

**CHANNEL ISLANDS BEACH**  
**COMMUNITY SERVICES DISTRICT**  
**ANNUAL AUDIT REPORT**  
Years Ended June 30, 2023 and 2022



**Channel Islands Beach Community Services District**  
**Annual Audit Report**  
Years Ended June 30, 2023 and 2022

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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Channel Islands Beach Community  
Services District  
Oxnard, CA

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the Channel Islands Beach Community Services District (the "District"), as of and for the years ended June 30, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the District, as of June 30, 2023 and 2022, and the respective changes in financial position, and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit 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 the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

#### *Auditor's Responsibility for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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 and *Government 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 and *Government Auditing Standards*, we:

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

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary section on pages 4 - 8 and 48 - 50 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplemental information section is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information section is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 12, 2024, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*Teaman Ramirez & Smith, Llc.*

Riverside, California  
June 12, 2024

## MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Channel Islands Beach Community Services District, we offer readers of the Channel Islands Beach Community Services District's financial statements this narrative overview and analysis of the Channel Islands Beach Community Services District and its financial activities for the fiscal year ended June 30, 2023.

### OVERVIEW

#### FINANCIAL STATEMENTS

This discussion and analysis serves as an introduction to the District's basic financial statements. The District's basic financial statements reflect the combined results of the Operating and Capital Programs and include four components: 1) Statements of Net Position; 2) Statements of Revenues, Expenses and Changes in Net Position; 3) Statements of Cash Flows; and, 4) Notes to the Financial Statements. In addition to the basic financial statements, supplementary information is also presented.

The Statement of Net Position presents information on all of the District's assets, liabilities, and deferred inflows/outflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Statement of Revenues, Expenses and Changes in Net Position presents information showing how the District's net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., depreciation).

The Statement of Cash Flows presents information regarding the District's use of cash during the year. Cash flows will differ from revenues and expenses because the statement accounts only for transactions that resulted in the District's receipt or payment of cash during the year.

### FINANCIAL HIGHLIGHTS

#### SIGNIFICANT EVENTS AND TRANSACTIONS

**The Board of Directors restricted the following amounts to their respective utilities:**

- ◆ Water - \$1,933,634 for Capital and future unanticipated repairs and maintenance of the water distribution system, \$462,614 operating reserve, \$85,000 for debt service and \$199,045 for rate stabilization.
- ◆ Sewer - \$4,509,110 for Capital and future unanticipated repairs and maintenance of sewer system, 281,903 operating reserve, \$191,000 for debt service and \$126,761 for rate stabilization.
- ◆ Trash - \$18,000 for Capital and future unanticipated repairs and maintenance, \$214,378 for operating reserve and \$99,751 for rate stabilization.
- ◆ Community service - \$154,117 for Capital and future unanticipated repairs and maintenance and \$7,856 for operating reserve.



- In 2021, the District hired an outside consultant to conduct a 5-year rate study to calculate the cost of providing services, cost of future maintenance requirements of the District's infrastructure and cost of future capital expenditures. The results of this study gave the District a 5-year rate adjustment schedule from 2021 through 2026 and was implemented via Proposition 218 hearing and notice. Based on the recommendation of the outside consultants, the board of directors has initiated a rate increase with effect from the billing period starting September 1, 2021. There was an increase of 3% on water rate, 3% on wastewater rate and 2.5% on solid waste removal rate. The board of directors also initiated another rate increase of 3% on water rate, 3% on wastewater rate and 2.5% on solid waste removal rate with effect from the billing period starting July 1, 2022. The board anticipates more changes in rate structure will take place in the near term to maintain the level of services provided by the District.
- The District amended its contract with the City of Oxnard regarding a shared sewer line. Effective January 1, 2023, the City will bill the District the estimated charges for the District's use of the shared sewer line rather than the full charges of the shared sewer line. In previous years, the District would pay for the full charges of the shared sewer line and the City would then reimburse the District for the City's estimated portion. This reduced the reimbursement revenue from the City of Oxnard and the related wastewater transportation costs by 50%.
- Investments were mostly moved to a new investment account with California CLASS which is expected to have a higher rate of return than the Ventura County Treasurer's Investment Pool. The District had approximately \$8,153,256 invested in the California CLASS investment pool at year end.
- For construction in progress, the District had approximately \$1 million in additions and \$834,050 in deletions. Most of this is related to a waterline relocation project that was capitalized for \$617,262 and a valve improvement project capitalized for \$216,788. The District also started on the construction of the new administrative building which required staff to move to a temporary office location.

## **FINANCIAL STATEMENTS**

### **NET POSITION**

The District's Net Position as of June 30, 2023, 2022 and 2021 totaled \$16,539,948, \$15,891,180 and \$15,141,538 respectively. At the end of the current year, the District is able to report positive balances in all categories of net position. The District's net position increased by \$648,768 from the prior year.

**FIGURE 1. NET POSITION**

	<u>As of June 30, 2023</u>	<u>As of June 30, 2022</u>	<u>As of June 30, 2021</u>
<b>Assets</b>			
Current Assets	\$ 8,910,715	\$ 9,368,653	\$ 9,164,935
Restricted Assets	112,300	104,181	94,455
Capital Assets, Net	7,943,184	7,181,254	6,899,050
Other Assets	<u>2,665,541</u>	<u>2,772,731</u>	<u>2,848,685</u>
TOTAL ASSETS	<u>\$ 19,631,740</u>	<u>\$ 19,426,819</u>	<u>\$ 19,007,125</u>
<b>Deferred Outflows of Resources</b>			
Pension Related Items	\$ 122,529	\$ 139,436	\$ 103,388
Deferred Amount on Refunding	<u>33,339</u>	<u>36,042</u>	<u>50,544</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 155,868</u>	<u>\$ 175,478</u>	<u>\$ 153,932</u>
<b>Liabilities</b>			
Current Liabilities	\$ 619,704	\$ 934,660	\$ 1,298,941
Long-Term Debt	<u>2,612,433</u>	<u>2,774,044</u>	<u>2,720,540</u>
TOTAL LIABILITIES	<u>\$ 3,232,137</u>	<u>\$ 3,708,704</u>	<u>\$ 4,019,481</u>
<b>Deferred Inflows of Resources</b>			
Pension Related Items	\$ 262	\$ 2,413	\$ 38
OPEB Related Items	<u>15,261</u>	<u>-</u>	<u>-</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>\$ 15,523</u>	<u>\$ 2,413</u>	<u>\$ 38</u>
<b>Net Position</b>			
Net Investment in Capital Assets	\$ 5,561,845	\$ 4,621,633	\$ 3,876,666
Unrestricted	<u>10,978,103</u>	<u>11,269,547</u>	<u>11,264,872</u>
TOTAL NET POSITION	<u>\$ 16,539,948</u>	<u>\$ 15,891,180</u>	<u>\$ 15,141,538</u>

Total assets increased by \$204,921. This is due to the net variances from current assets, capital assets and other assets.

Current assets decreased by \$457,938. This was due to other receivables decreasing by \$248,760 and Board restricted cash and cash equivalents decreasing by \$244,823. Other receivables decreased due to the new agreement with the City of Oxnard and cash and cash equivalents decreased due to the increased activity for constructions in progress.

Capital assets increased by \$761,930. The increase was due to additions in construction in progress of \$1 million, mostly related to water system improvements, a vehicle purchase of \$91,176 and deletion of \$419,176 for older assets including the demolition of the old administrative office.

Other assets related to the investment in the Port Hueneme Water Agency decreased by \$85,669 since there were no significant capital contributions from the member agencies and it had a decrease in net position of \$433,512.

Total liabilities decreased by \$476,567 which is due to a decrease in long-term debt due to principal payments made on outstanding sewer and water bonds, and a loan for the water meter project.

**REVENUES, EXPENSES AND CHANGES IN NET POSITION**

Charges for operating services totaled \$4,718,457, \$5,292,413 and \$5,345,159, respectively for the years ended June 30, 2023, 2022, and 2021. The District is reporting operating income of \$450,564, \$798,810, and \$924,895, respectively for the years ended June 30, 2023, 2022 and 2021. Operating expenses before depreciation and amortization totaled \$3,903,358, \$4,137,222 and \$4,046,407, respectively for the years ended June 30, 2023, 2022 and 2021. Depreciation and amortization expenses totaled \$364,535, \$356,381 and \$373,857, respectively as of June 30, 2023, 2022 and 2021.

**FIGURE 2. REVENUES, EXPENSES AND CHANGES IN NET POSITION  
FOR THE YEAR ENDED JUNE 30:**

	2023	2022	2021
<b>Revenues</b>			
Charges for Operating Services	\$ 4,718,457	\$ 5,292,413	\$ 5,345,159
Interest	226,753	29,265	43,093
Other Non-Operating Revenues*	50,004	6,249	8,074
Development impact fee	20,784	24,840	68,416
<b>TOTAL REVENUES</b>	<b>\$ 5,015,998</b>	<b>\$ 5,352,767</b>	<b>\$ 5,464,742</b>
<b>Expenses</b>			
Operating Expenses	\$ 4,267,893	\$ 4,493,603	\$ 4,420,264
Other Non-Operating Expenses	82,399	92,584	107,368
Depreciation on Contributed Assets	16,938	16,938	16,938
<b>TOTAL EXPENSES</b>	<b>\$ 4,367,230</b>	<b>\$ 4,603,125</b>	<b>\$ 4,544,570</b>
<b>Change in Net Position</b>	<b>\$ 648,768</b>	<b>\$ 749,642</b>	<b>\$ 920,172</b>
<b>Net Position at Beginning of Year</b>	<b>\$ 15,891,180</b>	<b>\$ 15,141,538</b>	<b>\$ 14,221,366</b>
<b>Net Position at End of Year</b>	<b>\$ 16,539,948</b>	<b>\$ 15,891,180</b>	<b>\$ 15,141,538</b>

\* Includes \$68,731, \$80,537 and \$88,169 loss from Joint Venture for years ended June 30, 2023, 2022 and 2021, respectively.

Total revenues decreased by \$336,769. This was mostly due to a decrease in charges for services by \$573,956 and an increase in investment earnings by \$197,488. Charges for services decreased due to a decrease of \$497,519 of sewer revenue from the City of Oxnard. This was due to the amended agreement with the City. Investment earnings increased due to better rates of return from transferring amounts to the California CLASS investment pool and generally overall the rates of return have improved over the prior year.

Total expenses decreased by \$235,895. Most of the decrease is due to the decrease in sewer system expenses by \$340,361. This was due to the decrease in wastewater transportation costs from the amended agreement with the City of Oxnard. Generally, most of the other expenses increased due to rising costs and administrative costs increased due to relocation costs for the temporary administrative office.

## CAPITAL ASSETS

The District's Capital Assets for 2021, 2022 and 2023 are as follows:

	<u>Cost</u>	<u>Less Accumulated Depreciation</u>	<u>Net Depreciable Assets</u>
2021	\$ 12,619,433	\$ (5,720,383)	\$ 6,899,050
2022	\$ 13,251,855	\$ (6,070,601)	\$ 7,181,254
2023	\$ 13,982,267	\$ (6,039,083)	\$ 7,943,184

During the current year, the District capitalized various operating assets totaling \$115,361. There is a construction in progress in the current year totaling \$1,034,227. \$834,050 completed construction is moved from construction in progress to capital assets. There is a deletion of \$419,176 capital assets. Please refer to Note 4, *Capital Assets*, presented in the Notes to Financial Statements for additional detail regarding the District's Capital Assets.

## LONG-TERM DEBT

At the end of the current fiscal year, the District had \$2,800,826 total long-term debt outstanding. For 2022 and 2021, the District had \$2,955,029 and \$3,197,805 total long-term debt outstanding. Please refer to Note 5, *Long-Term Debt*, presented in the Notes to Financial Statements for additional detail regarding the District's Long-Term Debt.

## ECONOMIC FACTORS AND BUDGET

The District does not anticipate any increase in business or water consumption within the Harbor for Fiscal Year 2023-24. However, when the economic climate improves, the District anticipates significant redevelopment or new development to occur within the Channel Islands Harbor resulting in increased consumption and revenues. The District will take that into consideration in future budget years.

Another factor affecting the District's operation is California's ongoing drought and state's mandated water conservation program. Although the District has ample water supplies to meet current customer demands, the District has implemented stage 1 water supply shortage regulations, which includes limits on outdoor watering and wasteful water practices. The District's efforts to comply with state mandated water conservation requirements has resulted in decreased water consumption by District's customers.

## CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide the Board, the District's Member Agencies, taxpayers, and creditors with a general overview of the Channel Islands Beach Community Services District's accountability for the money it manages. If you have questions about this report or need additional financial information, contact the Channel Islands Beach Community Services District's Administration Department, 353 Santa Monica Drive Oxnard, California, 93035.

## **BASIC FINANCIAL STATEMENTS**



**Channel Islands Beach Community Services District**  
**Statements of Net Position**  
June 30, 2023 and 2022

	2023	2022
<b>ASSETS</b>		
Current Assets:		
Unrestricted Cash (Notes 1, 2 and 3)	\$ 105,000	\$ 105,000
Board Restricted Cash and Cash Equivalents (Notes 1, 2 and 3)	8,283,169	8,527,992
Accounts Receivable (Note 1)	381,530	398,375
Other Receivable (Note 1)	-	248,760
Interest Receivable	66,833	12,892
Prepaid Items (Note 1)	68,567	68,471
Inventory (Note 1)	5,616	7,163
Total Current Assets	8,910,715	9,368,653
Noncurrent Assets:		
Restricted Assets:		
Cash and Cash Equivalents (Notes 1, 2 and 3)	112,300	104,181
Net Pension Asset	-	21,521
Land and Construction in Progress, Not Being Depreciated (Note 4)	911,354	711,177
Capital Assets, Net of Depreciation (Note 4)	7,031,830	6,470,077
Total Noncurrent Assets	8,055,484	7,306,956
<b>OTHER ASSETS</b>		
Investment in Water JPA, Net of Accumulated Depreciation (Notes 3 and 12)	2,665,541	2,751,210
Total Other Assets	2,665,541	2,751,210
Total Assets	19,631,740	19,426,819
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred Charge on Refunding (Note 1)	33,339	36,042
Pension Related Items (Note 7)	122,529	139,436
Total Deferred Outflows of Resources	\$ 155,868	\$ 175,478

The accompanying notes are an integral part of these statements.

**Channel Islands Beach Community Services District**  
**Statements of Net Position - Continued**  
June 30, 2023 and 2022

	2023	2022
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts Payable	\$ 169,278	\$ 431,418
Other Liabilities (Note 1)	7,861	42,487
Current Portion of Long-term Debt (Note 5)	188,393	180,985
Accrued Payroll, Taxes and Benefits	119,253	148,116
Customer Deposits	112,300	104,181
Accrued Interest	22,619	27,473
Total Current Liabilities	619,704	934,660
Long-term Debt (Note 5):		
Wastewater Refunding Series 2016 Bond Payable, Net	2,067,847	2,191,186
Loan Payable	449,678	515,663
Net Pension Liability	19,484	-
Net OPEB Liability	263,817	248,180
Total Long-term Debt, Net of Unamortized Premium (Note 5)	2,800,826	2,955,029
Less Current Portion	(188,393)	(180,985)
Total Long-term Debt	2,612,433	2,774,044
Total Liabilities	3,232,137	3,708,704
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Pension Related Items (Note 7)	262	2,413
OPEB Related Items (Note 8)	15,261	-
Total Deferred Inflows of Resources	15,523	2,413
<b>NET POSITION (Notes 1 and 6)</b>		
Net Investment in Capital Assets	5,561,845	4,621,633
Unrestricted	10,978,103	11,269,547
Total Net Position	\$ 16,539,948	\$ 15,891,180

The accompanying notes are an integral part of these statements.



**Channel Islands Beach Community Services District**  
**Statements of Revenues, Expenses and Changes in Net Position**  
Years Ended June 30, 2023 and 2022

	2023	2022
<b>OPERATING REVENUES</b>		
Water Revenue	\$ 2,026,885	\$ 2,086,617
Sewer Revenue	1,357,582	1,396,483
Sewer Revenue - Oxnard	497,520	995,039
Trash Revenue	836,470	814,274
Total Operating Revenues	4,718,457	5,292,413
<b>OPERATING EXPENSES</b>		
Water System Expenses:		
PHWA Water Expenses	805,104	754,937
Water Samples	14,137	11,264
SDHS Annual Administrative Fee	18,582	16,646
Cross Connect Contract Charges	2,650	1,500
Repairs and Maintenance - Distribution	143,345	109,509
Water Quality Report	-	1,354
Telemetry	10,422	10,310
Total Water System Expenses	994,240	905,520
Sewer System Expenses:		
Waste Water Transportation - Oxnard	506,089	905,371
Operations and Maintenance	95,673	36,291
Telemetry	32,021	32,805
Power	23,881	23,558
Total Sewer System Expenses	657,664	998,025
Trash Expenses:		
Trash Services	606,092	592,379
Total Trash Expenses	606,092	592,379
Maintenance Expenses:		
Vehicle Expenses	12,686	19,883
Building Maintenance and Security	8,708	17,405
Sign and Banner Expense	1,036	-
Public Landscape Project	4,099	5,181
Employee Workplace Safety	2,786	4,232
Gasoline Expenses	22,955	15,337
Total Maintenance Expenses	52,270	62,038
Salaries and Benefits:		
Regular Salaries	816,825	797,226
Retirement Benefits	170,701	263,417
Uniforms	4,257	6,181
Insurance	149,012	148,943
Payroll Taxes	14,154	12,325
Employee Educational Expense	15,774	15,111
Total Salaries and Benefits	\$ 1,170,723	\$ 1,243,203

The accompanying notes are an integral part of these statements.

**Channel Islands Beach Community Services District**  
**Statements of Revenues, Expenses and Changes in Net Position - Continued**  
Years Ended June 30, 2023 and 2022

	2023	2022
<b>OPERATING EXPENSES (CONTINUED)</b>		
Administrative Expenses:		
Board Meetings	\$ 9,164	\$ 8,478
Board/Committee Expenses	1,973	1,264
Conferences and Seminars - Board	9,202	2,687
Dues/ Membership	26,036	24,873
Office Supplies	10,262	8,487
E-Pay Online	5,048	4,377
Communications	24,643	20,787
Printing and Publications	5,256	5,285
Postage and Shipping	10,818	12,305
Utilities	3,378	2,753
Miscellaneous Office Expense	36,943	10,249
Other Professional Services	11,196	25,392
Office Equipment Maintenance	9,907	7,343
Insurance	46,149	22,918
Accounting Services	43,857	35,995
Computer Services	66,369	52,869
Legal Services	46,697	29,146
Engineering Services	43,321	49,259
Bank and Trustee Fees	2,500	3,781
Legal Notices Publication Expense	1,305	958
Public Information	-	1,942
	414,024	331,148
Total Administrative Expenses		
Other Operating Expenses:		
Depreciation (Note 4)	370,171	350,218
Amortization (Note 1)	(5,636)	6,163
Bad Debt (Note 1)	8,345	4,909
	372,880	361,290
Total Other Operating Expenses		
	4,267,893	4,493,603
Total Operating Expenses		
<b>OPERATING INCOME</b>	<b>\$ 450,564</b>	<b>\$ 798,810</b>

The accompanying notes are an integral part of these statements.

**Channel Islands Beach Community Services District**  
**Statements of Revenues, Expenses and Changes in Net Position - Continued**  
Years Ended June 30, 2023 and 2022

	2023	2022
<b>NON-OPERATING REVENUES AND EXPENSES</b>		
Investment Earnings	\$ 226,753	\$ 29,265
Net Gain (Loss) from Joint Venture (Note 12)	(68,731)	(80,537)
Net Gain (Loss) on Sale of Capital Assets	(9,986)	-
County Tax Apportionment (Note 1)	94,095	86,786
Miscellaneous Revenues	34,626	-
Interest Expense	(82,399)	(92,584)
Total Non-Operating Revenues and Expenses	194,358	(57,070)
<b>INCOME BEFORE CONTRIBUTIONS</b>	<b>644,922</b>	<b>741,740</b>
<b>CAPITAL CONTRIBUTIONS (NOTE 1)</b>		
Developmental Impact Fee	20,784	24,840
Amortization on Contributed Capital	(16,938)	(16,938)
Total Capital Contributions	3,846	7,902
<b>CHANGE IN NET POSITION</b>	648,768	749,642
<b>NET POSITION, BEGINNING OF YEAR</b>	<b>15,891,180</b>	<b>15,141,538</b>
<b>NET POSITION, END OF YEAR</b>	<b>\$ 16,539,948</b>	<b>\$ 15,891,180</b>

The accompanying notes are an integral part of these statements.

**Channel Islands Beach Community Services District**  
**Statements of Cash Flows**  
Years Ended June 30, 2023 and 2022

	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash Received from Water, Sewer and Trash Services	\$ 4,975,717	\$ 5,308,028
Other Cash Receipts	34,626	-
Cash Payments to Contract and Water System Services	(2,551,813)	(2,575,917)
Cash Payments to Maintenance and Administration Services	(459,673)	(400,964)
Cash Payments to Employees for Services	(1,112,927)	(1,048,601)
	<b>885,930</b>	<b>1,282,546</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
County Tax Apportionment	94,095	86,786
	<b>94,095</b>	<b>86,786</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Acquisition and Construction of Capital Assets	(1,149,587)	(632,422)
Capital Contributions	20,784	24,840
Proceeds from Sale of Assets	7,500	-
Principal Paid on Debt	(180,985)	(477,265)
Interest Paid on Debt	(87,253)	(98,157)
	<b>(1,389,541)</b>	<b>(1,183,004)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Investment Earnings	172,812	22,385
	<b>172,812</b>	<b>22,385</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(236,704)</b>	<b>208,713</b>
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	<b>8,737,173</b>	<b>8,528,460</b>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<b>\$ 8,500,469</b>	<b>\$ 8,737,173</b>

The accompanying notes are an integral part of these statements.

**Channel Islands Beach Community Services District**  
**Statements of Cash Flows - Continued**  
Years Ended June 30, 2023 and 2022

	2023	2022
<b>RECONCILIATION OF OPERATING INCOME</b>		
<b>TO NET CASH PROVIDED BY (USED FOR)</b>		
<b>OPERATING ACTIVITIES</b>		
Operating Income	\$ 450,564	\$ 798,810
<b>ADJUSTMENTS TO RECONCILE NET OPERATING INCOME</b>		
<b>TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>		
Miscellaneous Revenues	34,626	-
Depreciation and Amortization	364,535	356,381
Bad Debt Expense	8,345	4,909
(Increase) Decrease in Accounts and Other Receivables	257,260	15,615
(Increase) Decrease in Prepaid Items	(96)	(17,484)
(Increase) Decrease in Inventory	1,547	(891)
(Increase) Decrease in Net Pension Asset	21,521	(21,521)
(Increase) Decrease in Deferred Outflows - Pension Related Items	16,907	(33,635)
Increase (Decrease) in Accounts Payable and Other Liabilities	(296,766)	(79,122)
Increase (Decrease) in Accrued Payroll, Taxes and Benefits	(28,863)	6,968
Increase (Decrease) in Customer Deposits	8,119	9,726
Increase (Decrease) in Net Pension Liability	19,484	(5,352)
Increase (Decrease) in Net OPEB Liability	15,637	248,180
Increase (Decrease) in Deferred Inflows - Pension Related Items	(2,151)	(38)
Increase (Decrease) in Deferred Inflows - OPEB Related Items	15,261	-
<b>TOTAL ADJUSTMENTS</b>	435,366	483,736
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	\$ 885,930	\$ 1,282,546
<b>SUPPLEMENTAL DISCLOSURES</b>		
Cash and Cash Equivalents		
Unrestricted Cash	\$ 105,000	\$ 105,000
Board Restricted Cash and Cash Equivalents	8,283,169	8,527,992
Restricted Cash and Cash Equivalents	112,300	104,181
Total	\$ 8,500,469	\$ 8,737,173
Non-cash Investing and Financing Activities consisted of the following:		
Amortization Related to Long-term Debt	\$ (5,636)	\$ 6,163
Amortization on Contributed Capital	\$ 16,938	\$ 16,938

The accompanying notes are an integral part of these statements.

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**Channel Islands Beach Community Services District**  
**Notes to Financial Statements**  
Years Ended June 30, 2023 and 2022

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**Channel Islands Beach Community Services District**  
**Notes to Financial Statements**  
Years Ended June 30, 2023 and 2022

**1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A) Reporting Entity**

The Channel Islands Beach Community Services District, a public agency, was created by election held on November 2, 1982 as the first such district in Ventura County. The District began operations December 13, 1982 pursuant to the Community Services District Law of the State of California, as amended, with authority under the Government Code, Section 61000 et. seq. The District's major utility operations include the provision of water, sewer and trash utility services.

The Channel Islands Beach Community Services District is a successor district to its first predecessor agency, the Oxnard Beach County Water District ("OBCWD"), which was organized on January 28, 1960. Its inception resulted from the merging of three mutual water companies for the purpose of more economically providing water services to the beach communities and County of Ventura Channel Islands Harbor facilities. The District's immediate predecessor agency, the Channel Islands County Water District, succeeded OBCWD in 1973, followed by the Channel Islands Beach Community Services Districts' succession by its formation in 1982.

The Channel Islands Beach Community Services District is located on the coastal plain of Ventura County. The District comprises an unincorporated total of 6,630 acres; however, the major portion of this acreage is in a seaward extension to the three-mile limit. The developed portion of the District, which is on the county assessment rolls, lies around the Channel Islands Harbor and comprises about 151 acres. The District is bound on the east by the United States Naval Base Ventura County, Port Hueneme, on the north and west by portions of the Cities of Oxnard and Port Hueneme, and on the south by the Pacific Ocean.

The Channel Islands Beach Community Services District serves the communities of Hollywood Beach, Hollywood by the Sea and Silver Strand. The District also serves an adjacent incorporated portion of the Channel Islands Harbor, which is outside the District's boundaries, pursuant to existing service agreements with the County of Ventura and the City of Oxnard.

**B) Implementation of Governmental Accounting Standards Board (GASB) Pronouncements**

**GASB Statements Implemented as of June 30, 2023**

Governmental Accounting Standard Board Statement No. 91

In May of 2019, GASB issued Statement No. 91, *Conduit Debt Obligations*. This statement was issued to improve financial reporting for certain debt obligations. It allowed entities to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. Statement No. 91 is effective for fiscal years beginning December 15, 2020. Due to the COVID-19 pandemic, GASB No. 95 delayed the implementation of this Statement by one year for reporting periods beginning after December 15, 2021. This statement is required to be implemented in the 2023 fiscal year by the District. Currently, this statement has no effect on the financial statements.



**Channel Islands Beach Community Services District**  
**Notes to Financial Statements**  
Years Ended June 30, 2023 and 2022

**1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**B) Implementation of Governmental Accounting Standards Board (GASB) Pronouncements - Continued**

**GASB Statements Implemented as of June 30, 2023 - Continued**

Governmental Accounting Standard Board Statement No. 94

In March of 2020, GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The objective of this statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). Statement No. 94 is effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. This statement is required to be implemented in the 2023 fiscal year by the District. Currently, this statement has no effect on the financial statements.

Governmental Accounting Standard Board Statement No. 96

In May of 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangement (SBITAs) for government end users (governments). Statement No. 96 is effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. This statement is required to be implemented in the 2023 fiscal year by the District. Currently, this statement has no effect on the financial statements.

**Pending Accounting Standards**

GASB has issued the following statements which impact the District's financial reporting requirements in the future:

Governmental Accounting Standard Board Statement No. 99

In April of 2022, GASB issued Statement No. 99, *Omnibus 2022*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. Statement No. 99 is effective upon issuance except for requirements related to leases, PPPs, and SBITAs which is effective for fiscal years beginning after June 15, 2022, and requirements related to financial guarantees and the classification and reporting of derivative instructions within the scope of Statement No. 53 are effective for fiscal years beginning after June 15, 2023. This statement is required to be implemented in the 2024 fiscal year by the District. The District has elected not to early implement GASB No. 99 and has not determined its effect on the District's financial statements.

Governmental Accounting Standard Board Statement No. 100

In June of 2022, GASB issued Statement No. 100, *Accounting Changes and Error Corrections*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. Statement No. 100 is effective for fiscal years beginning after June 15, 2023. This statement is required to be implemented in the 2024 fiscal year by the District. The District has elected not to early implement GASB No. 100 and has not determined its effect on the District's financial statements.

**Channel Islands Beach Community Services District**  
**Notes to Financial Statements**  
Years Ended June 30, 2023 and 2022

**1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**B) Implementation of Governmental Accounting Standards Board (GASB) Pronouncements - Continued**

**Pending Accounting Standards - Continued**

Governmental Accounting Standard Board Statement No. 101

In June of 2022, GASB issued Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Statement No. 101 is effective for fiscal years beginning after December 15, 2023. This statement is required to be implemented in the 2025 fiscal year by the District. The District has elected not to early implement GASB No. 101 and has not determined its effect on the District's financial statements.

Governmental Accounting Standard Board Statement No. 102

In December of 2023, GASB issued Statement No. 102, *Certain Risk Disclosures*. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. If a government determines that the criteria for disclosure have been met for a concentration or constraint, it should disclose information in the notes to financial statements in sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government's vulnerability to the risk of a substantial impact. This statement is required to be implemented in the 2025 fiscal year by the District. The District has elected not to early implement GASB No. 102 and has not determined its effect on the District's financial statements.

**C) Basis of Presentation**

The District's basic financial statements are prepared in conformity with accounting principles generally accepted in the United States of America as they are applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies reflected in the financial statements are summarized as follows:

**D) Basis of Accounting and Measurement Focus**

The District reports its activities as an enterprise fund, which is used to account for operations that are financed and operated in a manner similar to a private business enterprise, where the intent of the District is that the costs (including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The District financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recognized in the accounting period in which they are earned and expenses are recognized in the period incurred regardless of the timing of related cash flows.

Proprietary funds distinguish operating revenues and expenses from those revenues and expenses that are non-operating. Operating revenues are those revenues that are generated by water sales and services while operating expenses pertain directly the furnishing of those services. Non-operating revenues and expenses are those revenues and expenses generated that are not directly associated with the normal business of supplying water and services.

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

**Channel Islands Beach Community Services District**  
**Notes to Financial Statements**  
Years Ended June 30, 2023 and 2022

**1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**E) Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows/inflows of resources 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.

**F) Budgetary Data**

Formal budgetary accounting is employed as a management control for the District. Annual operating budgets are adopted each fiscal year on the budgetary basis in accordance with existing legal requirements. Budgetary control is exercised at the utility enterprise divisional program level. The District did not modify their adopted operating budget for the year ended June 30, 2023.

The encumbrance method of accounting for budget information is not employed by the District.

**G) Investments**

As a governmental entity other than an external investment pool in accordance with GASB, the District's investments are stated at fair value except for interest-earning investment contracts (See Notes 2 and 3).

In applying GASB, the District utilized the following methods and assumptions:

- 1) Fair value is based on quoted market prices as of the valuation date;
- 2) The portfolio did not hold investments in any of the following:
  - a) Items required to be reported at amortized cost,
  - b) Items in external pools that are not SEC registered,
  - c) Items subject to involuntary participation in an external pool,
  - d) Items associated with a fund other than the fund to which the income is assigned;
- 3) The gain/loss resulting from valuation will be reported within the revenue account "investment earnings" on the Statement of Revenues and Expenses.

In accordance with GASB, for purposes of the statement of cash flows, all cash and investments with original maturities of 90 days or less are considered cash or cash equivalents.

**H) Accounts Receivable**

The District has established a reserve for doubtful accounts based on the prior three years of bad debts. The amount of the reserve for doubtful accounts at June 30, 2023 and 2022 was \$5,000 and \$5,000, respectively. The Bad Debt expense was \$8,345 and \$4,909 as of June 30, 2023 and 2022, respectively.

**Channel Islands Beach Community Services District**  
**Notes to Financial Statements**  
Years Ended June 30, 2023 and 2022

**1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**I) Other Receivables and Other Liabilities**

Other receivables include \$0 and \$248,760 from the City of Oxnard as of June 30, 2023 and 2022. The District and the City of Oxnard share a pipeline for wastewater transportation and treatment in which the City of Oxnard reimburses the District for the estimated cost for their portion of the use of the pipeline. The agreement was amended in fiscal year 2023 and, effective January 2023, the City directly bills the District for the District's estimated actual costs of the shared sewer pipeline. Other liabilities include unearned COVID-19 relief funds of \$7,861 and \$42,487 as of June 30, 2023 and 2022.

**J) Inventory and Prepaid Items**

Inventory is valued at the lower of cost (first-in, first-out) or market.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased. Prepaid items include \$14,057 for insurance and dues, and \$54,510 for water purchases (Port Hueneme Water Agency true-up) as of June 30, 2023. Prepaid items include \$19,131 for insurance and dues, and \$49,340 for water purchases (Port Hueneme Water Agency true-up) as of June 30, 2022.

**K) Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The District only has the following items that qualify for reporting in this category. The District has deferred charges on refunding reported in the statements of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The District also has deferred outflows related to pensions for pension contributions subsequent to the measurement date of the net pension liability, and other amounts (see Note 7), which are amortized by an actuarial determined period.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The District has deferred inflows related to pensions and other post-employment benefits (OPEB). These amounts (see Notes 7 and 8) are amortized by an actuarial determined period.

**L) Compensated Absences**

Employees are entitled to annual leave at a rate of 6.77 hours (1 to 4 years of service), 8.30 hours (5 to 9 years of service) and 9.84 hours (10 years or more of services) per pay period, depending on the number of years of service completed. The annual maximum accrued leave is limited to 500 hours. All hours over that will be paid out to the employee after the pay period in which it was earned. Upon termination, separation, or retirement, each employee is paid for all their annual leave hours at the hourly rate then in effect. In accordance with accounting principles generally accepted in the United States of America, the liability is reflected in the line item for accrued payroll, taxes and benefits on the statement of net position and the current year allocation has been expensed.

**Channel Islands Beach Community Services District**  
**Notes to Financial Statements**  
Years Ended June 30, 2023 and 2022

**1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**M) Bond Discounts and Premiums**

The District amortizes bond discounts and premiums using the straight-line method over the term of the related bond issue. The current related bond issue is the 2016 Wastewater Refunding Bond Series.

**N) Pensions**

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

**O) Other Postemployment Benefits (OPEB)**

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

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

Valuation Date	June 30, 2022
Measurement Date	June 30, 2023
Measurement Period	July 1, 2022 to June 30, 2023

**P) Net Position**

GASB requires that the difference between assets, liabilities and deferred outflows/inflows of resources be reported as net position. Net position is classified as either net investment in capital assets, restricted, or unrestricted.

Net position classified as net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding principal of related debt. Restricted net position is the net position that has external constraints placed on them by creditors, grantors, contributors, laws, or regulations of other governments, or through constitutional provisions, or enabling legislation. Unrestricted net position consists of net position that does not meet the definition of net investment in capital assets or restricted net position.

**Q) County Tax Apportionment**

Taxes are considered revenue in the year in which collections are made, as that is when they are both measurable and available.

**Channel Islands Beach Community Services District**  
**Notes to Financial Statements**  
Years Ended June 30, 2023 and 2022

**1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**Q) County Tax Apportionment - Continued**

The District utilizes the services of Ventura County for the assessment and collection of taxes (special benefit assessments and general property taxes). These taxes are collected at the same time and on the same tax rolls as are county, cities, school districts and other special district taxes. Assessed valuations are the same for both District and County taxing purposes. The District receives an apportionment of the County's one percent (1%) maximum property tax levy. The percentage of tax that the District receives is determined by a formula prepared by the Ventura County Tax Assessor in accordance with State law. The valuation of property is determined as of March 1 of each year. Secured taxes are payable in two installments the first is due November 1, and the second due February 1. Such taxes are considered delinquent if not paid by December 10 and April 10 immediately following their respective due dates. Taxes on unsecured property are due March 1 and become delinquent August 31 and such taxes are levied at the prior years' secured tax rate. The county wide 1% levy has been pledged to debt service of the District.

**R) Contributed Capital**

Contributed capital represents cash or utility plant additions contributed to the District by property owners or developers desiring services that require capital expenditures or capacity commitment. In accordance with GASB Statement 33 all such capital contributions are reflected as revenues.

**S) Reclassifications**

Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

**2) CASH AND INVESTMENTS**

The District has defined cash for purposes of the statement of cash flows to include cash on hand, demand deposits and cash with the County Treasurer.

The District participates in the County Pool Investment Program with interest being allocated on the basis of deposit in the Treasury. Investment policies and associated risk factors applicable to District monies are those of the County of Ventura and are included in the County's Annual Financial Report. The carrying value and estimated market value of the County of Ventura Pool at June 30, 2023, were \$4,130,001,484 and \$4,091,859,832 respectively and at June 30, 2022, were \$3,784,920,807 and \$3,723,151,281. The District's share of the Pool at June 30, 2023 and 2022 was approximately 0.002 percent and 0.215 percent.

The District also participates in the California Cooperative Liquid Assets Securities System (California CLASS) which is organized as a Joint Powers Authority ("JPA") that was established by public agencies in California as a pooled investment option. Investments with California CLASS are highly liquid. California CLASS is governed by a Board of Trustees made up eligible participants of the program. The Board of Trustees sets overall policy for California CLASS. California CLASS offers the option of two accounts. The California CLASS Prime option is a stable \$1 net asset value (NAV) local government investment pool offering daily liquidity. The other option is California CLASS Enhanced Cash which is a next-day liquidity investment option that generates higher yields. As of June 30, 2023 and 2022, the District's investment in California Class is \$8,153,256 and \$0 in the California CLASS Prime account. The account offers daily liquidity and amounts withdrawn are based on the net asset value per share which is currently \$1 per share. California CLASS Prime funds have a weighted average maturity target portfolio of 60 days or less. On June 30, 2023, the weighted average maturity was 44 days for California CLASS Prime funds.

**Channel Islands Beach Community Services District**  
**Notes to Financial Statements**  
Years Ended June 30, 2023 and 2022

**2) CASH AND INVESTMENTS - Continued**

The District utilized a commercial bank for all operational transactions. The District invests cash with the County Treasurer and in California CLASS. At June 30, 2023 and 2022 the carrying amount of the District's petty cash, deposits and investments were \$8,500,469 and \$8,737,173 and are broken down as follows:

	2023	2022
Petty Cash	\$ 2,100	\$ 2,100
County Treasury	111,650	7,997,999
California CLASS	8,153,256	-
Pacific Western Bank	233,463	737,074
Total	\$ 8,500,469	\$ 8,737,173

The District has adopted an investment policy, which authorizes the District's investment in local obligations, obligations of the United States Treasury and agencies, the County Pool Investment Program, savings and other investments. The District selects its investments based on safety, liquidity and yield.

Cash and Investments are classified in the accompanying financial statements as follows:

	2023	2022
Statement of Net Position:		
Unrestricted Cash	\$ 105,000	\$ 105,000
Board Restricted Cash and Cash Equivalents	8,283,169	8,527,992
Restricted Cash and Cash Equivalents	112,300	104,181
Total Cash and Investments	\$ 8,500,469	\$ 8,737,173

Cash and investments consist of the following:

	2023	2022
Cash on Hand	\$ 2,100	\$ 2,100
Deposits with Financial Institutions	233,463	737,074
Ventura County Treasurer's Pooled Investments	111,650	7,997,999
California Class Investment Pool	8,153,256	-
Total Cash and Investments	\$ 8,500,469	\$ 8,737,173

**Channel Islands Beach Community Services District**  
**Notes to Financial Statements**  
Years Ended June 30, 2023 and 2022

**2) CASH AND INVESTMENTS - Continued**

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

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

Authorized Investment Type	Maximum Maturity	Maximum Percentage Of Portfolio <sup>(1)</sup>	Maximum Investment In One Issuer
Local Agency Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
State Obligations - CA and Others	5 years	None	None
CA Local Agency Obligations	5 years	None	None
Federal Agency Securities	5 years	None	None
Bankers' Acceptance	180 days	40%	30%
Commercial Paper	270 days	25% <sup>(3)</sup>	10%
Negotiable Certificates of Deposit	5 years	30%	10%
Non-negotiable Certificates of Deposit	5 years	20%	None
Placement Service Deposits and Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20%	None
Medium Term Notes	5 years	30%	5%
Mutual Funds and Money Market Funds	N/A	20%	10% <sup>(4)</sup>
Collateralized Bank Deposits	5 years	None	None
Mortgage Pass Through and Asset-Backed Securities	5 years	20%	5%
County Pooled Investment Funds	N/A	None	None
Joint Powers Authority Pool <sup>(5)</sup>	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Voluntary Investment Program Fund	N/A	None	None
Supranational Obligations	5 years	30%	None
Public Bank Obligations	5 years	None	None

<sup>(1)</sup> Excluding amounts held by bond trustee that are not subject to California Government Code restrictions.

<sup>(2)</sup> No more than 30% of the portfolio may be in Municipal Securities.

<sup>(3)</sup> Pooled funds can be 40% of the maximum percentage of the portfolio.

<sup>(4)</sup> The 10% limitation does not apply to money market funds.



**Channel Islands Beach Community Services District**  
**Notes to Financial Statements**  
Years Ended June 30, 2023 and 2022

**2) CASH AND INVESTMENTS - Continued**

**Investments Authorized by Debt Agreements**

Investment of debt proceeds held by bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the District’s investment policy.

**Disclosures Relating to Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the District manages its exposure to interest rates risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

The District had the following investments:

	2023		2022	
	Amount	Maturity Date	Amount	Maturity Date
Ventura County Treasurer’s Pooled Investments	\$ 111,650	N/A	\$ 7,997,999	N/A
California CLASS	8,153,256		-	
Total	<u>\$ 8,264,906</u>		<u>\$ 7,997,999</u>	

**Disclosures Relating to Credit Risk**

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

Presented below is the minimum rating required by (where applicable) the California Government Code or the District’s investment policy, or debt agreements, and the actual rating as of year end for each investment type.

**June 30, 2023**

Investment Type		Minimum Legal Rating	Exempt From Disclosure	Rating as of Year End		
				AAA	AA	Not Rated
Ventura County Treasurer’s Pooled Investments	\$ 111,650	N/A	\$ -	\$ 111,650	\$ -	\$ -
California CLASS	<u>8,153,256</u>		<u>-</u>	<u>8,153,256</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 8,264,906</u>		<u>\$ -</u>	<u>\$ 8,264,906</u>	<u>\$ -</u>	<u>\$ -</u>

**Channel Islands Beach Community Services District**  
**Notes to Financial Statements**  
Years Ended June 30, 2023 and 2022

**2) CASH AND INVESTMENTS - Continued**

**June 30, 2022**

<u>Investment Type</u>		<u>Minimum Legal Rating</u>	<u>Exempt From Disclosure</u>	<u>Rating as of Year End</u>		
				<u>AAA</u>	<u>AA</u>	<u>Not Rated</u>
Ventura County Treasurer's Pooled Investments	<u>\$ 7,997,999</u>	N/A	<u>\$ -</u>	<u>\$ 7,997,999</u>	<u>\$ -</u>	<u>\$ -</u>
Total	<u>\$ 7,997,999</u>		<u>\$ -</u>	<u>\$ 7,997,999</u>	<u>\$ -</u>	<u>\$ -</u>

The investment policy of the District contains no limitation on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code.

**Concentration of Credit Risk**

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the Government Code. The District has no investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of the total District's investments.

**Custodial Credit Risk**

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

The California Government Code and the Entity's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local government units by pledging securities in an undivided collateral pool held by depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

As of June 30, 2023 and 2022, none of the District's deposits with financial institutions in excess of federal depository insurance limits were held in uncollateralized accounts.

**Cash and Investments with Fiscal Agent - Restricted Assets**

Cash and investments held and invested by fiscal agents on behalf of the District are pledged for payment or security of certain long-term debt issuances and construction projects. Fiscal agents are mandated by bond indentures as to the types of investments in which debt proceeds can be invested. The investments predominately consist of Governments securities which are held in book entry form by the trustee.

**Channel Islands Beach Community Services District**  
**Notes to Financial Statements**  
Years Ended June 30, 2023 and 2022

**2) CASH AND INVESTMENTS - Continued**

**Board Restricted Cash**

Cash is Board restricted for the following:

	2023	2022
Capital and Unanticipated Repairs and Maintenance	\$ 6,614,861	\$ 6,624,085
Rate Stabilization	425,557	403,556
Reserved for Operations	966,751	911,351
Debt Service	276,000	589,000
Total	\$ 8,283,169	\$ 8,527,992

**Restricted Cash**

Cash is restricted for the following:

	2023	2022
Customer Deposits	\$ 112,300	\$ 104,181
Total	\$ 112,300	\$ 104,181

**3) FAIR VALUE MEASUREMENTS**

Governmental Accounting Standards Board (GASB) Statement No. 72, Fair Value Measurements and Application, provides the framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value with Level 1 given the highest priority and Level 3 the lowest priority. The three levels of the fair value hierarchy are as follows:

*Level 1* inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the organization has the ability to access at the measurement date.

*Level 2* inputs are inputs other than quoted prices included within *Level 1* that are observable for the asset or liability, either directly or indirectly. *Level 2* inputs include the following:

- a. Quoted prices for similar assets or liabilities in active markets.
- b. Quoted prices for identical or similar assets or liabilities in markets that are not active.
- c. Inputs other than quoted prices that are observable for the asset or liability (for example, interest rates and yield curves observable at commonly quoted intervals, volatilities, prepayment speeds, loss severities, credit risks, and default rates).
- d. Inputs that are derived principally from or corroborated by observable market data by correlation or other means (market-corroborated inputs).

*Level 3* inputs are unobservable inputs for the asset or liability.

**Channel Islands Beach Community Services District**  
**Notes to Financial Statements**  
Years Ended June 30, 2023 and 2022

**3) FAIR VALUE MEASUREMENTS - Continued**

Fair value of assets measured on a recurring basis are as follows:

	2023		
	Fair Value	Significant Unobservable Inputs (Level 3)	Uncategorized
Investments:			
Ventura County Treasurer's Pooled Investments	\$ 111,650	\$ -	\$ 111,650
California CLASS	8,153,256	-	8,153,256
Total Investments	<u>\$ 8,264,906</u>	<u>\$ -</u>	<u>\$ 8,264,906</u>
Other Assets:			
Investment in Water JPA, Net of Accumulated Depreciation	\$ 2,665,541	\$ 2,665,541	\$ -
Total Other Assets	<u>\$ 2,665,541</u>	<u>\$ 2,665,541</u>	<u>\$ -</u>
	2022		
	Fair Value	Significant Unobservable Inputs (Level 3)	Uncategorized
Investments:			
Ventura County Treasurer's Pooled Investments	\$ 7,997,999	\$ -	\$ 7,997,999
Total Investments	<u>\$ 7,997,999</u>	<u>\$ -</u>	<u>\$ 7,997,999</u>
Other Assets:			
Investment in Water JPA, Net of Accumulated Depreciation	\$ 2,751,210	\$ 2,751,210	\$ -
Total Other Assets	<u>\$ 2,751,210</u>	<u>\$ 2,751,210</u>	<u>\$ -</u>

The Ventura County Treasurer's Pooled Investments and California CLASS external investment pools are exempt under GASB No. 72 fair value measurements. The Investment in Water JPA, Net of Accumulated Depreciation, classified in Level 3 is valued using the equity method. See Note 12.

**4) CAPITAL ASSETS**

Minor expenditures for renewals and betterment are charged to expense. Major expenditures for renewals and betterment are capitalized. Costs of assets sold, retired or otherwise disposed of have been eliminated from accounts, and gains or losses on disposition are included in operations. Public domain (infrastructure) fixed assets are capitalized and include water distribution systems and sewer collection systems. Donated land or other donated capital assets are recorded at their estimated acquisition value rather than fair market value on the date contributed.

**Channel Islands Beach Community Services District**  
**Notes to Financial Statements**  
Years Ended June 30, 2023 and 2022

**4) CAPITAL ASSETS - Continued**

The cost of capital assets is depreciated over the estimated lives of the assets on the straight-line method of depreciation. Estimated useful lives are:

Category	Life in years
Office Furniture and Equipment	5 to 10
Mobile Equipment	3 to 5
Tools and Shop Equipment	10
Office Building	20
Water System/Plant	25 to 50
1911 Act Sewer Lines	40

A summary of changes in capital assets for the year is as follows:

	2023			
	Beginning Balance	Additions	Deletions	Ending Balance
Capital Assets, Not Depreciated:				
Land	\$ 42,060	\$ -	\$ -	\$ 42,060
Construction in Progress	669,117	1,034,227	834,050	869,294
Total Capital Assets, Not Depreciated	711,177	1,034,227	834,050	911,354
Capital Assets, Being Depreciated:				
Office Furniture and Equipment	110,901	24,185	29,167	105,919
Vehicles	175,867	91,176	101,207	165,836
Tools and Shop Equipment	455,491	-	167,818	287,673
Office Building	109,056	-	62,714	46,342
1911 Act Sewer Line	7,626,074	-	-	7,626,074
Water Distribution System	4,063,289	834,050	58,270	4,839,069
Total Capital Assets, Being Depreciated	12,540,678	949,411	419,176	13,070,913
Less Accumulated Depreciation:				
Office Furniture and Equipment	(100,876)	(9,868)	(29,167)	(81,577)
Vehicles	(175,867)	(3,841)	(101,206)	(78,502)
Tools and Shop Equipment	(252,716)	(29,883)	(167,262)	(115,337)
Office Building	(90,837)	(1,482)	(46,706)	(45,613)
1911 Act Sewer Line	(2,594,232)	(182,901)	-	(2,777,133)
Water Distribution System	(2,856,073)	(142,196)	(57,348)	(2,940,921)
Total Accumulated Depreciation	(6,070,601)	(370,171)	(401,689)	(6,039,083)
Total Capital Assets, Being Depreciated, Net	6,470,077	579,240	17,487	7,031,830
Capital Assets, Net of Depreciation	\$ 7,181,254	\$ 1,613,467	\$ 851,537	\$ 7,943,184

**Channel Islands Beach Community Services District**  
**Notes to Financial Statements**  
Years Ended June 30, 2023 and 2022

**4) CAPITAL ASSETS - Continued**

	2022			Ending Balance
	Beginning Balance	Additions	Deletions	
Capital Assets, Not Depreciated:				
Land	\$ 42,060	\$ -	\$ -	\$ 42,060
Construction in Progress	440,467	228,650	-	669,117
Total Capital Assets, Not Depreciated	<u>482,527</u>	<u>228,650</u>	<u>-</u>	<u>711,177</u>
Capital Assets, Being Depreciated:				
Office Furniture and Equipment	110,901	-	-	110,901
Vehicles	175,867	-	-	175,867
Tools and Shop Equipment	301,996	153,495	-	455,491
Office Building	109,056	-	-	109,056
1911 Act Sewer Line	7,576,306	49,768	-	7,626,074
Water Distribution System	3,862,780	200,509	-	4,063,289
Total Capital Assets, Being Depreciated	<u>12,136,906</u>	<u>403,772</u>	<u>-</u>	<u>12,540,678</u>
Less Accumulated Depreciation:				
Office Furniture and Equipment	(88,351)	(12,525)	-	(100,876)
Vehicles	(175,867)	-	-	(175,867)
Tools and Shop Equipment	(229,063)	(23,653)	-	(252,716)
Office Building	(89,332)	(1,505)	-	(90,837)
1911 Act Sewer Line	(2,413,542)	(180,690)	-	(2,594,232)
Water Distribution System	(2,724,228)	(131,845)	-	(2,856,073)
Total Accumulated Depreciation	<u>(5,720,383)</u>	<u>(350,218)</u>	<u>-</u>	<u>(6,070,601)</u>
Total Capital Assets, Being Depreciated, Net	<u>6,416,523</u>	<u>53,554</u>	<u>-</u>	<u>6,470,077</u>
Capital Assets, Net of Depreciation	<u>\$ 6,899,050</u>	<u>\$ 282,204</u>	<u>\$ -</u>	<u>\$ 7,181,254</u>

**Channel Islands Beach Community Services District**  
**Notes to Financial Statements**  
Years Ended June 30, 2023 and 2022

**5) LONG-TERM DEBT**

The following is a summary of the changes in Long-Term Debt:

Changes in Long-Term Debt	2023				
	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
2016 Wastewater Refunding Bonds Series	\$ 2,080,000	\$ -	\$ 115,000	\$ 1,965,000	\$ 120,000
Premiums on Bonds	111,186	-	8,339	102,847	-
Subtotal	<u>2,191,186</u>	<u>-</u>	<u>123,339</u>	<u>2,067,847</u>	<u>120,000</u>
Direct Borrowing - Loan Payable	515,663	-	65,985	449,678	68,393
Net Pension Liability	-	72,922	53,438	19,484	-
Net OPEB Liability	<u>248,180</u>	<u>15,637</u>	<u>-</u>	<u>263,817</u>	<u>-</u>
Total	<u>\$ 2,955,029</u>	<u>\$ 88,559</u>	<u>\$ 242,762</u>	<u>\$ 2,800,826</u>	<u>\$ 188,393</u>

Changes in Long-Term Debt	2022				
	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
2012 Water Refunding Bonds Series	\$ 303,604	\$ -	\$ 303,604	\$ -	\$ -
2016 Wastewater Refunding Bonds Series	2,190,000	-	110,000	2,080,000	115,000
Premiums on Bonds	119,525	-	8,339	111,186	-
Subtotal	<u>2,309,525</u>	<u>-</u>	<u>118,339</u>	<u>2,191,186</u>	<u>115,000</u>
Direct Borrowing - Loan Payable	579,324	-	63,661	515,663	65,985
Net Pension Liability	5,352	46,689	52,041	-	-
Net OPEB Liability	<u>-</u>	<u>248,180</u>	<u>-</u>	<u>248,180</u>	<u>-</u>
Total	<u>\$ 3,197,805</u>	<u>\$ 294,869</u>	<u>\$ 537,645</u>	<u>\$ 2,955,029</u>	<u>\$ 180,985</u>

**Bonds Payable**

In September 2016, the District issued \$2,605,000 in Wastewater Revenue Refunding Bonds Series 2016 to advance refund the 2005A Sewer Revenue Certificates of Participation. The bonds interest rates range from 2% to 4%. Interest on the bonds is payable November 1<sup>st</sup> and May 1<sup>st</sup> of each year. Principal on the bonds is payable in annual installments, ranging from \$95,000 to \$180,000, commencing November 1, 2017 through November 1, 2035.

**Channel Islands Beach Community Services District**  
**Notes to Financial Statements**  
Years Ended June 30, 2023 and 2022

**5) LONG-TERM DEBT - Continued**

Future debt requirements are as follows:

Year Ending June 30,	Wastewater Bond Series 2016	
	Principal	Interest
2024	\$ 120,000	\$ 63,731
2025	125,000	58,831
2026	130,000	53,731
2027	135,000	48,431
2028	140,000	42,931
2029-2033	785,000	134,791
2034-2036	530,000	23,782
<b>Total</b>	<b>\$ 1,965,000</b>	<b>\$ 426,228</b>

**Revenues Pledged**

The District has pledged a portion of future sewer revenues and a portion of investment earnings to repay the District’s Wastewater Revenue Refunding Bonds Series 2016. The District’s Wastewater Revenue Refunding Bonds are payable solely from sewer revenues and a portion of investment earnings. Total principal and interest remaining on the Wastewater Revenue Refunding Bonds are \$2,391,228, payable through fiscal year 2036. For the current year, principal and interest paid by sewer revenues and investment earnings was \$115,000 and \$68,431, respectively.

**Direct Borrowing - Loan Payable**

In August 2018, the District received a loan of \$700,000 from the California Special District Association (CSDA) Municipal Finance Corporation for a water meter project. The loan has a 3.4% interest rate with annual payments of \$84,807 per year for ten years. In the event of default, all remaining installments, including accrued interest, become immediately due and payable if the District does not remedy the event of default within 10 days of written notice. This agreement has no pledged collateral or acceleration clauses.

Year Ending June 30,	Loan Payable	
	Principal	Interest
2024	\$ 68,393	\$ 16,413
2025	70,890	13,917
2026	73,477	11,329
2027	76,159	8,648
2028	78,939	5,868
2029	81,820	2,986
<b>Total</b>	<b>\$ 449,678</b>	<b>\$ 59,161</b>



**Channel Islands Beach Community Services District**  
**Notes to Financial Statements**  
Years Ended June 30, 2023 and 2022

**6) NET POSITION**

Net position consisted of the following:

	2023	2022
Net Position:		
Net Investment in Capital Assets:		
Land and Construction in Progress, Not Being Depreciated	\$ 911,354	\$ 711,177
Capital Assets, Net of Depreciation	7,031,830	6,470,077
Capital Related Deferred Outflows:		
Deferred Charges on Refunding	33,339	36,042
Less Capital Related Debt:		
2016 Wastewater Refunding Bonds Series	(1,965,000)	(2,080,000)
Loan Payable	(449,678)	(515,663)
	5,561,845	4,621,633
Subtotal		
Unrestricted Net Position	10,978,103	11,269,547
Total Net Position	\$ 16,539,948	\$ 15,891,180

<sup>(1)</sup> The bond premiums of the 2016 Wastewater Refunding Bonds series were excluded from the above calculation since the premiums were used for non-capital costs (debt issuance costs).

**7) CALPERS RETIREMENT PLAN**

**A) General Information about the Pension Plans**

***Plan Description***

The District entered into a retirement contract with CalPERS effective May 5, 2018. All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan) administered by the California Public Employees' Retirement System (CalPERS). The Plan consists of individual rate plans (benefit tiers) within a safety risk pool (police and fire) and a miscellaneous risk pool (all other). Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under GASB Statement No. 68. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The District sponsors one rate plan (miscellaneous). Benefit provisions under the Plan are established by State statute and District resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding provisions, assumptions and membership information that can be found on the CalPERS website.

**Channel Islands Beach Community Services District**  
**Notes to Financial Statements**  
Years Ended June 30, 2023 and 2022

**7) CALPERS RETIREMENT PLAN - Continued**

**A) General Information about the Pension Plans - Continued**

***Benefits Provided***

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

The rate plan provisions and benefits in effect at June 30, 2023 and 2022 are summarized as follows:

	<u>Miscellaneous</u>
	On or After
	<u>January 1, 2013</u>
Hire Date	
Benefit Formulas	2.0% at 62
Benefit Vesting Schedule	5 Years Service
Benefit Payments	Monthly for Life
Retirement Age	52 - 67+
Monthly Benefits, as a % of Eligible Compensation	1.0% - 2.5%
Required Employee Contribution Rates	6.75%
Required Employer Contribution Rates	
2023	7.47%
2022	7.59%

***Contributions***

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

The District's contributions to the Plan for the years ended June 30, 2023 and 2022 were \$53,828 and \$53,438, respectively.

**Channel Islands Beach Community Services District**  
**Notes to Financial Statements**  
Years Ended June 30, 2023 and 2022

**7) CALPERS RETIREMENT PLAN - Continued**

**B) Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions**

As of June 30, 2023 and 2022, the District's net pension liability (asset) for its proportionate share of the net pension liability of the Plan was \$19,484 and \$(21,521).

The District's net pension liability (asset) for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2022 for the 2023 fiscal year, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021 rolled forward to June 30, 2022 using standard update procedures. The net pension liability of the plan is measured as of June 30, 2021 for the 2022 fiscal year, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021 using standard update procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The District's proportionate share of the net pension liability (asset) for the Plan was as follows:

	2023		2022
Proportion - June 30, 2022	(0.00113)%	Proportion - June 30, 2021	0.00013%
Proportion - June 30, 2023	0.00042%	Proportion - June 30, 2022	(0.00113)%
Change - Increase (Decrease)	0.00155%	Change - Increase (Decrease)	(0.00126)%

For the years ended June 30, 2023 and 2022, the District recognized pension expense(credit) of \$109,588 and \$(7,108), respectively. The District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources		Deferred Inflows of Resources	
	2023	2022	2023	2022
Pension contributions subsequent to measurement date	\$ 53,828	\$ 53,438	\$ -	\$ -
Differences between actual and expected experience	391	-	262	2,413
Changes in assumptions	1,996	-	-	-
Change in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions	62,745	67,211	-	-
Net differences between projected and actual earnings on plan investments	3,569	18,787	-	-
Total	\$ 122,529	\$ 139,436	\$ 262	\$ 2,413

**Channel Islands Beach Community Services District**  
**Notes to Financial Statements**  
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**7) CALPERS RETIREMENT PLAN - Continued**

**B) Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions - Continued**

The District reported \$53,828 as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	Deferred Outflows/Inflows of Resources
2024	\$ 35,345
2025	22,497
2026	8,414
2027	2,183
Total	\$ 68,439

***Actuarial Assumptions***

The total pension liabilities in the June 30, 2021 and 2020 actuarial valuations were determined using the following actuarial assumptions:

	2022	2021
Valuation Date	June 30, 2021	June 30, 2020
Measurement Date	June 30, 2022	June 30, 2021
Actuarial Cost Method	Entry-Age Normal Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:		
Discount Rate	6.90%	7.15%
Inflation	2.3%	2.5%
Salaries Increases	Varies <sup>(1)</sup>	Varies <sup>(1)</sup>
Mortality Rate Table	CalPERS Membership Data <sup>(2)</sup>	CalPERS Membership Data <sup>(3)</sup>
Post Retirement Benefit Increase	See Footnote <sup>(4)</sup>	See Footnote <sup>(5)</sup>

<sup>(1)</sup> Depending on age, service and type of employment.

<sup>(2)</sup> The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study for the period from 2001 to 2019. Pre-retirement and Post-retirement mortality rates include generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from November 2021 that can be found on the CalPERS website.

<sup>(3)</sup> The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from December 2017 that can be found on the CalPERS website.

<sup>(4)</sup> Contract COLA up to 2.3% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.3% thereafter.

<sup>(5)</sup> Contract COLA up to 2.5% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.5% thereafter.

**Channel Islands Beach Community Services District**  
**Notes to Financial Statements**  
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**7) CALPERS RETIREMENT PLAN - Continued**

**B) Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions - Continued**

*Change of Assumptions*

In the 2022 measurement period, the accounting discount rate changed from 7.15 percent to 6.9 percent and a change in inflation from 2.5 percent to 2.3 percent.

*Discount Rate*

The discount rate used to measure the total pension liability at June 30, 2022 and 2021 measurement dates was 6.9% and 7.15%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Long-term Expected Rate of Return*

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations. For the 2022 measurement period, using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the next 20 years using a building-block approach. The expected rate of return was then adjusted to account assumed administrative expenses of 10 Basis points. For the 2021 measurement period, using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

**Channel Islands Beach Community Services District**  
**Notes to Financial Statements**  
Years Ended June 30, 2023 and 2022

**7) CALPERS RETIREMENT PLAN - Continued**

**B) Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions - Continued**

***Long-term Expected Rate of Return - Continued***

The table below reflects the expected real rates of return by asset class.

2022 Measurement Period		
Asset Class <sup>(a)</sup>	Assumed Asset Allocation	Real Return <sup>(a),(b)</sup>
Global Equity - Cap-weighted	30%	4.54%
Global Equity - Non-Cap-weighted	12%	3.84%
Private Equity	13%	7.28%
Treasury	5%	0.27%
Mortgage-backed Securities	5%	0.50%
Investment Grade Corporates	10%	1.56%
High Yield	5%	2.27%
Emerging Market Debt	5%	2.48%
Private Debt	5%	3.57%
Real Assets	15%	3.21%
Leverage	(5)%	(0.59)%
Total	<u>100%</u>	

<sup>(a)</sup> An expected inflation of 2.3% used for this period.

<sup>(b)</sup> Figures based on the 2021 Asset Liability Management study.

2021 Measurement Period			
Asset Class <sup>(1)</sup>	Assumed Asset Allocation	Real Return Years 1 - 10 <sup>(2)</sup>	Real Return Years 11+ <sup>(3)</sup>
Public Equity	50.0%	4.8%	5.98%
Fixed Income	28.0%	1.00%	2.62%
Inflation Assets	-	0.77%	1.81%
Private Equity	8.0%	6.30%	7.23%
Real Assets	13.0%	3.75%	4.93%
Liquidity	1.0%	-	-0.92%
Total	<u>100%</u>		

<sup>(1)</sup> In the System's ACFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

<sup>(2)</sup> An expected inflation of 2.0% used for this period.

<sup>(3)</sup> An expected inflation of 2.92% used for this period.

**Channel Islands Beach Community Services District**  
**Notes to Financial Statements**  
Years Ended June 30, 2023 and 2022

**7) CALPERS RETIREMENT PLAN - Continued**

**B) Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions - Continued**

*Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate*

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

	2023	2022
1% Decrease	5.90%	6.15%
Net Pension Liability (Asset) \$	73,577	8,792
Current Discount Rate	6.90%	7.15%
Net Pension Liability (Asset) \$	19,484	(21,521)
1% Increase	7.90%	8.15%
Net Pension Liability (Asset) \$	(25,023)	(46,581)

*Pension Plan Fiduciary Net Position*

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

*Payable to the Pension Plan*

At June 30, 2023 and 2022, the District reported, in accrued payroll, taxes and benefits, a payable of \$118 and \$400, respectively, for the outstanding amount of contributions to the pension plan required for the years ended June 30, 2023 and 2022.

**8) OTHER POST-EMPLOYMENT BENEFITS**

**Plan Description**

The District's defined benefit postemployment healthcare plan, (District Retiree Healthcare Plan, DRHP), provides medical benefits to eligible retired employees. Effective January 1, 2022, the District began sponsoring healthcare coverage under the California Public Employees Medical and Hospital Care Act ("PEMHCA"), commonly referred to as PERS Health. PEMHCA provides health insurance through a variety of Health Maintenance Organization (HMO) and Preferred Provider Organization (PPO) options. Participation in PEMHCA is financed in part by the District contributing the statutory minimum (PEMHCA Minimum) for each covered employee. The statutory minimum is \$149 per month for 2022 and \$151 per month for 2023 and will be indexed with medical inflation (CPI) for years 2024 and thereafter.

**Channel Islands Beach Community Services District**  
**Notes to Financial Statements**  
Years Ended June 30, 2023 and 2022

**8) OTHER POST-EMPLOYMENT BENEFITS - Continued**

**Funding Policy**

The District offers lifetime PEMHCA coverage to individuals who retire under the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan administered by the California Public Employees' Retirement System (CalPERS). The employer contribution for each annuitant is the amount necessary to pay the full cost of his/her enrollment (including the enrollment of family members) up to a maximum of the PEMHCA Minimum (\$149 per month for 2022 and \$151 per month for 2023). The District also pays PEMHCA an administrative fee of percent-of-premium for all active employees and retirees.

**Employees Covered**

As of June 30, 2022 actuarial valuation, the following current and former employees were covered by the benefit terms under the DRHP:

Active employees	8
Inactive employees or beneficiaries currently receiving benefits	-
<b>Total</b>	8

**Contributions**

Currently, the District is under a pay-as-you-go method under which contributions to the plan are generally made the same time and in the same amount as retiree benefits and expenses come due. For the fiscal year ended June 30, 2023, the District was not required to make any cash contributions.

**Net OPEB Liability**

The District's net OPEB liability was measured as of June 30, 2023 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2022 based on the following actuarial methods and assumptions:

**Actuarial Assumptions**

Valuation Date	June 30, 2022
Valuation of Fiduciary Net Position	No assets held in an irrevocable trust as of the measurement date.
Actuarial Cost Method	Entry Age, Level Percentage of Pay
Amortization Method	Closed period equal to the average of the expected remaining service lives of all employees provided with OPEB.
Salary Increases	3.00%
Inflation Rate	3.00%
Healthcare Cost Trend Rate	6.00% for 2022-2023, 5.20 percent for 2024-2069, and 4.50 percent for 2070 and later years; Medicare ages: 4.50 percent for all years.
Pre-retirement Mortality	Pre-retirement Mortality Rates from CalPERS Experience Study (2000-2019).
Post-retirement Mortality	Post-retirement Mortality Rates for Health Recipients from CalPERS Experience Study (2000-2019).

Actuarial assumptions used in the June 30, 2022 valuation were based on a review of plan experience during the period January 1, 2022 to June 30, 2022.



**Channel Islands Beach Community Services District**  
**Notes to Financial Statements**  
Years Ended June 30, 2023 and 2022

**8) OTHER POST-EMPLOYMENT BENEFITS - Continued**

**Discount Rate**

For OPEB Plans that are not administered through trusts that meet the criteria in Paragraph 4, GASB 75 requires a discount rate that is a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The discount rate used to measure the District's Total OPEB liability is based on the following information:

<u>Reporting Date</u>	<u>Measurement Date</u>	Fidelity GO AA 20 Years <u>Municipal Index</u>	<u>Discount Rate</u>
June 30, 2022	June 30, 2022	3.69%	3.69%
June 30, 2023	June 30, 2023	3.86%	3.86%

**Changes in the OPEB Liability**

The changes in the net OPEB liability for CBRHP are as follows:

	2023		
	<u>Increase (Decrease)</u>		
	<u>Total OPEB Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net OPEB Liability/(Asset) (c) = (a) - (b)</u>
Balance at June 30, 2022 <i>(Measurement Date June 30, 2022)</i>	\$ 248,180	\$ -	\$ 248,180
Changes Recognized for the Measurement Period:			
Service Cost	22,213	-	22,213
Interest	9,978	-	9,978
Differences between Expected and Actual Experience	-	-	-
Changes of Assumptions	(16,554)	-	(16,554)
Benefit Payments	-	-	-
Net Changes	<u>15,637</u>	<u>-</u>	<u>15,637</u>
Balance at June 30, 2023 <i>(Measurement Date June 30, 2023)</i>	<u>\$ 263,817</u>	<u>\$ -</u>	<u>\$ 263,817</u>

**Channel Islands Beach Community Services District**  
**Notes to Financial Statements**  
Years Ended June 30, 2023 and 2022

**8) OTHER POST-EMPLOYMENT BENEFITS - Continued**

	2022		
	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability/(Asset) (c) = (a) - (b)
Balance at January 1, 2022 <sup>(1)</sup> <i>(Measurement Date June 30, 2022)</i>	\$ 232,941	\$ -	\$ 232,941
Changes Recognized for the Measurement Period:			
Service Cost	10,783	-	10,783
Interest	4,456	-	4,456
Differences between Expected and Actual Experience	-	-	-
Changes of Assumptions	-	-	-
Benefit Payments	-	-	-
Net Changes	15,239	-	15,239
Balance at June 30, 2022 <i>(Measurement Date June 30, 2022)</i>	\$ 248,180	\$ -	\$ 248,180

<sup>(1)</sup>The District entered into the plan effective January 1, 2022. This is the estimated beginning balance measured by the actuarial valuation as of effective date of the plan.

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

The following presents the net OPEB liability of the District if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for measurement periods ended June 30, 2023 and 2022:

	2023	2022
1% Decrease	2.86%	2.69%
Net OPEB Liability	\$ 384,064	\$ 365,239
Current Discount Rate	3.86%	3.69%
Net OPEB Liability	\$ 263,817	\$ 248,180
1% Increase	4.86%	4.69%
Net OPEB Liability	\$ 188,933	\$ 175,738

**Channel Islands Beach Community Services District**  
**Notes to Financial Statements**  
Years Ended June 30, 2023 and 2022

**8) OTHER POST-EMPLOYMENT BENEFITS - Continued**

**Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rates**

The following presents the net OPEB liability of the City if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate, for measurement periods ended June 30, 2023 and 2022:

	Net OPEB Liability	
	2023	2022
1% Decrease	\$ 178,982	\$ 167,342
Current Healthcare Cost Trend Rates	\$ 263,817	\$ 248,180
1% Increase	\$ 405,384	\$ 383,382

**OPEB Plan Fiduciary Net Position**

Currently, the City is under a pay-as-you-go method, and the CBRHP has no fiduciary net position.

**Recognition of Deferred Outflows and Deferred Inflows of Resources**

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

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

The recognition period differs depending on the source of the gain or loss. Currently the District does not have any deferred outflows or inflows of resources related to OPEB.

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

For the fiscal years ended June 30, 2023 and 2022, the City recognized OPEB expense (credit) of \$30,898 and \$248,180. As of the fiscal years ended June 30, 2023 and 2022, the District reported deferred outflows or inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources		Deferred Inflows of Resources	
	2023	2022	2023	2022
Differences between actual and expected experience	\$ -	\$ -	\$ -	\$ -
Changes in assumptions	-	-	15,261	-
Total	\$ -	\$ -	\$ 15,261	\$ -

**Channel Islands Beach Community Services District**  
**Notes to Financial Statements**  
Years Ended June 30, 2023 and 2022

**8) OTHER POST-EMPLOYMENT BENEFITS - Continued**

Year Ended June 30	Deferred Outflows/Inflows of Resources
2024	\$ (1,293)
2025	(1,293)
2026	(1,293)
2027	(1,293)
2028	(1,293)
Thereafter	(8,796)
Total	\$ (15,261)

**9) DEFERRED COMPENSATION**

The District established a retirement plan for all eligible District employees during the year ended June 30, 1986. All full time, classified employees qualify. The plan is an Internal Revenue Service Code Section 457, Public Employees Deferred Compensation Plan. Contributions by employees are voluntary, and may be in any fixed amount, with modifications available at fixed intervals. The District contributes up to 10% of gross pay, with all contributions being currently funded. The District begins to deposit its contributions to the employee’s annuity account upon successful completion of the employee’s initial six (6) month probationary period. Vesting of the District’s contributions begins at the end of the first year of employment. Thirty three and one third percent (33.3%) vests at the end of the first year, sixty-six and two thirds percent (66.6%) vests at the end of the second year, and one-hundred percent (100%) or full vesting occurs at the end of the third year of service, as measured from the date of initial hire of the employee. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. Contributions for the fiscal years ended June 30, 2023 and 2022 were \$28,368 and \$26,879, respectively.

Participants may select from various investment fund options for the investment of their contributions and matching employer contributions. Employees may also select retirement benefit options ranging from lump sum distributions to life annuities upon separation from service.

The Deferred Compensation Plan is administered by Nationwide Retirement Solutions, Inc.

As a result of legislative changes, all amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) held in trust for the exclusive benefit of the participants and their beneficiaries, whereas, prior to the legislative changes, these amounts were solely the property and rights of the District subject only to the claims of the District’s general creditors. As a result, as of June 30, 1999, the deferred compensation investments are no longer reported in the District’s financial statements.

**Channel Islands Beach Community Services District**  
**Notes to Financial Statements**  
Years Ended June 30, 2023 and 2022

**10) INCOME TAX**

The District is exempt from income taxes.

**11) JOINT POWERS AGENCY (ACWAJPIA)**

The District is a member of the Association of California Water Agency Joint Powers Insurance Authority (ACWAJPIA). The District receives the benefits of the pooled insurance risk program, but not as an equity member of the authority. Total insurance payments for the year ended June 30, 2023 and 2022 were \$46,149 and \$22,918, respectively.

**12) PORT HUENEME WATER AGENCY/JOINT VENTURE**

In 1994, the CIBCSD entered into a Joint Powers Agency Agreement (JPA) with the City of Port Hueneme (COPH) to create the Port Hueneme Water Agency (PHWA). The JPA was formed in order to develop a subregional Water Quality Improvement Program to address the need for area-wide planning, coordination, development, financing, constructions and operation of a water desalination plant and the necessary transport facilities to service the water need of CIBCSD, COPH, the US Navy installations at the Naval Base Ventura County, Port Hueneme. The PHWA is responsible to design, construct and operate facilities necessary to deliver a combination of ground water and imported water.

Financial statements for the PHWA can be obtained through the COPH.

CIBCSD's percentage share in PHWA's cost of the improvements and related liabilities varies from 0% to 86%, based on each party's share of the facilities - overall the total cost of improvements through June 30, 2023 was \$11,854,130, of which CIBCSD's share was \$2,342,548 and through June 30, 2022 was \$12,436,844, of which CIBCSD's share was \$2,457,701. CIBCSD's share in ongoing operating costs vary from 12% to 16% for certain fixed costs; other variable operating costs are allocated based on the volume of water delivered to each party.

CIBCSD uses the equity method to account for its share of the JPA according to the joint venture agreement. The initial investment was recorded at cost.

CIBCSD's share of joint venture's net income is reported in CIBCSD's operating statement as a profit or loss in the joint venture. Nonoperating transactions between CIBCSD and the joint venture increase or decrease the equity interest.

**Channel Islands Beach Community Services District**  
**Notes to Financial Statements**  
Years Ended June 30, 2023 and 2022

**12) PORT HUENEME WATER AGENCY/JOINT VENTURE - Continued**

A summary of the assets, liabilities and results of operations of PHWA are as follows.

	<u>2023</u>	<u>2022</u>
Total Assets	\$ 16,304,808	\$ 15,519,519
Total Liabilities	<u>2,816,216</u>	<u>1,597,415</u>
Net Position		
Net Investment in Capital Assets	11,446,720	11,974,913
Restricted for Operations	457,707	461,933
Unrestricted	<u>1,584,165</u>	<u>1,485,258</u>
Total Net Position	<u>\$ 13,488,592</u>	<u>\$ 13,922,104</u>
Total Revenues	\$ 5,758,678	\$ 5,343,355
Total Expenses	<u>(6,192,190)</u>	<u>(5,836,613)</u>
Net Increase (Decrease) in Net Position	<u>\$ (433,512)</u>	<u>\$ (493,258)</u>
CIBCSD's report its share of the PHWA as follows:		
Investment in PHWA	\$ 2,665,541	\$ 2,751,210
Profit (Loss) in PHWA Joint Venture	\$ (68,731)	\$ (80,537)
Amortization on Contributed Capital	\$ (16,938)	\$ (16,938)

**REQUIRED SUPPLEMENTARY INFORMATION**





**Channel Islands Beach Community Services District**  
**Schedule of the District's Proportionate Share of the Net Pension Liability**  
**CalPERS Pension Plan**  
**Last Ten Years\***  
As of June 30, 2023

Fiscal Year	Proportion of the Net Pension Liability	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2018*	0.00000%	\$ -	\$ -	N/A	N/A
2019*	0.00000%	\$ -	\$ 91,605	N/A	N/A
2020	0.00001%	\$ 408	\$ 603,461	0.07%	97.17%
2021	0.00013%	\$ 5,352	\$ 569,126	0.94%	95.12%
2022	0.00113%	\$ (21,521)	\$ 673,063	(3.20)%	109.37%
2023	0.00042%	\$ 19,484	\$ 704,053	2.77%	95.09%

**Notes to Schedule:**

**Benefit Changes.** On May 5, 2018, the District entered into a retirement contract with CalPERS.

**Changes in Assumptions.** In 2018 (for the June 30, 2017 measurement period), the discount rate reduced from 7.65% to 7.15%. In 2023 (for the June 30, 2022 measurement period), the discount rate reduced from 7.15% to 6.9%.

**Plan's Fiduciary Net Position.** The Plan's Fiduciary Net Position is based on the District's proportionate share of the CalPERS Miscellaneous Risk Pool.

\* Fiscal year 2018 was the 1<sup>st</sup> year the District entered into a retirement contract with CalPERS. For fiscal years 2018 and 2019, the District has no net pension liability since its proportionate share was not included in the actuarial valuations related to those fiscal years. Future years' information will be displayed up to 10 years as information becomes available.

**Channel Islands Beach Community Services District**  
**Schedule of Contributions**  
**CalPERS Pension Plan**  
**Last Ten Years\***  
As of June 30, 2023

Fiscal Year	Contractually Required Contribution (Actuarially Determined)	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2018	\$ 5,985	\$ (5,985)	\$ -	\$ 91,605	6.53%
2019	\$ 43,807	\$ (43,807)	\$ -	\$ 603,461	7.26%
2020	\$ 39,754	\$ (39,754)	\$ -	\$ 569,126	6.99%
2021	\$ 52,041	\$ (52,041)	\$ -	\$ 673,063	7.73%
2022	\$ 53,438	\$ (53,438)	\$ -	\$ 704,053	7.59%
2023	\$ 53,828	\$ (53,828)	\$ -	\$ 720,585	7.47%

\* Fiscal year 2018 was the 1<sup>st</sup> year the District entered into a retirement contract with CalPERS. Future years' information will be displayed up to 10 years as information becomes available.

**Channel Islands Beach Community Services District**  
**Schedule of Changes in the Net OPEB Liability (Asset) and Related Ratios**  
For the Measurement Periods Ended June 30,

Measurement Period	2022	2023
<b>Total OPEB Liability</b>		
Service Cost	\$ 10,783	\$ 22,213
Interest on the Total OPEB Liability	4,456	9,978
Actual and Expected Experience Difference	-	-
Changes in Assumptions	-	(16,554)
Changes in Benefit Terms	-	-
Benefit Payments	-	-
<b>Net Change in Total OPEB Liability</b>	<b>15,239</b>	<b>15,637</b>
<b>Total OPEB Liability - Beginning<sup>(1)</sup></b>	<b>232,941</b>	<b>248,180</b>
<b>Total OPEB Liability - Ending (a)</b>	<b>\$ 248,180</b>	<b>\$ 263,817</b>
<b>Plan Fiduciary Net Position</b>		
Contributions - Employer	\$ -	\$ -
Net Investment Income	-	-
Benefit Payments	-	-
Administrative Expense	-	-
<b>Net Change in Plan Fiduciary Net Position</b>	<b>-</b>	<b>-</b>
<b>Plan Fiduciary Net Position - Beginning</b>	<b>-</b>	<b>-</b>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net OPEB Liability (Asset) - Ending (a)-(b)</b>	<b>\$ 248,180</b>	<b>\$ 263,817</b>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0%	0%
Covered-employee Payroll <sup>(2)</sup>	\$ 789,608	\$ 854,919
Net OPEB Liability as a Percentage of Covered-employee Payroll <sup>(2)</sup>	31.43%	30.86%

**Notes to Schedule:**

<sup>(1)</sup> The District began sponsoring healthcare coverage under the California Public Employees Medical and Hospital Care Act ("PEMHCA") effective January 1, 2022. The beginning balance for the 2022 fiscal year total OPEB liability was measured as of January 1, 2022 by the actuary.

<sup>(2)</sup> Historical information is required only for measurement periods for which GASB 75 is applicable. Future years' information will be displayed up to 10 years as information becomes available.

<sup>(3)</sup> Contributions are determined by an actuarial valuation based on eligible participants' estimated medical benefits. Currently, no amounts have been contributed to a trust requiring an actuarial valuation.

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## **SUPPLEMENTAL INFORMATION**



**Channel Islands Beach Community Services District**  
**Schedule of Revenues and Expenses - Budget to Actual - All Activities**  
Year Ended June 30, 2023

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>OPERATING REVENUES</b>			
Water Revenue	\$ 2,316,000	\$ 2,026,885	\$ (289,115)
Sewer Revenue	1,520,000	1,357,582	(162,418)
Sewer Revenue - Oxnard	560,000	497,520	(62,480)
Trash Revenue	793,000	836,470	43,470
	<u>5,189,000</u>	<u>4,718,457</u>	<u>(470,543)</u>
<b>OPERATING EXPENSES</b>			
Water System Expenses:			
PHWA Water Expense	850,000	805,104	44,896
Water Samples	16,000	14,137	1,863
SDHS Annual Admin. Fee	18,000	18,582	(582)
Cross Connect Contract Charges	2,600	2,650	(50)
Repairs and Maintenance - Distribution	130,000	143,345	(13,345)
Water Quality Report	1,500	-	1,500
Telemetry	10,600	10,422	178
	<u>1,028,700</u>	<u>994,240</u>	<u>34,460</u>
Sewer System Expenses:			
Waste Water Transportation - Oxnard	660,000	506,089	153,911
Operations and Maintenance	109,000	95,673	13,327
Telemetry	35,000	32,021	2,979
Power	29,000	23,881	5,119
	<u>833,000</u>	<u>657,664</u>	<u>175,336</u>
Trash Expenses:			
Trash Services	615,000	606,092	8,908
	<u>615,000</u>	<u>606,092</u>	<u>8,908</u>
Maintenance Expenses:			
Vehicle Expenses	12,000	12,686	(686)
Building Security	1,800	1,671	129
Building Maintenance	17,000	7,037	9,963
Sign and Banner Expense	1,500	1,036	464
Public Landscape Project	5,200	4,099	1,101
Employee Workplace Safety	5,000	2,786	2,214
Gasoline Expenses	20,000	22,955	(2,955)
Emergency Preparedness Expense	1,500	-	1,500
	<u>\$ 64,000</u>	<u>\$ 52,270</u>	<u>\$ 11,730</u>

**Channel Islands Beach Community Services District**  
**Schedule of Revenues and Expenses - Budget to Actual - All Activities - Continued**  
Year Ended June 30, 2023

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>OPERATING EXPENSES (CONTINUED)</b>			
Salaries and Benefits:			
Regular Salaries	\$ 769,000	\$ 816,825	\$ (47,825)
Retirement Benefits	104,000	170,701	(66,701)
Uniforms	5,500	4,257	1,243
Group Insurance	157,000	135,548	21,452
Worker's Compensation Insurance	13,500	13,464	36
Payroll Taxes	14,000	14,154	(154)
Employee Educational Expense	14,000	15,774	(1,774)
Total Salaries and Benefits	<u>1,077,000</u>	<u>1,170,723</u>	<u>(93,723)</u>
Administrative Expenses:			
Regular Board Payments	10,000	7,225	2,775
Special Board Meetings	3,000	1,939	1,061
Board/Committee Expenses	2,000	1,973	27
Conferences and Seminars - Board	5,000	1,013	3,987
Board Travel and Lodging	8,500	8,189	311
Dues/Membership - District	27,000	26,036	964
Office Supplies	8,000	10,262	(2,262)
E-Pay Online	6,000	5,048	952
Communications	25,000	24,643	357
Printing and Publications	6,000	5,256	744
Postage and Shipping	12,000	10,818	1,182
Utilities	3,800	3,378	422
Miscellaneous Office Expense	16,400	36,943	(20,543)
Other Professional Services	10,000	11,196	(1,196)
Office Equipment Maintenance	7,000	9,907	(2,907)
Equipment Purchases	8,000	-	8,000
Insurance	37,000	46,149	(9,149)
Accounting Services	50,000	43,857	6,143
Computer Services	47,000	66,369	(19,369)
Legal Services	60,000	46,697	13,303
Engineering Services	75,000	43,321	31,679
Bank and Trustee Fees	4,000	2,500	1,500
Legal Notices Publication Expense	7,000	1,305	5,695
Public Information Expense	10,000	-	10,000
Total Administrative Expenses	<u>\$ 447,700</u>	<u>\$ 414,024</u>	<u>\$ 33,676</u>



**Channel Islands Beach Community Services District**  
**Schedule of Revenues and Expenses - Budget to Actual - All Activities - Continued**  
Year Ended June 30, 2023

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>OPERATING EXPENSES (CONTINUED)</b>			
Other Operating Expenses:			
Depreciation	\$ -	\$ 370,171	\$ (370,171)
Amortization	-	(5,636)	5,636
Bad Debt	-	8,345	(8,345)
Total Other Operating Expenses	<u>-</u>	<u>372,880</u>	<u>(372,880)</u>
Total Operating Expenses	<u>4,065,400</u>	<u>4,267,893</u>	<u>(202,493)</u>
<b>OPERATING INCOME (LOSS)</b>	<u>1,123,600</u>	<u>450,564</u>	<u>(673,036)</u>
<b>NONOPERATING REVENUES AND EXPENSES</b>			
Nonoperating Revenue:			
Investment Earnings	90,000	226,753	136,753
Net Gain (Loss) from Joint Venture	-	(68,731)	(68,731)
Net Gain (Loss) on Sale of Capital Assets	-	(9,986)	(9,986)
County Tax Apportionment	105,000	94,095	(10,905)
Miscellaneous Revenues	-	34,626	34,626
Total Nonoperating Revenues	<u>195,000</u>	<u>276,757</u>	<u>81,757</u>
Nonoperating Expenses:			
Interest Expense	<u>126,000</u>	<u>82,399</u>	<u>43,601</u>
Total Nonoperating Expenses	<u>126,000</u>	<u>82,399</u>	<u>43,601</u>
Total Nonoperating Revenues and Expenses	<u>69,000</u>	<u>194,358</u>	<u>125,358</u>
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS</b>	<u>\$ 1,192,600</u>	<u>\$ 644,922</u>	<u>\$ (547,678)</u>

**Channel Islands Beach Community Services District**  
**Schedule of Revenues and Expenses - Budget to Actual - Water**  
Year Ended June 30, 2023

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>OPERATING REVENUES</b>			
Water Revenue	\$ 2,316,000	\$ 2,026,885	\$ (289,115)
Total Operating Revenues	<u>2,316,000</u>	<u>2,026,885</u>	<u>(289,115)</u>
<b>OPERATING EXPENSES</b>			
Water System Expenses:			
PHWA Water Expense	850,000	805,104	44,896
Water Samples	16,000	14,137	1,863
SDHS Annual Admin. Fee	18,000	18,582	(582)
Cross Connect Contract Charges	2,600	2,650	(50)
Repairs and Maintenance - Distribution	130,000	143,345	(13,345)
Water Quality Report	1,500	-	1,500
Telemetry	10,600	10,422	178
Total Water System Expenses	<u>1,028,700</u>	<u>994,240</u>	<u>34,460</u>
Maintenance Expenses:			
Vehicle Expenses	5,160	5,455	(295)
Building Security	594	552	42
Building Maintenance	5,610	2,322	3,288
Sign and Banner Expense	495	342	153
Employee Workplace Safety	2,150	1,198	952
Gasoline Expenses	8,600	9,870	(1,270)
Total Maintenance Expenses	<u>22,609</u>	<u>19,739</u>	<u>2,870</u>
Salaries and Benefits:			
Regular Salaries	299,910	318,561	(18,651)
Retirement Benefits	40,560	66,574	(26,014)
Uniforms	2,365	1,831	534
Group Insurance	61,230	52,864	8,366
Worker's Compensation Insurance	5,265	5,251	14
Payroll Taxes	5,460	5,520	(60)
Employee Educational Expense	5,460	6,152	(692)
Total Salaries and Benefits	<u>\$ 420,250</u>	<u>\$ 456,753</u>	<u>\$ (36,503)</u>

**Channel Islands Beach Community Services District**  
**Schedule of Revenues and Expenses - Budget to Actual - Water - Continued**  
Year Ended June 30, 2023

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>OPERATING EXPENSES (CONTINUED)</b>			
Administrative Expenses:			
Regular Board Payments	\$ 3,900	\$ 2,818	\$ 1,082
Special Board Meetings	1,170	756	414
Board/Committee Expenses	780	769	11
Conferences and Seminars - Board	1,950	395	1,555
Board Travel and Lodging	3,315	3,194	121
Dues/Membership - District	10,182	9,894	288
Office Supplies	2,640	3,387	(747)
E-Pay Online	2,460	2,070	390
Communications	8,250	8,132	118
Printing and Publications	1,980	1,734	246
Postage and Shipping	3,960	3,570	390
Utilities	1,254	1,115	139
Miscellaneous Office Expense	6,664	15,147	(8,483)
Other Professional Services	4,100	4,590	(490)
Office Equipment Maintenance	2,310	3,269	(959)
Equipment Purchases	2,640	-	2,640
Insurance	15,170	18,921	(3,751)
Accounting Services	20,500	17,981	2,519
Computer Services	19,270	27,212	(7,942)
Legal Services	36,400	28,485	7,915
Engineering Services	30,750	17,762	12,988
Bank and Trustee Fees	1,640	1,025	615
Legal Notices Publication Expense	2,310	431	1,879
Public Information Expense	3,300	-	3,300
	<u>186,895</u>	<u>172,657</u>	<u>14,238</u>
Total Administrative Expenses			
Other Operating Expenses:			
Depreciation	-	188,787	(188,787)
Bad Debt	-	2,837	(2,837)
	<u>-</u>	<u>191,624</u>	<u>(191,624)</u>
Total Other Operating Expenses			
	<u>1,658,454</u>	<u>1,835,013</u>	<u>(176,559)</u>
Total Operating Expenses			
<b>OPERATING INCOME (LOSS)</b>	<u>\$ 657,546</u>	<u>\$ 191,872</u>	<u>\$ (465,674)</u>

**Channel Islands Beach Community Services District**  
**Schedule of Revenues and Expenses - Budget to Actual - Water - Continued**  
Year Ended June 30, 2023

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>NONOPERATING REVENUES AND EXPENSES</b>			
Nonoperating Revenues:			
Investment Earnings	\$ 31,500	\$ 79,364	\$ 47,864
Net Gain (Loss) from Joint Venture	-	(68,731)	(68,731)
Net Gain (Loss) on Sale of Capital Assets	-	(5,092)	(5,092)
County Tax Apportionment	2,500	-	(2,500)
Miscellaneous Revenues	-	17,104	17,104
	<u>34,000</u>	<u>22,645</u>	<u>(11,355)</u>
Total Nonoperating Revenues			
Nonoperating Expenses:			
Interest Expense	19,000	14,734	4,266
	<u>19,000</u>	<u>14,734</u>	<u>4,266</u>
Total Nonoperating Expenses			
	<u>15,000</u>	<u>7,911</u>	<u>(7,089)</u>
Total Nonoperating Revenues and Expenses			
	<u>15,000</u>	<u>7,911</u>	<u>(7,089)</u>
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS</b>	<u>\$ 672,546</u>	<u>\$ 199,783</u>	<u>\$ (472,763)</u>

**Channel Islands Beach Community Services District**  
**Schedule of Revenues and Expenses - Budget to Actual - Wastewater**  
Year Ended June 30, 2023

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>OPERATING REVENUES</b>			
Sewer Revenue	\$ 1,520,000	\$ 1,357,582	\$ (162,418)
Sewer Revenue - Oxnard	560,000	497,520	(62,480)
Total Operating Revenues	<u>2,080,000</u>	<u>1,855,102</u>	<u>(224,898)</u>
<b>OPERATING EXPENSES</b>			
Sewer System Expense:			
Waste Water Transportation - Oxnard	660,000	506,089	153,911
Operations and Maintenance	109,000	95,673	13,327
Telemetry	35,000	32,021	2,979
Power	29,000	23,881	5,119
Total Sewer System Expenses	<u>833,000</u>	<u>657,664</u>	<u>175,336</u>
Maintenance Expenses:			
Vehicle Expenses	4,920	5,201	(281)
Building Security	612	568	44
Building Maintenance	5,780	2,393	3,387
Sign and Banner Expense	510	352	158
Employee Workplace Safety	2,050	1,142	908
Gasoline Expenses	8,200	9,412	(1,212)
Total Maintenance Expenses	<u>22,072</u>	<u>19,068</u>	<u>3,004</u>
Salaries and Benefits:			
Regular Salaries	307,600	326,730	(19,130)
Retirement Benefits	41,600	68,280	(26,680)
Uniforms	2,255	1,745	510
Group Insurance	62,800	54,219	8,581
Worker's Compensation Insurance	5,400	5,386	14
Payroll Taxes	5,600	5,662	(62)
Employee Educational Expense	5,600	6,310	(710)
Total Salaries and Benefits	<u>\$ 430,855</u>	<u>\$ 468,332</u>	<u>\$ (37,477)</u>

**Channel Islands Beach Community Services District**  
**Schedule of Revenues and Expenses - Budget to Actual - Wastewater - Continued**  
Year Ended June 30, 2023

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>OPERATING EXPENSES (CONTINUED)</b>			
Administrative Expenses:			
Regular Board Payments	\$ 4,000	\$ 2,889	\$ 1,111
Special Board Meetings	1,200	776	424
Board/Committee Expenses	800	790	10
Conferences and Seminars - Board	2,000	406	1,594
Board Travel and Lodging	3,400	3,275	125
Dues/Membership - District	10,781	10,414	367
Office Supplies	2,720	3,489	(769)
E-Pay Online	2,640	2,221	419
Communications	8,500	8,379	121
Printing and Publications	2,040	1,788	252
Postage and Shipping	4,080	3,678	402
Utilities	1,292	1,148	144
Miscellaneous Office Expense	7,096	15,885	(8,789)
Other Professional Services	4,400	4,927	(527)
Office Equipment Maintenance	2,380	3,368	(988)
Equipment Purchases	2,720	-	2,720
Insurance	16,280	20,306	(4,026)
Accounting Services	22,000	19,297	2,703
Computer Services	20,680	29,202	(8,522)
Legal Services	17,600	13,542	4,058
Engineering Services	33,000	19,061	13,939
Bank and Trustee Fees	1,760	1,100	660
Legal Notices Publication Expense	2,380	443	1,937
Public Information Expense	3,400	-	3,400
	<u>177,149</u>	<u>166,384</u>	<u>10,765</u>
Other Operating Expenses:			
Depreciation	-	170,279	(170,279)
Amortization	-	(5,636)	5,636
Bad Debt	-	2,754	(2,754)
	<u>-</u>	<u>167,397</u>	<u>(167,397)</u>
	<u>1,463,076</u>	<u>1,478,845</u>	<u>(15,769)</u>
<b>OPERATING INCOME (LOSS)</b>	<u>\$ 616,924</u>	<u>\$ 376,257</u>	<u>\$ (240,667)</u>

**Channel Islands Beach Community Services District**  
**Schedule of Revenues and Expenses - Budget to Actual - Wastewater - Continued**  
Year Ended June 30, 2023

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>NONOPERATING REVENUES AND EXPENSES</b>			
Nonoperating Revenues:			
Investment Earnings	\$ 49,500	\$ 124,714	\$ 75,214
Net Gain (Loss) on Sale of Capital Assets	-	(4,594)	(4,594)
County Tax Apportionment	2,500	-	(2,500)
Miscellaneous Revenues	-	17,522	17,522
	<u>52,000</u>	<u>137,642</u>	<u>85,642</u>
Nonoperating Expenses:			
Interest Expense	<u>107,000</u>	<u>67,665</u>	<u>39,335</u>
	<u>107,000</u>	<u>67,665</u>	<u>39,335</u>
	<u>(55,000)</u>	<u>69,977</u>	<u>124,977</u>
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS</b>	<u>\$ 561,924</u>	<u>\$ 446,234</u>	<u>\$ (115,690)</u>

**Channel Islands Beach Community Services District**  
**Schedule of Revenues and Expenses - Budget to Actual - Solid Waste Disposal**  
Year Ended June 30, 2023

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>OPERATING REVENUES</b>			
Trash Revenue	\$ 793,000	\$ 836,470	\$ 43,470
Total Operating Revenues	<u>793,000</u>	<u>836,470</u>	<u>43,470</u>
<b>OPERATING EXPENSES</b>			
Trash Expense:			
Trash Service	615,000	606,092	8,908
Total Trash Expense	<u>615,000</u>	<u>606,092</u>	<u>8,908</u>
Maintenance Expenses:			
Vehicle Expenses	1,680	1,776	(96)
Building Security	594	551	43
Building Maintenance	5,610	2,322	3,288
Sign and Banner Expense	495	342	153
Employee Workplace Safety	700	390	310
Gasoline Expenses	2,800	3,214	(414)
Total Maintenance Expenses	<u>11,879</u>	<u>8,595</u>	<u>3,284</u>
Salaries and Benefits:			
Regular Salaries	146,110	155,197	(9,087)
Retirement Benefits	19,760	32,433	(12,673)
Uniforms	770	596	174
Group Insurance	29,830	25,754	4,076
Worker's Compensation Insurance	2,565	2,558	7
Payroll Taxes	2,660	2,689	(29)
Employee Educational Expense	2,660	2,997	(337)
Total Salaries and Benefits	<u>204,355</u>	<u>222,224</u>	<u>(17,869)</u>
Administrative Expenses:			
Regular Board Payments	\$ 1,900	\$ 1,373	\$ 527
Special Board Meetings	570	368	202
Board/Committee Expenses	380	375	5
Conferences and Seminars - Board	950	192	758
Board Travel and Lodging	1,615	1,556	59
Dues/Membership - District	5,809	5,468	341
Office Supplies	2,640	3,386	(746)
E-Pay Online	900	757	143



**Channel Islands Beach Community Services District**  
**Schedule of Revenues and Expenses - Budget to Actual - Solid Waste Disposal - Continued**  
Year Ended June 30, 2023

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>OPERATING EXPENSES (CONTINUED)</b>			
Administrative Expenses: (Continued)			
Communications	\$ 8,250	\$ 8,132	\$ 118
Printing and Publications	1,980	1,734	246
Postage and Shipping	3,960	3,570	390
Utilities	1,254	1,115	139
Miscellaneous Office Expense	2,580	5,911	(3,331)
Other Professional Services	1,500	1,679	(179)
Office Equipment Maintenance	2,310	3,270	(960)
Equipment Purchases	2,640	-	2,640
Insurance	5,550	6,922	(1,372)
Accounting Services	7,500	6,579	921
Computer Services	7,050	9,955	(2,905)
Legal Services	6,000	4,670	1,330
Engineering Services	11,250	6,498	4,752
Bank and Trustee Fees	600	375	225
Legal Notices Publication Expense	2,310	431	1,879
Public Information Expense	3,300	-	3,300
	<u>82,798</u>	<u>74,316</u>	<u>8,482</u>
Other Operating Expenses:			
Depreciation	-	11,105	(11,105)
Bad Debt	-	2,754	(2,754)
	<u>-</u>	<u>13,859</u>	<u>(13,859)</u>
	<u>914,032</u>	<u>925,086</u>	<u>(11,054)</u>
<b>OPERATING INCOME (LOSS)</b>	<u>(121,032)</u>	<u>(88,616)</u>	<u>32,416</u>
Nonoperating Revenues:			
Investment Earnings	9,000	22,675	13,675
Net Gain (Loss) on Sale of Capital Assets	-	(300)	(300)
County Tax Apportionment	2,500	-	(2,500)
	<u>11,500</u>	<u>22,375</u>	<u>10,875</u>
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS</b>	<u>\$ (109,532)</u>	<u>\$ (66,241)</u>	<u>\$ 43,291</u>

**Channel Islands Beach Community Services District**  
**Schedule of Revenues and Expenses - Budget to Actual - Community Service**  
Year Ended June 30, 2023

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>OPERATING REVENUES</b>			
	\$ -	\$ -	\$ -
Total Operating Revenues	<u>-</u>	<u>-</u>	<u>-</u>
<b>OPERATING EXPENSES</b>			
Maintenance Expenses:			
Vehicle Expenses	240	254	(14)
Public Landscape Project	5,200	4,099	1,101
Employee Workplace Safety	100	56	44
Gasoline Expenses	400	459	(59)
Emergency Preparedness Expense	1,500	-	1,500
Total Maintenance Expenses	<u>7,440</u>	<u>4,868</u>	<u>2,572</u>
Salaries and Benefits:			
Regular Salaries	15,380	16,337	(957)
Retirement Benefits	2,080	3,414	(1,334)
Uniforms	110	85	25
Group Insurance	3,140	2,711	429
Worker's Compensation Insurance	270	269	1
Payroll Taxes	280	283	(3)
Employee Educational Expense	280	315	(35)
Total Salaries and Benefits	<u>21,540</u>	<u>23,414</u>	<u>(1,874)</u>
Administrative Expenses:			
Regular Board Payments	200	145	55
Special Board Meetings	60	39	21
Board/Committee Expenses	40	39	1
Conferences and Seminars - Board	100	20	80
Board Travel and Lodging	170	164	6
Dues/Membership - District	228	260	(32)
Miscellaneous Office Expense	60	-	60
Total Administrative Expenses	<u>858</u>	<u>667</u>	<u>191</u>
Other Operating Expenses:			
Depreciation	-	-	-
Total Other Operating Expenses	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating Expenses	<u>29,838</u>	<u>28,949</u>	<u>889</u>
<b>OPERATING INCOME (LOSS)</b>	<u>\$ (29,838)</u>	<u>\$ (28,949)</u>	<u>\$ 889</u>

**Channel Islands Beach Community Services District**  
**Schedule of Revenues and Expenses - Budget to Actual - Community Service - Continued**  
Year Ended June 30, 2023

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>NONOPERATING REVENUES AND EXPENSES</b>			
Nonoperating Revenue:			
County Tax Apportionment	\$ 97,500	\$ 94,095	\$ (3,405)
Total Nonoperating Revenues	<u>97,500</u>	<u>94,095</u>	<u>(3,405)</u>
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS</b>	<u>\$ 67,662</u>	<u>\$ 65,146</u>	<u>\$ (2,516)</u>