

MILLVIEW COUNTY WATER DISTRICT

FINANCIAL STATEMENTS

JUNE 30, 2022 AND 2021

MILLVIEW COUNTY WATER DISTRICT
FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

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Board of Directors
Millview County Water District
Ukiah, CA 95482

Independent Auditor's Report

Opinions

I have audited the accompanying financial statements of the business-type activities Millview County Water District as of and for the years ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the Millview County Water District's basic financial statements as listed in the table of contents. In my opinion, except for the effects of the matter described in the "Basis for Qualified Opinion" paragraph, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of Millview County Water District as of June 30, 2022 and 2021 and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Qualified Opinion

Management has not adopted GASB Statement 68 "Accounting and Financial Reporting of Pension Plans." and amendments to GASB 68". Accounting principles generally accepted in the United States of America require that Deferred Inflows/Outflows and Adjusted Pension Expense be recorded currently which would increase the assets and liabilities and change the pension expense. The effect on Deferred Inflows/Outflows and payroll and employee benefits expenses has not been determined. See Footnote 4 for more detail.

Basis for Opinions

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of the Millview County Water District, and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design,

implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, I:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Millview County Water District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Millview County Water District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

The District has not presented Management's Discussion and Analysis that accounting principles generally accepted in the United State has determined is necessary to supplement, although not required to be part of the basic financial statements.

A handwritten signature in black ink, appearing to read 'M. Celentano', with a long horizontal line extending to the right.

Michael A Celentano
Certified Public Accountant

November 1, 2022

MILLVIEW COUNTY WATER DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2022 AND 2021

| <u>ASSETS</u> | <u>2022</u> | <u>2021</u> |
|---|----------------------|----------------------|
| <u>Current Assets</u> | | |
| Cash in bank - Note 2 | \$ 325,407 | \$ 305,663 |
| Accounts receivable | 170,444 | 189,957 |
| Investments - Note 2 | 3,149,104 | 3,137,027 |
| Prepaid expenses | <u>840</u> | <u>535</u> |
| Total Current Assets | 3,645,795 | 3,633,182 |
| <u>Non Current Assets</u> | | |
| Restricted for capital improvements and loan reserves | | |
| Cash in banks - Note 2 | 2,044,644 | 1,737,945 |
| Investments - Note 2 | 22,038 | 21,954 |
| Intangible assets - Note 3 | <u>1,581,349</u> | <u>1,606,531</u> |
| Total Non Current Assets | 3,648,031 | 3,366,430 |
| <u>Capital Assets - Note 5</u> | <u>8,349,767</u> | <u>8,510,498</u> |
| Total Assets | <u>\$ 15,643,593</u> | <u>\$ 15,510,110</u> |

The accompanying notes are an integral part of these statements

MILLVIEW COUNTY WATER DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2022 AND 2021

| <u>LIABILITIES</u> | <u>2022</u> | <u>2021</u> |
|---|----------------------|----------------------|
| <u>Current Liabilities</u> | | |
| Accounts payable | \$ 92,278 | \$ 171,616 |
| Refundable customer deposits | 54,048 | 52,684 |
| Interest Payable | 22,155 | 22,500 |
| Current portion of long term debt | <u>56,000</u> | <u>46,000</u> |
| Total Current Liabilities | <u>224,481</u> | <u>292,800</u> |
| | | |
| <u>Long Term Liabilities</u> | | |
| Loan Payable - Note 6 | 2,954,000 | 3,000,000 |
| Less: current portion shown above | (56,000) | (46,000) |
| Net Pension Liabilities - Note 7 | <u>121,229</u> | <u>228,286</u> |
| Total Long Term Liabilities | <u>3,019,229</u> | <u>3,182,286</u> |
| | | |
| Total Liabilities | <u>3,243,710</u> | <u>3,475,086</u> |
| | | |
| <u>Net Position</u> | | |
| Investment in capital assets | 5,395,767 | 5,510,498 |
| Restricted for capital improvements - non expendable | 1,966,792 | 1,658,747 |
| Loan reserves | 99,890 | 101,152 |
| Unrestricted | <u>4,937,434</u> | <u>4,764,627</u> |
| | | |
| Total Net Position | <u>\$ 12,399,883</u> | <u>\$ 12,035,024</u> |

The accompanying notes are an integral part of these statements

MILLVIEW COUNTY WATER DISTRICT
STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021

| | 2022 | 2021 |
|--|---------------|---------------|
| <u>Operating Revenues</u> | | |
| Water sales | \$ 1,250,834 | \$ 1,410,754 |
| Other operating income | 139,633 | 12,550 |
| Connection fees | 8,953 | 69,122 |
| Total Operating Revenue | 1,399,420 | 1,492,426 |
| <u>Operating Expenses</u> | | |
| Source of supply | 188,477 | 206,499 |
| Water treatment | 211,107 | 290,401 |
| Transmission and distribution | 71,948 | 106,703 |
| Customer accounts | 7,181 | 11,239 |
| Administration and general | 680,835 | 692,240 |
| Depreciation and amortization | 374,036 | 371,529 |
| Total Operating Expenses | 1,533,584 | 1,678,611 |
| Operating Income | (134,164) | (186,185) |
| <u>Non-Operating Revenues (Expenses)</u> | | |
| Interest income | 13,284 | 19,532 |
| Capital improvement assessments | 423,809 | 561,705 |
| Other non operating revenue | 23,701 | 128,380 |
| Change in actuarial assumptions/interest expense | 82,539 | (43,115) |
| Interest expense | (44,310) | (37,295) |
| Total Non-Operating Revenues (Expenses) | 499,023 | 629,207 |
| Net Income | 364,859 | 443,022 |
| <u>Net Assets, Beginning of Year</u> | 12,035,024 | 11,592,002 |
| <u>Net Assets, Ending of Year</u> | \$ 12,399,883 | \$ 12,035,024 |

MILLVIEW COUNTY WATER DISTRICT
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021

| | 2022 | 2021 |
|--|--------------|--------------|
| <u>Cash Flows From Operating Activities</u> | | |
| Cash received from customers | \$ 1,418,933 | \$ 1,478,095 |
| Payments to suppliers for goods and services | (706,041) | (714,838) |
| Payments to employees and related items | (533,150) | (526,377) |
| Net Cash Provided by Operating Activities | 179,742 | 236,880 |
| <u>Cash Flows From Non-Capital Financing Activities</u> | | |
| Increase in customer deposits | 1,364 | 785 |
| Other non operating revenue | 23,701 | 128,380 |
| Net Cash Provided (Used) From Non-Capital Financing Activities | 25,065 | 129,165 |
| <u>Cash Flows From Capital Financing Activities</u> | | |
| Proceeds from bond payable | - | 3,000,000 |
| Capital improvement assessments | 423,809 | 561,705 |
| Principal payments | (46,000) | - |
| Interest payments | (44,655) | (14,795) |
| Payments for property and equipment | (188,123) | (3,025,827) |
| Net Cash Provided (Used) From Capital Financing Activities | 145,031 | 521,083 |
| <u>Cash Flows From Investing Activities</u> | | |
| Short-term investments, net | (12,161) | (18,530) |
| Interest received | 13,284 | 19,532 |
| Payment of unfunded pension liability | (24,518) | (23,485) |
| Net Cash Provided (Used) From Investing Activities | (23,395) | (22,483) |
| Net Increase (Decrease) in Cash and Cash Equivalents | 326,443 | 864,645 |
| <u>Cash - Beginning of Year</u> | 2,043,608 | 1,178,963 |
| <u>Cash - Ending of Year</u> | \$ 2,370,051 | \$ 2,043,608 |
| <u>Interest Paid</u> | \$ 44,655 | \$ 14,795 |

The accompanying notes are an integral part of these statements

MILLVIEW COUNTY WATER DISTRICT
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021

| <u>Reconciliation of Operating Income to Net</u> <u>Cash Provided by Operating Activities</u> | <u>2022</u> | <u>2021</u> |
|--|-------------------|-------------------|
| Operating income (loss) | \$ (134,164) | \$ (186,185) |
| Adjustments to reconcile operating income to net cash from operating activities: | | |
| Depreciation | 348,854 | 346,344 |
| Amortization | 25,182 | 25,185 |
| (Increase) decrease in current assets: | | |
| Accounts receivable | 19,513 | (14,331) |
| Prepaid expenses | (305) | (535) |
| Increase (decrease) in current liabilities | | |
| Accounts payable | <u>(79,338)</u> | <u>66,402</u> |
| Net Cash Provided by Operating Activities | <u>\$ 179,742</u> | <u>\$ 236,880</u> |

The accompanying notes are an integral part of these statements

MILLVIEW COUNTY WATER DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

Note 1 - Summary of Significant Accounting Policies

Reporting Entity

The District was formed in 1956 under the provisions of the Water Code for the State of California. The District operates under a board of directors' form of government and is considered an independent local government unit. Members of the Board of Directors are elected officials.

The District provides water services to residents and businesses within the District boundaries. The District's boundaries include a significant portion of the northerly part of the Ukiah Valley which is located in the County of Mendocino. The District's financial statements include the accounts of all District operations.

Accounting Policies

The District's accounting and reporting policies conform to the generally accepted accounting principles as applicable to state and local governments.

The following is a summary of the more significant policies:

Basis of Presentation

The statement of Net Position and Statement of Activities display information about the reporting District as a whole.

The District is comprised of only one fund, the Enterprise Fund. Enterprise funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. The accounting objectives are determinations of net income, financial position and cash flows. All assets and liabilities are included on the Statement of Net Position.

Basis of Accounting

The District Statement of Net Position and Statement of Activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset is used. Revenues, expenses, gains, losses, asset and liabilities resulting from an exchange are recognized when the exchange takes place.

When an expense is incurred for the purpose for which both restricted and unrestricted net position are available, the District's policy is to apply restricted net position first.

Budget

The annual budget is prepared in accordance with the basis of accounting utilized by the District. The budget is amended from time-to-time as the need arises and is approved by the Board of Directors. The budget is not legally required and therefore budget to actual information has not been presented.

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the District considers operating and restricted cash balances purchased with maturities of less than ninety days to be cash and cash equivalents.

Deposits and Investments

It is the District's policy for deposits and investments to either be insured by the FDIC or collateralized. The District's deposits and investments are categorized to give an indication of the level of risk assumed by the District as of June 30, 2022 and 2021. The categories are described as follows:

- Category 1 Insured, registered or collateralized, with securities held by the entity or its agent in the entity's name.
- Category 2 Uninsured and unregistered or collateralized, with securities held by the counter party's trust department or agent in the entity's name.
- Category 3 Uninsured and unregistered, or uncollateralized, with securities held by the counter party, or its trust department or agent but not held in the entity's name.

Deposits and investments as of June 30, 2022 and 2021 consisted of Category 1 type only.

Accounts Receivables

Accounts receivable represent amounts owed the District by its customers. The District has adopted stringent collection and water shut-off policies which minimize uncollectible accounts. No allowance for doubtful accounts is made because management believes almost all accounts are collectible and any allowance would be immaterial for financial statement presentation. Accounts deemed uncollectible are expensed when recognized and assigned to a collection agency for potential recovery.

Investment Policy

It is the policy of the District to invest funds in a manner that will provide the highest return with maximum security while still meeting the daily cash flow demands of the District. All investments must conform to the requirements of California Government Code Sections 5921 and 53601. All investments are in the form of Inactive Public Deposits or Certificates of Deposit and the balances indicated on the balance sheet as investments, restricted and unrestricted, approximate market value.

Investments

Surplus funds are invested by the District in a pooled money investment account held with the State of California in the Local Agency Investment Fund (LAIF). The funds held at LAIF are invested in accordance with Government Code Section 16430 and 16480. The LAIF account is internally allocated between restricted funds and funds reserved by the District for special purposes and general operations.

Estimates

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

Risk Management

The District is exposed to various risks of loss related to torts, theft to, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The District carries insurance for all risks. Settled claims resulting from these risks have not exceeded insurance coverage in the past three years.

Property, Plant and Equipment

Property, plant and equipment are valued at historical cost or at an estimate of their historical cost, if actual historical cost is not available. Donated assets are valued to their estimated fair value on the date donated. Assets with a value of \$1,000 or less are expensed in the year acquired.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Depreciation of all exhaustible fixed assets used by Proprietary Funds is charged as an expense against their operations. Accumulated depreciation is reported on Proprietary Fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight line method. The estimated useful lives are as follows:

| | |
|-------------------------------|-------------|
| Building and improvements | 10-25 years |
| Transmission and distribution | 3-50 years |
| General plant assets | 5-10 years |

Proprietary Fund Financial Statements

The District has a sole fund which is considered a proprietary fund.

Proprietary Fund Financial Statements include a Statement of Net Position, A Statement of Activities and Changes in Net Position, and a Statement of Cash Flows for each proprietary fund.

Proprietary funds are accounted for using the “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or non-current) are included on the Statement of Net Position. The Statement of Activities and Changes in Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. In these funds, receivables have been recorded as revenue and provisions have been made for uncollectible amounts.

Operating revenues in the proprietary fund are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

Note 2 - Cash

As of June 30, 2022 and 2021 cash consisted as follows:

| | <u>2022</u> | <u>2021</u> |
|-----------------------------------|---------------------|--------------------|
| Cash | | |
| General operations | \$ 325,407 | \$ 305,663 |
| Savings & certificates of deposit | <u>2,044,644</u> | <u>1,737,945</u> |
| | 2,370,051 | 2,043,608 |
| Allocated to restricted assets | <u>2,044,644</u> | <u>1,737,945</u> |
| Total Cash | <u>\$ 325,407</u> | <u>\$ 305,663</u> |
| Investments | | |
| LAIF | \$ 3,171,143 | \$3,137,027 |
| Allocated to restricted assets | <u>22,038</u> | <u>21,954</u> |
| Total Investments | <u>\$ 3,149,105</u> | <u>\$3,158,981</u> |

As of June 30, 2022 and 2021, the District's deposits with financial institutions were \$2,108,977 and \$1,796,079 in excess of federal depository insurance limits, respectively. The deposits approximate fair market value.

State law requires uninsured deposits of public agencies to be secured by certain state approved investment securities. The District's deposits are secured as part of an undivided collateral pool covering all public deposits with the financial institution. The market value of the pool must be equal to at least 110% of the total public deposits held by the financial institutions.

The District participates in the Local Agency Investment Fund (LAIF), an investment pool managed by the State of California. The account is similar to a money market account. The funds deposited in LAIF are invested in accordance with Government Code Sections 16430 and 16480, the stated investment authority for the pooled money investment account. LAIF has stated that it has not invested in, nor will it invest in, derivative products as defined in general accounting definitions #1 and #2. LAIF issues a separate comprehensive annual financial report. Copies of LAIF's annual report may be obtained from the Local Agency Investment Fund, P.O. Box 942809, Sacramento, CA 94209-0001.

The District's investments have a risk category of "uncategorized" which represents investments in pools where the District's investments are not evidenced by specific identifiable securities.

Note 3 - Intangible Assets

The following is a summary of intangible assets for the fiscal year ended June 30, 2022 and 2021:

| | <u>2022</u> | <u>2021</u> |
|---|---------------------|--------------------|
| Water Rights – Hill – Gomes (Negotiations in progress) | \$1,530,989 | \$1,530,989 |
| Water Master Plan – Net of amortization | <u>50,360</u> | <u>75,542</u> |
| | <u>\$ 1,581,349</u> | <u>\$1,606,531</u> |

Amortization expense of \$25,182 and \$25,182 were recorded operating expense for the years ended June 30, 2022 and 2021, respectively.

Note 4 - Restricted Assets

The District has established a separate bank account and an allocation of its investment account to hold funds it has collected for capital improvement projects and resulting debt payments. These funds are restricted and not considered available for normal operations. The sources of these funds are from: ongoing monthly assessments to its customers, facility reserve fees, loan reserve and interest income. The monthly assessments or capital improvement assessments are equal to \$1.50 per 1,000 gallons of water sold to all customers except Calpella County Water District. Facility reserve fees, as required under regulations, are to be used only for facility improvements and are assessed to new water hook-ups. Each capital improvement project is approved by the Board of Directors along with the source of funding being from either operating or restricted funds. The loan reserve is for the USDA Rural Loan Service which is equal to one year's loan payment including interest.

Note 5 - Property, Plant and Equipment

The following is a summary of the changes in property, plant and equipment for the fiscal year:

| | Balance <u>7/1/21</u> | <u>Additions</u> | <u>Retirements</u> | Balance <u>6/30/22</u> |
|-------------------------------------|--------------------------|------------------|--------------------|---------------------------|
| Land & land rights | \$ 3,366,807 | \$ | | \$ 3,366,807 |
| Office building and improvements | 3,061 | | | 3,061 |
| Treatment plant | 2,371,905 | | | 2,371,905 |
| Distribution system | 8,341,514 | 149,083 | | 8,490,597 |
| Equipment and vehicles | 50,000 | | | 50,000 |
| Construction in progress | <u>158,437</u> | <u>58,307</u> | <u>(19,267)</u> | <u>197,477</u> |
| Total cost | 14,291,724 | 207,390 | (19,267) | 14,479,847 |

Note 7 - Changes in Long Term Debt

The following is a summary of long term debt for the year ended June 30, 2022:

| Type of Debt | Balance 07/01/20 | Additions | Reductions | Balance 06/30/21 | Due Within One Year |
|--------------|---------------------|-------------|------------------|---------------------|------------------------------|
| USDA- RUS | \$ 3,000,000 | \$ 0 | \$ 46,000 | \$ 2,954,000 | \$ 56,000 |
| | <u>\$ 3,000,000</u> | <u>\$ 0</u> | <u>\$ 46,000</u> | <u>\$ 2,954,000</u> | <u>\$ 56,000</u> |

Note 8 - Defined Benefit Pension Plan (Unaudited)

The District in prior years participated in a cost-sharing multiple-employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS). The District no longer has employees, it contracts with another District to supply all its labor needs. Due to an unfunded liability with CalPERS, the District is required to make payments to lower this liability based on an Annual Actuarial Valuation Report. As of June 30, 2022 the District's unfunded liability is \$ 121,229 which is based on the June 30, 2021 Annual Actuarial Valuation Report and has been recorded as a liability as required by GASB 68 . The District made a payment of \$ 24,518 to CalPERS to lower this unfunded liability during the current year and this payment is reflected as a reduction in net pension liability. This report is a publicly available valuation report that can be obtained at CalPERS' website under Forms and Publications.

Note 9 - Joint Powers Agreement

The District participates in a joint venture under a joint power agreement (JPA) with the Association of California Water Agencies/Joint Powers Insurance Authority (ACWA/JPIA) for insurance purposes. ACWA/JPIA is a joint powers agency formed pursuant to Section 6500 et. Seq., California Government Code, is comprised of California special districts, and agencies including such districts. The relationship between the District and JPA is such that the JPA is not a component unit of the District for financial reporting purposes. Separate financial statements of the JPA can be obtained by writing to them directly at ACWA Joint Powers Insurance Authority, 5620 Birdcage Street, Suite 200, Citrus Heights, CA 95610-7632. ACWA/JPIA's purpose is to jointly fund and develop programs to provide comprehensive and economical risk financing for water districts. These programs are provided through collective self-insurance; the purchase of insurance coverage's; or a combination thereof.

During the year the District joined and will participate in the future in a joint venture under a joint powers (JPA) with the Upper Russian River Water Agency (URRWA) in order to provide more effective and economical services to their customers and to respond in union to water issues in the Upper Russian River Watershed. URRWA is a joint powers agency formed pursuant to Section 6500 et. Seq., California Government Code, is comprised presently of four California special districts. The relationship between the District and JPA is such that the JPA is not a component unit of the District for financial reporting purposes. Additional information can be obtained by writing to them directly at URRWA, 151 Laws Avenue, Ukiah CA 95482.

Note 10 - Master Service Agreement

The District no longer maintains a distinctly separate work force. As part of a long term plan leading toward political consolidation with Redwood Valley CWD, Calpella CWD and Willow CWD, the District entered into a “Master Service Agreement” with Willow CWD in October 2015 to provide and supervise field and office staffing. The District entered into a separate “General Manager Service Agreement” with Redwood Valley CWD in November 2015 to provide district Management services,

Note 11 - Subsequent Events

Subsequent events are those events or transactions that occur subsequent to the effective date of the financial statements, but prior to the issuance of the final reports, which may have a material effect on the financial statement or disclosures therein.

There are no subsequent events that have occurred through November 1, 2022 that meet the above definition.