

# EL DORADO LAFCO

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## LOCAL AGENCY FORMATION COMMISSION

### *AGENDA OF SEPTEMBER 27, 2023*

### *REGULAR MEETING*

**TO:** Brian Veerkamp, Chair, and  
Members of the El Dorado County Local Agency Formation Commission

**FROM:** Shiva Frentzen, Executive Officer

**AGENDA ITEM #3:** Update on the Grizzly Flats Community Services District Financial statements and other related information

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#### **Discussion and Background**

Staff recommends the Commission receive the following update on the Grizzly Flats Community Services District Financial statements and other related information:

On September 28, 2022 the Commission approved the MSR/SOI update for the Grizzly Flats Community Services District. Based on the rapidly changing state of the District and their financial concerns, the Commission directed staff to conduct a brief targeted MSR update in three years in order to provide current information on the recovery of the District.

The Commission also directed staff to provide an annual budget review of the district for Fiscal Year 2022-2023.

The provided attachments are the relative documents for the Commission to review the current status of the Grizzly Flats Community Services District and give direction to staff for moving forward.

#### **Attachments:**

- Attachment A: GFCSD MSR and SOI Determinations from the 2022 Small to Medium Water Provider MSR-SOI Update
- Attachment B: GFCSD Profit & Loss Statement FY20-21 to FY22-23
- Attachment C: GFCSD Balance Sheet FY20-21 to FY22-23
- Attachment D: GFCSD Budget vs Actual FY20-21 to FY22-23
- Attachment E: GFCSD Caldor Fire Recovery Summary
- Attachment F: Grand Jury Report #22-23 GJ04: *How Will Grizzly Flats Water District Survive?*

## **MSR DETERMINATIONS**

As set forth in Section 56430(a) of the CKH Act- In order to prepare and to update the SOI in accordance with Section 56425, the commission shall conduct a service review of the municipal services provided in the county or other appropriate area designated by the commission. The commission shall include in the area designated for a service review the county, the region, the sub-region, or any other geographic area as is appropriate for an analysis of the service or services to be reviewed, and shall prepare a written statement of its determinations with respect to each of the following:

### **(1) Growth and population projections for the affected area.**

- a) The District's service area covers approximately 1,736 acres and includes the Grizzly Park subdivisions and several larger perimeter parcels. The District estimates that approximately 1,220 parcels could require water within the service area once build-out of the community is reached in the future.
- b) Due to impacts from the Caldor Fire, the population of the District is likely to decrease over the next several years with a potential rebound in population in the next five to ten years.

### **(2) The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.**

- a) Grizzly Flats is a Disadvantaged Community with a median household income that is 67% of the statewide MHI of \$75,235 according to ACS estimates. To provide a more accurate estimate, the District may want to consider conducting an income survey.

### **(3) Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies.**

- a) Based on a system safe yield of 170 AF per year and 2020 demand of 139 AF, the District is utilizing approximately 82 percent of its water supply. This indicates that the District has adequate water to meet current and future demands.
- b) The Caldor Fire damaged portions of the water system including diversion and distribution infrastructure. While potable water service has been reestablished for much of the District, full repair of the system will likely take a year or more to complete.

### **(4) Financing ability of agencies to provide services.**

- a) Grizzly Flats CSD's net position is in good standing, and assets continue to far exceed liabilities for all fiscal years examined. Although water system operation expenses exceed water system operating revenue, total capital assets in the form of their water treatment plant, equipment and vehicles is high and leads to a strong net position.
- b) The District has a strong reserve policy, putting aside \$21,600 annually into their emergency reserve fund. However, their reserve fund has been drastically depilated by a loss in revenue from fees for services due to loss of homes in the area.

- c) The District is facing an annual deficit of over \$300,000 due to a loss in revenue from the destruction of homes during the Caldor Fire. This could lead to a potential failure of the District if outside funding, and/or new revenue sources are established to cover fixed operating costs.

**(5) Status of and, opportunities for, shared facilities.**

- a) Due to the District's remote location, there is limited opportunity for shared services.

**(6) Accountability for community service needs, including governmental structure and operational efficiencies.**

- a) Grizzly Flats CSD Board members are elected to staggered four year terms and adhere to all applicable rules and regulations for providing an open and transparent governance process.
- b) The District regularly utilizes volunteer time to assist with District activities including meter reading and regular maintenance. This helps reduce overall costs for the District and helps community members feel invested in their District.

**(7) Any other matter related to effective or efficient service delivery.**

- a) A full system assessment and recovery plan should be developed as soon as is feasible. This will help prioritize projects for emergency funding and help ensure the system is able to adequately continue providing service long-term.
- b) The District has proven its skill and responsiveness to emergency situations which has been vital in quickly reestablishing water service to much of the area after the fire.
- c) Based on the rapidly changing state of the District and its current financial concerns, it is recommended that a brief MSR update be conducted in three years in order to provide current information on the recovery of the District.

## **SOI DETERMINATIONS**

In order to carry out its purposes and responsibilities for planning and shaping the logical and orderly development of local governmental agencies to advantageously provide for the present and future needs of the county and its communities, the commission shall develop and determine the sphere of influence of each city, as defined by G.C. Section 56036, and enact policies designed to promote the logical and orderly development of areas within the sphere. In determining the sphere of influence of each local agency, the commission shall consider and prepare a written statement of its determinations with respect to the following:

**(1) Present and planned land uses in the area, including agricultural and open-space lands.**

- a) The District's service area is surrounded by a significant amount of U.S. Forest Service Land designated as natural resource, along with a few rural and medium density residential parcels. Grizzly Flats CSD's SOI was amended in 2008 to remove these parcels from the SOI, resulting in a new SOI that is coterminous with the District's service boundaries.

- b) Based on the surrounding land use designations, substantial growth in the area is unlikely over the next five to ten years.

**(2) Present and probable need for public facilities and services in the area.**

- a) Portions of the District that were not damaged by the fire have been repopulated. As recovery efforts continue over the next several years, a reliable source of water is vital for the community.

**(3) Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.**

- a) The District's current water diversion, treatment, and distribution facilities are adequate to meet current and future demand in the area.
- b) The District will need to further assess damages and replace major infrastructure as needed in order to continue providing adequate service long-term.

**(4) Existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.**

- a) The City of Placerville is located approximately 45 minutes from the District and is the closest major population area where vital services can be obtained such as health care. Other smaller communities exist in closer proximity to the District where residents can get groceries and fuel as needed.

**(5) For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere.**

- a) The District and surrounding areas qualify as disadvantaged. Due to impacts from the Caldor Fire, the provision of water services is more vital than ever to help with residential and overall ecosystem recovery.
- b) At this time, it is recommended that the SOI remain coterminous with the District's jurisdictional boundary.

**Grizzly Flats Community Services District  
Profit/Loss - O/M  
June 2020 - June 2023**

	<u>Jul-20 to Jun-21</u>	<u>Jul-21 to Jun-22</u>	<u>Jul-22 to Jun-23</u>
<b>Ordinary Income/Expense</b>			
<b>Income</b>			
<b>40000 - O &amp; M Income</b>			
40100 - Water Charges - Basic Rate	507,995.33	265,985.26	485,969.45
40110 - Water Charges - Volumetric Rate	50,118.69	13,849.73	22,014.82
40200 - Water User Penalties	14,063.77	6,413.44	6,899.84
40210 - Water User Lien Fees	3,898.18	4,955.78	11,270.00
40300 - Miscellaneous Revenue	1,584.25	397.92	97.51
40400 - Pooled Interest	15,278.88	145.00	1,555.74
40600 - New Service Installation	30.00	356.46	2,572.41
<b>Total 40000 - O &amp; M Income</b>	<b>592,969.10</b>	<b>292,103.59</b>	<b>530,379.77</b>
<b>45000 - Capital Income</b>	57,792.00		
45100 - Standby Charges	1,199.49	51,000.00	54,082.57
45200 - Penalties on Standby Fees	6,030.60	426.00	1,715.28
45300 - Capital Connection Fee	2,840.19	0.00	12,061.20
45600 - Pooled Interest	2,609.33	1,187.71	7,606.40
<b>Total 45000 - Capital Income</b>	<b>70,471.61</b>	<b>52,613.71</b>	<b>75,465.45</b>
<b>Total Income</b>	<b>663,440.71</b>	<b>344,717.30</b>	<b>605,845.22</b>
<b>Expense</b>			
<b>50000 - Personnel Costs</b>			
<b>51000 - Salaries Expense</b>			
51100 - Field Staff	79,229.56	54,260.04	32,905.49
51200 - Admin Staff	124,490.41	125,567.24	97,720.40
51300 - Overtime	219.18	60.00	62.40
51400 - Standby Pay	0.00	0.00	308.61
51600 - Holiday Pay	9,214.32	9,874.80	5,388.16
<b>Total 51000 - Salaries Expense</b>	<b>213,153.47</b>	<b>189,762.08</b>	<b>136,385.06</b>
<b>52000 - Payroll Expense</b>			
52100 - Payroll Tax	16,183.07	18,556.96	9,341.06
52101 - PR Tax- Do Not Use	28.00	0.00	0.00
52200 - CA SUI	420.00	315.00	0.00
52300 - Workers' Comp	7,122.18	5,063.46	3,788.62
<b>Total 52000 - Payroll Expense</b>	<b>23,753.25</b>	<b>23,935.42</b>	<b>13,129.68</b>
<b>53000 - Benefits Expense</b>			
53100 - Deferred Comp	2,669.18	2,489.64	718.97
53200 - HRA Medical	34,224.99	20,684.50	26,676.36
53300 - Life Insurance	472.80	343.00	289.40
<b>Total 53000 - Benefits Expense</b>	<b>37,366.97</b>	<b>23,517.14</b>	<b>27,684.73</b>
<b>54000 - Contract Operation</b>	172,721.58	168,735.00	125,599.50
<b>Total 50000 - Personnel Costs</b>	<b>446,995.27</b>	<b>405,949.64</b>	<b>302,798.97</b>

**Grizzly Flats Community Services District  
Profit/Loss - O/M  
June 2020 - June 2023**

	<u>Jul-20 to Jun-21</u>	<u>Jul-21 to Jun-22</u>	<u>Jul-22 to Jun-23</u>
<b>60000 · Operations &amp; Utilities Exp</b>			
60100 - Alarm Service	525.00	1,236.80	948.00
60200 - Communication	7,299.30	4,069.39	6,281.66
60400 - Fire & Safety Supplies	1,035.09	0.00	241.68
60600 - PG&E	7,384.57	1,981.28	300.41
60700 - Propane	1,893.11	2,537.87	4,259.95
60800 - Trash Disposal	680.09	521.19	540.36
30900 - Website	224.00	224.00	239.00
<b>Total 60000 · Operations &amp; Utilities Exp</b>	<b>19,041.16</b>	<b>10,570.53</b>	<b>12,811.06</b>
<b>61000 · Water Treatment</b>			
61100 - Chemicals	1,405.35	1,301.71	3,409.11
61200 - Equipment & Supplies	1,979.64	1,069.92	1,965.67
61300 - Testing & Lab Reports	4,185.00	3,130.00	6,210.37
<b>Total 61000 · Water Treatment</b>	<b>7,569.99</b>	<b>5,501.63</b>	<b>11,585.15</b>
<b>62000 · Maintenance Exp</b>			
62100 - Building	0	553.84	440.74
62110 - 1099-NEC	2,150.00	0.00	0.00
62100 - Building - Other	1,302.16	0.00	0.00
62200 - Customer Meters	1,322.76	0.00	1,687.50
62300 - Distribution System	2,854.83	443.30	18,981.55
62400 - Grounds	595.11	0.00	4,050.00
62410 - Grizzly Pond Expenses	119.93	20.36	250.00
62450 - Eagle Ditch	0.00	1,412.08	0.00
62500 - Office Equipment	13,174.13	138.06	164.70
62600 - Parts & Equip.	504.55	635.67	4,413.91
62700 - Road Repairs	1,239.86	2,710.94	5,405.29
62800 - Service Contracts	3,781.55	540.72	113.36
62900 - Treatment Plant I & II	0.00	519.25	0.00
<b>Total 62000 · Maintenance Exp</b>	<b>30,765.67</b>	<b>6,974.22</b>	<b>35,507.05</b>
<b>63000 · Vehicle Exp.</b>			
63100 - Oil/Grease	209.18	0.00	108.19
63200 - Parts & Repairs	115.23	745.64	3,169.25
63300 - Tires & Snow Chains	2,216.99	0.00	1,231.12
63400 - Tractor Maintenance & Repairs	2,156.01	0.00	2,622.51
63500 - Fuel Purchases	3,741.60	5,809.46	5,368.98
<b>Total 63000 · Vehicle Exp.</b>	<b>8,439.01</b>	<b>6,555.10</b>	<b>12,500.05</b>
<b>64000 · Employee Exp.</b>			
64100 - Clothing	1,025.00	0.00	255.79
64200 - Education Certification	140.00	205.00	715.00
64400 - Transportation and Travel	741.12	500.00	-213.74
<b>Total 64000 · Employee Exp.</b>	<b>1,906.12</b>	<b>705.00</b>	<b>757.05</b>
<b>65000 · Admin Exp.</b>			
65100 - Agency Admin. Fee	3,925.62	3,751.32	3,323.98
65150 - Bank Fees & Supplies	3,773.61	2,718.85	1,775.93
65200 - Election Cost	45.00	0.00	30.00
65250 - Janitorial & Supplies	417.32	422.35	595.81
65300 - Meeting Expenses	0.00	105.00	0.00
65350 - Membership & Dues	419.70	3,963.00	9,127.28
65400 - Office Supplies	4,043.00	1,397.45	2,623.93
65450 - Postage	1,437.98	2,397.48	5,111.26
65500 - Public & Legal Notices	3,865.65	0.00	2,115.45
65550 - Software	2,214.94	2,619.98	3,131.49
<b>Total 65000 · Admin Exp.</b>	<b>20,142.82</b>	<b>17,375.43</b>	<b>27,835.13</b>

**Grizzly Flats Community Services District  
Profit/Loss - O/M  
June 2020 - June 2023**

	<u>Jul-20 to Jun-21</u>	<u>Jul-21 to Jun-22</u>	<u>Jul-22 to Jun-23</u>
<b>66000 - Professional Services</b>			
<b>66100 - Audit &amp; Accounting</b>	6,593.00	0.00	12,000.00
<b>66200 - Legal</b>	0.00	638.80	10,596.80
<b>66400 - Liability Insurance</b>	22,481.40	17,191.46	17,231.65
<b>66900 - Liability Other</b>	820.00	410.00	8,712.01
<b>Total 6600 - Professional Services</b>	<u>29,894.40</u>	<u>18,240.26</u>	<u>48,540.46</u>
<b>67100 - Asset Management Program</b>	35,868.30	1,928.72	10,216.33
<b>70000 - Capital Expense</b>			
<b>70100 - Compliance</b>	1,093.43	1,093.43	0.00
<b>70300 - Interest on Long Term Debt</b>	24,832.50	24,330.00	24,812.50
<b>70710 - Hydrant Repair &amp; Replacement</b>	3,819.94	0.00	0.00
<b>70800 - Depreciation</b>	89,959.44	120,952.00	100,943.04
<b>Total 70000 - Capital Expense</b>	<u>119,705.31</u>	<u>146,375.43</u>	<u>125,755.54</u>
<b>Total Expense</b>	<u>376,350.15</u>	<u>682,911.85</u>	<u>588,306.79</u>
<b>Net Income</b>	<u><b>-56,887.34</b></u>	<u><b>-344,365.66</b></u>	<u><b>17,538.43</b></u>

**Grizzly Flats Community Services District  
Balance Sheet**

June 30, 2021 - June 30, 2023

ASSETS	Jun 30, 2021	June 30, 2022	June 30, 2023
<b>Current Assets</b>			
<b>Checking/Savings</b>			
<b>10000 - Cash In Banks</b>			
10100 - WF-O&M Checking	57,574.63	152,984.76	668,552.98
10200 - WF- Payroll Checking	1,070.51	2,465.65	1,280.41
10400 - WF- USDA Loan Reserve	41,979.64	42,450.84	719.19
<b>Total 10000 - Cash In Banks</b>	<u>100,624.78</u>	<u>197,901.25</u>	<u>670,552.58</u>
<b>11000 - LAIF Investments</b>			
<b>11100 - O&amp;M Funds</b>			
11110 - O & M Reserve Acct	80,000.00	56,651.34	93,068.22
11120 - Asset Management	71,928.14	0.00	0.00
11130 - Emergency Reserve	109,756.92	0.00	0.00
<b>Total 11100 - O&amp;M Funds</b>	<u>261,685.06</u>	<u>56,651.34</u>	<u>93,068.22</u>
<b>11800 - CIP Funds</b>			
11210 - CIP Dedicated Reserve	254,117.18	63,518.76	21,573.98
11220 - CIP Restricted Reserve	250,000.00	250,000.00	250,000.00
11240 - Hydrant Repair and Replaceme	57,518.76	3,000.00	15,000.00
<b>Total 11800 - CIP Funds</b>	<u>561,635.94</u>	<u>316,518.76</u>	<u>286,573.98</u>
<b>Total 11000 - LAIF Investments</b>	823,321.00	373,170.10	379,642.20
<b>12000 - Cash in County Treasury</b>			
12200 - CIP Funds	2,436.39	3,622.51	0.00
<b>Total 12000 - Cash in County Treasury</b>	<u>2,436.39</u>	<u>3,622.51</u>	<u>0.00</u>
<b>13000 - Petty Cash Fund</b>	100.00	100.00	100.00
<b>Total Checking/Savings</b>	<u>926,482.17</u>	<u>574,793.86</u>	<u>1,050,294.78</u>
<b>Accounts Receivable</b>			
<b>14000 - Accounts Receivables</b>			
14500 - Other Receivables	634.54	350.00	2,600.00
<b>Total 14000 - Accounts Receivables</b>	<u>634.54</u>	<u>350.00</u>	<u>2,600.00</u>
<b>Total Accounts Receivable</b>	634.54	350.00	2,600.00
<b>Other Current Assets</b>	53,502.54	0.00	0.00
14700 - Grant Reimbursable	0.00	6,182.50	78,253.88
14800 - Caldor Fire Expenses	0.00	438,965.13	773,151.40
14900 - A/R- Water User Fees	0.00	55,840.95	110,727.37
<b>15000 - Prepaid Expenses</b>			
15100 - Insurance	17,191.45	0.00	20,715.01
15200 - Worker's Comp	5,063.43	4,315.15	3,085.54
<b>Total 15000 - Prepaid Expenses</b>	<u>22,254.88</u>	<u>4,315.15</u>	<u>23,800.55</u>
<b>Total Other Current Assets</b>	<u>75,757.42</u>	<u>505,303.73</u>	<u>985,933.20</u>



**Grizzly Flats Community Services District**  
**Balance Sheet**

June 30, 2021 - June 30, 2023

<b>Total Current Assets</b>	1,002,874.13	1,080,447.59	2,038,827.98
<b>Fixed Assets</b>			
<b>16000 - Capital Assets</b>			
16100 - Land	237,405.00	237,405.00	237,405.00
16200 - Water Plant	3,763,055.91	3,546,527.91	3,546,527.91
16300 - Vehicles	68,275.01	68,275.01	68,275.01
16400 - Equipment	327,315.21	269,188.21	269,188.21
16900 - Accumulated Depreciation	-1,927,473.44	-1,842,677.44	-1,943,620.48
<b>Total 16000 - Capital Assets</b>	<b>2,468,577.69</b>	<b>2,278,718.69</b>	<b>2,177,775.65</b>
<b>17000 - Work In Progress</b>			
17700 - Water Master Plan (H2Ou)	29,135.00	29,135.00	29,135.00
<b>Total 17000 - Work In Progress</b>	<b>29,135.00</b>	<b>29,135.00</b>	<b>29,135.00</b>
<b>Total Fixed Assets</b>	<b>2,497,712.69</b>	<b>2,307,853.69</b>	<b>2,206,910.65</b>
<b>TOTAL ASSETS</b>	<b>3,500,586.82</b>	<b>3,388,301.28</b>	<b>4,245,738.63</b>
<b>LIABILITIES &amp; EQUITY</b>			
<b>Liabilities</b>			
<b>Current Liabilities</b>			
<b>Accounts Payable</b>			
20000 - Accounts Payable	58,690.51	21,153.95	40,143.30
<b>Total Accounts Payable</b>	<b>58,690.51</b>	<b>21,153.95</b>	<b>40,143.30</b>
<b>Other Current Liabilities</b>			
<b>21000 - Accrued Payables</b>			
21200 - Salaries	7,534.97	4,969.94	0.00
<b>Total 21000 - Accrued Payables</b>	<b>7,534.97</b>	<b>4,969.94</b>	<b>0.00</b>
21400 - Other Payables or Expenses	0.00	0.00	6,588.20
<b>22000 - Personnel Payables</b>	<b>53,133.98</b>	<b>0.00</b>	<b>54,547.03</b>
22100 - Federal Payroll Taxes	0.00	3,241.76	0.00
22110 - State Payroll Taxes	0.00	483.52	0.00
22200 - Accrued HRA Medical	63,133.98	48,981.96	54,547.03
22300 - Accrued Vacation	14,914.14	15,130.75	3,968.82
22400 - Deferred Comp Plan	0.00	429.72	0.00
22600 - 457 Loan Pymt	0.00	212.24	0.00
<b>Total 22000 - Personnel Payables</b>	<b>68,048.12</b>	<b>68,479.95</b>	<b>58,515.85</b>
23500 - Other Liability	0.00	116,203.00	70,000.00
24800 - Caldor Fire Recovery	0.00	172,546.88	1,064,505.28
<b>Total Other Current Liabilities</b>	<b>75,583.09</b>	<b>362,199.77</b>	<b>1,199,609.33</b>
<b>Total Current Liabilities</b>	<b>134,273.60</b>	<b>383,353.72</b>	<b>1,239,752.63</b>
<b>Long Term Liabilities</b>			
20200 - USDA Loan	819,500.00	802,500.00	786,000.00
<b>Total Long Term Liabilities</b>	<b>819,500.00</b>	<b>802,500.00</b>	<b>786,000.00</b>
<b>Total Liabilities</b>	<b>953,773.60</b>	<b>1,185,853.72</b>	<b>2,025,752.63</b>

**Equity**

Grizzly Flats Community Services District  
Balance Sheet

June 30, 2021 - June 30, 2023

167 - Retained Earnings - Old Acct	628,505.59	571,618.25	227,252.59
30000 - Reserves-Retained Earnings	1,311,763.01	1,311,763.01	1,311,763.01
30100 - Reserves- CIP Restricted	540,875.62	540,875.62	540,875.62
30300 - Reserves - Asset Managment	80,548.45	80,548.45	80,548.45
30400 - Reserves - USDA Loan Reserve	42,007.89	42,007.89	42,007.89
Net Income	-56,887.34	-344,365.66	17,538.44
<b>Total Equity</b>	<b>2,546,813.22</b>	<b>2,202,447.56</b>	<b>2,219,986.00</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>3,500,586.82</b>	<b>3,388,301.28</b>	<b>4,245,738.63</b>

5:03 PM  
09/05/23  
Accrual Basis

**Grizzly Flats Community Services District**  
**Profit & Loss Budget vs. Actual**  
**July 2020 through June 2021**

	Jul '20 - Jun 21	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
<b>40000 · O &amp; M Income</b>				
40100 · Water Charges - Basic Rate	507,995.33	507,343.00	652.33	100.1%
40110 · Water Charges - Volumetric Rate	50,118.69	43,200.00	6,918.69	116.0%
40200 · Water User Penalties	14,063.77	12,000.00	2,063.77	117.2%
40300 · Miscellaneous Revenue	3,898.18	4,000.00	-101.82	97.5%
40400 · Pooled Interest	1,584.25	7,000.00	-5,415.75	22.6%
40600 · New Service Installation	15,278.88	10,000.00	5,278.88	152.8%
40700 · Grizzly Pond Shirt Sales	30.00			
<b>Total 40000 · O &amp; M Income</b>	<b>592,969.10</b>	<b>583,543.00</b>	<b>9,426.10</b>	<b>101.6%</b>
<b>45000 · Capital Income</b>				
45100 · Standby Charges	57,792.00	58,800.00	-1,008.00	98.3%
45200 · Penalties On Standby Fees	1,199.49			
45300 · Capital Connection Fee	6,030.60	12,060.00	-6,029.40	50.0%
45500 · Cost Sharing Revenue	0.00	25,000.00	-25,000.00	0.0%
45600 · Pooled Interest	2,840.19	8,000.00	-5,159.81	35.5%
45900 · Grant Revenue	2,609.33			
<b>Total 45000 · Capital Income</b>	<b>70,471.61</b>	<b>103,860.00</b>	<b>-33,388.39</b>	<b>67.9%</b>
<b>Total Income</b>	<b>663,440.71</b>	<b>687,403.00</b>	<b>-23,962.29</b>	<b>96.5%</b>
<b>Gross Profit</b>	<b>663,440.71</b>	<b>687,403.00</b>	<b>-23,962.29</b>	<b>96.5%</b>
<b>Expense</b>				
<b>50000 · Personnel Costs</b>				
<b>51000 · Salaries Expense</b>				
51100 · Field Staff	79,229.56	70,809.00	8,420.56	111.9%
51200 · Admin Staff	124,490.41	124,912.00	-421.59	99.7%
51300 · Overtime	219.18			
51600 · Holiday Pay	9,214.32	10,459.00	-1,244.68	88.1%
<b>Total 51000 · Salaries Expense</b>	<b>213,153.47</b>	<b>206,180.00</b>	<b>6,973.47</b>	<b>103.4%</b>
<b>52000 · Payroll Expense</b>				
52100 · Payroll Tax	16,183.07	17,000.00	-816.93	95.2%
52101 · PR Tax- do not use	28.00			
52200 · CA SUI	420.00			
52300 · Workers' Comp	7,122.18	7,010.00	112.18	101.6%
<b>Total 52000 · Payroll Expense</b>	<b>23,753.25</b>	<b>24,010.00</b>	<b>-256.75</b>	<b>98.9%</b>

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**Grizzly Flats Community Services District**  
**Profit & Loss Budget vs. Actual**  
**July 2020 through June 2021**

	Jul '20 - Jun 21	Budget	\$ Over Budget	% of Budget
<b>53000 · Benefits Expense</b>				
53100 · Deferred Comp	2,669.18	2,650.00	19.18	100.7%
53200 · HRA Medical	34,224.99	37,050.00	-2,825.01	92.4%
53300 · Life Insurance	472.80	500.00	-27.20	94.6%
<b>Total 53000 · Benefits Expense</b>	<b>37,366.97</b>	<b>40,200.00</b>	<b>-2,833.03</b>	<b>93.0%</b>
<b>54000 · Contract Operations</b>	<b>172,721.58</b>	<b>183,549.00</b>	<b>-10,827.42</b>	<b>94.1%</b>
<b>Total 50000 · Personnel Costs</b>	<b>446,995.27</b>	<b>453,939.00</b>	<b>-6,943.73</b>	<b>98.5%</b>
<b>60000 · Operations &amp; Utilities Exp</b>				
60100 · Alarm Service	525.00	520.00	5.00	101.0%
60200 · Communication	7,299.30	7,000.00	299.30	104.3%
60400 · Fire and Safety Supplies	1,035.09	1,000.00	35.09	103.5%
60600 · PG&E	7,384.57	6,350.00	1,034.57	116.3%
60700 · Propane	1,893.11	3,000.00	-1,106.89	63.1%
60800 · Trash Disposal	680.09	500.00	180.09	136.0%
60900 · Website	224.00	150.00	74.00	149.3%
<b>Total 60000 · Operations &amp; Utilities Exp</b>	<b>19,041.16</b>	<b>18,520.00</b>	<b>521.16</b>	<b>102.8%</b>
<b>61000 · Water Treatment</b>				
61100 · Chemicals	1,405.35	1,500.00	-94.65	93.7%
61200 · Equipment & Supplies	1,979.64	2,000.00	-20.36	99.0%
61300 · Testing & Lab Reports	4,185.00	4,000.00	185.00	104.6%
<b>Total 61000 · Water Treatment</b>	<b>7,569.99</b>	<b>7,500.00</b>	<b>69.99</b>	<b>100.9%</b>
<b>62000 · Maintenance Exp</b>				
62100 · Building				
62110 · 1099-NEC	2,150.00			
62100 · Building - Other	1,302.16	3,000.00	-1,697.84	43.4%
<b>Total 62100 · Building</b>	<b>3,452.16</b>	<b>3,000.00</b>	<b>452.16</b>	<b>115.1%</b>
62200 · Customer Meters	1,322.76	4,000.00	-2,677.24	33.1%
62300 · Distribution System	2,854.83	3,000.00	-145.17	95.2%
62400 · Grounds	595.11	800.00	-204.89	74.4%
62410 · Grizzly Pond Expenses	119.93	1,625.00	-1,505.07	7.4%
62450 · Eagle Ditch	13,174.13	12,000.00	1,174.13	109.8%
62500 · Office Equip.	504.55	500.00	4.55	100.9%
62600 · Parts & Equip.	1,239.86	1,500.00	-260.14	82.7%
62700 · Road Repairs	3,781.55	7,500.00	-3,718.45	50.4%
62800 · Service Contracts				
62810 · 1099-NEC Services	1,020.00			
62800 · Service Contracts - Other	2,397.67	1,700.00	697.67	141.0%
<b>Total 62800 · Service Contracts</b>	<b>3,417.67</b>	<b>1,700.00</b>	<b>1,717.67</b>	<b>201.0%</b>

**Grizzly Flats Community Services District**  
**Profit & Loss Budget vs. Actual**  
**July 2020 through June 2021**

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	Jul '20 - Jun 21	Budget	\$ Over Budget	% of Budget
62900 · Treatment Plant I & II	303.12	2,000.00	-1,696.88	15.2%
<b>Total 62000 · Maintenance Exp</b>	<b>30,765.67</b>	<b>37,525.00</b>	<b>-6,859.33</b>	<b>81.8%</b>
63000 · Vehicle Exp.				
63100 · Oil/Grease	209.18	200.00	9.18	104.6%
63200 · Parts & Repairs	115.23	2,000.00	-1,884.77	5.8%
63300 · Tires & Snow Chains	2,216.99	2,250.00	-33.01	98.5%
63400 · Tractor Maintenance & Repairs	2,156.01	2,000.00	156.01	107.8%
63500 · Fuel Purchases	3,741.60	4,800.00	-1,058.40	78.0%
<b>Total 63000 · Vehicle Exp.</b>	<b>8,439.01</b>	<b>11,250.00</b>	<b>-2,810.99</b>	<b>75.0%</b>
64000 · Employee Exp.				
64100 · Clothing	0.00	500.00	-500.00	0.0%
64200 · Education & Certifications	1,025.00	450.00	575.00	227.8%
64300 · Employee - Auto Mileage	140.00	200.00	-60.00	70.0%
64400 · Transportation and Travel	741.12	500.00	241.12	148.2%
<b>Total 64000 · Employee Exp.</b>	<b>1,906.12</b>	<b>1,650.00</b>	<b>256.12</b>	<b>115.5%</b>
65000 · Admin Exp.				
65100 · Agency Admin. Fee	3,925.62	4,350.00	-424.38	90.2%
65150 · Bank Fees & Supplies	3,773.61	4,000.00	-226.39	94.3%
65175 · Conservation	0.00	200.00	-200.00	0.0%
65200 · Election Costs	45.00	1,000.00	-955.00	4.5%
65250 · Janitorial & Supplies	417.32	800.00	-382.68	52.2%
65300 · Meeting Expenses	419.70	500.00	-80.30	83.9%
65350 · Membership & Dues	4,043.00	4,030.00	13.00	100.3%
65400 · Office Supplies	1,437.98	3,000.00	-1,562.02	47.9%
65450 · Postage	3,865.65	4,800.00	-934.35	80.5%
65500 · Public & Legal Notices	0.00	0.00	0.00	0.0%
65550 · Software	2,214.94	2,300.00	-85.06	96.3%
<b>Total 65000 · Admin Exp.</b>	<b>20,142.82</b>	<b>24,980.00</b>	<b>-4,837.18</b>	<b>80.6%</b>
66000 · Professional Services				
66100 · Audit & Accounting	6,593.00	6,500.00	93.00	101.4%
66200 · Legal	0.00	500.00	-500.00	0.0%
66400 · Liability Insurance	22,481.40	21,357.00	1,124.40	105.3%
66900 · Other	820.00	650.00	170.00	126.2%
<b>Total 66000 · Professional Services</b>	<b>29,894.40</b>	<b>29,007.00</b>	<b>887.40</b>	<b>103.1%</b>
67100 · Asset Management Program	35,868.30			

**Grizzly Flats Community Services District**  
**Profit & Loss Budget vs. Actual**  
**July 2020 through June 2021**

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	Jul '20 - Jun 21	Budget	\$ Over Budget	% of Budget
<b>70000 · Capital Exp.</b>				
70100 · Compliance	1,093.43	1,093.00	0.43	100.0%
70300 · Interest On Long Term Debt	24,832.50	24,686.00	146.50	100.6%
70710 · Hydrant Repair & Replacement	3,819.94	12,000.00	-8,180.06	31.8%
70800 · Depreciation	89,959.44	89,960.00	-0.56	100.0%
<b>Total 70000 · Capital Exp.</b>	<b>119,705.31</b>	<b>127,739.00</b>	<b>-8,033.69</b>	<b>93.7%</b>
<b>Total Expense</b>	<b>720,328.05</b>	<b>712,210.00</b>	<b>8,118.05</b>	<b>101.1%</b>
<b>Net Ordinary Income</b>	<b>-56,887.34</b>	<b>-24,807.00</b>	<b>-32,080.34</b>	<b>229.3%</b>
<b>Net Income</b>	<b>-56,887.34</b>	<b>-24,807.00</b>	<b>-32,080.34</b>	<b>229.3%</b>

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**Grizzly Flats Community Services District**  
**Profit & Loss Budget vs. Actual**  
**July 2021 through June 2022**

	Jul '21 - Jun 22	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
<b>40000 · O &amp; M Income</b>				
40100 · Water Charges - Basic Rate	265,985.26	507,343.00	-241,357.74	52.4%
40110 · Water Charges - Volumetric Rate	13,849.73	43,200.00	-29,350.27	32.1%
40200 · Water User Penalties	6,413.44	12,000.00	-5,586.56	53.4%
40300 · Miscellaneous Revenue	4,955.78	4,000.00	955.78	123.9%
40400 · Pooled Interest	397.92	7,000.00	-6,602.08	5.7%
40600 · New Service Installation	0.00	10,000.00	-10,000.00	0.0%
40700 · Grizzly Pond Shirt Sales	145.00			
40000 · O & M Income - Other	356.46			
<b>Total 40000 · O &amp; M Income</b>	<b>292,103.59</b>	<b>583,543.00</b>	<b>-291,439.41</b>	<b>50.1%</b>
<b>45000 · Capital Income</b>				
45100 · Standby Charges	51,000.00	0.00	51,000.00	100.0%
45200 · Penalties On Standby Fees	426.00	0.00	426.00	100.0%
45300 · Capital Connection Fee	0.00	0.00	0.00	0.0%
45600 · Pooled Interest	1,187.71	0.00	1,187.71	100.0%
<b>Total 45000 · Capital Income</b>	<b>52,613.71</b>	<b>0.00</b>	<b>52,613.71</b>	<b>100.0%</b>
<b>Total Income</b>	<b>344,717.30</b>	<b>583,543.00</b>	<b>-238,825.70</b>	<b>59.1%</b>
<b>Gross Profit</b>	<b>344,717.30</b>	<b>583,543.00</b>	<b>-238,825.70</b>	<b>59.1%</b>
<b>Expense</b>				
<b>50000 · Personnel Costs</b>				
<b>51000 · Salaries Expense</b>				
51100 · Field Staff	54,260.04	70,809.00	-16,548.96	76.6%
51200 · Admin Staff	125,567.24	124,912.00	655.24	100.5%
51300 · Overtime	60.00			
51600 · Holiday Pay	9,874.80	10,459.00	-584.20	94.4%
<b>Total 51000 · Salaries Expense</b>	<b>189,762.08</b>	<b>206,180.00</b>	<b>-16,417.92</b>	<b>92.0%</b>
<b>52000 · Payroll Expense</b>				
52100 · Payroll Tax	18,556.96	17,000.00	1,556.96	109.2%
52101 · PR Tax- do not use	0.00			
52200 · CA SUI	315.00			
52300 · Workers' Comp	5,063.46	7,010.00	-1,946.54	72.2%
<b>Total 52000 · Payroll Expense</b>	<b>23,935.42</b>	<b>24,010.00</b>	<b>-74.58</b>	<b>99.7%</b>

**Grizzly Flats Community Services District**  
**Profit & Loss Budget vs. Actual**  
**July 2021 through June 2022**

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	Jul '21 - Jun 22	Budget	\$ Over Budget	% of Budget
<b>53000 · Benefits Expense</b>				
53100 · Deferred Comp	2,489.64	2,650.00	-160.36	93.9%
53200 · HRA Medical	20,684.50	37,050.00	-16,365.50	55.8%
53300 · Life Insurance	343.00	500.00	-157.00	68.6%
<b>Total 53000 · Benefits Expense</b>	<b>23,517.14</b>	<b>40,200.00</b>	<b>-16,682.86</b>	<b>58.5%</b>
<b>54000 · Contract Operations</b>	<b>168,735.00</b>	<b>183,549.00</b>	<b>-14,814.00</b>	<b>91.9%</b>
<b>Total 50000 · Personnel Costs</b>	<b>405,949.64</b>	<b>453,939.00</b>	<b>-47,989.36</b>	<b>89.4%</b>
<b>60000 · Operations &amp; Utilities Exp</b>				
60100 · Alarm Service	1,236.80	520.00	716.80	237.8%
60200 · Communication	4,069.39	7,000.00	-2,930.61	58.1%
60400 · Fire and Safety Supplies	0.00	1,000.00	-1,000.00	0.0%
60600 · PG&E	1,981.28	6,350.00	-4,368.72	31.2%
60700 · Propane	2,537.87	3,000.00	-462.13	84.6%
60800 · Trash Disposal	521.19	500.00	21.19	104.2%
60900 · Website	224.00	150.00	74.00	149.3%
<b>Total 60000 · Operations &amp; Utilities Exp</b>	<b>10,570.53</b>	<b>18,520.00</b>	<b>-7,949.47</b>	<b>57.1%</b>
<b>61000 · Water Treatment</b>				
61100 · Chemicals	1,301.71	1,500.00	-198.29	86.8%
61200 · Equipment & Supplies	1,069.92	2,000.00	-930.08	53.5%
61300 · Testing & Lab Reports	3,130.00	4,000.00	-870.00	78.3%
<b>Total 61000 · Water Treatment</b>	<b>5,501.63</b>	<b>7,500.00</b>	<b>-1,998.37</b>	<b>73.4%</b>
<b>62000 · Maintenance Exp</b>				
62100 · Building	553.84	3,000.00	-2,446.16	18.5%
62200 · Customer Meters	0.00	4,000.00	-4,000.00	0.0%
62300 · Distribution System	443.30	3,000.00	-2,556.70	14.8%
62400 · Grounds	0.00	800.00	-800.00	0.0%
62410 · Grizzly Pond Expenses	20.36	0.00	20.36	100.0%
62450 · Eagle Ditch	1,412.08	12,000.00	-10,587.92	11.8%
62500 · Office Equip.	138.06	500.00	-361.94	27.6%
62600 · Parts & Equip.	635.67	1,500.00	-864.33	42.4%
62700 · Road Repairs	2,710.94	7,500.00	-4,789.06	36.1%
62800 · Service Contracts	540.72	1,700.00	-1,159.28	31.8%
62900 · Treatment Plant I & II	519.25	2,000.00	-1,480.75	26.0%
<b>Total 62000 · Maintenance Exp</b>	<b>6,974.22</b>	<b>36,000.00</b>	<b>-29,025.78</b>	<b>19.4%</b>



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**Grizzly Flats Community Services District**  
**Profit & Loss Budget vs. Actual**  
**July 2021 through June 2022**

	Jul '21 - Jun 22	Budget	\$ Over Budget	% of Budget
<b>63000 · Vehicle Exp.</b>				
63100 · Oil/Grease	0.00	200.00	-200.00	0.0%
63200 · Parts & Repairs	745.64	2,000.00	-1,254.36	37.3%
63300 · Tires & Snow Chains	0.00	2,250.00	-2,250.00	0.0%
63400 · Tractor Maintenance & Repairs	0.00	2,000.00	-2,000.00	0.0%
63500 · Fuel Purchases	5,809.46	4,800.00	1,009.46	121.0%
<b>Total 63000 · Vehicle Exp.</b>	<b>6,555.10</b>	<b>11,250.00</b>	<b>-4,694.90</b>	<b>58.3%</b>
<b>64000 · Employee Exp.</b>				
64100 · Clothing	0.00	500.00	-500.00	0.0%
64200 · Education & Certifications	205.00	450.00	-245.00	45.6%
64300 · Employee - Auto Mileage	0.00	200.00	-200.00	0.0%
64400 · Transportation and Travel	500.00	500.00	0.00	100.0%
<b>Total 64000 · Employee Exp.</b>	<b>705.00</b>	<b>1,650.00</b>	<b>-945.00</b>	<b>42.7%</b>
<b>65000 · Admin Exp.</b>				
65100 · Agency Admin. Fee	3,751.32	4,350.00	-598.68	86.2%
65150 · Bank Fees & Supplies	2,718.85	4,000.00	-1,281.15	68.0%
65175 · Conservation	0.00	200.00	-200.00	0.0%
65200 · Election Costs	0.00	1,000.00	-1,000.00	0.0%
65250 · Janitorial & Supplies	422.35	800.00	-377.65	52.8%
65300 · Meeting Expenses	105.00	500.00	-395.00	21.0%
65350 · Membership & Dues	3,963.00	4,030.00	-67.00	98.3%
65400 · Office Supplies	1,397.45	3,000.00	-1,602.55	46.6%
65450 · Postage	2,397.48	4,800.00	-2,402.52	49.9%
65550 · Software	2,619.98	4,800.00	-2,180.02	54.6%
<b>Total 65000 · Admin Exp.</b>	<b>17,375.43</b>	<b>27,480.00</b>	<b>-10,104.57</b>	<b>63.2%</b>
<b>66000 · Professional Services</b>				
66100 · Audit & Accounting	0.00	6,500.00	-6,500.00	0.0%
66200 · Legal	638.80	500.00	138.80	127.8%
66400 · Liability Insurance	17,191.46	21,357.00	-4,165.54	80.5%
66900 · Other	410.00	650.00	-240.00	63.1%
<b>Total 66000 · Professional Services</b>	<b>18,240.26</b>	<b>29,007.00</b>	<b>-10,766.74</b>	<b>62.9%</b>
<b>67100 · Asset Management Program</b>	<b>1,928.72</b>			
<b>70000 · Capital Exp.</b>				
70100 · Compliance	1,093.43	0.00	1,093.43	100.0%
70300 · Interest On Long Term Debt	24,330.00	0.00	24,330.00	100.0%
70800 · Depreciation	120,952.00	0.00	120,952.00	100.0%
<b>Total 70000 · Capital Exp.</b>	<b>146,375.43</b>	<b>0.00</b>	<b>146,375.43</b>	<b>100.0%</b>

**Grizzly Flats Community Services District**  
**Profit & Loss Budget vs. Actual**  
**July 2021 through June 2022**

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	Jul '21 - Jun 22	Budget	\$ Over Budget	% of Budget
70750 · Extraordinary Loss- Caldor Fire	68,907.00			
<b>Total Expense</b>	689,082.96	585,346.00	103,736.96	117.7%
<b>Net Ordinary Income</b>	-344,365.66	-1,803.00	-342,562.66	19,099.6%
<b>Net Income</b>	<u>-344,365.66</u>	<u>-1,803.00</u>	<u>-342,562.66</u>	<u>19,099.6%</u>

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**Grizzly Flats Community Services District**  
**Profit & Loss Budget vs. Actual**  
**July 2022 through June 2023**

	Jul '22 - Jun 23	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
<b>40000 · O &amp; M Income</b>				
40100 · Water Charges - Basic Rate	485,969.45	270,000.00	215,969.45	180.0%
40110 · Water Charges - Volumetric Rate	22,014.82	6,000.00	16,014.82	366.9%
40200 · Water User Penalties	6,899.84	6,000.00	899.84	115.0%
40210 · Lien Fee	11,270.00	0.00	11,270.00	100.0%
40300 · Miscellaneous Revenue	97.51	4,000.00	-3,902.49	2.4%
40400 · Pooled Interest	1,977.89	500.00	1,477.89	395.6%
40600 · New Service Installation	2,572.41	2,000.00	572.41	128.6%
<b>Total 40000 · O &amp; M Income</b>	<b>530,801.92</b>	<b>288,500.00</b>	<b>242,301.92</b>	<b>184.0%</b>
<b>45000 · Capital Income</b>				
45100 · Standby Charges	54,082.57	58,560.00	-4,477.43	92.4%
45200 · Penalties On Standby Fees	1,715.28	400.00	1,315.28	428.8%
45300 · Capital Connection Fee	12,061.20	12,060.00	1.20	100.0%
45600 · Pooled Interest	7,184.25	1,000.00	6,184.25	718.4%
<b>Total 45000 · Capital Income</b>	<b>75,043.30</b>	<b>72,020.00</b>	<b>3,023.30</b>	<b>104.2%</b>
<b>Total Income</b>	<b>605,845.22</b>	<b>360,520.00</b>	<b>245,325.22</b>	<b>168.0%</b>
<b>Gross Profit</b>	<b>605,845.22</b>	<b>360,520.00</b>	<b>245,325.22</b>	<b>168.0%</b>
<b>Expense</b>				
<b>50000 · Personnel Costs</b>				
<b>51000 · Salaries Expense</b>				
51100 · Field Staff	32,905.49	41,101.00	-8,195.51	80.1%
51200 · Admin Staff	97,720.40	134,485.00	-36,764.60	72.7%
51300 · Overtime	62.40			
51400 · Standby Pay	308.61			
51600 · Holiday Pay	5,388.16	9,241.00	-3,852.84	58.3%
<b>Total 51000 · Salaries Expense</b>	<b>136,385.06</b>	<b>184,827.00</b>	<b>-48,441.94</b>	<b>73.8%</b>
<b>52000 · Payroll Expense</b>				
52100 · Payroll Tax	9,341.06	16,500.00	-7,158.94	56.6%
52101 · PR Tax- do not use	0.00			
52200 · CA SUI	0.00			
52300 · Workers' Comp	3,788.62	4,315.00	-526.38	87.8%
<b>Total 52000 · Payroll Expense</b>	<b>13,129.68</b>	<b>20,815.00</b>	<b>-7,685.32</b>	<b>63.1%</b>

**Grizzly Flats Community Services District**  
**Profit & Loss Budget vs. Actual**  
**July 2022 through June 2023**

5:01 PM

09/05/23

Accrual Basis

	Jul '22 - Jun 23	Budget	\$ Over Budget	% of Budget
<b>53000 · Benefits Expense</b>				
53100 · Deferred Comp	718.97	2,793.00	-2,074.03	25.7%
53200 · HRA Medical	26,676.35	33,150.00	-6,473.65	80.5%
53300 · Life Insurance	289.40	500.00	-210.60	57.9%
<b>Total 53000 · Benefits Expense</b>	<b>27,684.72</b>	<b>36,443.00</b>	<b>-8,758.28</b>	<b>76.0%</b>
<b>54000 · Contract Operations</b>	<b>125,599.50</b>	<b>180,000.00</b>	<b>-54,400.50</b>	<b>69.8%</b>
<b>Total 50000 · Personnel Costs</b>	<b>302,798.96</b>	<b>422,085.00</b>	<b>-119,286.04</b>	<b>71.7%</b>
<b>60000 · Operations &amp; Utilities Exp</b>				
60100 · Alarm Service	948.00	1,200.00	-252.00	79.0%
60200 · Communication	6,281.66	6,000.00	281.66	104.7%
60400 · Fire and Safety Supplies	241.68	1,000.00	-758.32	24.2%
60600 · PG&E	300.41	4,000.00	-3,699.59	7.5%
60700 · Propane	4,259.95	2,500.00	1,759.95	170.4%
60800 · Trash Disposal	540.36	600.00	-59.64	90.1%
60900 · Website	239.00	225.00	14.00	106.2%
<b>Total 60000 · Operations &amp; Utilities Exp</b>	<b>12,811.06</b>	<b>15,525.00</b>	<b>-2,713.94</b>	<b>82.5%</b>
<b>61000 · Water Treatment</b>				
61100 · Chemicals	3,409.11	1,500.00	1,909.11	227.3%
61200 · Equipment & Supplies	1,965.67	2,000.00	-34.33	98.3%
61300 · Testing & Lab Reports	6,210.37	5,000.00	1,210.37	124.2%
<b>Total 61000 · Water Treatment</b>	<b>11,585.15</b>	<b>8,500.00</b>	<b>3,085.15</b>	<b>136.3%</b>
<b>62000 · Maintenance Exp</b>				
62100 · Building	440.74	500.00	-59.26	88.1%
62200 · Customer Meters	1,687.50	2,000.00	-312.50	84.4%
62300 · Distribution System	18,981.55	3,000.00	15,981.55	632.7%
62400 · Grounds	4,050.00	800.00	3,250.00	506.3%
62410 · Grizzly Pond Expenses	250.00	700.00	-450.00	35.7%
62450 · Eagle Ditch	0.00	1,000.00	-1,000.00	0.0%
62500 · Office Equip.	164.70	500.00	-335.30	32.9%
62600 · Parts & Equip.	4,413.91	1,500.00	2,913.91	294.3%
62700 · Road Repairs	5,405.29	5,000.00	405.29	108.1%
62800 · Service Contracts	113.36	3,000.00	-2,886.64	3.8%
62900 · Treatment Plant I & II	0.00	1,500.00	-1,500.00	0.0%
<b>Total 62000 · Maintenance Exp</b>	<b>35,507.05</b>	<b>19,500.00</b>	<b>16,007.05</b>	<b>182.1%</b>

**Grizzly Flats Community Services District**  
**Profit & Loss Budget vs. Actual**  
**July 2022 through June 2023**

5:01 PM  
09/05/23  
Accrual Basis

	Jul '22 - Jun 23	Budget	\$ Over Budget	% of Budget
<b>63000 · Vehicle Exp.</b>				
63100 · Oil/Grease	108.19	500.00	-391.81	21.6%
63200 · Parts & Repairs	3,169.25	2,000.00	1,169.25	158.5%
63300 · Tires & Snow Chains	1,231.12	2,000.00	-768.88	61.6%
63400 · Tractor Maintenance & Repairs	2,622.51	2,500.00	122.51	104.9%
63500 · Fuel Purchases	5,368.98	4,800.00	568.98	111.9%
<b>Total 63000 · Vehicle Exp.</b>	<b>12,500.05</b>	<b>11,800.00</b>	<b>700.05</b>	<b>105.9%</b>
<b>64000 · Employee Exp.</b>				
64100 · Clothing	255.79	500.00	-244.21	51.2%
64200 · Education & Certifications	715.00	500.00	215.00	143.0%
64300 · Employee - Auto Mileage	0.00	200.00	-200.00	0.0%
64400 · Transportation and Travel	-213.74	500.00	-713.74	-42.7%
<b>Total 64000 · Employee Exp.</b>	<b>757.05</b>	<b>1,700.00</b>	<b>-942.95</b>	<b>44.5%</b>
<b>65000 · Admin Exp.</b>				
65100 · Agency Admin. Fee	3,323.98	4,000.00	-676.02	83.1%
65150 · Bank Fees & Supplies	1,775.93	2,500.00	-724.07	71.0%
65175 · Conservation	0.00	0.00	0.00	0.0%
65200 · Election Costs	30.00	1,000.00	-970.00	3.0%
65250 · Janitorial & Supplies	595.81	1,000.00	-404.19	59.6%
65300 · Meeting Expenses	0.00	500.00	-500.00	0.0%
65350 · Membership & Dues	9,127.28	4,000.00	5,127.28	228.2%
65400 · Office Supplies	2,623.93	3,000.00	-376.07	87.5%
65450 · Postage	5,111.26	4,800.00	311.26	106.5%
65500 · Public & Legal Notices	2,115.45			
65550 · Software	3,131.49	2,500.00	631.49	125.3%
<b>Total 65000 · Admin Exp.</b>	<b>27,835.13</b>	<b>23,300.00</b>	<b>4,535.13</b>	<b>119.5%</b>
<b>66000 · Professional Services</b>				
66100 · Audit & Accounting	12,000.00	12,740.00	-740.00	94.2%
66200 · Legal	10,596.80	5,000.00	5,596.80	211.9%
66400 · Liability Insurance	17,231.65	17,232.00	-0.35	100.0%
66900 · Other	8,712.01	1,000.00	7,712.01	871.2%
<b>Total 66000 · Professional Services</b>	<b>48,540.46</b>	<b>35,972.00</b>	<b>12,568.46</b>	<b>134.9%</b>
<b>67100 · Asset Management Program</b>	<b>10,216.33</b>			

**Grizzly Flats Community Services District**  
**Profit & Loss Budget vs. Actual**  
**July 2022 through June 2023**

5:01 PM  
09/05/23  
Accrual Basis

	Jul '22 - Jun 23	Budget	\$ Over Budget	% of Budget
<b>70000 · Capital Exp.</b>				
70100 · Compliance	0.00	1,095.00	-1,095.00	0.0%
70210 · Grant Expense	0.00	0.00	0.00	0.0%
70300 · Interest On Long Term Debt	24,812.50	25,000.00	-187.50	99.3%
70800 · Depreciation	100,943.04	89,960.00	10,983.04	112.2%
<b>Total 70000 · Capital Exp.</b>	<b>125,755.54</b>	<b>116,055.00</b>	<b>9,700.54</b>	<b>108.4%</b>
<b>Total Expense</b>	<b>588,306.78</b>	<b>654,437.00</b>	<b>-66,130.22</b>	<b>89.9%</b>
<b>Net Ordinary Income</b>	<b>17,538.44</b>	<b>-293,917.00</b>	<b>311,455.44</b>	<b>-6.0%</b>
<b>Net Income</b>	<b>17,538.44</b>	<b>-293,917.00</b>	<b>311,455.44</b>	<b>-6.0%</b>

## Grizzly Flats Community Services District Post-Caldor Fire Project Update

### Chlorine Analyzer

The Chlorine Analyzer on Treatment Plant 2 stopped working during the Caldor Fire recovery and the equipment model had been discontinued. This equipment provides real-time chlorine analysis to optimize the disinfection process for our water treatment operators. Replacement equipment was purchased and installed by staff for approximately \$12,000.



### Cost of Services Study

The District staff and Board procured a consultant to perform an in-depth Cost of Services study to update our water rate structure. New rates are expected to be implemented by July 1, 2024.

### Diversion Repairs

Staff worked with West Coast Pipeline Solutions to replace a damaged section of Big Canyon diversion with ductile iron piping so that water flow to the reservoir could be restored. Additionally, a number of temporary repairs were completed on Big Canyon pipeline after trees fell onto the diversion line.

### Grants

American Rescue Plan Act \$2,800,000 funding to replace the Clearwell tank, clean the raw water reservoir, install additional booster pumps, and upgrade the Water Treatment Plants.

United States Department of Agriculture (USDA) for \$998,250 to remove hazard trees along Eagle Ditch Pipeline.

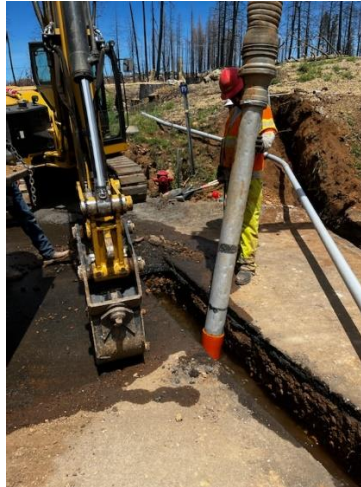
- Tree marking contractor was hired to mark dead trees along Eagle Ditch pipeline on private properties (FEMA project) and on U.S. Forest Service land (USDA project).

## Leak Detection

Staff worked with Rob Meston of Hydrevolution to perform a system-wide leak detection survey following the Caldor Fire. Sixteen (16) leaks were identified and repaired.

## PG&E Undergrounding Damage

In 2022, Pacific Gas & Electric (PG&E) undergrounding activities caused ninety-five (95) leaks throughout the distribution system. Staff repaired seventy-seven (77) service line leaks and eighteen (18) water main breaks, but reimbursement for the PG&E leak repair costs (exceeding \$25,000) was not available to the District.



## Pump Repairs

During the Caldor Fire, we lost two hydro-pneumatic tanks and 3 pumps that kept our system pressurized. A temporary booster pump was installed in March of 2022, allowing us to provide unrestricted water service to all customer locations. The District's temporary booster pump seized in July 2022, so a new Grundfos CMBE 10-45 pump was purchased, installed, and wired-in so that staff could restore water to the pressure system. Also, a larger Goulds e-SH end suction pump was also installed to boost flow when the system has higher than normal demand.

## Recovery Efforts

Staff has worked extensively to identify fire damage details (photos, gps coordinates, addresses, descriptions of damage, etc.) for the Federal Emergency Management Association (FEMA) to procure funding to repair District infrastructure to its pre-fire condition. Estimated total for recovery costs is \$15,000,000 for the following projects:

- [546167] Clearwell Water Tank Repairs
- [437326] Water Lines and Meters
- [437355] Tanks and Booster Facilities
- [437365] Fire Hydrants
- [547264] Fencing, Signage, and Retaining Walls
- [547435] Big Canyon Water Diversion and Retaining Wall
- [548682] North Canyon Creek Diversion
- [548687] Metering and Diversion Station
- [657294] Miscellaneous Facility Damages



- [659585] Miscellaneous Utility Damages
- [659587] Eagle Ditch Pipeline
- [548122] HDPE Reservoir
- [683606] Distribution Lines

Following the December 2022 storm events, staff has been working with FEMA to procure funding to replace water treatment equipment damaged during a brown-out which has forced contract operators work onsite 7 days a week to produce water after the loss of system automation.

Staff continues to work with the District's insurance carrier to identify the extent of damages to the reservoir liner, metering station building, and potable water tanks so that they can be replaced.

### **Service Connections & Meter Boxes**

- Staff located and restored access to water service at 373 of 402 burned locations. The remaining 29 locations are scheduled to be restored by the end of December 2023.
- 103 water meter boxes were destroyed in the fire. Staff identified a new product that is fire resistant and a fraction of the weight for standard concrete boxes. To date, approximately 70 boxes have been replaced.

### **Toyota Tacoma**

A suspension bracket broke and the District's Toyota Tacoma was disabled on the side of Old Mine Road when a debris truck crashed into it. The Toyota Tacoma was taken to a local collision center and was fully repaired.



## Caldor Fire Update – March 8, 2022

Recovery efforts and infrastructure repairs continue in Grizzly Flats! Following is recap of many of the ongoing efforts the District has been coordinating over the past month:

- The temporary service pump for the pressure zone has been installed and is operational, allowing us to provide unrestricted water service to all but one home (due to a blocked water main that we are working to repair).
- With normal operating pressures now restored to the system, the District is able to complete additional leak detection work, which is scheduled for the week of April 4.
- The District received approval from USFS to proceed with hazardous tree work on federal properties, which will allow staff to complete necessary repairs on the surface water supply infrastructure, as weather and field conditions permit.
- The District also received approval from Cal OES to include the “Grizzly Pond” property in their hazard tree removal program, which will cover the removal of approximately 200 hazard trees from the area.
- District staff continue to complete necessary repairs on damaged water infrastructure, as materials and funds are available, including service line breaks caused by debris clean-up activities.
- The water quality testing program has been completed, and the District is in compliance with all state and federal water quality requirements.
- District staff continue to meet regularly with federal, state, county, and local representatives, to coordinate on recovery efforts and emergency and disaster relief funding opportunities.
- The District is continuing to assess water system facilities and infrastructure in order to refine damage and recovery costs. The cost for a full water system restoration is still estimated to be more than \$15 million.

The District is also continuing to work with a consultant to examine the current water rates, cost of service, and policies and procedures for all property owners within the District. The consultant will be giving a presentation on their preliminary findings at our Board of Directors meeting this Thursday, March 10, at 9:00 a.m. Residents are encouraged to join the meeting, by phone or Zoom, to hear about the initial findings and next steps. To view the complete meeting agenda and call-in/Zoom details, please click here: [March 10, 2022 Board of Directors Meeting Agenda](#).

## Caldor Fire Update – February 10, 2022

Recovery efforts and infrastructure repairs are ongoing in Grizzly Flats! We have been working to complete an assessment of the distribution system, and determine further repairs needed to fully restore the pressure zone. Work will proceed on the temporary pressure zone pumping facility, as materials become available. We estimate use of the temporary service pump starting on February 11. Once normal service has been fully restored there, we’ll be able to provide unrestricted water service to more homes.

We are administering ongoing damage assessments to determine other repair or replacement needs, which may include the distribution tanks at Tyler and Winding Way, and the water conveyance structures. Access is limited because of hazardous trees in the area, but we are working to secure funding for additional tree clearing. We have also been addressing recent damage to our infrastructure and property due to ongoing debris clean-up activities, which includes repairing multiple service line breaks, and major damage to one of our trucks. Because these items are not considered fire damages, the costs are not covered by FEMA, but we are working with Cal OES on reimbursement.

Other ongoing recovery and rebuilding efforts that we are coordinating:

- Monitoring water quality and completing additional flushing and testing as needed
- Pressure testing and leak detection of the pressure zone and distribution system upon completion of the temporary pumping station
- Preparation of a Water System Restoration Plan
- Development of standards for returning temporary and permanent residents
- Repairing damage to the reservoir liner
- Completing repairs to the distribution system pipes, fire hydrants, services, and other items, as approved by FEMA for disaster funding

We are still estimating the total cost to completely repair and restore the damaged water system will be more than \$15 million, including funds needed to address surface water quality challenges and watershed damages related to erosion and debris. We are coordinating and meeting regularly with local, county, state, and federal representatives on emergency and disaster relief funding opportunities, and negotiations with our insurance company regarding damage reimbursements are also ongoing.

## Caldor Fire Update – December 14, 2021

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The District has been busy with ongoing recovery efforts, and we've made a lot of progress in the past month!

As of December 1, we have restored potable (drinking) water service to 217 homes. This includes most of the homes in the pressure zone. However, some residences still have irregular water pressure while we continue to test the system, and identify and repair leaks. We are continuing to implement temporary pressure zone pumping systems, but there have been delays in completing the work as the availability of necessary materials continues to be a challenge.

We are continuing to assess the water system and refine damage and recovery costs for emergency funding applications. Total costs to repair and restore the damaged water infrastructure are currently estimated to be up to \$15,160,000. This includes emergency measures that may be necessary to address surface water quality challenges from watershed damage (erosion, debris, etc.). On December 18, we will be submitting the first mandatory Damage Assessment report to FEMA, which will identify all known and suspected water system damages and the estimated repair costs.

District staff continue to participate in regular coordination meetings with federal, state, county, and local representatives for emergency and disaster relief funding opportunities, including Cal OES, FEMA and El Dorado County. This includes coordination with Cal OES to identify funding for additional tree removal, which is essential to allow safe access to all areas where the surface water diversion and conveyance pipeline assessments and repairs are still needed.

Other ongoing work includes additional system flushing and water quality testing; completion of the leak detection program and repairing leaks that have been identified; and additional infrastructure damage assessments required to determine repair or replacement needs, including the distribution tanks at Tyler and Winding Way. We are also working to develop standards for returning residents, to address changes in fees, rates, service improvements, etc. as a result of the Caldor Fire.

Please click here to view the updated Grizzly Flats Water System Restoration Schedule: [GFCSD Water Service Schedule 12-10-21](#).

## Caldor Fire Update – September 22, 2021

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Thank you for your continued support and patience as we work diligently to restore the water system in Grizzly Flats. We greatly appreciate the assistance we continue to receive from many local agencies, community groups, and residents. The following provides an update on the additional assessments and repairs completed this week, as well as information on drinking water for returning residents.

### **Water Service Restoration**

Water service has been restored to most of the gravity system, and District staff is continuing to work to restore other parts of the gravity system and the pressure system. The water in the system is **non-potable** until all water quality testing has been completed and results show that the water is safe to drink. Until that time, residents should continue to use bottled water for all drinking (including baby formula and juice), brushing teeth, washing dishes, making ice, and food preparation. The water in the system should also not be used for bathing/showering – it is only for flushing toilets and watering plants.

Based on recently completed system assessments and repairs, we have updated our estimated water restoration schedule. Please [click here](#) to view the complete schedule.

To view a map showing where non-potable water service has been restored in the community of Grizzly Flats, please [click here](#).

### **Drinking Water for Returning Residents**

We have been working hard to bring in more bottled water for residents that have returned to Grizzly Flats. This week, Tim Smith, a resident in Grizzly Flats was able to arrange for a large delivery of bottled water that was donated by several church groups. Those are available for pick-up at his property in Grizzly Flats (please see more information on our Facebook page: [www.facebook.com/grizzlyflatswater](http://www.facebook.com/grizzlyflatswater)).

Additionally, one-gallon water jugs are available for pick-up at the District office (4765 Sciaroni Rd.), from 8 a.m. to 4 p.m. each day, while supplies last. These jugs are available to residents only, and there is a limit of 12 gallons per household.

### **Water System Assessment and Repairs**

District staff is continuing to assess the condition of the water distribution system by pressure testing individual sections, and fixing leaks as they are identified. Once flushing and leak repairs are completed, the water quality will be tested to

determine if it is safe for consumption. We plan to take our first set of water quality samples this Thursday, September 23, from the Blue Mountain area, and should receive the results in about five days.

The surface water conveyance system is damaged near the intakes, so there is currently no water reaching the reservoir. District staff has inspected the surface water diversions to assess damage, and we are coordinating with construction crews to make initial repairs and install temporary measures to protect the intake system during the winter. Due to fallen trees and snags, it is still not safe for us to access all of the sites where repairs are needed.

We met with contractors who may be able to help us restore Big Canyon flow to the reservoir. District staff is also working to establish service to the pressure zone, and coordinating with PG&E on a temporary power source to run the equipment until electrical service has been restored. Tomorrow, we will be completing repairs on the clear well tank.

District staff continue to coordinate with various state, county, and local representatives to identify emergency and disaster relief funding opportunities, including CalOES, FEMA, El Dorado Water Agency, and El Dorado County. Over the next week, we will also begin the process of getting the District office back up and running.

### **Caldor Fire Update – September 7, 2021**

The District is continuing to assess and repair water system damage and coordinating with local agencies and law enforcement on restoration and repopulation efforts, as well as working to identify emergency funding sources and opportunities for necessary system repairs and replacement. The following provides an update on the actions and activities completed during the past week.

#### **Water System Assessment**

District personnel were able to resume restoration activities on September 2nd and 3rd. The damaged pipe at the reservoir metering building was repaired by operators, in order to restore water supply to the reservoir. We have continued to evaluate the condition of the water distribution system by pressure testing individual sections, working from the District Office toward the lowest elevations in the service area. As of September 3rd, most of the upper gravity system (east of Tyler Road and Sciaroni Road) was charged and tested for pressure.

Nearly all of the water service connections to homes that were destroyed are damaged beyond repair, and will need to be replaced. Our priority is to restore water to the repopulated areas. Additionally, at least one significant leak has been identified in a distribution main on Sciaroni Road.

Additional assessments and testing are needed to fully determine the status of the system. However, with the fire still active in the Grizzly Flats area, access to some areas is still prohibited because of dangerous conditions.

#### **Water Service Restoration**

In accordance with direction from the State Office of Drinking Water, District staff is in the process of recharging each section of the distribution system with highly concentrated chlorinated water, and checking each section to determine whether it is holding pressure. During this process, services associated with damaged homes will be flushed and isolated, and any damage, leaks, or other deficiencies will be documented for emergency and disaster funding, depending on the issue.

The water treatment plant is fully operational and producing water. The facility is being run manually, only during periods when operators are present. Because water demands are minimal at this time, continuous treatment operations are not required. Stored water in the clearwell is being used to charge a small section of the “gravity” distribution system, allowing firefighters to use a single fire hydrant to fill their trucks to continue with fire suppression activities.

We have not yet been able to evaluate the surface water intake structures at the creeks. We anticipate the intakes will need to be modified to soot, ash, and mud from the watershed runoff from entering the water system. This will be a high priority task to complete once we have access to the area, and prior to the first significant rain.

#### **Repopulation of Grizzly Flats**

For current information, please visit the CalFire Caldor Fire website at [www.fire.ca.gov/incidents/2021/8/14/caldor-fire/](http://www.fire.ca.gov/incidents/2021/8/14/caldor-fire/), or call the information line at (530) 303-2455.



EL DORADO COUNTY  
GRAND JURY 2022-2023

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How Will Grizzly Flats Water District Survive?

Case #22-23 GJ04

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June 30, 2023

## **GLOSSARY**

BOS	El Dorado County Board of Supervisors
CalOES	California Office of Emergency Services
FEMA	Federal Emergency Management Agency
GFCSD	Grizzly Flats Community Services District
Grand Jury	2022-2023 El Dorado County Civil Grand Jury
LAFCO	Local Agency Formation Commission
MSR/SOI	"Municipal Service Review and Sphere of Influence Update," September 28, 2022 (LAFCO)

## **DEFINITIONS**

Proposition 218	Proposition 218 gave taxpayers the right to vote on all local taxes and requires taxpayer approval of property related assessments and fees.
Ordinance 88-1	Grizzly Flats Community Services District "CONDITIONS FOR WATER SERVICE ORDINANCE No. 88-1"
Standby Assessment	"Standby Assessment" is a monthly charge per parcel that is placed in the same ledger as the Capital Connection Fee and dedicated to capital improvements, since those improvements also improve system reliability for all users.
Volumetric Rate	\$1.20 per hundred cubic feet (748 gallons). [ <a href="http://grizzlyflatscsd.com/wp-content/uploads/2011/12/New_Customer_Information_GFCSD_July_20201.pdf">http://grizzlyflatscsd.com/wp-content/uploads/2011/12/New_Customer_Information_GFCSD_July_20201.pdf</a> ]
Water Service Rate	Following Proposition 218 requirements (California Constitution Articles XIII C and XIII D); the Board of Directors shall establish residential and commercial water rates. Those rates will be determined by a Cost of Services Study. The water service rate will include both a base rate and a volumetric rate. The base rate is charged to all customers who have a service connection and is determined by the GFCSD's fixed costs (currently \$68.97 monthly). The volumetric rate is the charge for the actual amount of water used and is determined by the GFCSD's variable costs.



## **How Will Grizzly Flats Water District Survive?**

**El Dorado County 2022-2023 Grand Jury**  
Case #22-23 GJ04



## **SUMMARY**

A catastrophic fire in August 2021 devastated Grizzly Flats in El Dorado County (EDC). Homes, businesses, and vital services were destroyed. Infrastructure was seriously damaged and the limited financial resources available to help rebuild are difficult to secure. The cost to remove dead and dying trees along with rebuilding will run into millions of dollars. Outside funding will be necessary to rebuild Grizzly Flats.

The lack of a contingency plan after the Caldor Fire emergency impacted the communications between GFCSD and EDC, State, and Federal agencies.

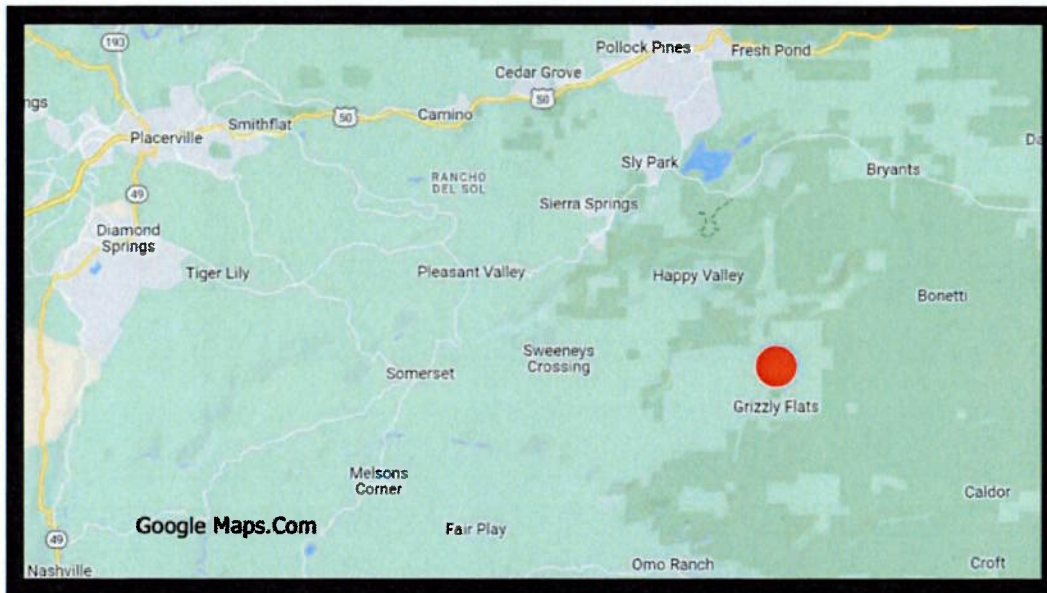
The EDC Civil Grand Jury (Grand Jury) investigated the Grizzly Flats Community Services District (GFCSD) due to complaints made to the Grand Jury and articles published in the local newspaper. Residents, whose homes were destroyed by fire and no longer residing on their respective parcels, were still receiving monthly water service bills per their terms of service.



The Grand Jury found that Grizzly Flats water, volumetric, and service rates are guided by Ordinance No. 88-1, known as "Conditions for Water Service" adopted by the GFCSD in September of 1988. Additionally, rates are governed under California law by Proposition 218, which makes it illegal for GFCSD to alter the terms of service without approval of the parcel owners.

The GFCSD is currently losing \$11,000 monthly due to a loss of overall revenue from customers and will need to increase water rates to support continued operations and to remain solvent.

## **BACKGROUND**

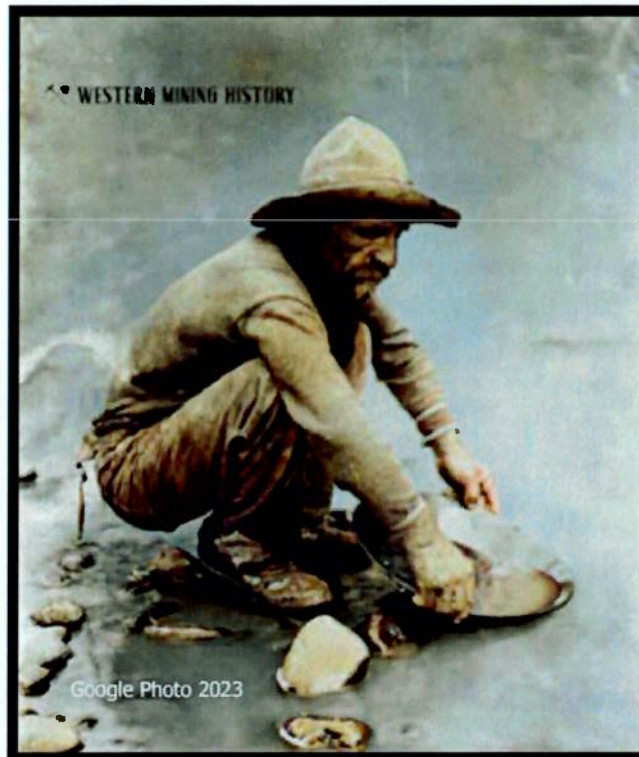


## **History**

Grizzly Flats is located 27 miles southeast of Placerville, between the North and Middle Forks of the Cosumnes River. Positioned in rough and wooded terrain at an elevation of nearly 4,000 feet, Grizzly Flats grew due to the quartz and hydraulic gold mining along the Cosumnes River.

Grizzly Flats has a long history. The name Grizzly Flats came about when L. L. "Buck" Ramsey arrived in 1850 to prospect for gold. While eating the evening meal, Buck and his fellow prospectors were surprised by the arrival of a grizzly bear. After this encounter, the men named their camp Grizzly Flats.

The Grizzly Flats streams were mined during the California Gold Rush. There was substantial activity using both lode and placer mining techniques for well over 100 years. Lode mining is accomplished by tunneling and placer mining uses the panning system. Mining activities increased during the 1930s.



Due to the discovery of gold, the area grew quickly, and the first post office opened on August 31, 1855. While many men came for gold, they stayed for the logging. Grizzly Flats was central to a prosperous logging industry also known as "green gold". By 1857, there were two sawmills in operation. Mountain School was built in 1858 and by 1880, there was a population of 837. The water system in Grizzly Flats is one of the earliest established water services in the State of California.

## Grizzly Flats Water Services

The water system was at one time a privately-owned company, Grizzly Park Water Company. The district obtains its water supply by the diversion of stream flows from North Canyon and Big Canyon Creeks, tributaries to the North Fork Cosumnes River. Surface water flows are diverted through the Eagle Ditch pipeline and are pursuant to water rights dating back to the 1850s. In 1987, ownership of the Grizzly Park Water Company was transferred to the newly formed GFCSD, which became responsible for operations.

### Present

Prior to the Caldor Fire, the 2010 United States Census reported that Grizzly Flats had a population of 1,066. The population density was 160.8 inhabitants per square mile, defining this as a sparsely populated area.



On Saturday, August 14, 2021, the Caldor Fire started east of Omo Ranch and south of Grizzly Flats. The fire was not fully contained until Thursday, October 21, 2021. Ultimately, the Caldor Fire burned 221,835 acres in the El Dorado National Forest and other areas of the Sierra Nevada in El Dorado County. In total, the fire destroyed 1,003 structures and damaged 81 more along the US Highway 50 corridor. Two-thirds of the GFCSD structures on developed parcels were destroyed by the fire including the local post office, elementary school, library, fire department, and community church.



The Caldor Fire inflicted extensive damage to the GFCSD water collection, processing, and delivery infrastructure. The GFCSD officials and employees reacted quickly to this disaster, despite the extremely dangerous conditions, and were able to persevere and continue to deliver water services to Grizzly Flats. The treatment plant was saved, potable water was being produced, and water to fight the fire remained available.

While several GFCSD employees were dealing with the loss of their own homes and property, the dedicated people of GFCSD continued to manage water operations to the best of their abilities. Repairs began immediately and continue as of the date of this report.

## **METHODOLOGY**

### **Interviews**

- Interviewed elected EDC officials;
- Interviewed an official of the El Dorado County Water Agency;
- Interviewed employees and officials of GFCSD; and
- Attended GFCSD Board meetings remotely.

### Documents Reviewed

- Historical data on Grizzly Park Water Company;
- Background on formation of GFCSD water services;
- GFCSD financial data for the past five years;
- The September 2022 “Municipal Service Review and Sphere of Influence Update” (MSR/SOI);
- District Emergency Procedures (GFCSD), updated 1/9/20;
- GFCSD “Conditions for Water Service Ordinance No. 88-1” ([Ordinance 88-1 Updated May 12 20221.pdf \(grizzlyflatscsd.com\)](#)); and
- GFCSD Board Minutes and Agendas (10/2021-3/2023).

### Location Inspections

- Conducted site visit of Grizzly Flats water facilities and surroundings (April 2023).

### DISCUSSION

GFCSD contains 1,220 total parcels, 598 of which are undeveloped. Prior to the Caldor Fire, 622 developed parcels were paying for water service.

During the period of the Grand Jury’s investigation, 465 of the 622 developed parcels continued paying for water service. Of the remaining 157 parcels lost during the fire, 98 parcels are being billed for water service, but the parcel owners are not paying. Fifty-nine (59) parcels are not being billed due to lost water connections (i.e., burned, broken, or buried water meters). These damaged connections are scheduled to be repaired by October 2023, at which time, billing will be reinstated.

During our investigation, the grand jury learned that many of the 98 parcel owners with an active water connection complained about receiving bills for a water service that is not being used at a burned-out property. In many cases, with no plans to rebuild, the parcel owners may never use water services again.

## **Water Rates**

Terms for water service are fixed by local ordinance "Conditions for Water Service Ordinance No. 88-1" adopted by the GFCSD parcel owners in September of 1988. Upon purchase of a parcel, the title holder on a property within the district "...is directly liable for satisfying all obligations to the district as established by Ordinance 88-1." Once a water connection is established for a parcel, the GFCSD policy does not allow the parcel owner to disconnect from water services. Changing Ordinance 88-1 will require a new Proposition 218. It is important to note that water bills are attached to the individual parcels, not the owners. Ultimately, past-due bills continue to accrue on a tax lien filed against the property for future collection.

There is a GFCSD policy to transfer service liens to the County tax roll every July 1. According to GFCSD, penalties are charged prior to a tax lien being filed. Water billing statements are dated on the last day of each month and shall be due on the 15th of the following month. A five-day grace period is allowed. Bills are considered past due on the 21st. If an account balance exceeds \$5.00 on the 21st of the following month, a 10% late charge is assessed for that account. If there are more than two months of unpaid charges on the customer's account, they receive a second-tier late charge for the 10% of the current balance and 1% of the past due balance. Upon parcel transfer of ownership, the tax lien can be satisfied, and any outstanding fees owed to GFCSD will be collected at that time if included in the purchase and sale escrow. GFCSD should make arrangements with the Assessor's office to be notified when a parcel changes ownership so the new address can be updated. Currently the GFCSD is notified of an ownership change every six (6) months.

## **Water Fees**

GFCSD has the singular responsibility to provide water services to Grizzly Flats parcel owners. Parcel water fees are governed by the State under the "Community Services District Law (Government Code Section 61000 – 61850)." Rates may be neither lowered nor raised without a new ordinance as required by Proposition 218. Presently, there are 598 undeveloped parcels.

There are three ways the GFCSD produces revenues: water standby/availability fees, monthly connection fees and a volumetric rate based on water usage.

Under the California Government Code, GFCSD has set the water standby or availability fee not to exceed \$48 per year or four dollars (\$4) per month. This fee is levied on all 1,220 parcels whether developed or undeveloped. These fees are not unusual and provide the base revenue for capital improvement water projects and cannot be changed because of the above government code section.

Prior to the Caldor Fire, 622 developed parcels of the total 1,220 parcels in the community were paying the minimum connection rate of \$68.97 monthly and an additional volumetric rate based on water usage.

From the September 2022 MSR/SOI, the total rate and fee income for FY 2019 water services generated approximately \$550,000 annually, which supported water district operations. The GFCSD staff consisted of six employees: an office facilitator; an Assistant General Manager; a General Manager and three field technicians. The GFCSD was structured to break even (MSR/SOI, page 43-44). Now, after the fire, the finances of the district are in peril due to fewer billable parcels. The GFCSD is currently losing about \$11,000 per month, which represents approximately 24% of their annual revenue. Information from the Board indicates that the GFCSD will face insolvency by August 2027.

To avoid insolvency, the rates must be increased by following the process outlined in Proposition 218. The GFCSD initiated the process by hiring a consultant in March 2023. The requirements to successfully complete the proposition process are expensive, time-consuming, and will take well into 2024 to be completed, and approved by rate payers.

## **Water Infrastructure**

The fire destroyed approximately 646 residences in Grizzly Flats (ABC 10 News, November 4, 2021). The GFCSD infrastructure was damaged by

heat and falling trees. The local utility company created a Community Wildfire Safety Program in September 2021, which includes burying power lines underground. GFCSD had a dated map of the underground water delivery infrastructure. As a result of burying the power lines, the local utility company inadvertently cut or damaged some existing water lines and pipes to properties. This has become an additional burden on GFCSD to repair the damage.



Any rebuilding in Grizzly Flats must meet State requirements for new construction. Residential sprinkler systems are one of the newer requirements. This will require larger diameter pipes from the GFCSD main water line to the residences (typically ½” increasing to 1”), without decreasing water pressure, and adding expense to the parcel. Additionally, there is a requirement for solar panels on every new or rebuilt structure. These new requirements further impact the cost of rebuilding burned out structures. The County has asked the State to waive these requirements, but no decision was reached before this report was published.



## **Communications**

Prior to the Caldor Fire, the GFCSD employees followed the District Emergency Procedure Policy. The Grand Jury discovered gaps in this plan. It does not address a disaster such as the Caldor Fire. The Grand Jury found that there was no contingency plan implemented which resulted in a disconnect in communication. This negatively impacted effective communication and coordination between GFCSD and the EDC Board of Supervisors, the El Dorado Water Agency, FEMA, and CalOES. This gap further resulted in the delay of receiving critical disaster funding until the El Dorado Water Agency stepped in to assist in the process.

## **Outside Funding Resources**

The Grand Jury discovered that the GFCSD lacked the resources to pursue available funding sources, such as State and federal grants, community charities, disaster relief funds, and any future opportunities. At the time of this report's publication, the Grand Jury is aware that GFCSD is likely to be receiving funding from outside sources within the coming fiscal year. Although future funding may be obtained by the GFCSD, this does not alter any of the Grand Jury's recommendations.

## **Conclusion**

The Caldor Fire has fundamentally changed the Grizzly Flats community. GFCSD is likely to have fewer customers going forward for years and may never return to the level of operations that existed before the fire. The GFCSD based its revenue on the assumption that 622 parcels would be paying the monthly base rate plus volumetric usage. The loss of volumetric revenue results in approximately \$11,000 less revenue each month and the GFCSD is headed toward insolvency. The GFCSD must take into consideration the loss of two thirds of developed parcels that are no longer using water and must reconfigure rates in accordance with the requirements of Proposition 218 to survive. How GFCSD will upgrade the water service infrastructure to meet current residential and commercial building requirements for new structures' sprinkler system remains an open issue.

## **FINDINGS**

- F1 The absence of a contingency plan resulted in delays in communication between the GFCSD and EDC, State, and Federal agencies which delayed emergency funding.
- F2 GFCSD is notified of a change in ownership of a parcel by the Assessor's Office every six (6) months.
- F3 A tax lien is placed on the parcel if the water service bill goes unpaid.
- F4 Every parcel with a water connection, as defined within the GFCSD Ordinance 88-1, will be billed for water service.
- F5 With the loss of two thirds of GFCSD structures, the existing water service rate is inadequate to meet the current revenue needs for the GFCSD.
- F6 Without an increase in revenue, the GFCSD will face insolvency by August 2027.
- F7 Damage to water lines by the local utility company while undergrounding electrical lines could have been minimized if an up-to-date subdivision parcel map of the water infrastructure existed.
- F8 The GFCSD lacked the resources to pursue available funding sources.
- F9 There is no published contingency plan in the event that the GFCSD becomes insolvent.

## **RECOMMENDATIONS**

- R1 The GFCSD Board should develop a post Caldor Fire contingency plan to facilitate coordination and communication with the EDC Board of Supervisors, the El Dorado Water Agency, FEMA, CalOES and other agencies, as needed. This should be accomplished by December 31, 2023.

- R2 GFCSD Board should request the Assessor's office provide an update on sales of Grizzly Flats parcels to GFCSD quarterly. This should be accomplished by December 31, 2023.
- R3 In order to avoid insolvency, the GFCSD should pursue a new rate structure and approve it pursuant to the Proposition 218 process. This should be accomplished by June 30, 2024.
- R4 Once the Proposition 218 process is complete and a new rate structure is in place, the GFCSD should hire a licensed civil engineering firm to create an accurate water service infrastructure map. This should be accomplished by June 30, 2024.
- R5 The EDC Board of Supervisors should assign a dedicated resource for a six-month period to seek out and apply for grants from local, State and Federal sources, in assistance to the GFCSD. This should be accomplished by June 30, 2024.
- R6 The EDC BOS should develop, in conjunction with the GFCSD, a contingency plan should the GFCSD become insolvent. This should be accomplished by December 31, 2023.

### **REQUEST FOR RESPONSES**

The following responses are required pursuant to Penal Code §933 and §933.05:

From the following individuals:

- GFCSD Board Chairperson
  - Findings: F1, F2, F3, F4, F5, F6, F7, F8, F9
  - Recommendations: R1, R2, R3, R4

From the following governing body:

- El Dorado County Board of Supervisors
  - Findings: F9
  - Recommendations: R5, R6