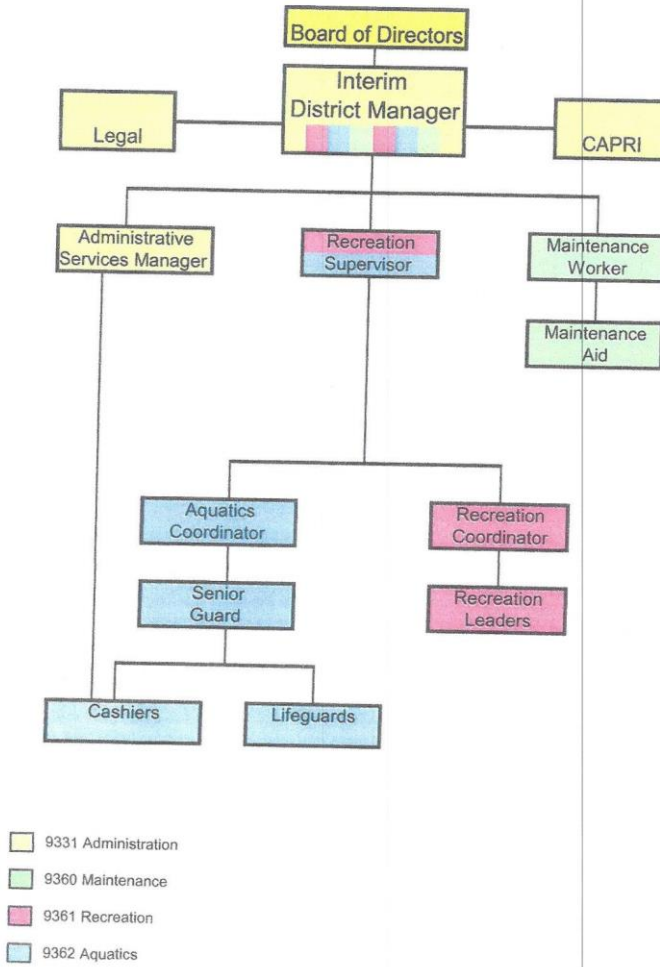
# Item #4.

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# Item #4.

## ORGANIZATIONAL CHART ARDEN MANOR RECREATION AND PARK DISTRICT



2-1

*Arden Park*

**Salary Schedule Effective 7.1.2017**

Exhibit A to Resolution No. 17-07-09

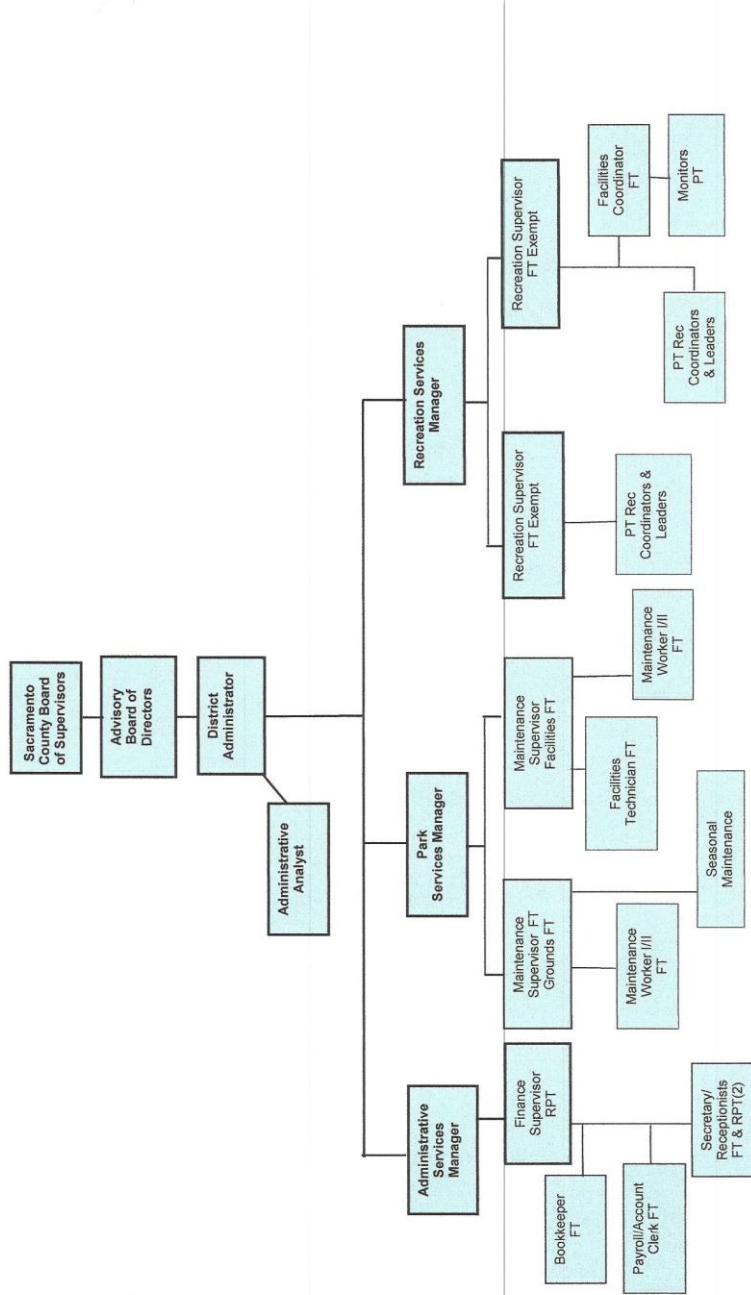
**I. REGULAR FULL TIME POSITIONS / CLASSIFICATIONS**

POSITION	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5
District Administrator	\$67,752	\$71,140	\$74,697	\$78,431	\$82,353
Recreation Supervisor	\$46,836	\$49,178	\$51,637	\$54,219	\$56,929
Park Maint Supervisor	\$46,836	\$49,178	\$51,637	\$54,219	\$56,929
Park Maint Worker II	\$31,289	\$32,853	\$34,496	\$36,221	\$38,032
Administrative Assistant	\$40,596	\$42,626	\$44,757	\$46,995	\$49,345
Park Maint Worker I	\$25,924	\$27,220	\$28,581	\$30,010	\$31,511

**II. PART TIME, TEMPORARY POSITIONS**

POSITION	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5
Pre-school Leader	\$14.25	\$14.61	\$14.97	\$15.35	\$15.73
Pre-school Aide	\$10.75	\$11.02	\$11.29	\$11.58	\$11.87
Recreation Leader II	\$11.48	\$11.77	\$12.06		
Recreation Leader I	\$10.75	\$11.02	\$11.29		
Recreation Aide	\$10.75	\$11.02	\$11.29		
Pool Manager	\$14.78	\$15.15	\$15.53		
Ass't Pool Manager w/WSI	\$13.25	\$13.58	\$13.92		
Swim Instructor with WSI	\$11.90	\$12.20	\$12.50		
Lifeguard I/Swim Instructor	\$11.00	\$11.28	\$11.56		
Cashier	\$10.50				
Park Maint Worker II-Part Time	\$13.10	\$13.43	\$13.76	\$14.11	
Park Maint Worker I-Part Time	\$10.50	\$10.76	\$11.03	\$11.31	

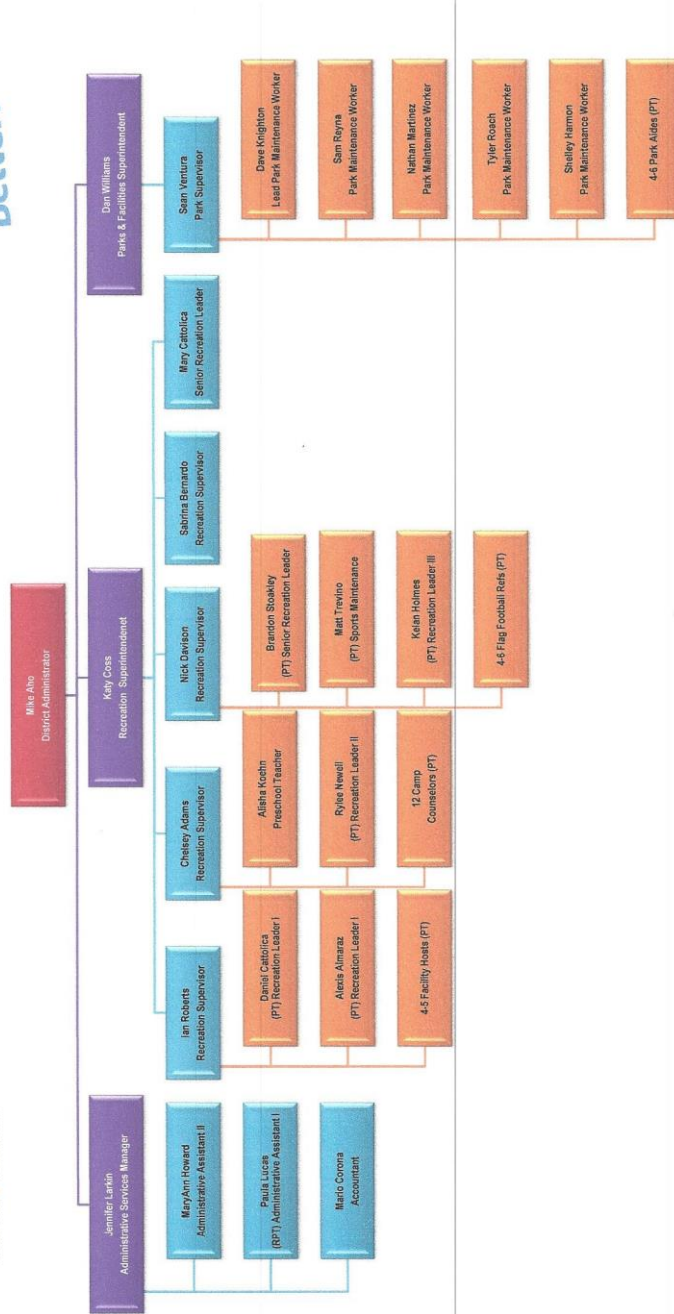
**Carmichael Recreation & Park District**  
*Employee Organizational Chart*

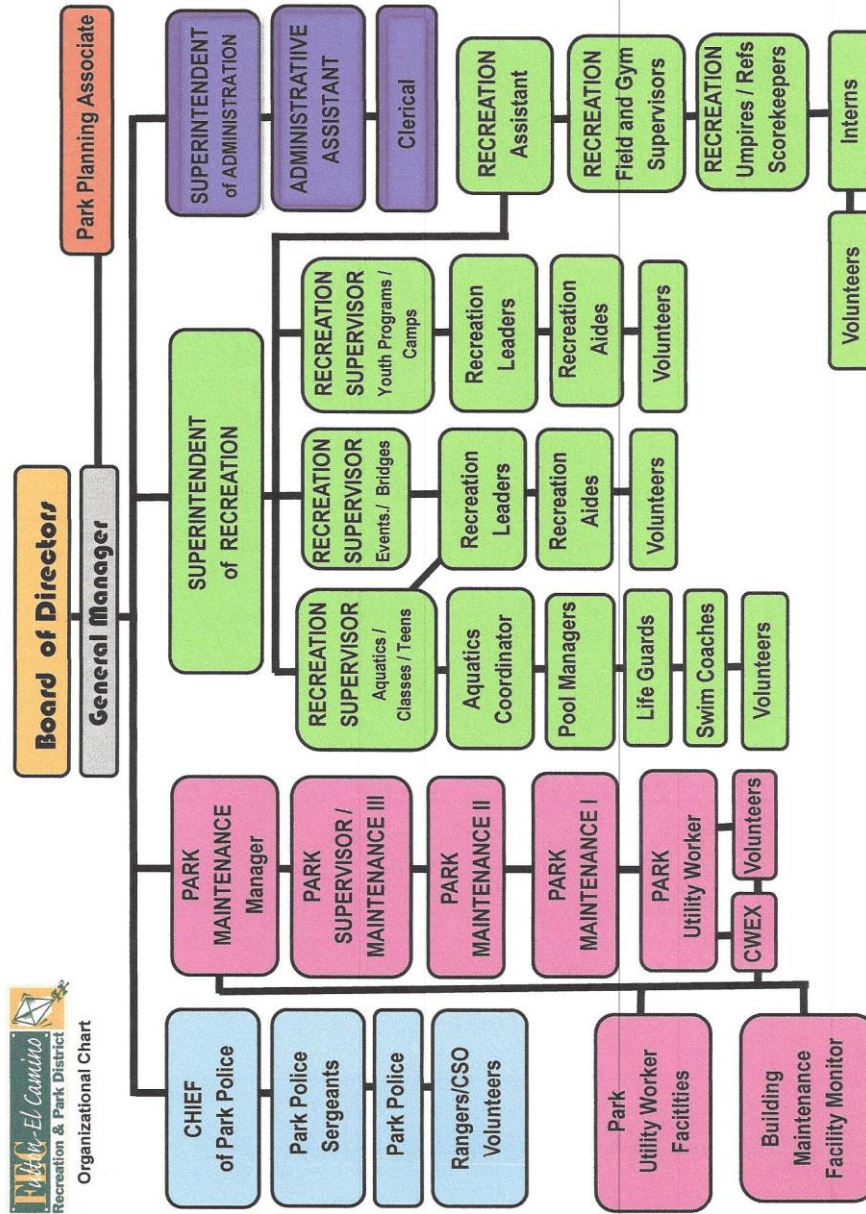


Updated 7/2017



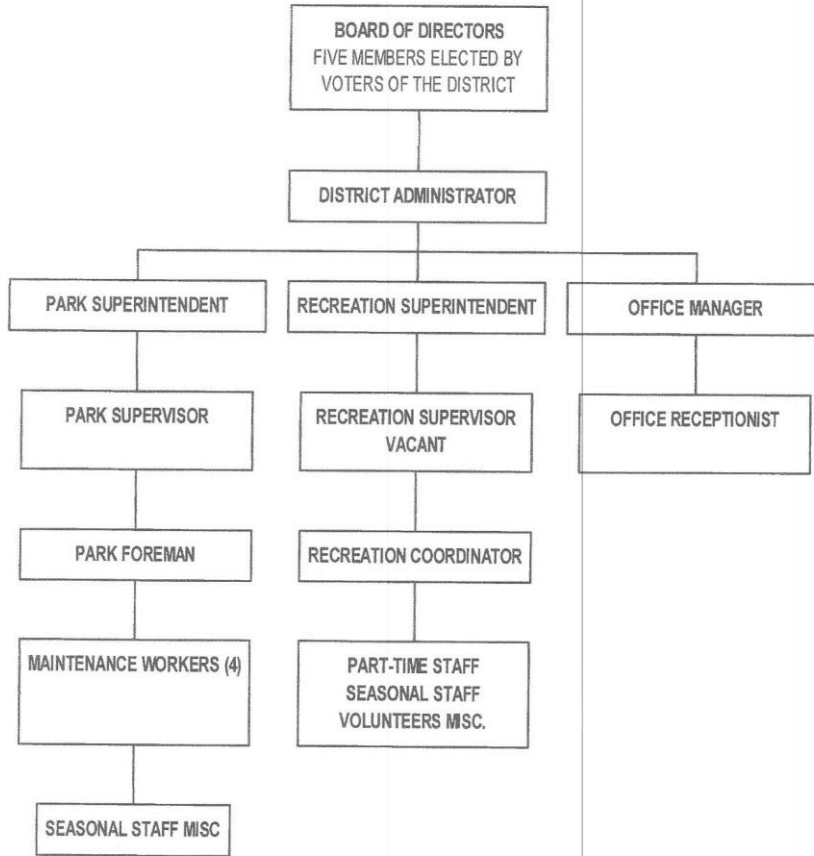
2017 ORGANIZATIONAL CHART  
Fair Oaks Recreation & Park District





# Item #4.

NORTH HIGHLANDS RECREATION AND PARK DISTRICT  
ORGANIZATIONAL CHART

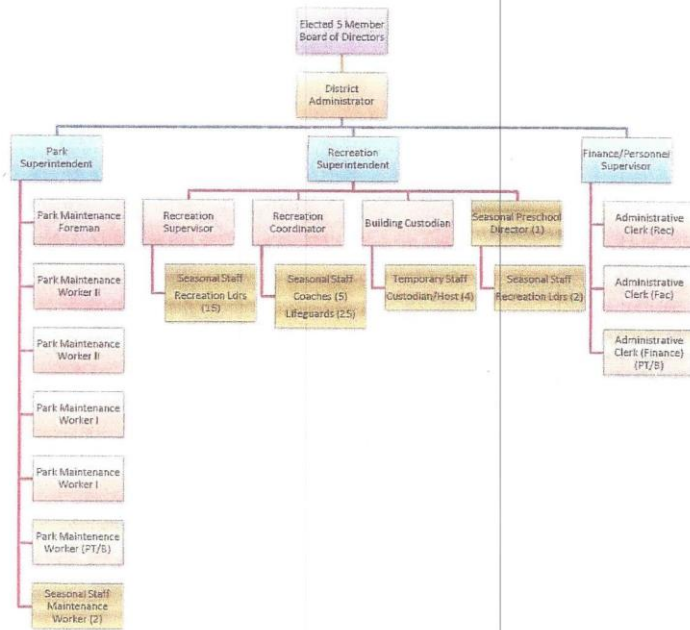


REVISED 2/5/15

FINAL 3/4/2009

## Orangevale Recreation & Park District

### Organizational Chart



PT/B = Part Time Benefitted (20 to 35 hrs per week)



## Item #4.

### **APPENDIX B – SURVEY DISTRICTS AND CPCSD SHOWING ALL MANAGEMENT/SUPERVISORY POSITIONS BELOW THE GENERAL MANAGER/DISTRICT ADMINISTRATOR**

---

**CAMERON PARK COMMUNITY SERVICES DISTRICT** – Parks Superintendent, Recreation Supervisor, Fire Chief

---

**ARDEN CREEK PARKS AND RECREATION** – Park Maintenance Manager, Community Resources Director, Office Manager

**ARDEN MANOR** – Administrative Services Manager, Recreation Supervisor

**ARDEN PARK PARKS AND RECREATION** – Recreation Supervisor, Park Maintenance Supervisor

**CARMICHAEL PARK AND RECREATION DISTRICT** – Administrative Services Manager, Park Services Manager, Recreation Services Manager

**FAIR OAKS RECREATION AND PARK DISTRICT** – Administrative Services Manager, Recreation Superintendent, Parks and Facilities Superintendent

**FULTON-EL CAMINO RECREATION AND PARK DISTRICT** – Park Maintenance Manager, Superintendent of Recreation, Superintendent of Administration, Chief of Park Police

**NORTH HIGHLANDS RECREATION AND PARK DISTRICT** – Park Superintendent, Recreation Superintendent, Office Manager

**ORANGEVALE RECREATION AND PARK DISTRICT** – Park Superintendent, Recreation Superintendent, Finance/Personnel Supervisor

## Item #4.

### APPENDIX C – UPDATED/RETITLED JOB DESCRIPTION FOR ADMINISTRATIVE SERVICES MANAGER

CAMERON PARK COMMUNITY SERVICES DISTRICT

## **Administrative Services Manager**

(Exempt/Confidential)

*Class specifications are only intended to present a descriptive summary of the range of duties and responsibilities that are associated with specified positions. Therefore, specifications **may not include all** duties performed by individuals within a classification. In addition, specifications are intended to outline the minimum qualifications necessary for entry into the class and do not necessarily convey the qualifications of incumbents within the position.*

#### **DEFINITION:**

Under supervision of the General Manager, plans, manages and organizes and directs the administrative, finance, human resources and risk management and other related functions as required. Also may serve as liaison to the District's contracted information technology service provider.

#### **DISTINGUISHING CHARACTERISTICS:**

The **Administrative Services Manager** is a management/supervisory level class responsible for all functions and operations related to office administration, finance, human resources, risk management and contracted information technology service provider. The Administrative Services Manager assists with carrying out, reviewing, interpreting and coordinating District policies. This position supervises and directs work performed by regular and/or part-time employees

Departmental operations are coordinated with the activities of other District departments and are developed within the framework of District policies. The position requires a demonstrated ability to work successfully with staff, management, the Board as well as with representatives of community organizations, state/local agencies and associations, District management and staff and the public.

#### **SUPERVISION EXERCISED/RECEIVED:**

Receives general direction from the General Manager. Incumbents in this position routinely exercise supervision over regular and/or part-time employees.

## Item #4.

### **ESSENTIAL FUNCTIONS:** *(include but are not limited to the following)*

- Manages the office administration, finance, human resources, and contracted information technology operations of the District.
- Oversees and performs complex accounting functions related to financial statements, the preparation of journal entries for general ledger accounts, reconciliation of accounts, accounts payable, payroll, payroll benefits, accruals, and taxes in a governmental fund accounting system; provides back up for staff absences.
- Provides high-level, quality reports to the General Manager timely in support of the Department for committees and the Board of Directors.
- Performs a variety of financial reporting tasks, including the preparation and analysis of month-end closing for the general ledger; prepares annual reports and works with the independent auditor in gathering and interpreting data for required annual audit and state reports, reconciling District accounts and funds; maintains spreadsheets; analyzes and prepares accounts for year-end closing and financial statements.
- Works with staff to highlight revenue and expenditure trends to ensure budget compliance.
- Manages and coordinates all functions related to the District's finances including cash management, treasury, audit and control, procurement, payroll, accounts payable, fixed assets, vendor agreements, annual budget, internal control systems, records management, reporting and analysis, compliance with appropriate laws, ordinances and regulations and other related functions.
- Manages the District's fixed asset record-keeping and coordinate the preparation of a fixed asset report.
- Administers human resources functions, including salaries, benefits and required employment documentation. Maintains a variety of confidential records and files.
- Manages the District's benefits programs, including proper participation in CalPERS and compliance with the District's CalPERS contracts and CalPERS regulations.
- Manages and coordinates all functions and operations related to the District's Information Technology including software, hardware, internet, telecom and other related functions.
- Manages the District's risk management and insurance programs for compliance, assures points for rate reduction are obtained for annual insurance renewal.

## Item #4.

- Manages and oversees the administrative functions of the office including customer service and Board support.
- Participates as a contributory member of the District Management team coordinating efforts with the General Manager and all other departments; demonstrates strong professional skills with the Board of Directors, committees, other agencies, the public and staff; attends meetings as assigned; attends Board of Directors meetings as required; prepares and presents reports to the General Manager, Board of Directors, and other public agencies or groups, analyzes complex technical challenges and evaluates alternative solutions.

### **PHYSICAL, MENTAL AND ENVIRONMENTAL WORKING CONDITIONS:**

Position requires prolonged sitting, standing, walking, reaching, twisting, kneeling, bending, squatting and stooping in the performance of daily activities. The position also requires grasping, repetitive hand movement and fine coordination in preparing statistical reports and data using a computer keyboard. Additionally, the position requires both near and far vision in reading correspondence, statistical data and using a computer. Acute hearing is required when providing phone and personal service. The need to lift, drag and push files, paper and documents weighing up to 25 pounds is also required.

Some of these requirements may be accommodated for otherwise qualified individuals requiring and requesting such accommodations.

**QUALIFICATIONS:** (The following are minimal qualifications necessary for entry into the classification.)

### **Education and/or Experience:**

A Bachelor's degree is required and a Master's degree is preferred. Experience in a government agency, special district, or with fund accounting is highly desirable. Three to five years of increasingly responsible experience including supervision, governmental finance, human resources and risk management are also highly.

### **License/Certificate:**

Must be able to travel to various locations within and outside the District to meet the District's needs and to fulfill the job responsibilities. When driving on District business, maintenance of a valid California Driver's License and satisfactory driving record is required.

### **Knowledge/Abilities/Skills:**

*(The following are a representative sample of the KAS's necessary to perform essential duties of the position.)*

## Item #4.

### **Knowledge of:**

Principles and practices of administering and directing public agency administrative functions and related responsibilities including financial record keeping, report writing, and basic governmental accounting; principles and practices of budget development, budget administration and purchasing; cash handling techniques; basic principles of mathematics; principles and practices of records management and organizational effectiveness; applicable federal, state and local laws, codes and regulations; principles and practices for public sector human resources management; principles and practices of supervision, training, discipline, and performance evaluation methods and techniques of scheduling work assignments; principles and practices of records management and organizational effectiveness; standard office procedures, practices, and equipment; modern office procedures, including word processing, spreadsheet, and applicable software; methods and techniques for record keeping and report preparation and writing; proper English, spelling and grammar; Americans with Disabilities Act (ADA) compliance, occupational hazards and standard safety practices.

### **Ability to:**

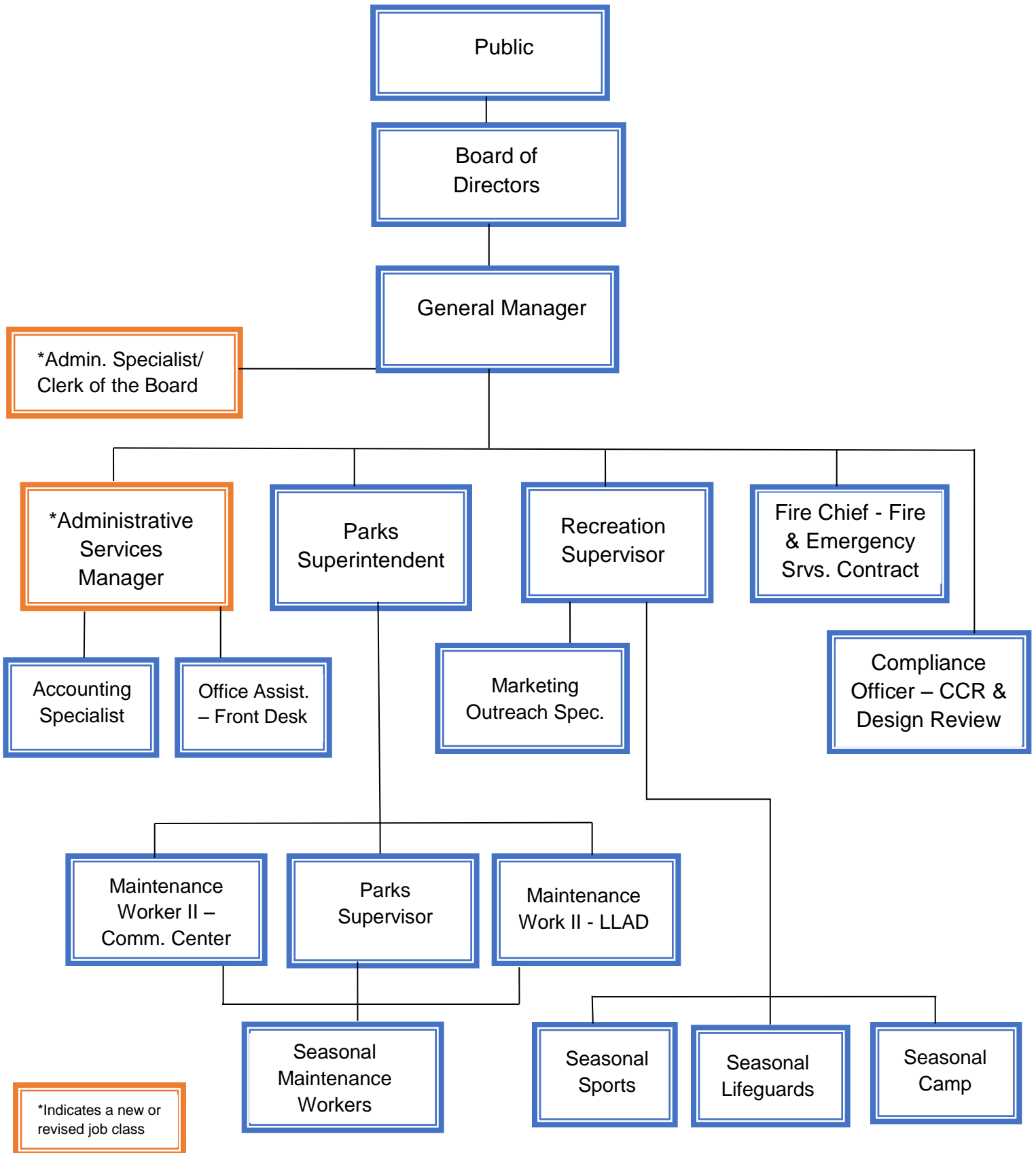
Work independently and plan, direct, manage, and coordinate the work of the finance, human resources, information technology, office management, and risk management functions; prepare and administer a district-wide governmental fund accounting budget; estimate time, materials, and equipment needed to complete projects; keep accurate records; examine and analyze a wide variety of financial documents and reports; implement goals, objectives, and methods for measuring and evaluating achievement and performance levels; learn new complex software programs; perform mathematical calculations quickly and accurately; interpret, apply, and make decisions in accordance with laws, procedures, rules, regulations, policies, and guidelines; supervise, train, discipline, and evaluate subordinates; read, interpret, and record data accurately; analyze situations, project consequences of proposed actions, and implement recommendations in support of goals; organize, prioritize, and follow-up on work assignments; work independently and as part of a team; make sound decisions within established guidelines; analyze complex issues, and develop and implement appropriate responses; follow written and oral directions; observe and enforce safety principles and work in a safe manner; work flexible hours, including evenings and weekends as business needs require; communicate clearly and concisely, both orally and in writing; establish and maintain effective working relationships with those contacted in the course of work; maintain a high degree of confidentiality, professional standards, and communication skills.

### **Skill to:**

Operate office computers and other technology devices and use a variety of word processing, spreadsheet and software applications, including financial systems.

# Item #4.

## APPENDIX D – PROPOSED ORGANIZATIONAL CHART



*Cameron Park  
Community Services District*

## **Agenda Transmittal**

**DATE:** January 12, 2018

**FROM:** Kathy Matranga-Cooper, Special Projects Coordinator

**AGENDA ITEM #6:** **AGREEMENT WITH SCI CONSULTING FIRM**

**RECOMMENDED ACTION:** Approve Agreement with SCI Consulting Firm

---

**BUDGET ACCOUNT:**

**BUDGET IMPACT:**

---

The Cameron Park Community Services District (CPCSD) has worked with SCI Consulting Firm in the past for the preparation of the Landscape and Lighting Assessment Districts (LLAD) Engineer's Report. Staff is recommending we continue using SCI Consulting Group for preparation of this report for one year. This report is required by El Dorado County and will establish the legal and policy basis for imposing fees within the CPCSD.

SCI Consulting Group's proposal is in the amount not to exceed \$18,500 for this work (see attached Agreement for Consultant Services).

**Recommendation**

Direct the General Manager to sign the agreement with SCI Consulting and work with SCI Consulting on fulfilling the terms of the agreement.

**Attachments**

Attachment A – Levy Administration Services Agreement

Attachment B – Tentative Project Timeline

## LEVY ADMINISTRATION SERVICES AGREEMENT

THIS AGREEMENT is made on January 17, 2018, between the **Cameron Park Community Services District**, ("District") and **SCI Consulting Group** ("Consultant" or "SCI"), a California Corporation, who agree as follows:

- 1. Scope of Work ("Work").** Consultant shall perform the work and render the services described in the Scope of Work shown below (the "Work"). The Consultant shall provide all labor, equipment, material and supplies required or necessary to properly and competently perform the Work, and determine the method, details and means of doing the Work.
- 2. Payment.**
  - a.** In exchange for the Work, District shall pay to the Consultant a fee for completed phases of the Work. The total fee for the Work shall not exceed amounts set forth in the Fee Schedule shown below. There shall be no compensation for extra or additional work or services by the Consultant unless approved in advance in writing by District. The Consultant's fee shall include all of the Consultant's costs and expenses related to the Work.
  - b.** At the completion of each phase of the Work, the Consultant shall submit to the District an invoice for the Work performed. If the Work is satisfactorily completed and the invoice is accurately computed, the District shall pay the invoice within 30 days of its receipt.
- 3. Term.** This Agreement shall take effect on the above date and shall continue in effect until completion of the Work.
- 4. Insurance.**
  - a. Types & Limits.** The Consultant, at its sole cost and expense, shall procure and maintain for the duration of this Agreement the following types and limits of insurance:

Commercial General Liability	\$2,000,000 per occurrence
	\$4,000,000 aggregate
Automobile Liability	\$2,000,000 per accident
Workers' Compensation	Statutory limits
Professional Liability	\$2,000,000 per claim
Excess Liability (over General Liability & Auto Liability)	\$1,000,000 per occurrence & \$1,000,000 aggregate
  - b. Other Requirements.** The general liability policy(ies) shall be endorsed to name the District, its officers and employees as additional insureds regarding liability arising out of the Work.
  - c. Proof of Insurance.** Upon request, the Consultant shall provide to the District proof of insurance.



5. **Indemnification.** The Consultant shall indemnify, defend, protect, and hold harmless the District, and its officers and employees from and against any and all liability, losses, claims, damages, expenses, demands, and costs (including, but not limited to, attorney, expert witness and consultant fees, and litigation costs) arising out of the Consultant's performance of the Work and caused by willful misconduct of or by the Consultant or its employees, agents and subcontractors.
6. **Entire Agreement.** This writing represents the sole, final, complete, exclusive and integrated expression and statement of the terms of this contract between the parties concerning the Work, and supersedes all prior oral and/or written negotiations, representations or contracts. This Agreement may be amended only by a subsequent written contract approved and executed by both parties.
7. **Independent Contractor.** The Consultant's relationship to the District is that of an independent contractor.
8. **Successors and Assignment.** This Agreement shall bind and inure to the benefit of the heirs, successors and assigns of the parties; however, the Consultant shall not subcontract, assign or transfer this Agreement or any part of it without the prior written consent of the District.
9. **No Waiver of Rights.** Any waiver at any time by either party of its rights as to a breach or default of this Agreement shall not be deemed to be a waiver as to any other breach or default.
10. **Severability.** If any part of this Agreement is held to be void, invalid or unenforceable, then the remaining parts will nevertheless continue in full force and effect.
11. **Governing Law and Venue.** This Agreement will be governed by and construed in accordance with the laws of the State of California.
12. **Default.** In the event that the Consultant defaults in the obligations of the Consultant under this Agreement, or the Consultant defaults in the performance of the terms and conditions of this Agreement, the District may, at its option, declare this Agreement to be in default and, at any time thereafter, may do any one or more of the following: a) enforce performance of the Agreement by the Consultant; or b) terminate this Agreement. In the event that this Agreement is terminated, payment shall still be due for all Work performed by the Consultant through the date of the termination.
13. **Cancellation.** The District or the Consultant may cancel this Agreement without cause. The party desiring to cancel this Agreement shall notify the other party in writing. In the event that this Agreement is cancelled, payment shall still be due for all Work performed by the Consultant through the date of the notification of cancellation.
14. **Attorney's Fees.** In the event any legal action is brought to enforce or construe this Agreement, the prevailing party shall be entitled to an award of reasonable attorney's fees, expert witness and consulting fees, and litigation costs.

**15. Notice.** Any notice, invoice or other communication that is required or permitted to be given under this Agreement shall be in writing and either served personally or sent by prepaid, first class U.S. mail or by commercial delivery service, addressed as follows:

**Public Agency:**

Cameron Park Community Services District  
2502 County Club Drive  
Cameron Park, CA 95682

**Consultant:**

SCI Consulting Group  
4745 Mangels Boulevard  
Fairfield, CA 94534

Any party may change its address by notifying the other party of the change in the manner provided below:

_____	_____
_____	_____
_____	_____
_____	_____

## SCOPE OF WORK

This section outlines the engineering services and other responsibilities SCI would perform as the Engineer of Work and Assessment Levy Administrator for Cameron Park Community Services District. These services shall cover the Cameron Park CSD 20 landscaping and lighting Assessment Districts (the "Assessment Districts").

### DEFINITIONS

District:	Cameron Park Community Services District, staff and Directors.
Assessment Districts:	The Cameron Park Community Services District Landscaping and Lighting Assessment Districts
SCI or Consultant:	SCI Consulting Group, and any and all employees and subcontractors.
Administration:	Services related to the determination, levy and collection of assessment revenues.

### CONFIRMATION OF DISTRICT PARCELS AND LEVY CALCULATION

1. In the first quarter of the year, create a database including every parcel in the boundaries of the Assessment Districts, including the parcel attributes necessary for calculating the Assessments, and update it with new information for the upcoming year.
2. Obtain upcoming fiscal year estimated cost information from the District to use as a basis for the budget in the Engineer's Report.
3. On a parcel-by-parcel basis, calculate and verify the proposed specific assessment amount for each parcel and prepare the preliminary assessment roll.

### ENGINEER'S REPORT AND OTHER DOCUMENTS

1. Update the previous Engineer's Report as necessary, including upgrades to improve compliance with Proposition 218 and other requirements.
2. File the final Engineer's Report with the District.
3. Prepare any needed resolutions and staff reports for the Assessment.
4. Prepare and assist with the publication of any notices for the continuation of the Assessment.
5. Attend District Board meetings as needed, including the meeting at which the Engineer's Report is approved and the public hearing is held.

### LEVY RE-CALCULATION, RE-VERIFICATION AND SUBMITTAL

1. After the close of each fiscal year on June 30, obtain the final lien-date Assessor Roll from the County and create an updated District database.
2. Identify new or changed parcels that may require an updated or new assessment calculation and recalculate the final assessment on a parcel-by-parcel basis.

3. Finalize the Assessment Roll, other documents and supporting materials for the assessments.
4. Prepare the final Assessment Roll for the Assessment Districts and submit it to the County for inclusion on the upcoming fiscal year tax bills.

**DISTRICT INFORMATION AND LEVY CONFIRMATION**

1. Verify and validate Auditor's levy data prior to the printing of tax bills.

**RESPONDING TO PUBLIC INQUIRIES AND APPEALS**

1. Provide the County Auditor/Tax Collector with our toll-free phone number so property owners can directly contact SCI Consulting Group throughout the fiscal year regarding any questions that arise.
2. Throughout the fiscal year, research and, if necessary, revise any Assessments which we find to be based upon incorrect information being used to apply the method of assessment. (It should be noted that, due to our comprehensive levy validation procedures, actual revisions are expected to be very minimal, if any.)

## FEE SCHEDULE

SCI shall be compensated for the performance of the Scope of Work as follows:

1. For Fiscal Year 2018-19, the total compensation for the Scope of Work shall be \$18,500 payable as follows:
  - a. A progress fee of \$5,000 shall be due on May 30 of the fiscal year.
  - b. Upon submittal of the special assessment levies to the County Auditor, the sum of \$7,000 shall be due.
  - c. On January 31 of the fiscal year, the remainder shall be due.
2. For Fiscal Year 2019-20, the total compensation for the Scope of Work shall be \$19,055 payable as follows:
  - a. A progress fee of \$5,000 shall be due on May 30 of the fiscal year.
  - b. Upon submittal of the special assessment levies to the County Auditor, the sum of \$7,000 shall be due.
  - c. On January 31 of the fiscal year, the remainder shall be due.
3. For Fiscal Year 2020-21, the total compensation for the Scope of Work shall be \$19,627 payable as follows:
  - a. A progress fee of \$5,000 shall be due on May 30 of the fiscal year.
  - b. Upon submittal of the special assessment levies to the County Auditor, the sum of \$7,000 shall be due.
  - c. On January 31 of the fiscal year, the remainder shall be due.

If the District desires to extend the term of this agreement for two more Fiscal Years, 2021-22 and 2022-23, the fee amount for each additional year will be as follows:

4. For Fiscal Year 2021-22, the total compensation for the Scope of Work shall be \$20,215 payable as follows:
  - a. A progress fee of \$5,000 shall be due on May 30 of the fiscal year.
  - b. Upon submittal of the special assessment levies to the County Auditor, the sum of \$7,000 shall be due.
  - c. On January 31 of the fiscal year, the remainder shall be due.
5. For Fiscal Year 2022-23, the total compensation for the Scope of Work shall be \$20,822 payable as follows:
  - a. A progress fee of \$5,000 shall be due on May 30 of the fiscal year.
  - b. Upon submittal of the special assessment levies to the County Auditor, the sum of \$7,000 shall be due.
  - c. On January 31 of the fiscal year, the remainder shall be due.
6. The Scope of Work includes one meeting with the District. Any additional meetings shall be billed at the rate of \$500 per person per meeting.

7. In the event that the District elects to request optional, additive scope of work, SCI will work with the District to negotiate compensation for these additional tasks, and execute an Addendum to the agreement for these additional services.
8. Incidental costs incurred by SCI for the purchase of property data, maps, travel and other out-of-pocket expenses incurred in performing the Scope of Work shall be reimbursed at actual cost by the District with total cost not to exceed \$1,000 per year, without prior authorization from the District.

Note: All costs associated with this proposal can be financed or refunded by assessment proceeds.

The Fee Schedule shown above is valid as long as this agreement is executed within 90 days from the date this agreement was submitted to the District.

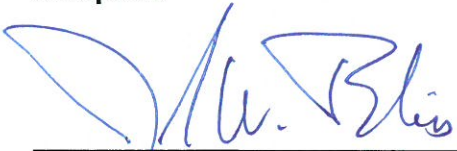
**SIGNATURE PAGE**

By signing below, we agree to the terms of this Levy Administration Services Agreement.

**Accepted:**

**Accepted:**

\_\_\_\_\_  
Jill Ritzman  
General Manager  
Cameron Park Community Services District

  
\_\_\_\_\_  
John W. Bliss  
President  
SCI Consulting Group

\_\_\_\_\_  
Date

12-13-17  
\_\_\_\_\_  
Date

## TENTATIVE PROJECT TIMELINE FOR CAMERON PARK CSD LANDSCAPING AND LIGHTING ASSESSMENT DISTRICTS FISCAL YEAR 2018-19 LEVY

january							february							march							april						
s	m	t	w	t	f	s	s	m	t	w	t	f	s	s	m	t	w	t	f	s	s	m	t	w	t	f	s
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14	15	16	17	18	19	20	11	12	13	14	15	16	17	11	12	13	14	15	16	17	15	16	17	18	19	20	21
21	22	23	24	25	26	27	18	19	20	21	22	23	24	18	19	20	21	22	23	24	22	23	24	25	26	27	28
28	29	30	31				25	26	27	28				25	26	27	28	29	30	31	29	30					

may							june							july							august						
s	m	t	w	t	f	s	s	m	t	w	t	f	s	s	m	t	w	t	f	s	s	m	t	w	t	f	s
		1	2	3	4	5					1	2	1	2	3	4	5	6	7				1	2	3	4	
6	7	8	9	10	11	12	3	4	5	6	7	8	9	8	9	10	11	12	13	14	5	6	7	8	9	10	11
13	14	15	16	17	18	19	10	11	12	13	14	15	16	15	16	17	18	19	20	21	12	13	14	15	16	17	18
20	21	22	23	24	25	26	17	18	19	20	21	22	23	22	23	24	25	26	27	28	19	20	21	22	23	24	25
27	28	29	30	31			24	25	26	27	28	29	30	29	30	31					26	27	28	29	30	31	

<u>Tentative Date</u>	<u>Tasks to be Completed (Detailed List)</u>	<u>Responsible</u>
December 2017	District receives SCI proposal	SCI
January 17, 2018	Board – Approval of Services Agreement	Board/District
March 21	Passage of resolution directing the preparation of the Engineer’s Report and resolution authorizing CC&R assessments	Board/District
April 16	Submit estimated assessment totals to District for budget preparation	SCI
May 1	District provides SCI with LLAD budgets	District/SCI
May 25	Complete and file Preliminary Engineer’s Report with District	SCI
June 13	Passage of resolution preliminarily accepting Engineer’s Report and scheduling the Public Hearing	Board/District
June 6	Publish notice of public hearing (must occur at least 10 days before Public Hearing)	SCI
July 18	Public Hearing and approval of resolution approving Engineer’s Report and levying annual assessments	Board/District
August 10	Submission of assessments to County	SCI
September	Confirmation of final levies with County	SCI

*SCI can meet this timeline; however, the District can also modify it as needed. It is understood that all regular Board meetings are on the 3<sup>rd</sup> Wednesday of the month.*