



OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

OLYMPIC VALLEY, CALIFORNIA

# COMPREHENSIVE ANNUAL FINANCIAL REPORT

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For the Fiscal Year Ended

June 30, 2021

Prepared by the Accounting Department

**OLYMPIC VALLEY PUBLIC SERVICE DISTRICT**  
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**JUNE 30, 2021**

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# OLYMPIC VALLEY PUBLIC SERVICE DISTRICT



## INTRODUCTORY SECTION

### Letter of Transmittal

November 5, 2021

**To the Board of Directors of the Olympic Valley Public Service District and to our Tax and Rate Payers:**

The Olympic Valley Public Service District (the District) staff submit to you the Comprehensive Annual Financial Report (the Report) for the year ended June 30, 2021. The purpose of the Report is to communicate the financial condition of the District by presenting an assessment of the financial state, a description of services and infrastructure replacement projects, a discussion of current matters, and an outline of financial and demographic trend information. The three major sections contained within the Report include introductory, financial, and statistical information about the District.

State law requires local governments to publish, within six months of the close of each fiscal year, a complete set of audited financial statements. This Report is published to fulfill that requirement for the fiscal year ended June 30, 2021.

Management assumes full responsibility for the completeness and reliability of the information contained in this Report, and it is based upon a comprehensive framework of internal controls established for this purpose. As the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

McClintock Accountancy Corporation has issued an unmodified (“clean”) opinion on the District’s financial statements for the year ended June 30, 2021. Management’s discussion and analysis (MD&A) immediately follows the independent auditor’s report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

#### District Overview

Olympic Valley Public Service District serves the community of Olympic Valley in Eastern Placer County, California, 7 miles northwest of Lake Tahoe and 40 miles southwest of Reno. This District, consisting of a 10 square mile valley (6,300 acres), was formed on March 30, 1964 under the provisions of Division 12 of the Water Code.

The Olympic Valley Public Service District provides drinking water, wastewater collection, solid waste, bike trail snow removal, fire protection and emergency medical services. The District maintains approximately 16 miles of water main and service lines, and 28 miles of sewer mains and laterals. The District does not own or operate any sewer treatment facilities. Sewage is collected at the Truckee River Siphon and conveyed to the Truckee-Tahoe Sanitation Agency (T-TSA) for treatment. In the winter the District contracts with Placer County to clear snow on 2.3 miles of trails within the Valley.

Olympic Valley was the site of the 1960 Olympic Winter Games. The original wells and pipes in the Valley were built by the State of California to support the games and many of these original facilities are still in use today. Olympic Valley's primary industry is winter snow sports and related services, although the area is a major tourist destination during any season. Year-round population in the Valley is estimated to be approximately 1,600 people, with a maximum overnight population of approximately 7,000. During peak winter holiday periods, the daily population can swell to 25,000. The current customer base is as follows:

Water Customers: 785  
Sewer Customers: 1,032  
Garbage Customers: 688

Olympic Valley Fire Department serves Olympic Valley and the Truckee River Corridor between Alpine Meadows Road and Cabin Creek Road (approximately 2.5 miles south of Truckee). The station is staffed twenty-four hours per day, seven days per week. Staff also assist on wildland fires during the summer months.

The District is governed by a five-member Board of Directors elected for four-year terms and employs about 30 people. The District is funded primarily through service fees and property taxes.

#### Local Economy

Within the District, the economy is largely dependent on tourism generated activities. Winter activities include skiing, sledding, ice skating, cross-country skiing, snowshoeing, and shopping. During the summer months visitors flock to the Valley for golf, biking, hiking, shopping, and the variety of music and art festivals. There really is something for everyone.

Placer County collects a transient occupancy tax (TOT) which is a rental tax paid by guests visiting lodging accommodations such as hotels, motels, and short-term rentals. The collection of TOT is an indicator of visitors coming to Lake Tahoe's north and west shores and a portion of it is used to fund transportation, county services, economic development, and infrastructure projects in Eastern Placer County. TOT funds are also used to fund the Olympic Valley Bike Trail Snow Removal program.

In March of 2021, the County adopted the Tourism Business Improvement District (TBID) for a five-year term. Beginning on July 1, 2021, businesses in Eastern Placer County are being assessed between 1-2% of sales to fund promotion and economic development activities. More importantly, the TBID frees up approximately four (4) million annually in TOT funds previously

used for promotion and economic development. New freed up TOT funds will be put towards much needed housing and transportation projects in the region.

Affordable housing is a critical issue in the North Tahoe–Truckee region. The District contributes funds and actively participates in programs led by the Mountain Housing Council (MHC), a project of the Tahoe Truckee Community Foundation, established in 2017 and focuses on accelerating solutions to the region’s local housing issues. Since the formation of the MHC, there have been advancements such as identifying locations and constructing local workforce housing units, as well as making accessory dwelling units more economically feasible through the permitting process. However, the COVID-19 pandemic threw new challenges at the area as more people moved permanently to Tahoe or bought a second unit with the intention to convert it to a short-term rental. While this increases revenue for the District through property tax assessments, this displaced many local workers or made rental rates impossible for many in the area to afford. In 2021, the District has started to see this first-hand and is adjusting accordingly to remain competitive and keep the exceptional employees it has.

#### Long-Term Financial Planning

The District has a rigorous budget review process and remains committed to keeping the public informed of all long-term decisions and rate impacts. Fiscal year 2021-2022 is the final year of a Prop 218 notice which lets customers know the maximum allowable increase to their water, sewer, and garbage rates. The District plans to adopt a new 5 year notice and update its 100 year Capital Replacement Plans. Having a long-term outlook precludes the need for debt financing or sharp rate increases.

A more detailed discussion of the government-wide financial information, operating results, and future outlook for the governmental activities and business activities is provided in the MD&A portion of the Financial Section of the Report.

#### Financial Policies

During the year, the following financial policies were reviewed, adopted and/or amended: Investment Policy, Financial Reserves Policy, and Bike Trail Snow Removal Reserve Policy. The reserve policies establish reserve thresholds, support financial stability, mitigate unanticipated financial events, and provide for future capital purchases and projects.

In the coming year the District anticipates to adopt a new policy regarding funding for 115 Trusts. 115 trusts are used primarily to prefund pension and other post-employment benefit (OPEB) expenses and buffer variability in unfunded accrued liabilities (UALs). The trusts target maximizing long-term rate of return and minimize loss to fund pension and OPEB obligations.

#### Major Initiatives

Although the District is small, it continues to change, grow, and evolve each year. Here are some major projects the District will be focusing on in the coming year which will have an impact on its future financial position:

- Continue to monitor and evaluate impacts from COVID-19 from an operational, staffing, and community level and quickly and appropriately respond.

- **Ambulance Study:** The Olympic Valley Fire Department (OVFD), in partnership with the North Tahoe Fire Protection District and Truckee Fire Protection District, contracted with consultant AP Triton (Sacramento) to evaluate the regional EMS response system to identify synergies, existing capacity, and any unintended impacts of alternative system designs to the regional fire and EMS system. The study will review how the addition of an Olympic Valley Fire Department Ambulance Program would affect the regional partners operationally and financially. The evaluation will consider increased workload, call duration, and other impacts of assuming patient transport service. The District intends to provide ambulance service to improve patient care, maintain staff's EMS skills, and generate additional revenue for the Department. Analysis of optimized staffing and scheduling strategies will be conducted to address low acuity, non-emergent, and inter-facility activities, along with the current payer mix and revenue structures. The study will establish and validate all costs and expenditures necessary to provide patient transport services and provide a fiscal summary of the residual or net new revenue/expenses that considers projected services and long-term sustainability. Results of the evaluation are expected in spring 2022.
- **Community Wildfire Protection Plan (CWPP):** This plan is a collaboration with other community businesses and groups and will be the outline to mitigate wildfire hazards. It is required when applying for fuels reduction grants. In September of 2021 the District received a \$32,000 grant from Cal Fire which will be spent on a third party to produce the plan. The final document is expected to be complete in Spring of 2022.
- **Garbage Contract with Truckee Tahoe Sierra Disposal:** The garbage contract with Truckee Tahoe Sierra Disposal (TTSD) for the 2021-22 fiscal year saw substantial changes. The biggest change is TTSD will no longer pick up green-waste as part of its weekly curbside collection service. The District is working with TTSD to identify solutions for the increase in trash generation in the region, rising labor costs, employee shortages, and significant increases to disposal costs. In the meantime, the District will be encouraging customers to participate in the green-waste drop off day in June, or take green-waste to the dump free of charge (up to 6 yards).
- **Grants:** The District currently has over \$800,000 available in grant funding for capital projects. The majority relates to \$403,625 from the Placer County Water Agency (PCWA) for the Squaw Valley Mutual Water Company System Intertie. The project includes the planning, design, and construction of facility intertie(s) at key locations in both water systems which will provide for increased redundancy and reliability in the water systems. The total estimated cost for the project is \$605,500. The second largest grant is for \$371,600 from PCWA for the Residential Meter Replacement Project. The project includes replacing a water metering program, which alongside replacement of outdated water meters, will support our water conservation and customer service programs. The major components of the project include an Advanced Metering Infrastructure / Automatic Meter Reading (AMI/AMR) technology selection evaluation, replacement of residential and commercial water meters, and implementation of an AMI/AMR system. The overall project cost is estimated to be approximately \$798,000 and will be accomplished through fiscal year 2024.

Acknowledgements

The preparation of this Report would not have been possible without the skill, effort, and dedication of the entire staff of the Accounting Department. Thank you to the Fire, Engineering and Operations Department for their assistance in providing the data necessary to prepare this Report. Thank you to McClintock Accountancy Corporation, independent auditors, for their professionalism and assistance in performing this year-end financial audit. Credit also is due to the Board of Directors for their unfailing support of staff and to maintain the highest standards of professionalism in the management of the District's finances.

Sincerely,



Mike Geary  
General Manager



Danielle Grindle  
Finance & Administration Manager



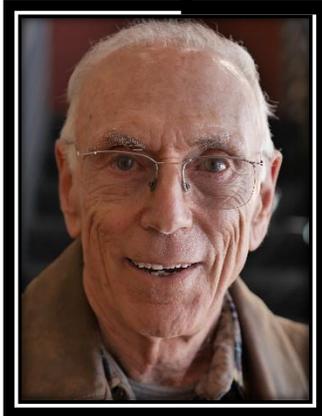
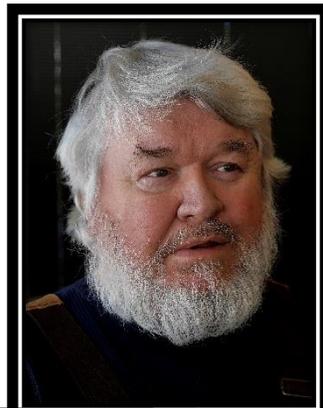
# OLYMPIC VALLEY PUBLIC SERVICE DISTRICT



## Mission Statement

Olympic Valley Public Service District serves full-time and part-time residents, businesses, employees and visitors in Olympic Valley. The mission is to provide leadership in maintaining and advocating for needed, high-quality and financially sound community services for the Valley. These include, but are not limited to water, emergency services, and sewer and garbage collection. The District will conduct its operations in a cost effective, conservation-minded and professional manner, consistent with the desires of the community, while protecting natural resources and the environment.

## Olympic Valley Public Service District Board of Directors



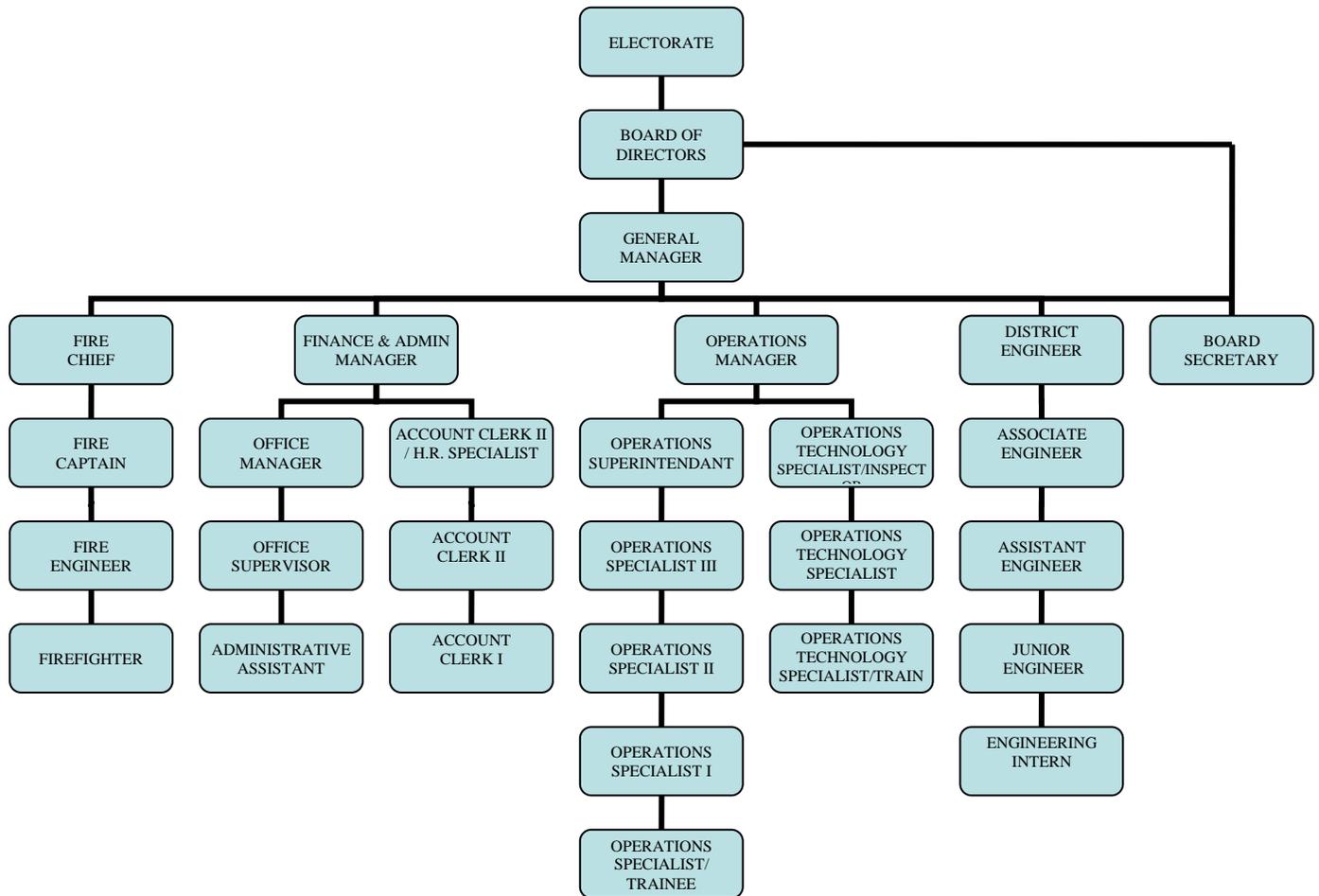
Top row, left to right: Dale Cox, Board President and Bill Hudson, Vice-President.  
Bottom row, left to right: Directors Fred Ilfeld, Victoria Mercer and Katy Hover-Smoot



# OLYMPIC VALLEY PUBLIC SERVICE DISTRICT



## Organization Chart



# McCLINTOCK ACCOUNTANCY CORPORATION

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Olympic Valley Public Service District

### **Report on Financial Statements**

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

### **Management's Responsibility for the Financial Statements**

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

### **Auditors' Responsibility**

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

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

**OLYMPIC VALLEY PUBLIC SERVICE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDING JUNE 30, 2021**

reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### **Opinion**

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

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 11-19, the budgetary comparison schedules on pages 63-67, the Schedule of the District's Proportionate Share of the Net Pension Liability on page 68, the Schedule of District Contributions for Pensions on page 69, and the schedule of Changes in the Total OPEB Liability and OPEB Liability and Related Ratios on page 70 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the Required Supplementary Information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The combining statement of activities and changes in net position, business-type activities is presented for purpose of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

**OLYMPIC VALLEY PUBLIC SERVICE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDING JUNE 30, 2021**

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Olympic Valley Public Service District's basic financial statements. The introductory section and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 24, 2021, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 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

*McClintock Accountancy Corporation*

McCLINTOCK ACCOUNTANCY CORPORATION  
Tahoe City, California  
November 24, 2021

**OLYMPIC VALLEY PUBLIC SERVICE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDING JUNE 30, 2021**

**Management's Discussion and Analysis (Required Supplementary Information – Unaudited)**

The management of the Olympic Valley Public Service District offers this narrative overview of the financial activities of the District for the fiscal year ending June 30, 2021. All information presented here should be read in conjunction with the District's audited financial statements following this section.

**Financial Highlights**

- ✓ Total current assets exceeded total liabilities by \$1,488,000. This is an increase from FY2020 when current assets exceeded total liabilities by \$126,000. This is primarily due to an increase in cash in capital reserves which is to be used for future planned projects. This is offset by reducing long term-debt from the building loan (Note 5) and the pension liability (Note 7).
- ✓ Net pension liability was recorded at \$4,606,000 (\$3,092,000 for Fire and \$1,514,000 for Utility). This is a \$152,000 increase for the Fire department and a \$837,000 decrease for the Utility Department, for a net decrease of \$685,000 from the prior year (Note 7). This reduction is partially the result of paying an additional \$935,000 to PERS in FY2019 and \$1,200,000 in FY2020. An additional \$830,000 was paid to PERS in FY2021, however, that will not be reflected in the liability until FY2022 due to timing of when actuarial valuations are released.
- ✓ Other post-employment benefit (OPEB) liability is \$986,000 (\$444,000 for Fire and \$542,000 for Utility). This is an increase of \$244,000 from FY2020, mostly due to changing the discount rate from 3.5% to 2.2% (Note 14).
- ✓ Total net position increased by \$576,000, or 3%, from the prior year. There was an increase to program revenues (mostly mutual aid and connection fees) as well as general revenue (mostly property tax revenue). This was offset by an increase to salaries and benefits, utility costs, and increasing costs of materials.
- ✓ Of the total net position, \$1,809,000 is restricted and must be used only for expansion (Note 9), \$5,409,000 is unrestricted and available in fixed asset replacement funds, however, \$2,472,000 of this unrestricted balance is dedicated to future debt obligations (Note 10).
- ✓ From FY2020, water rates increased 2.43%, sewer did not change, and garbage increased 3%.
- ✓ Property tax revenues increased by \$128,000 from the 2019-20 tax roll, or about 3.5%

**Major projects this year included:**

- Completed replacement of the roof at 1810 Squaw Valley Road in the amount of \$184,000.
- Completed annual sewer TV inspections in the amount of \$117,000.
- The District received funding from Placer County to provide snow removal services on the Olympic Valley Bike Trail. There was a surplus of \$32,000 which was added to the reserve balance and will be used towards the replacement of a new blower when needed.
- This was the 7<sup>th</sup> year of providing Operations & Maintenance services to the Mutual Water Co. Revenue generated was \$109,000.
- The Fire Department spent numerous days on strike teams fighting Californian wildfires. Net revenue after Department expenses amounted to \$208,000. This was used to pay down the Department's CalPERS Pension Unfunded Accrued Liability (UAL).

**OLYMPIC VALLEY PUBLIC SERVICE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDING JUNE 30, 2021**

**Overview of the Financial Statements**

This section is intended to serve as an introduction to the District's basic financial statements comprised of: 1) government-wide financial statements 2) notes to the financial statements, and 3) fund financial statements.

**GOVERNMENT-WIDE FINANCIAL STATEMENTS** are designed to provide readers with a broad overview of the District's finances relating to government activities in a manner similar to a private-sector business. Governmental activities and enterprise activities are reported separately.

**Governmental Activities** - The governmental activities of the District include the Fire Department. They outline functions of the District principally supported by property taxes, protection fees, interest, strike team reimbursements, and grant-program funds. All Fire protection fees are restricted by law to specific reserve funds in order to finance improvements, construction, and acquisition of capital assets. Other funds can be designated by the Board to be used for asset replacement or specific projects. Unrestricted funds may be designated, by the Board, to be used for any District activity.

**Enterprise Activities** - The District charges fees to its water, sewer and garbage customers that are intended to recover all or a significant portion of operating costs for services provided. Unused service fees are generally assigned to the Fixed Asset Replacement Reserves which can serve to stabilize rates over time. Unused property tax revenues are generally used to subsidize current rates of both water and sewer customers.

- ✓ The STATEMENT OF NET POSITION presents information on the District's assets, deferred outflows, liabilities, and deferred inflows, with the difference between them reported as net position. Over time, increases or decreases in the net position is a good indicator of whether the District is financially healthy or deteriorating.
- ✓ The STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION presents information showing how District net assets changed during the recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs regardless of the timing of related cash flows, also known as accrual-based accounting. Some revenues and expenses reported in this statement may result in cash flows to future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).
- ✓ The STATEMENT OF CASH FLOWS provides information on the District's cash receipts, cash payments, and changes in cash resulting from operations, investments, and financing activities.

**NOTES TO THE FINANCIAL STATEMENTS** provide additional commentary essential to a full understanding of the data provided in the government-wide and fund financial statements.

**OLYMPIC VALLEY PUBLIC SERVICE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDING JUNE 30, 2021**

**FUND FINANCIAL STATEMENTS**

The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives.

**Governmental Funds** are used to account for essentially the same functions reported as governmental activities with focus on the *fiscal year inflows and outflows of spendable resources*. This is also referred to as modified-accrual accounting.

**Proprietary Funds** are used to report the enterprise activities of the District. These activities include water, sewer, garbage, and bike trail contract services.

**FINANCIAL ANALYSIS OF THE DISTRICT**

The analysis below focuses on the net position and changes in net position of the District's governmental and enterprise activities. This presentation includes a prior-year comparative analysis of government-wide financial data.

Statement of Activities and Change in Net Position (in thousands)								
	Governmental		Business-Type		Total		Dollar	Percent
	Activities		Activities					
		(Fire)		(Utility)			Change	Change
	2020	2021	2020	2021	2020	2021		
<b>Program &amp; Grant Revenue</b>	\$ 54	180	4,326	4,339	4,380	4,519	\$ 139	3%
<b>General Revenues</b>								
Property Tax	3,597	3,692	43	75	3,640	3,767	127	3%
Administrative Fees	2	92	9	6	11	98	87	791%
Interest	15	7	139	51	154	58	(96)	-62%
Rental Revenue	31	32	64	64	95	96	1	1%
Other	10	35	0.4	0.1	10	35	25	250%
<b>Total General Revenues</b>	3,655	3,858	255	196	3,910	4,054	144	4%
<b>Total Revenues</b>	\$ 3,709	4,038	4,581	4,535	8,290	8,573	\$ 283	3%
Expenses	\$ 3,873	3,937	3,893	4,060	7,766	7,997	\$ 231	3%
<b>Increase (Decrease) in Net Position</b>	\$ (164)	101	688	475	524	576	--	--

Total change in Net Position increased by \$576,000. Total revenues have increased by \$283,000, or 3%. Program and Grant revenue received for the year amounted to \$4,519,000. This is an increase from the prior year by \$139,000. This is primarily due to an increase connection fees and fire mitigation fees of \$68,000, and an increase in Mutual Aid revenue by \$110,000. There was a decrease in grant revenue of \$32,000.

**OLYMPIC VALLEY PUBLIC SERVICE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDING JUNE 30, 2021**

General Revenues increased by \$144,000 mostly due to property tax revenue increasing by \$127,000 and Administration fees increasing by \$87,000. Interest income decreased by \$96,000 due to economic impacts of COVID-19.

Expenses have increased \$231,000, or 3%. In total, there was a \$109,000 increase to salaries and benefits. This is due to an increase in strike team activity and reimbursement of Fire Department wages, as well as cost-of-living adjustments. There was a \$74,000 increase in field operations, mostly due to increasing costs of materials and utility expenses. The COVID-19 pandemic resulted in significant supply chain disruptions and labor shortages, which only increased costs across all industries. Lastly, there was a \$25,000 increase to General and Administration expenses, mostly due to a 35% increase in insurance rates for Property and General Liability insurance.

<b>Changes in Net Assets (In Thousands)</b>								
	<b>Governmental</b>		<b>Business-Type</b>				<b>Dollar</b>	<b>Percent</b>
	<b>Activities</b>		<b>Activities</b>					
	<b>(Fire)</b>	<b>(Utility)</b>	<b>Total</b>		<b>Change</b>	<b>Change</b>		
	<b>2020</b>	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>	<b>2021</b>		
Current and Other Assets	\$ 1,631	2,053	6,615	7,050	8,246	9,103	\$ 857	10%
Non-Current Assets	4,909	4,721	10,411	10,091	15,320	14,812	(508)	-3%
<b>Total Assets</b>	<b>\$ 6,540</b>	<b>6,774</b>	<b>17,026</b>	<b>17,141</b>	<b>23,566</b>	<b>23,915</b>	<b>\$ 349</b>	<b>1%</b>
Deferred Outflows	\$ 1,432	1,461	1,988	1,989	3,420	3,450	\$ 30	1%
Current Liabilities	\$ 499	500	741	770	1,240	1,270	\$ 30	2%
Non-Current Liabilities	3,274	3,536	3,606	2,809	6,880	6,345	(535)	-8%
<b>Total Liabilities</b>	<b>\$ 3,773</b>	<b>4,036</b>	<b>4,347</b>	<b>3,579</b>	<b>8,120</b>	<b>7,615</b>	<b>\$ (505)</b>	<b>-6%</b>
Deferred Inflows	301	201	429	837	730	1,038	308	42%
<b>Net Position:</b>								
Net Inv in Capital Assets	\$ 4,909	4,721	9,473	9,244	14,382	13,965	\$ (417)	-3%
Restricted	72	136	1,179	1,674	1,251	1,810	559	45%
Unrestricted	(1,083)	(858)	3,586	3,795	2,503	2,937	434	17%
<b>Total Net Position</b>	<b>\$ 3,898</b>	<b>3,999</b>	<b>14,238</b>	<b>14,713</b>	<b>18,136</b>	<b>18,712</b>	<b>\$ 576</b>	<b>3%</b>

Total Current Assets have increased \$857,000. The increase is due to cash and investments increasing by \$872,000. This is partially due to \$555,000 in connection fees and fire mitigation fees that were not planned. The District is also growing the Fixed Asset Replacement Funds (FARFs) after significant capital projects in prior years. The District retains mostly liquid funds in pooled conservative investment accounts with Placer County Investment Funds, Placer County Revenue Funds, Certificates of Deposit, or the Local Agency Investment Funds. These funds are

**OLYMPIC VALLEY PUBLIC SERVICE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDING JUNE 30, 2021**

transferred into the daily operating accounts only when needed, to allow the maximum generation of interest income.

Delinquent service fees in the amount of \$29,924 were submitted to Placer County for collection on the 2021-2022 property tax rolls, which is an \$9,196 decrease from the prior year. These delinquencies total less than 1% of the total billed revenue.

Net non-current assets (fixed assets) totaled \$14,812,000 which is \$508,000 less than the prior year. The District added new assets to its inventory such a new roof at 1810 Squaw Valley Road, sewer TV inspections, Well 1 refurbishment, and new turnout gear. On the other hand, assets were depreciated, disposed of, or reached the end of their depreciable lives. As the District's infrastructure ages, assets are strategically replaced as guided by Capital Replacement Plans. It is not prudent to repair or replace assets that have a low probability of failure or have a low consequence of failure. However, contributions into Capital Replacement accounts should continue and even accelerate to offset the rate of depreciation and to provide adequate reserves for the eventual replacement of assets.

Current Liabilities have increased \$30,000 from the prior year, mostly due to invoices accrued but not yet paid as of yearend. Also note the only long-term debt remaining is for the building at 305 Squaw Valley Road. The remaining principal balance at year-end is \$847,000.

Net non-current liabilities have decreased by \$535,000. The District continues to pay-off its long-term debt obligation for its administration and fire headquarters (maturing in 2028), resulting in a reduction of \$94,000 from the prior fiscal year. Postemployment Health Benefits increased by \$244,000, or 33%. This is an actuarially determined number based on any eligible employee who may receive a post-employment health insurance stipend through the District's plan. The current years' valuation reduced the expected interest earned from 3.5% to 2.2%. The Net Pension Liability decreased \$684,000. Under GASB 68 standards, each participating cost-sharing employer is required to report its actuarially determined proportionate share of the collective net pension liability, pension expense, and deferred inflows/outflows of resources in their financial statements. Before GASB 68, the District was only required to report the actual payments submitted to the pension plan as an expense, and no liability or deferred inflows/outflows. For more information on the District's pension plan, see Note 7 of the Financial Statements.

During the fiscal year, the Enterprise portion of the District had cash and cash equivalents increase by \$459,000. The prior year had a \$1,588,000 decrease to cash and cash equivalents. There was an increase of \$110,000 of cash receipts from customers, a \$330,000 decrease to suppliers for goods and services, \$224,000 less in long-term debt payments, and a \$1,549,000 decrease in capital purchases. This was offset by an \$85,000 increase to payments to employees for services.

The District continues to maintain a healthy current ratio of 7.17:1 (Current Assets against Current Liabilities), which has increased from the prior year of 6.65:1. Total Current and Other Assets against Total Liabilities is 1.20:1, an increase from 1.02:1 in the prior year. The District's cash and liquidity position remains strong and is poised to address any immediate catastrophic repair and/or replacement of key assets and infrastructure.

**OLYMPIC VALLEY PUBLIC SERVICE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDING JUNE 30, 2021**

Even though the District's cash position remains strong, reserves should continue to be allocated into fixed asset replacement funds for anticipated replacement and/or repair of the District's aging infrastructure. In the current year, reserve and capital accounts increased by \$925,000, the majority relating to connection fees and fire mitigation fees that can be used toward new capital and growth projects. The only decrease to the District's reserve accounts came from the Garbage FARF. This account decreased by \$15,000 due to contributions made for replacing the roof at 1810 Squaw Valley Road. It is the goal of the District to grow reserve accounts to fully fund capital projects and acquisitions in the 100-year asset replacement plan as well as mitigate potential adverse exposure to the sustainability of the District's infrastructure. The District has a 100-year asset replacement plan with the intention for reserve accounts to fully fund projects without resorting to unnecessary special assessments or material rate increases.

The District maintains separate fund accounts for capital projects that are summarized on the next page. Notable purchases from the fund balances for the year are as follows. There was a \$338,000 increase to the Water Capital Fund due to new connections at the Palisades real estate development. The Sewer Capital account grew to \$154,000. It was depleted in the prior year due to the Truckee River Siphon Replacement Project. Funds from the current year relate to new connections at the Palisades real estate development. There was an \$81,000 increase to the Water Fixed Asset Replacement Fund. Projects funded by the Water FARF included the West Tank recoat, Hidden Lake Water Line Replacement, Well 1 Rehabilitation, and replacing the roof at the District's owned property at 1810 Squaw Valley Road. There was a \$111,000 increase to the Sewer Fixed Assets Replacement Fund. Projects funded by the Sewer FARF included sewer TV inspections, sewer line rehabilitation, Hidden Lake Sewer Line replacement, and replacing the roof at 1810 Squaw Valley Road. There was a \$33,000 increase to the Bike Trail Snow Removal FARF. There were no capital projects during the year for this program. Next, there was a \$64,000 increase to the Fire Capital Fund. There were no capital projects during the year for this program. Lastly, the Fire FARF showed an increase of \$158,000. Projects funded by the Fire FARF included new turnout gear and replacing the roof at 1810 Squaw Valley Road. Between connection fees, excess operating funds and taxes, and interest earned, \$1,370,000 was contributed to the fund accounts (before capital purchases). As Fixed Asset Replacement needs are determined, allocations to each fund will be adjusted.

**OLYMPIC VALLEY PUBLIC SERVICE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDING JUNE 30, 2021**

<b>General Fund Balances - 5 Year Comparison of Funds Available for Capital Projects</b>					
(in thousands)	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<b>Water Capital</b>					
Beginning Balance	711	786	591	693	1,014
Increases	75	93	134	321	346
Decreases	-	(288)	(32)	-	(8)
Ending Balance	786	591	693	1,014	1,352
<b>Sewer Capital</b>					
Beginning Balance	8	-	-	-	-
Increases	5	40	52	137	154
Transfer from Sewer FARF	15	46	194	660	-
Decreases	(28)	(86)	(246)	(797)	-
Ending Balance	-	-	-	-	154
<b>Inflow &amp; Infiltration Capital</b>					
Beginning Balance	147	155	158	162	166
Increases	7	3	4	4	1
Decreases	-	-	-	-	-
Ending Balance	155	158	162	166	167
<b>Garbage Capital</b>					
Beginning Balance	163	172	186	193	170
Increases	11	14	13	9	5
Decreases	(1)	-	(6)	(32)	(20)
Ending Balance	172	186	193	170	155
<b>Water FARF</b>					
Beginning Balance	311	622	809	1,197	1,361
Increases	372	321	481	275	222
Decreases	(62)	(134)	(93)	(111)	(141)
Ending Balance	622	809	1,197	1,361	1,442
<b>Sewer FARF</b>					
Beginning Balance	2,783	3,154	3,574	3,789	2,703
Increases	439	637	531	286	301
Transfer to Sewer Capital	(15)	(46)	(194)	(660)	-
Decreases	(54)	(171)	(122)	(712)	(190)
Ending Balance	3,154	3,574	3,789	2,703	2,814
<b>Fire Protection Funds</b>					
Beginning Balance	232	237	2	24	72
Increases	13	18	22	48	64
Transfer from Fire FARF	-	115	-	-	-
Decreases	(9)	(368)	-	-	-
Ending Balance	237	2	24	72	136
<b>Fire FARF</b>					
Beginning Balance	724	393	502	569	784
Increases	191	292	209	223	244
Transfer to Fire Capital	-	(115)	-	-	-
Decreases	(522)	(68)	(142)	(8)	(86)
Ending Balance	393	502	569	784	942
<b>Bike Trail Snow Removal FARF</b>					
Beginning Balance	-	-	-	0.8	24
Increases	-	-	0.8	23	33
Decreases	-	-	-	-	-
Ending Balance	-	-	0.8	24	57

**OLYMPIC VALLEY PUBLIC SERVICE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDING JUNE 30, 2021**

**Economic Factors and Financial Outlook for FY 2021-22**

At the time of preparing this audit, the world is still recovering from the Coronavirus (COVID-19) that hit the United States in early 2020. While a vaccine became available to most of the country in early 2021, it is estimated only around 60% of the USA is fully vaccinated. Total deaths have amounted to over 750,000. Many offices, businesses, and schools have reopened, however, the fallout from COVID-19 is extensive. Economic impacts include supply chain disruptions which have led to increased prices across all industries. Secondly, we have entered what has been coined "The Great Resignation". Workers have been giving notice to leave their jobs at record numbers. Early research shows it can be for several reasons such as family pressures imposed by schools closing, the closing of many businesses, people moving to more open spaces, and the desire to work remotely. The District has seen many of these impacts first hand during 2021. Lastly, the State had its second worst fire season on record. Fuels management has become a major topic across the west and agencies are working diligently to acquire funding to help mitigate and prevent these catastrophic events. While the current situation may appear grim, there are predictions that the supply bottlenecks will be resolved, housing prices will decrease, and people will return back to the work force. In all circumstances, the District remains committed to providing high levels of service to the residents, businesses, and visitors of Olympic Valley. The following addresses some of the District's plans moving forward.

Based on the information above, it is hard to believe that home purchases in the Valley and all around Lake Tahoe are still breaking records. Mortgage interest rates remain at an all-time low and the Federal Reserve says it plans to keep it that way to help stimulate economic activity. As of the third quarter of 2021, the percentage of homes sold has decreased. However, the median price increased 48% (a historic high) from last year. The average sales price is up 31% from 2020. Many workers are still working from home or have found a hybrid model which allows them to spend more time in the mountains. Home purchasing directly impacts the District's finances through increased ad valorem tax revenues and service fees due to new construction. As of October 2021, all 64 units at the Palisades Development project have paid connection fees and construction is well under way.

Total assessed property values within District boundaries increased \$49 million to \$1.488 billion in 2021-22. The District's estimated net ad valorem tax revenue is expected to be \$3,870,000. This is a \$103,000, or 2.73% increase from the \$3,767,000 net received in 2020-21.

The District continues to monitor and adjust its 100-year Capital Replacement Plans as needed. Many capital projects are anticipated for the 2021-2022 fiscal year which includes residential water meter replacements, recoating of the West tank, the Hidden Lake water and sewer line replacement, manhole inspections and replacements, purchase of a new water tender, and purchase of new turnout gear. Total capital projects are budgeted at \$2,250,000.

For fiscal year 2021-22 the District will pay an additional \$300,000 to CalPERS for the Fire Department's Unfunded Accrued Liability (UAL). This payment is on top of the annual minimum required contribution and is made to reduce the liability, which increases at a 6.8% annual interest rate. This goes toward reducing the UAL for pensions, which as of June 2021 was at \$3,092,000.

**OLYMPIC VALLEY PUBLIC SERVICE DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDING JUNE 30, 2021**

Each year the District will assess any excess funds that can be allocated to keep reducing the liability.

The District plans to continue annual payment of its long-term debt associated with the construction of the Administrative Facility and Firehouse. The principal payment for FY2022 is budgeted at \$94,000. The District expects to continue funding its Fixed Asset Replacement Funds in alignment with the results from the Cost of Service Analysis and Rate Study, which helps preclude the need for debt financing, a special assessment or sharp rate increases in the future.

The District plans to follow and update as needed its five-year Strategic Plan, approved by the Board in April 2012, and updated annually thereafter. It includes a renewed vision on the District's direction moving forward and a work plan to implement it. The Plan re-commits the District to provide high-quality and efficient service delivery.

Last but not least, the Fire Department is conducting an ambulance feasibility study as well as a Community Wildfire Protection Plan. These requests have come from the community over many years and the results of these studies will largely indicate our next steps forward for services provided and administered by the District.

This section of the MD&A was prepared on October 27<sup>th</sup>, 2021.

**Request for Information**

This financial report is designed to provide a general overview of the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Mike Geary, General Manager, Olympic Valley Public Service District, P.O. Box 2026, Olympic Valley, CA 96146. The entire report is available online at [www.ovpsd.org](http://www.ovpsd.org).

# **Basic Financial Statements**

# **Government-Wide Financial Statements**

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Statement of Net Position

June 30, 2021

Assets

	<u>Governmental Activities (Fire)</u>	<u>Business-Type Activities (Utility)</u>	<u>Total</u>
<b>Current Assets</b>			
Cash (Note 2)	\$ 332,595	\$ 1,385,821	\$ 1,718,416
Investments (Notes 2 and 3)	<u>1,699,022</u>	<u>5,543,954</u>	<u>7,242,976</u>
Cash and cash equivalents	2,031,617	6,929,775	8,961,392
<b>Receivables</b>			
Service fees	15,009	92,536	107,545
Interest	529	3,166	3,695
Other	<u>-</u>	<u>3,571</u>	<u>3,571</u>
Total Receivables	15,538	99,273	114,811
Prepaid Expenses and other assets	<u>6,226</u>	<u>20,733</u>	<u>26,959</u>
Total Current Assets	2,053,381	7,049,781	9,103,162
<b>Noncurrent Assets</b>			
Capital assets, at cost (Note 4)	8,255,676	27,700,095	35,955,771
Less accumulated depreciation (Note 4)	<u>(3,534,305)</u>	<u>(17,609,348)</u>	<u>(21,143,653)</u>
Total Noncurrent Assets	<u>4,721,371</u>	<u>10,090,747</u>	<u>14,812,118</u>
Total Assets	<u>\$ 6,774,752</u>	<u>\$ 17,140,528</u>	<u>\$ 23,915,280</u>
<b>Deferred Outflows of Resources</b>			
Deferred outflows related to pensions (Note 7)	1,324,288	1,861,604	3,185,892
Deferred outflows related to OPEB (Note 14)	<u>136,289</u>	<u>127,635</u>	<u>263,924</u>
Total Deferred Outflows of Resources	<u>\$ 1,460,577</u>	<u>\$ 1,989,239</u>	<u>\$ 3,449,816</u>

The accompanying notes are an integral part of these statements.

(Continued)

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Statement of Net Position

June 30, 2021

Liabilities and Net Position

	<u>Governmental Activities (Fire)</u>	<u>Business-Type Activities (Utility)</u>	<u>Total</u>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accounts payable	\$ 6,194	\$ 88,550	\$ 94,744
Accrued liabilities	493,335	575,246	1,068,581
Deferred revenue	-	12,325	12,325
Current portion of long-term debt (Note 5)	-	94,130	94,130
<b>Total Current Liabilities</b>	<u>499,529</u>	<u>770,251</u>	<u>1,269,780</u>
<b>Noncurrent Liabilities</b>			
Total OPEB liability (Note 14)	443,915	542,563	986,478
Net pension liability (Note 7)	3,092,126	1,514,037	4,606,163
Long-term debt (Note 5)	-	752,775	752,775
<b>Total Noncurrent Liabilities</b>	<u>3,536,041</u>	<u>2,809,375</u>	<u>6,345,416</u>
<b>Total Liabilities</b>	<u>\$ 4,035,570</u>	<u>\$ 3,579,626</u>	<u>\$ 7,615,196</u>
<b>Deferred Inflows of Resources</b>			
Deferred inflows related to pensions (Note 7)	185,848	828,660	1,014,508
Deferred inflows related to OPEB (Note 14)	14,814	8,653	23,467
	<u>\$ 200,662</u>	<u>\$ 837,313</u>	<u>\$ 1,037,975</u>
<b>Net Position</b>			
Net investment in capital assets	4,721,371	9,243,842	13,965,213
Restricted (Note 9)	135,611	1,673,611	1,809,222
Unrestricted (Deficit) (Note 10)	<u>(857,885)</u>	<u>3,795,375</u>	<u>2,937,490</u>
<b>Total Net Position</b>	<u>\$ 3,999,097</u>	<u>\$ 14,712,828</u>	<u>\$ 18,711,925</u>

The accompanying notes are an integral part of these statements.

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Statement of Activities and Changes in Net Position

For the Year Ended June 30, 2021

	Primary Government		Total
	Governmental Activities (Fire)	Business-Type Activities (Utility)	
Program Revenue			
Mutual aid	\$ 116,683	\$ -	\$ 116,683
Service fees	-	3,790,340	3,790,340
Fire protection fee	63,016	-	63,016
Connection fee	-	491,782	491,782
Grants (Note 13)	-	56,839	56,839
<b>Total Program Revenue</b>	<b>179,699</b>	<b>4,338,961</b>	<b>4,518,660</b>
Expenses			
Salaries and wages	2,006,616	1,453,308	3,459,924
Employee benefits	1,340,517	978,398	2,318,915
<b>Total salaries, wages and benefits</b>	<b>3,347,133</b>	<b>2,431,706</b>	<b>5,778,839</b>
Field Operations			
Material & supplies	24,384	18,362	42,746
Uniforms	16,474	8,758	25,232
Chemicals & lab fees	-	55,190	55,190
Utilities	63,129	80,220	143,349
Maintenance & repairs	42,424	71,934	114,358
Training	18,126	18,253	36,379
Fire prevention	503	-	503
Vehicle maintenance	30,898	33,066	63,964
Garbage contract	-	273,339	273,339
<b>Total field operations</b>	<b>195,938</b>	<b>559,122</b>	<b>755,060</b>

The accompanying notes are an integral part of these statements.

(Continued)

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Statement of Activities and Changes in Net Position

For the Year Ended June 30, 2021

	Primary Government		Total
	Governmental Activities (Fire)	Business-Type Activities (Utility)	
Expenses (Continued)			
General & administrative			
Board expenses	\$ 16,754	\$ 50,837	\$ 67,591
Accounting & audit services	10,505	15,998	26,503
Consulting Services	6,471	55,126	61,597
Insurance	43,955	67,866	111,821
License, permit & contracts	59,578	41,522	101,100
Office expense	12,249	50,763	63,012
Travel & meetings	5,812	8,337	14,149
Office utilities	-	68,244	68,244
Total general & administrative	155,324	358,693	514,017
Other expenses			
Depreciation	238,181	643,589	881,770
Interest	-	31,018	31,018
Loss on Disposals	-	35,789	35,789
Total other expenses	238,181	710,396	948,577
Total Expenses	3,936,576	4,059,917	7,996,493
Net Program Revenue (Expense)	\$ (3,756,877)	\$ 279,044	\$ (3,477,833)

The accompanying notes are an integral part of these statements.

(Continued)

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Statement of Activities and Changes in Net Position

For the Year Ended June 30, 2021

	Primary Government		Total
	Governmental Activities (Fire)	Business-Type Activities (Utility)	
General Revenues			
Property tax (Note 8)	\$ 3,692,261	\$ 75,324	\$ 3,767,585
Administrative fees	91,642	5,802	97,444
Interest	7,023	51,220	58,243
Rental revenue (Note 16)	31,724	63,448	95,172
Other	34,957	68	35,025
Total General Revenues	<u>3,857,607</u>	<u>195,862</u>	<u>4,053,469</u>
Increase/ (Decrease) in Net Position	100,730	474,906	575,636
Net Position - Beginning of Year	\$ <u>3,898,367</u>	\$ <u>14,237,922</u>	\$ <u>18,136,289</u>
Net Position - End of Year	\$ <u><u>3,999,097</u></u>	\$ <u><u>14,712,828</u></u>	\$ <u><u>18,711,925</u></u>

The accompanying notes are an integral part of these statements.

# **Fund Financial Statements**

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Fund Financial Statements

Balance Sheet

June 30, 2021

Assets

	Primary Government	
	Governmental Fund (Fire)	Proprietary Fund (Utility)
Current Assets		
Cash	\$ 332,595	\$ 1,385,821
Investments	1,699,022	5,543,954
	<hr/>	<hr/>
Cash and cash equivalents	2,031,617	6,929,775
Receivables		
Service fees	15,009	92,536
Interest	529	3,166
Other	-	3,571
	<hr/>	<hr/>
Total Receivables	15,538	99,273
Prepaid expenses and other assets	6,226	20,733
	<hr/>	<hr/>
Total Current Assets	2,053,381	7,049,781
Noncurrent Assets		
Capital assets, at cost	-	27,700,095
Less accumulated depreciation	-	(17,609,348)
	<hr/>	<hr/>
Total Noncurrent Assets	-	10,090,747
Total Assets	\$ <u>2,053,381</u>	\$ <u>17,140,528</u>
Deferred Outflows of Resources		
Deferred outflows related to pensions	-	1,861,604
Deferred outflows related to OPEB	-	127,635
	<hr/>	<hr/>
Total Deferred Outflows of Resources	\$ <u>-</u>	\$ <u>1,989,239</u>

The accompanying notes are an integral part of these statements.

(Continued)

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Fund Financial Statements

Balance Sheet

June 30, 2021

Liabilities and Fund Balances

	<u>Primary Government</u>	
	<u>Governmental Fund (Fire)</u>	<u>Proprietary Fund (Utility)</u>
Liabilities		
Current Liabilities		
Accounts payable	\$ 6,194	\$ 88,550
Accrued liabilities	493,335	575,246
Deferred revenue	-	12,325
Current portion of long-term debt	-	94,130
	<hr/>	<hr/>
Total Current Liabilities	499,529	770,251
Noncurrent Liabilities		
Postemployment health benefits	-	542,563
Net pension liability	-	1,514,037
Long-term debt	-	752,775
	<hr/>	<hr/>
Total Noncurrent Liabilities	-	2,809,375
	<hr/>	<hr/>
Total Liabilities	\$ 499,529	\$ 3,579,626
Deferred Inflows of Resources		
Deferred inflows related to pensions	-	828,660
Deferred inflows related to OPEB	-	8,653
	<hr/>	<hr/>
Total Deferred Inflows of Resources	\$ -	\$ 837,313
	<hr/>	<hr/>
Fund Balances		
Governmental Fund (Note 11)		
Nonspendable	21,764	-
Restricted	135,611	-
Committed	941,967	-
Unassigned	454,510	-
Proprietary Fund		
Net investment in capital assets	-	9,243,842
Restricted	-	1,673,611
Unrestricted	-	3,795,375
	<hr/>	<hr/>
Total Fund Balances	\$ 1,553,852	\$ 14,712,828
	<hr/>	<hr/>

The accompanying notes are an integral part of these statements.

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Reconciliation of the Balance Sheet of Governmental Fund (Fire) to the Statement of Net Position

June 30, 2021

Fund balance of governmental fund	\$	1,553,852
Amounts reported for governmental activities in the statement of net position are different because:		
Deferred outflows related to pensions are not financial resources and therefore are not reported in governmental funds		1,324,288
Deferred outflows related to OPEB are not financial resources and therefore are not reported in governmental funds		136,289
Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds		
Land	\$	1,012,603
Buildings		4,993,599
Vehicles		1,624,321
Equipment		585,910
Furniture & Fixtures		39,243
Master plan		-
Construction in progress		-
Less accumulated depreciation		<u>(3,534,305)</u>
Net Book Value		4,721,371
Postemployment health benefits are not due and payable in the current period and, therefore, are not reported in governmental funds		(443,915)
Net pension liability is not due and payable in the current period and therefore is not reported in governmental funds		(3,092,126)
Deferred inflows related to pensions are not financial resources and therefore are not reported in governmental funds		(185,848)
Deferred inflows related to OPEB are not financial resources and therefore are not reported in governmental funds		<u>(14,814)</u>
Net position of governmental activities	\$	<u><u>3,999,097</u></u>

The accompanying notes are an integral part of these statements.

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Statement of Revenues, Expenditures, and Changes in Fund Balance Governmental Fund (Fire)

For the Year Ended June 30, 2021

Program Revenue		
Mutual aid	\$	116,683
Fire protection fee		<u>63,016</u>
Total Program Revenue		179,699
 Expenditures		
Salaries and wages		2,006,616
Employee benefits		<u>1,206,383</u>
Total salaries, wages and benefits		3,212,999
 Field operations		
Material & supplies		24,384
Uniforms		16,474
Utilities		63,129
Maintenance & repairs		42,424
Training		18,126
Fire prevention		503
Vehicle maintenance		<u>30,898</u>
Total field operations		195,938
 General & administrative		
Board expenses		16,754
Accounting & audit services		10,505
Consulting services		6,471
Insurance		43,955
License, permit & contracts		59,578
Office expense		12,249
Travel & meetings		<u>5,812</u>
Total general & administrative		155,324

The accompanying notes are an integral part of these statements.

(Continued)

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Fund (Fire)

For the Year Ended June 30, 2021

Expenditures (Continued)

Other expenditures		
Capital outlay	\$	50,522
Debt service		-
Interest		-
		<hr/>
Total other expenditures		50,522
		<hr/>
Total Expenditures		3,614,783
		<hr/>
Net Program Revenue (Expenditures)		(3,435,084)
		<hr/> <hr/>
General Revenues		
Property tax		3,692,261
Administrative fees		91,642
Interest		7,023
Rental Revenue		31,724
Other		35,164
		<hr/>
Total General Revenues		3,857,814
		<hr/>
Increase (Decrease) in Fund Balance		422,730
Fund Balance - Beginning of Year		<hr/> 1,131,122
Fund Balance - End of Year	\$	<hr/> <hr/> 1,553,852

The accompanying notes are an integral part of these statements.

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of the  
Governmental Fund (Fire) to the Statement of Activities

For the Year Ended June 30, 2021

Increase (decrease) in fund balance - governmental fund	\$	422,730
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Amounts reported for governmental activities in the  
Statement of Activities are different because:

Governmental fund reports capital outlay for  
capital assets as expenditures. However, in the  
Statement of Activities, the cost of those assets  
is allocated over their estimated useful lives and  
reported as depreciation expense:

Expenditures for capital assets	\$	50,522	
Less - current year depreciation expense		<u>(238,181)</u>	(187,659)

Increases in the accrual of postemployment health benefits is an expense in the Statement of Net Position but does not use current financial resources and therefore is not reflected in the government fund			(13,788)
--	--	--	----------

Loss on disposals of assets is an expense in the Statement of Net Position but does not use current financial resources and therefore is not reflected in the government fund			(206)
--	--	--	-------

Changes in the net pension liabilities and the related deferred outflows and inflows is an expense in the Statement of Net Position but does not use current financial resources and therefore is not reflected in the government fund			<u>(120,347)</u>
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Increase in net position of governmental activities	\$	<u><u>100,730</u></u>
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The accompanying notes are an integral part of these statements.

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Statement of Cash Flows Proprietary Fund (Utility)

For the Year Ended June 30, 2021

	<u>Business-Type Activities (Utility)</u>
Cash Flows from Operating Activities:	
Cash receipts from customers	\$ 4,369,945
Cash payments to suppliers for goods and services	(2,198,408)
Cash payments to employees for services	(1,408,100)
Other receipts	79,189
Net Cash Provided By Operating Activities	<u>842,626</u>
Cash Flows From Noncapital Financing Activities:	
Receipt of property taxes	75,324
Net Cash Provided By Noncapital Financing Activities	<u>75,324</u>
Cash Flows From Capital and Related Financing Activities:	
Repayment of long-term debt	(91,097)
Interest paid on long-term debt	(32,533)
Net Cash Used By Capital and Related Financing Activities	<u>(123,630)</u>
Cash Flows From Investing Activities:	
Purchase of capital assets	(390,511)
Interest received on cash and investments	55,348
Net Cash Used By Investing Activities	<u>(335,163)</u>
Net Increase/ (Decrease) in Cash	459,157
Cash and Cash Equivalents - Beginning of Year	<u>6,470,618</u>
Cash and Cash Equivalents - End of Year	<u>\$ 6,929,775</u>

The accompanying notes are an integral part of these statements.

(Continued)

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Statement of Cash Flows Proprietary Fund (Utility)

For the Year Ended June 30, 2021

	<u>Business-Type Activities (Utility)</u>
Reconciliation of Increase in Net Position to Net	
Cash Used by Operating Activities:	
Increase in fund balance	\$ 474,906
Adjustments to reconcile increase in net position to net cash used by operating activities:	
Depreciation	643,589
Non-operating revenue	(126,544)
Non-operating expenses	31,017
Loss on asset disposal	35,789
(Increase) decrease in:	
Receivables	29,744
Prepays	(9,232)
Deferred outflows	(1,390)
Accounts payable	(57,237)
Accrued liabilities	116,455
Postemployment health benefits	134,292
Net pension liability	(837,126)
Deferred inflows	408,363
Total adjustments	<u>367,720</u>
Net Cash Provided by Operating Activities	<u>\$ 842,626</u>

The accompanying notes are an integral part of these statements.

# **Notes to the Financial Statements**

# OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

## Notes to the Financial Statements

For the Year Ended June 30, 2021

### 1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The Olympic Valley Public Service District operates under a State Charter adopted March 30, 1964. The District operates under a Board-Manager form of government and provides the following services as authorized: water, sewer, garbage, and fire services.

The District's government wide financial statements include the accounts of all operations.

The accounting policies of District conform to accounting principles generally accepted in the United States of America. The following is a summary of the significant policies:

#### Basis of Accounting/Measurement Focus

The accounts of the District are organized based on funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and how spending activities are controlled.

#### Government-Wide Financial Statements

The District Financial Statements include a Statement of Net Position, a Statement of Activities and Changes in Net Position and a Statement of Cash Flows. These statements present summaries of governmental and business-type activities for the District accompanied by a total column.

These statements are presented on an economic resources measurement focus and the accrual basis of accounting. Accordingly, the District's assets and liabilities, including capital assets, as well as infrastructure assets, and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Certain eliminations have been made as prescribed by GASB Statement No. 34 regarding inter-fund activities, payables and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. Note in the current year there are none.

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2021

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Government-Wide Financial Statements (Continued)

The District applies all applicable GASB pronouncements as well as the following pronouncements to the business type activities, unless those pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinion, and Accounting Research Bulletins of the committee on Accounting Procedure.

Governmental Fund

The Governmental Fund Financial Statements includes a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balance for the governmental fund. An accompanying schedule is presented to reconcile and explain the differences in net position as presented in these statements to the net position presented in the Government-Wide Financial Statements.

Governmental funds are accounted for on a spending of current financial resources measurement focus and the modified-accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. The Statement of Revenues, Expenses and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified-accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except those revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the District are property tax and service fees. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

To commit fund balances, the District's Board of Directors passes a resolution at the time of the budget to designate a portion of the available fund balance to a specific purpose. This can be modified at the end of the year depending on a deficit or surplus from operations.

For all purposes, fund balance amounts are considered to have been spent when an expenditure is incurred.

For the year ended June 30, 2021, the District realized a \$422,730 increase in fund balance for the governmental fund. This is primarily a result of additional tax revenue, strike team revenue, and connection fees. This further resulted in an unassigned fund balance of \$454,510 as of June 30, 2021, which will be used for future capital projects.

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2021

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Proprietary Fund

The Proprietary Fund includes a Statement of Net Position and a Statement of Revenues, Expenses and Changes in Fund Net Position.

Proprietary funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or non-current) are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

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

Budgets and Budgetary Accounting

The District follows these procedures in establishing the budgetary data reflected in the financial statements.

1. The operating budget includes proposed expenditures and the means of financing them for the upcoming year, along with estimates for the current year and actual data for the preceding year.
2. Public hearings are conducted to obtain taxpayer comment.
3. Prior to June 30, the budget is legally enacted through passage of a resolution.
4. The District Finance and Administration Manager presents a monthly report to the Board explaining variances from the approved budget.
5. Formal budgetary integration is employed as a management control device during the year for the Utility Fund, Fire Department Fund, and Capital Reserve Fund.
6. The District requires the adoption of a budget for proprietary funds.
7. Appropriations lapse at the end of each fiscal year.

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2021

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Designated Net Position

The District records reserves to indicate that a portion of the fund balance is legally segregated for a specific future use (Note 9).

Revenue Recognition - Property Taxes

Placer County bills property taxes which attach as an enforceable lien on property. Property tax revenues are recognized when they become available. Available revenue includes those property tax receivables expected to be collected within sixty days after year end. The County allocates property taxes to the District following the alternate method of property tax distribution as stated in California Revenue & Taxation Code Section 4701. Using this method, the County allocates the District's portion of total billed property taxes less an estimated administration fee. The County then assumes all responsibility for collections.

Capital Assets

Capital assets having an extended useful life are capitalized as capital assets at cost.

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated fair market value on the date donated. Maintenance and repair costs are charged to expenses as incurred. Replacements and capital improvements over \$5,000 are charged to capital asset accounts.

Capital assets are recorded in their respective fund. Depreciation of all exhaustible capital assets is charged as an expense against their operations. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Facilities and systems	3-50 years
Vehicles, furniture and equipment	3-20 years

Compensated Absences

In accordance with District policy, the District has accrued a liability for vacation pay and sick leave which has been earned but not taken by District employees. This accrual represents the estimated probable future payments attributable to employees' service for all periods prior to June 30, 2021 at their current rate of pay.

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2021

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the California Public Employees' Retirement System (CalPERS) and additions to/deductions from CalPERS fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds or employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. CalPERS audited financial statements are publicly available reports that can be obtained at CalPERS' website under Forms and Publications.

For this report, the following timeframes are used.

Valuation Date (VD)	June 30, 2019
Measurement Date (MD)	June 30, 2020
Measurement Period (MP)	July 1, 2019 to June 30, 2020

Post-Employment Benefits Other Than Pensions

In June 2015, GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions ("OPEB"). This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expenses related to OPEB. These standards apply to all public employers that pay any part of the cost of retiree health benefits for current or future retirees. The District engaged Total Compensation Systems, Inc. to analyze liabilities associated with its retiree health program as of June 30, 2019.

For this report, the following timeframes are used.

Valuation Date (VD)	June 30, 2019
Measurement Date (MD)	June 30, 2020
Measurement Period (MP)	July 1, 2019 to June 30, 2020

At June 30, 2021, the District had an undesignated unrestricted (deficit) of \$(2,471,825); \$(1,799,852) for governmental activities and \$(671,973) for business-type activities (Note 10). This resulted in an unrestricted net position of \$(857,885) for governmental activities. This deficit is primarily a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* as well as GASB Statement No. 75, *Accounting and Financial Reporting for Other Post-Employment Benefits*. The District expects that these deficits will be funded with future tax revenues.

# OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

## Notes to the Financial Statements

For the Year Ended June 30, 2021

### 1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

#### Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the District to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

#### Statement of Cash Flows

For the Statement of Cash Flows (Utility), cash is comprised of operating cash on hand and on deposit at banks. The District considers all short-term investments with an original maturity of three months or less to be cash equivalents.

#### Fiduciary Activities

The District presents its fiduciary activities information for assessing its accountability and financial reporting in their role as fiduciaries. The definition of “fiduciary” is:

- The organization acts on behalf of another person or persons to manage assets.
- Fiduciary responsibility refers to the obligation that one party has in relationship with another one to act entirely on the other party’s behalf and best interest. It is considered the standard of highest care.

The District acts as a fiduciary and presents in the accompanying financial statements the following (see Notes 7 and 14):

- Government-Wide Financial Statements
  - Government Type Activities: CalPERS for Pension and OPEB plans
  - Business Type Activities: CalPERS for Pension and OPEB plans
- Fund Financial Statements
  - Proprietary Funds: CalPERS for Pension and OPEB plans

#### Subsequent Events

The effects of subsequent events have been evaluated through December 8, 2021, which is the date the financial statements were available to be issued.

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2021

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Accounting Pronouncements Implemented for the Year Ended June 30, 2021

**Government Accounting Standards Board Statement No. 84**

In January 2017, GASB issued Statement No. 84, *Fiduciary Activities*. This Statement improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. Application of this statement is effective for the District's fiscal year ending June 30, 2021.

Upcoming Accounting Pronouncements

**Government Accounting Standards Board Statement No. 87**

In June 2017, GASB issued Statement No. 87, *Leases*. The objective of this statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. Application of this statement is effective for the District's fiscal year ending June 30, 2022.

2) CASH AND INVESTMENTS:

The District follows the practice of pooling cash and investments of all funds. Interest income earned on pooled cash and investments is allocated to the various funds based on average cash and investment balances of the respective fund. On June 30, 2021, the District's cash and investment balances included the following:

Pooled cash	\$ 1,718,416
Pooled investments	<u>7,242,976</u>
	<u>\$ 8,961,392</u>

All cash balances on deposit at banks are entirely insured or collateralized. The California Government Code requires California banks, savings, and loans to secure District deposits by pledging government securities as collateral. The market value of pledged securities must equal at least 110% of the District's deposits. California law also allows financial institutions to secure the District's deposits by pledging first trust deed mortgage notes having a value of 150% of the

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2021

2) CASH AND INVESTMENTS: (Continued)

District's total deposits. Such collateral, as permitted by the State of California, is held in each respective bank's collateral pool at a Federal Reserve Bank, or member bank other than the depository bank, in the name of the respective depository bank and pledged against all the public deposits it holds.

With the exception of deposit insurance provided by the Federal Deposit Insurance Corporation, this collateralizing process is categorized by GASB Statement No. 40 as being collateralized with securities held by the pledging financial institution or its agent but not in the District's name.

Pursuant to the District's Investment Policy, which includes certain diversification requirements, the District can invest in U.S. Government guaranteed investments, bonds or treasury notes, and certificates of deposit. The District has not adopted policies related to credit risk, custodial credit risk, concentration of credit risk, and interest rate risk.

The District's investments in the State and County investment pool are fully insured by the related entity. These investment pools do not release a credit quality.

Investments of the District are summarized as follows:

	<u>Carrying Amount</u>	<u>Market Value</u>
California Local Agency Investment Fund	\$ 25,143	25,143
ProEquities Certificate of Deposit	739,000	774,151
ProEquities Money Market	7,094	7,094
Placer County Pooled Investment Fund	<u>6,471,739</u>	<u>6,471,739</u>
Total	<u>\$ 7,242,976</u>	<u>7,287,127</u>

The Placer County Treasurer's Pooled Investment Fund is a local government pool managed by the County Treasurer's Office on behalf of Investment Pool participants. Included in the County Pool's investment portfolio are US Treasury Notes, Obligations issued by agencies of the United States Government, LAIF, Corporate Notes, Commercial Paper, collateralized other asset-backed securities, and floating rate securities issued by federal agencies, government-sponsored enterprises, and corporations.

Pursuant to California Government Code Section 27130, the Placer County Treasurer's Review Panel was created to provide oversight in the investment in public funds. The Treasurer's Review Panel reviews and monitors the Treasurer's Investment Policy. The Panel is also responsible for causing an annual compliance audit of the Treasurer's investment operations, and for reviewing the findings of the audit.

# OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

## Notes to the Financial Statements

For the Year Ended June 30, 2021

### 2) CASH AND INVESTMENTS: (Continued)

The District's investments with Local Agency Investment Fund (LAIF) at June 30, 2021 included a portion of the pooled funds invested in Structured Notes and Asset-Backed Securities. These investments included the following:

Structured Notes are debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or that have embedded forwards or options.

Asset-Backed Securities, the bulk of which are mortgage-backed securities, entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (such as CMO's) or credit card receivables.

#### Interest Rate Risk

The District does not have a formal investment policy that limits investments maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

#### Credit Risk

The District's investments in the Placer County investment pool have not been rated by a nationally recognized statistical agency.

### 3) FAIR VALUE MEASUREMENTS:

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The District has the following recurring fair value measurements as of June 30, 2021:

- a) State of California Local Agency Investment Fund of \$25,143 is valued using the underlying quoted market prices (Level 2 inputs)
- b) Placer County Pooled Investment Fund of \$6,471,740 is valued using the underlying quoted market prices (Level 2 inputs)

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2021

4) CAPITAL ASSETS:

A summary of Governmental Activities capital assets is presented below:

	Balance July 1, 2020	Additions	Deletions	Transfers	Balance June 30, 2021
Fire Department:					
Land	\$ 1,012,603	-	-	-	\$ 1,012,603
Buildings	4,944,086	26,515	(11,891)	34,889	4,993,599
Equipment	571,438	24,007	(9,535)	-	585,910
Furniture & Fixtures	39,343	-	(100)	-	39,243
Master plan	1,137	-	(1,137)	-	-
Vehicles	1,624,321	-	-	-	1,624,321
Construction in progress	34,889	-	-	(34,889)	-
Total Capital Assets Accumulated	8,227,817	50,522	(22,663)	-	8,255,676
Depreciation	(3,318,580)	(238,181)	22,456	-	(3,534,305)
Net Book Value	\$ 4,909,237				\$ 4,721,371

A summary of Business-Type Activities capital assets is presented below:

	Balance July 1, 2020	Additions	Deletions	Transfers	Balance June 30, 2021
Utility Department:					
Land	\$ 1,012,603	-	-	-	\$ 1,012,603
Buildings	4,427,811	72,784	(43,568)	104,665	\$ 4,561,692
Water system	10,864,805	36,782	(43,570)	-	10,858,017
Sewage system	7,993,050	117,183	(38,879)	-	8,071,354
Headquarters	752,614	-	-	-	752,614
Equipment	458,516	28,684	(5,254)	-	481,946
Interceptors	1,183,280	-	(454,215)	-	729,065
Vehicles	604,404	-	-	-	604,404
Furniture & Fixtures	207,554	-	(9,822)	-	197,732
Construction in progress	431,827	103,506	-	(104,665)	430,669
Total Capital Assets Accumulated	27,936,464	358,939	(595,308)	-	27,700,095
Depreciation	(17,525,281)	(643,589)	559,522	-	(17,609,348)
Net Book Value	\$ 10,411,183				\$10,090,747

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2021

5) LONG-TERM DEBT:

The District's Business-Type Activity has entered into a 25-year capital lease agreement effective June 30, 2004 with the California Infrastructure and Economic Development Bank (CIEDB) to finance a portion (\$2,000,000) of the construction of a new Fire and Administration Center at 305 Squaw Valley Road. The agreement calls for semi-annual payments in varying amounts over the life of the 25-year loan. The first payment was due February 2005, with final maturity of the loan scheduled for August 2028. The loan was collateralized with District owned property at 1810 Squaw Valley Road. In the event of default, the District has agreed to surrender the property at 1810 and pay CIEDB all damages incurred by reason of default by the District. Since the loan is older than twelve years, the loan can be prepaid without being subject to penalties. As of June 30, 2021, the District is current on all debt obligation payments to CIEDB.

A summary of the District's Business-Type Activities long-term debt at June 30, 2021 is as follows:

	Balance July 1, 2020	Additions	Payments	Balance June 30, 2021
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
3.63% lease faculty for \$2,000,000, payable over 25 years to The California Infrastructure and Economic Development Bank, first payment due February 2005 and semi-annually thereafter, maturity August 2028, secured by existing District land and facilities.	\$ 938,002	-	\$ (91,097)	\$ 846,905
Total Long-Term Debt	938,002	-	(91,097)	846,905
Less Current Installments of Long-Term Debt	91,097			94,130
Long-Term Debt Excluding Current Installments	<u>\$ 846,905</u>			<u>\$ 752,775</u>

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2021

5) LONG-TERM DEBT: (Continued)

The annual requirements to amortize District long-term debt as of June 30, 2021 are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	94,130	29,175	123,305
2023	97,265	25,706	122,971
2024	100,504	22,122	122,626
2025	103,851	18,418	122,269
2026	107,309	14,590	121,899
2027 through 2029	343,846	19,511	363,357
	<u>\$ 846,905</u>	<u>129,522</u>	<u>976,427</u>

6) DEFERRED COMPENSATION PLANS:

A 457 Deferred Compensation Plan has been established by the District with Mass Mutual. Employees may elect to defer compensation up to 100% of their salary or \$19,500 (\$26,000 if employee will have obtained age 50 by the end of the calendar year), whichever is less. Employees in their last three years before retirement may qualify to contribute additional amounts, but never more than \$39,000 per year. This Plan is fully funded with Mass Mutual.

In addition, the District has established a 457 Deferred Compensation Plan with the California Public Employees' Retirement System. Employees may elect to defer compensation up to 100% of their salary or \$19,500 (\$26,000 if employee will have obtained age 50 by the end of the calendar year), whichever is less. Employees in their last three years before retirement may qualify to contribute additional amounts, but never greater than \$39,000 per year. This Plan is fully funded with the California Public Employees' Retirement System.

Lastly, the District has established a 457 Roth Plan with the California Public Employees' Retirement System. Employees may elect to defer compensation up to 100% of their salary or \$6,000 (\$7,000 if employee will have obtained age 50 by the end of the calendar year), whichever is less. This Plan is fully funded with the California Public Employees' Retirement System.

The District is not responsible for the 457 plans; accordingly, these investments are not included in the accompanying financial statements.

# OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

## Notes to the Financial Statements

For the Year Ended June 30, 2021

### 7) NET PENSION LIABILITY:

#### General Information about the Pension Plan

##### a) Plan Description

All full-time employees of Olympic Valley Public Service District are provided with pensions through the California Public Employees' Retirement System (CalPERS), a cost-sharing multiple-employee defined benefit pension plan administered by CalPERS. A menu of benefit provisions as well as other requirements are established by State statutes within the Public Employees' Retirement Law. The District selects optional benefit provisions from the benefit menu by contract with CalPERS and adopts those benefits through local ordinance. CalPERS issues a publicly available financial report that can be obtained at [www.calpers.ca.gov](http://www.calpers.ca.gov)

##### b) Benefits Provided

CalPERS provides retirement, disability, and death benefits. Retirement benefits are determined as a percent of the employee's highest earned 1-year (or in some cases 3-year average) compensation, modified for social security participation, times the participant's benefit factor. The benefit factor is determined based on the participant's hire date, years of service in the plan and their age at retirement. Employees with 5 years of continuous service are eligible to retire anywhere from age

50-62 depending on which retirement group the employee is classified. Five years of service is required for non-industrial disability eligibility and no minimum years of service for an industrial disability. Disability benefits are determined in the same manner as retirement benefits. Death benefits vary from simple return of participant contributions to a monthly allowance equal to the retirement benefit. The plan provides for annual cost-of-living adjustment based on the Consumer Price Index, subject to a maximum of 2%.

##### c) 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 change in the rate. The total plan contributions are determined through the CalPERS' annual actuarial valuation process. For the District, the Plan's actuarially determined rate is based on the estimated amount necessary to pay the Plan's allocated share of the risk pool's costs of benefits earned by employees during the year, and any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. For the measurement period ended June 30, 2020 (the measurement date), the following is a summary of contribution rates:

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2021

7) NET PENSION LIABILITY: (Continued)

c) Contributions: (Continued)

	<u>Employee Contribution</u>	<u>Employer Contribution</u>	<u>Total Required Contribution</u>
Governmental Activity (Fire Department)			
First Tier Plan`	9.000%	21.927%	30.927%
Second Tier Plan	9.000	18.928	27.928
PEPRA Plan	12.000	13.034	25.034
Business-Type Activity (Utility Department)			
First & Second Tier Plan	8.000%	14.236%	22.236%
PEPRA Plan	6.750	7.863	14.613

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

At June 30, 2021, the District reported a liability of \$4,606,163 (\$3,092,126 for governmental activities and \$1,514,037 for business-type activities) for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. 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 plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2021, the District's proportion was 0.04641% for the governmental activities pool and 0.03589% for the business-type activities pool, which compares to 0.04709% the governmental activities pool and 0.05871% for the business-type activities pool at June 30, 2020.

For the year ended June 30, 2021, the District recognized pension expense of \$1,414,214 (\$869,913 for governmental activities and \$544,301 for business-type activities). At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2021

7) NET PENSION LIABILITY: (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Governmental Activities

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 239,778	\$ -0-
Changes of assumptions	-0-	10,300
Difference between projected and actual earnings on pension plan investments	67,205	-0-
Changes in proportion and differences between District contributions and proportionate share of contributions	267,737	175,548
District contributions subsequent to measurement date	<u>749,568</u>	<u>-0-</u>
Total	<u>\$ 1,324,288</u>	<u>\$ 185,848</u>

Business-Type Activities

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 78,023	\$ -0-
Changes of assumptions	-0-	10,799
Difference between projected and actual earnings on pension plan investments	44,977	-0-
Changes in proportion and differences between District contributions and proportionate share of contributions	848,893	817,861
District contributions subsequent to the measurement date	<u>889,711</u>	<u>-0-</u>
Total	<u>\$ 1,861,604</u>	<u>\$ 828,660</u>

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2021

7) NET PENSION LIABILITY: (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

The amount \$1,639,279 (\$749,568 for governmental activities and \$889,711 for business-type activities) reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expenses as follows:

<u>Year Ended</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
6/30/22	\$ 133,399	25,970	159,369
6/30/23	137,338	58,778	196,116
6/30/24	84,462	36,914	121,376
6/30/24	33,673	21,572	55,245

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

For the measurement period ending June 30, 2020 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2019 total pension liability. The June 30, 2020 total pension liability was based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal in accordance with the requirements of GASB Statement No. 68
Actuarial Assumptions	
Discount Rate	7.15%
Inflation	2.50%
Salary Increases	Varies by Entry Age and Service
Investment Rate of Return	7.15% Net of Pension Plan Investment and Administrative Expenses; includes inflation
Mortality Rate Table	Derived using CalPERS' Membership Data for all Funds
Post Retirement Benefit Increase	Contract COLA up to 2.5% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.50% thereafter

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2021

7) NET PENSION LIABILITY: (Continued)

Actuarial Methods and Assumptions Used to Determine Total Pension Liability (Continued)

The mortality table used was developed based on CalPERS-specific data. The table includes 15 years of mortality improvements using the Society of Actuaries Scale 90% of scale MP 2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website.

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) and developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all of 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 rounded single equivalent expected return that arrived at the same present value of benefits for cash

Long-term Expected Rate of Return (continued)

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. The expected real rates of return by asset class are as followed:

<u>Asset Class</u>	<u>Assumed asset allocation</u>	<u>Real Return Years 1-10</u>	<u>Real Return Years 11+</u>
Global Equity	50.0%	4.80%	5.98%
Fixed Income	28.0	1.00	2.62
Inflation Assets	0.0	0.77	1.81
Private Equity	8.0	6.30	7.23
Real Estate	13.0	3.75	4.93
Liquidity	1.0	0.0	(0.92)

Discount Rate

The discount rate used to measure the total pension liability was 7.15%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2021

7) NET PENSION LIABILITY: (Continued)

Discount Rate (Continued)

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.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability/(asset) of the District as of the measurement date, calculated using the discount rate of 7.15 percent, as well as what the net pension liability/(asset) would be if it were calculated using a discount rate that is 1 percentage-point lower (6.15 percent) or 1 percentage-point higher (8.15 percent) than the current rate:

	Discount Rate – 1% (6.15%)	Current Discount Rate (7.15%)	Discount Rate +1% (8.15%)
Governmental Activities	\$ 5,121,892	3,092,126	1,426,511
Business-Type Activities	3,080,391	1,514,037	219,808
Total	<u>\$ 8,202,283</u>	<u>4,606,163</u>	<u>1,646,319</u>

Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued CalPERS financial report.

Payables to the Pension Plan

At June 30, 2021, the employer’s contribution for the final payroll of the fiscal year had not been paid and was included in accounts payable in the following amounts:

Governmental Activities	\$	-0-
Business-Type Activities		9,607
	<u>\$</u>	<u>9,607</u>

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2021

8) PROCEEDS OF TAX LIMITATION:

Article XIIB of the California Constitution, as implemented by SB 1352 of 1980, specifies that proceeds of taxes of governmental entities may increase by an amount not to exceed the change in population, and the change in the United States Consumer Price Index or California per capita personal income, whichever is less.

The proceeds of taxes limit for the fiscal year ended June 30, 2021 was \$7,250,972. The District's actual annual proceeds of taxes for the year ended June 30, 2021 was \$3,767,585, leaving a margin of \$3,483,387.

The proceeds of taxes limitation adopted by the District for the year ended June 30, 2022 is \$7,713,218.

9) RESTRICTED NET POSITION:

Net position is subject to the following legal restrictions:

Governmental Activities:	
Fire – protection fees	\$ <u>135,611</u>
Total Restricted Net Position – Governmental Activities	\$ <u><u>135,611</u></u>
Business-Type Activities:	
Capital projects - water	\$ 1,352,343
Capital projects - sewer	154,450
Inflow and infiltration	<u>166,818</u>
Total Restricted Net Position – Business-Type Activities	\$ <u><u>1,673,611</u></u>

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2021

10) UNRESTRICTED NET POSITION:

A portion of the unrestricted net position has been designated by the District's Board as follows:

Governmental Activities:	
Capital asset replacement fund	\$ 941,967
Total Designated Net Position	941,967
Undesignated Net Position	<u>(1,799,852)</u>
Total Unrestricted Net Position – Governmental Deficit Activities	\$ <u>(857,885)</u>
Business-Type Activities:	
Capital asset replacement fund - water	\$ 1,442,097
Capital asset replacement fund - sewer	2,813,520
Garbage	155,181
Bike Trail	<u>56,550</u>
Total Designated Net Position	4,467,348
Undesignated Net Position (Deficit)	<u>(671,973)</u>
Total Unrestricted Net Position – Business-Type Activities	\$ <u>3,795,375</u>

The District had an undesignated unrestricted (deficit) of \$(2,471,825); \$(1,799,852) for governmental activities and \$(671,973) for business-type activities. This resulted in an unrestricted net position of \$(857,885) for governmental activities. This deficit is primarily a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* as well as GASB Statement No. 75, *Accounting and Financial Reporting for Other Post-Employment Benefits*. The District expects that these deficits will be funded with future tax revenues

11) FUND BALANCE – GOVERNMENTAL FUND (FIRE):

Nonspendable fund balance consists of receivables (\$15,538) and prepaid expenses (\$6,226).

Restricted fund balance consists of user Fire mitigation connection fees legally restricted to new capital acquisition.

12) GARBAGE SERVICE:

Effective October 1, 1974, Ordinance No. 4 was passed by the Board of Directors of the Olympic Valley Public Service District providing for compulsory trash collection service for all District residents. The trash collections costs are paid by the service recipients. The District has contracted with a California corporation to provide the trash disposal services. An allocation of general and administrative expenses is made to garbage service cost, in addition to direct costs. Trash collection fees recognized in fiscal year ended June 30, 2021 were \$282,502 while expenses, both direct and allocated, totaled \$278,346.

# OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

## Notes to the Financial Statements

For the Year Ended June 30, 2021

### 13) GRANTS:

In October of 2018, the District was notified that an application submitted to the Integrated Regional Water Management Grant (IRWM) by South Lake Tahoe Public Utility District on behalf of Tahoe agencies was accepted. The total grant amount was for \$707,360, of which \$34,647 will be allocated to the Olympic Valley Public Service District. The District has not yet submitted for reimbursement; therefore, a receivable was not booked as of June 30, 2021. However, the District intends to spend the money on implementation of an Advanced Metering Infrastructure (AMI)/Automatic Meter Reading (AMR) system and replacement of residential water meters that have reached the end of their useful life.

In May of 2019 the District was awarded \$10,000 from the Placer County Water Agency for Asset Management Implementation and GIS Database Updates. This was in accordance with the Financial Assistance Program (FAP). Per the agreement, the District will be reimbursed for costs associated with data collection, data input to GIS and data import to the asset management software. As of June 30, 2021, the District had expended \$10,000 for the project. As of June 30, 2021 the District had a receivable in the amount of \$1,312.

In May of 2020 the District was awarded \$54,866 from the Placer County Water Agency for the purpose of installing a pressure reduction valve (PRV) and station. This was in accordance with the Financial Assistance Program (FAP). The PRV is part of the District's Zone 1A Improvement Project. As of June 30, 2021, the District had expended \$10,000 for the project. As of June 30, 2021 the District had a receivable in the amount of \$7,965.

In May of 2021 the District was awarded \$371,600 from the Placer County Water Agency for the purpose of installing Advanced Metering Infrastructure (AMI) and Water Meter Replacements. This was in accordance with the Financial Assistance Program (FAP). Per the agreement, the District will be reimbursed for costs associated with the purchase and installation of new meters. The project is projected to span over two years. As of June 30, 2021 the District had not submitted for reimbursement; therefore a receivable was not booked.

In May of 2021 the District was awarded \$403,625 from the Placer County Water Agency for the Olympic Valley Public Service District and Squaw Valley Mutual Water Company to create a water system intertie. This was in accordance with the Financial Assistance Program (FAP). The Intertie will improve both systems water supply reliability by leveraging the supply and storage of the other, not only for emergencies and planned maintenance, but on a perpetual basis as well. Per the agreement, the District will be reimbursed for costs associated with planning, design, construction, and other admin fees. As of June 30, 2021 the District had not submitted for reimbursement; therefore, a receivable was not booked.

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2021

14) POSTEMPLOYMENT HEALTH BENEFITS:

Plan Description

The District provides health insurance coverage to each employee who retires and completes various age and service requirements through the California Public Employee' Retirement System (CalPERS) through a single-employer benefit plan. The District follows Public Employees' Medical & Hospital Care Act (PEMHCA) minimum contribution requirements for each eligible retiree. Benefit provisions are established and may be amended by the District Board of Directors. The plan does not issue a stand-alone financial report.

In June 2015, GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions ("OPEB") and would replace GASB statements 45 and 57. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expenses/expenditures related to OPEB. These standards apply to all public employers that pay any part of the cost of retiree health benefits for current or future retirees (including early retirees), whether they pay directly or indirectly.

Funding Policy

The District is funding the plan only to the extent necessary to cover the current year benefits of the retired beneficiaries. No employee contributions to the plan are required.

Annual Postemployment Health Benefit Cost and Total Postemployment Health Benefit Obligation

The most recent valuation data available for the Postemployment Health Benefit plan is for the year ended June 30, 2019. The following information is presented based on the plan's June 30, 2019 valuation. A standard actuarial "look-back" methodology was used to estimate the Total OPEB Liability (TOL) as of the measurement date which is June 30, 2020. The following table shows the results of the look-back.

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2021

14) POSTEMPLOYMENT HEALTH BENEFITS: (Continued)

Annual Postemployment Health Benefit Cost and Total Postemployment Health Benefit Obligation (Continued)

<b>Changes in Total OPEB Liability as of June 30, 2020</b>	<b>Total OPEB Liability</b>	<b>Plan Contributions and Benefit Payments</b>	<b>Net OPEB Liability</b>
Balance at June 30, 2019 Meas. Date	\$ 742,311	\$ -	\$ 742,311
Service cost	32,604	-	32,604
Interest on TOL	26,259	-	26,259
Employer contributions	-	16,767	(16,767)
Benefit payments	(16,767)	(16,767)	-
Assumption changes	201,479	-	201,479
Experience (gains)/losses	592	-	592
Other	-	-	-
Net change during 2019-20	\$ 244,167	\$ -	\$ 244,167
Balance at June 30, 2020 Meas. Date	\$ 986,478	\$ -	\$ 986,478

Actuarial Methods and Assumptions Used to Determine Total OPEB Liability

The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. For the measurement period ending June 30, 2020 (the measurement date), the total OPEB liability was based on the following actuarial methods and assumptions:

Actuarial Cost Method

Entry Age in accordance with the requirements of GASB Statement No. 75

Actuarial Assumptions

Discount Rate	2.2% per year net of expenses. Based on the Bond Buyer 20 Bond Index
Inflation	2.75%
Salary Increases	2.75%
Healthcare Cost Trend	4%
Mortality Rate Table	Derived using CalPERS' 2017 Mortality Data

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2021

14) POSTEMPLOYMENT HEALTH BENEFITS: (Continued)

Retirement Rates	<p>Firefighters:</p> <p>Hired before 2013: 2017 CalPERS 3% @50 Rates for Firefighters</p> <p>Hired after 2012: 2017 CalPERS 2.7% @57 Rates for Firefighters</p> <p>General Employees:</p> <p>Hired before 2013: 2017 CalPERS 2.7% @55 Rates for Miscellaneous employees</p> <p>Hired after 2012: 2017 CalPERS 2% @62 Rates for Miscellaneous employees</p>
Service Requirement	100% at 5 years of service

Discount Rate

The discount rate used to measure the total OPEB liability for a measurement date of June 30, 2020 was 2.2%. This is a reduction from the prior measurement date of 3.5% and the main reason for the significant increase in the total OPEB liability. The District assumed that all contributions are from the employer. There are currently no plan assets, so assumptions made about projected cash flows and investment returns were not included.

The following presents the total OPEB liability/(asset) of the District as of the measurement date, calculated using the discount rate of 2.2 percent, as well as what the total OPEB liability/(asset) would be if it were calculated using a discount rate that is 1 percentage-point lower (1.2 percent) or 1 percentage-point higher (3.2 percent) than the current rate:

	Discount Rate – 1% (1.20%)	Current Trend Rate (2.20%)	Discount Rate +1% (3.20%)
Net OPEB Liability	\$ 1,180,019	986,478	825,078

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2021

14) POSTEMPLOYMENT HEALTH BENEFITS: (Continued)

Sensitivity of the Total OPEB Liability to Changes in the healthcare cost trend.

The following presents the total OPEB liability/(asset) of the District as of the measurement date, calculated using the healthcare cost trend of 4 percent, as well as what the total OPEB liability/(asset) would be if it were calculated using a trend that is 1 percentage-point lower (3 percent) or 1 percentage-point higher (5 percent) than the current rate:

	Trend Rate – 1% (3.00%)	Current Trend Rate (4.00%)	Trend Rate +1% (5.00%)
Net OPEB Liability	\$ 806,661	986,478	1,240,183

Summary of Plan Participants

	Number of Participants
Inactive Employees Receiving Benefits	10
Inactive Employees Entitled to But Not Receiving Benefits	2
Participating Active Employees	26
	<u>38</u>

OPEB Expense

Under GASB 75, OPEB expense includes service cost, interest cost, change in TOL due to plan changes; all adjusted for deferred inflows and outflows. The OPEB expense for the current year is summarized below.

**Preliminary OPEB Expense Fiscal Year Ending June 30, 2021**

Service Cost	\$32,604
Interest on Total OPEB Liability (TOL)	26,259
Employee Contributions	-
Recognition of Experience (Gain)/Loss Deferrals	4,246
Recognized Assumption Change Deferrals	18,117
Actual Investment Income	-
Recognized Investment Gains/Losses	-
Contributions After Measurement Date (Deferred Outflow)	-
Liability Change Due to Benefit Changes	-
Administrative Expense	-
OPEB Expense	<u>\$81,226</u>

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2021

14) POSTEMPLOYMENT HEALTH BENEFITS: (Continued)

The amount \$17,890 (\$5,891 for governmental activities and \$11,999 for business-type activities) reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2022. Other amounts reported as deferred outflows/ (inflows) of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended	Governmental Activities	Business-Type Activities	Total
6/30/22	\$ 11,588	10,775	22,363
6/30/23	11,588	10,775	22,363
6/30/24	11,588	10,775	22,363
6/30/25	11,588	10,775	22,363
6/30/26	11,588	10,775	22,363
Thereafter	57,906	52,845	110,751

“Pay As You Go” Funding of Retiree Benefits

The actuarial assumptions listed above were used to project the ten-year retiree benefit outlay.

Year Beginning July 1	Total	Fire Fighters	General Employees
2019	\$16,500	\$4,950	\$11,550
2020	17,418	5,455	11,963
2021	18,557	6,123	12,434
2022	20,344	7,375	12,969
2023	21,521	7,979	13,542
2024	22,968	8,742	14,226
2025	24,744	9,746	14,998
2026	26,693	10,900	15,793
2027	28,692	12,082	16,610
2028	30,906	13,381	17,525

15) RISK MANAGEMENT:

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District is a member of two Joint Powers Authorities for the operation of common risk management and insurance programs. The programs cover workers’ compensation, property, liability, and employee dishonesty insurance. The Authorities are governed by Executive Boards consisting of representatives from member

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2021

15) RISK MANAGEMENT (continued):

districts. The Executive Boards control the operations of the Authorities, including selection of management and approval of operating budgets.

The relationship between the District and the Joint Powers Authorities is such that the Authorities are not a component unit of the District for financial reporting purposes.

For workers' compensation insurance, the District has joined with other special districts within the state to form the Special Districts Workers' Compensation Authority ("SDWCA"). The District pays estimated annual premiums to the SDWCA based upon estimated payroll classified into rate categories pursuant to the rules published by the California Workers' Compensation Insurance Rating Bureau. Actual premium due is determined after the fiscal year end and is based upon actual payroll. The SDWCA is entitled to assess additional premiums or to refund premiums based upon a pro rata allocation of the District's premium paid to total premiums paid. The District is not assessed additional premiums or refunded premiums on an individual basis based upon claims or loss experience. The SDWCA agrees to pay all amounts legally required by California workers' compensation laws. The amounts of settlements have not exceeded coverage provided by SDWCA for the last three fiscal years.

For property, liability and employee dishonesty insurance, the District has joined with other special districts within the state to form the Special Districts Risk Management Authority ("SDRMA"). The District pays an annual premium to SDRMA for its property, liability, and employee dishonesty coverage. The SDRMA is entitled to assess additional premiums or to refund premiums based upon a pro rata allocation of the District's premium paid to total premiums paid. The District is not assessed additional premiums or refunded premiums on an individual basis based upon claims or loss experience. The amounts of settlements have not exceeded coverage provided by SDRMA for the last three fiscal years.

16) RENTAL ACTIVITY:

The District rents idle facilities to outside parties. These facilities have an original cost of \$1,233,547, accumulated depreciation of \$1,009,922, and a net book value of \$223,626. Rental income of \$95,172 is reflected in the Statement of Activities for the Business-Type and Government Activity. Expenses for the rental activity, which are also reflected in the Statement of Activities, are as follows:

Maintenance and repairs	\$ 4,504
Insurance	1,865
Utilities	24,321
Depreciation	<u>19,569</u>
Total Expenses	<u>\$ 50,259</u>

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2021

16) RENTAL ACTIVITY: (Continued)

Future minimum rentals on non-cancelable leases for these rentals are as follows:

<u>Year Ending June 30</u>	<u>Amount</u>
2022	114,324
2023	123,900
2024	126,516
2025	127,824
2026	<u>42,608</u>
	<u>\$ 535,172</u>

**Required Supplementary  
Information (Unaudited)**

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Statement of Revenues, Expenditures, and Changes in Fund Balances Budget and Actual  
Governmental Fund (Fire) (Unaudited)

For the Year Ended June 30, 2021

	Original and Final Budget	Actual	Budget Variance (Over) Under
<b>Program Revenue</b>			
Mutual aid	\$ -	\$ 116,683	\$ (116,683)
Fire protection fee	16,500	63,016	(46,516)
Total Program Revenue	16,500	179,699	(163,199)
<b>Expenditures</b>			
Salaries and wages	2,094,117	2,006,616	87,501
Employee benefits	1,056,190	1,206,383	(150,193)
Total salaries, wages and benefits	3,150,307	3,212,999	(62,692)
<b>Field Operations</b>			
Material & supplies	18,726	24,384	(5,658)
Uniforms	9,200	16,474	(7,274)
Utilities	45,826	63,129	(17,303)
Maintenance & repairs	55,350	42,424	12,926
Training	36,000	18,126	17,874
Fire prevention	2,000	503	1,497
Vehicle maintenance	29,300	30,898	(1,598)
Total field operations	196,402	195,938	464
<b>General &amp; Administrative</b>			
Board expenses	17,600	16,754	846
Accounting & audit services	10,345	10,505	(160)
Consulting services	14,250	6,471	7,779
Insurance	48,679	43,955	4,724
License, permit & contracts	69,029	59,578	9,451
Office expense	19,815	12,249	7,566
Travel & meetings	18,275	5,812	12,463
Total general &	197,993	155,324	42,669

(Continued)

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Statement of Revenues, Expenditures, and Changes in Fund Balances Budget and Actual  
Governmental Fund (Fire) (Unaudited)

For the Year Ended June 30, 2021

	Original and Final Budget	Actual	Budget Variance (Over) Under
Expenditures (Continued)			
Other expenditures			
Capital outlay	\$ 102,611	50,522	52,089
Debt service	-	-	-
Interest	-	-	-
Total other expenditures	<u>102,611</u>	<u>50,522</u>	<u>52,089</u>
Total Expenditures	<u>3,647,313</u>	<u>3,614,783</u>	<u>32,530</u>
Net Program Revenue (Expenditures)	(3,630,813)	(3,435,084)	(195,729)
Property tax	3,636,937	3,692,261	(55,324)
Administrative fees	-	91,642	(91,642)
Grants	-	-	-
Interest	-	7,023	(7,023)
Rental revenue	31,650	31,724	(74)
Other	<u>10,488</u>	<u>35,164</u>	<u>(24,676)</u>
Total General Revenues	<u>3,679,075</u>	<u>3,857,814</u>	<u>(178,739)</u>
Increase (Decrease) in Fund Balance	<u>\$ 48,262</u>	422,730	<u>(374,468)</u>
Fund Balance – Beginning of Year		<u>1,131,122</u>	
Fund Balance – End of Year		<u>\$ 1,553,852</u>	

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Statement of Revenues, Expenses, and Changes in Fund Net Position Budget and Actual  
Proprietary Fund (Utility) (Unaudited)

For the Year Ended June 30, 2021

	Original and Final Budget	Actual	Budget Variance (Over) Under
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Program Revenue			
Service fees	\$ 3,709,763	3,790,340	(80,577)
Connection fee	208,512	491,782	(283,270)
Grants	<u>100,866</u>	<u>56,839</u>	<u>44,027</u>
Total Program Revenue	4,019,141	4,338,961	(319,820)
Expenses			
Salaries and wages	1,453,795	1,453,308	487
Employee benefits	<u>704,379</u>	<u>978,398</u>	<u>(274,019)</u>
Total salaries, wages and benefits	2,158,174	2,431,706	(273,532)
Field operations:			
Material & supplies	19,500	18,362	1,138
Uniforms	10,500	8,758	1,742
Chemicals & lab fees	50,000	55,190	(5,190)
Utilities	58,900	80,220	(21,320)
Maintenance & repairs	108,354	71,934	36,420
Training	27,070	18,253	8,817
Vehicle maintenance	34,000	33,066	934
Garbage contract	<u>267,895</u>	<u>273,339</u>	<u>(5,444)</u>
Total field operations	576,219	559,122	17,097

(Continued)

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Statement of Revenues, Expenses, and Changes in Fund Net Position Budget and Actual  
Proprietary Fund (Utility) (Unaudited)

For the Year Ended June 30, 2021

	Original and Final Budget	Actual	Budget Variance (Over) Under
Expenses (Continued)			
General & administrative			
Board expenses	\$ 56,800	50,837	5,963
Accounting & audit services	16,915	15,998	917
Consulting services	122,750	55,126	67,624
Insurance	64,119	67,866	(3,747)
License, permit & contracts	44,428	41,522	2,906
Office expense	59,375	50,763	8,612
Travel & meetings	13,825	8,337	5,488
Office utilities	54,082	68,244	(14,162)
Total general & administrative	432,294	358,693	73,601
Other expenses			
Depreciation	666,222	643,589	22,633
Interest	71,020	31,018	40,002
Miscellaneous	1,000	35,789	(34,789)
Total other expenses	738,242	710,396	27,846
Total Expenses	3,904,929	4,059,917	(154,988)
Net Program Revenue (Expense)	114,212	279,044	(164,832)

(Continued)

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Statement of Revenues, Expenses, and Changes in Fund Net Position Budget and Actual  
Proprietary Fund (Utility) (Unaudited)

For the Year Ended June 30, 2020

	Original and Final Budget	Actual	Budget Variance (Over) Under
General Revenues			
Property tax	\$ 20,000	\$ 75,324	\$ (55,324)
Dedications		-	-
Administrative fees	5,892	5,802	90
Interest	11,850	51,220	(39,370)
Rental revenue	63,299	63,448	(149)
Other	-	68	(68)
	<u>101,041</u>	<u>195,862</u>	<u>(94,821)</u>
Total General Revenues			
Increase (Decrease) in Fund Balance	\$ <u>215,253</u>	474,906	\$ <u>(259,653)</u>
Fund Balance – Beginning of Year,		<u>14,237,922</u>	
Fund Balance – End of Year		\$ <u>14,712,828</u>	

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Schedule of the District's Proportionate Share of Net Pension Liability (Unaudited)  
Last 10 Years\*  
Governmental Activities

	District's proportion of the net pension liability (asset) %	District's proportionate share of the net pension liability (asset)	District's covered- employee payroll	District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll (%)	Plan fiduciary net position as a percentage of the total pension liability (%)
6/30/2021	0.04641	\$ 3,092,126	\$ 1,438,326	214.98	79.31
6/30/2020	0.04709	\$ 2,939,480	\$ 1,412,413	208.12	79.10
6/30/2019	0.05243	\$ 3,076,605	\$ 1,444,106	213.05	76.07
6/30/2018	0.05073	\$ 3,031,127	\$ 1,426,607	212.47	75.16
6/30/2017	0.04980	\$ 2,579,354	\$ 1,409,624	182.98	75.48
6/30/2016	0.04803	\$ 1,979,217	\$ 1,388,693	142.52	79.14
6/30/2015	0.04532	\$ 1,398,722	\$ 1,267,582	110.35	81.42

Business-Type Activities

	District's proportion of the net pension liability (asset) %	District's proportionate share of the net pension liability (asset)	District's covered- employee payroll	District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll (%)	Plan fiduciary net position as a percentage of the total pension liability (%)
6/30/2021	0.03589	\$ 1,514,037	\$ 1,569,985	96.44	87.14
6/30/2020	0.05871	\$ 2,351,163	\$ 1,470,155	159.93	78.85
6/30/2019	0.07032	\$ 2,650,101	\$ 1,293,000	204.96	74.82
6/30/2018	0.06843	\$ 2,697,379	\$ 1,141,501	236.30	73.39
6/30/2017	0.06679	\$ 2,320,231	\$ 1,159,919	200.03	74.18
6/30/2016	0.06623	\$ 1,817,006	\$ 1,047,508	173.46	79.15
6/30/2015	0.05659	\$ 1,700,068	\$ 998,317	170.29	83.03

Notes to Schedule:

Methods and assumptions used to determine contribution rates:

Valuation Date	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
Actuarial cost method	Entry age normal cost method						
Amortization method	Level percent of payroll						
Asset valuation method	Market value						
Actuarial assumptions:							
Discount rate	7.15%	7.15%	7.15%	7.15%	7.65%	7.65%	7.50%
Projected salary increases	Varies by entry age and service						
Inflation	2.50%	2.50%	2.50%	2.75%	2.75%	2.75%	2.75%
Post Retirement Benefit increase	2.50%	2.50%	2.50%	2.75%	3.00%	3.00%	3.00%

\* Omitted years: GASB statement No. 68 was implemented during the year ended June 30, 2015

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Schedule of District Contributions for Pensions (Unaudited)  
Last 10 Years\*

Governmental Activities

	6/30/21	6/30/20	6/30/19	6/30/18	6/30/17	6/30/16	6/30/15
Contractually Required Contribution	\$ 749,568	693,477	846,205	381,749	356,437	329,377	301,932
Contributions	\$ (749,568)	(693,477)	(846,205)	(381,749)	(356,437)	(329,377)	(301,932)
Contribution deficiency (excess)	\$ -0-	-0-	-0-	-0-	-0-	-0-	-0-
District's covered-employee payroll	\$ 1,438,326	1,412,413	1,444,106	1,426,607	1,409,624	1,388,693	1,267,582
Contributions as a % of covered-employee payroll	52.11%	49.10%	58.60%	26.76%	25.29%	27.32%	23.82%

Business-Type Activities

	6/30/21	6/30/20	6/30/19	6/30/18	6/30/17	6/30/16	6/30/15
Contractually Required Contribution	\$ 889,711	1,323,957	808,710	253,032	220,906	224,552	192,826
Contributions	\$ (889,711)	(1,323,957)	(808,710)	(253,032)	(220,906)	(224,552)	(192,826)
Contribution deficiency (excess)	\$ -0-	-0-	-0-	-0-	-0-	-0-	-0-
District's covered-employee payroll	\$ 1,569,985	1,470,155	1,293,000	1,141,501	1,159,919	1,047,508	998,317
Contributions as a % of covered-employee payroll	56.67%	90.06%	62.55%	22.17%	19.04%	21.43%	19.32%

Notes to Schedule:

Methods and assumptions used to determine contribution rates:

Valuation Date	6/30/19	6/30/18	6/30/17	6/30/16	6/30/15	6/30/14	6/30/13
Actuarial cost method	Entry age normal cost method						
Amortization method	Level percent of payroll						
Asset valuation method	Market value						
Actuarial assumptions:							
Discount rate	7.15%	7.15%	7.15%	7.15%	7.65%	7.65%	7.50%
Projected salary increases	Varies by entry age and service						
Inflation	2.50%	2.50%	2.50%	2.75%	2.75%	2.75%	2.75%
Post Retirement Benefit increase	2.50%	2.50%	2.50%	2.75%	3.00%	3.00%	3.00%

\* Omitted years: GASB statement No. 68 was implemented during the year ended June 30, 2015

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Schedule of Changes in the Total OPEB Liability as of Measurement Date  
Last 10 Years\*

<b>As of Measurement Date of June 30<sup>th</sup></b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Total OPEB Liability – Beginning	\$577,372	\$616,532	\$626,502	742,311
Service Cost	31,009	31,862	29,958	32,604
Interest on TOL	20,519	23,789	24,140	26,259
Benefit Payments	(12,368)	(13,412)	(14,474)	(16,767)
Experience (Gains)/Losses	-0-	-0-	46,112	592
Assumption Changes	-0-	(32,269)	30,073	201,479
<b>Total OPEB Liability (TOL) – Ending*</b>	<b>\$616,532</b>	<b>\$626,502</b>	<b>\$742,311</b>	<b>\$986,478</b>
Fiduciary Net Position (FNP)	-0-	-0-	-0-	-0-
FNP as a % of TOL	0%	0%	0%	0%

Schedule of OPEB Liability and Related Ratios – Last 10 Years\*

Governmental Activities

<u>Measurement Date</u>	<u>Total OPEB Liability (TOL)</u>	<u>Fiduciary Net Liability</u>	<u>Net OPEB Liability</u>	<u>FNP as a % of TOL</u>
6/30/2017	\$ 279,216	-	279,216	0%
6/30/2018	\$ 281,926	-	281,926	0%
6/30/2019	\$ 334,040	-	334,040	0%
6/30/2020	\$ 443,915	-	443,915	0%

Business-Type Activities

<u>Measurement Date</u>	<u>Total OPEB Liability (TOL)</u>	<u>Fiduciary Net Liability</u>	<u>Net OPEB Liability</u>	<u>FNP as a % of TOL</u>
6/30/2017	\$ 337,316	-	337,316	0%
6/30/2018	\$ 344,576	-	344,576	0%
6/30/2019	\$ 408,271	-	408,271	0%
6/30/2020	\$ 542,643	-	542,643	0%

\* Omitted years: GASB statement No. 75 was implemented during the year ended June 30, 2018

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Notes to Schedule:

Methods and assumptions used to determine OPEB Liability:

Valuation Date	June 30, 2020
Actuarial cost method	Entry Age
Discount rate	2.2%
Projected salary increases	2.75%
Inflation	2.75%
Healthcare Cost Trend	4%
Mortality Rate Table	Derived using CalPERS' 2017 Mortality Data
Retirement Rates	<u>Firefighters:</u> Hired before 2013: 2017 CalPERS 3% @50 Rates for Firefighters Hired after 2012: 2017 CalPERS 2.7% @57 Rates for Firefighters <u>General Employees:</u> Hired before 2013: 2017 CalPERS 2.7% @55 Rates for Miscellaneous employees Hired after 2012: 2017 CalPERS 2% @62 Rates for
Service Requirement	100% at 5 years of service

# **Supplementary Information**

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Combining Statement of Activities and Changes in Net Position  
Business-Type Activities

For the Year Ended June 30, 2021

	<u>Water Department</u>	<u>Sewer Department</u>	<u>Garbage Department</u>	<u>Other</u>	<u>Total Business- Type Activities</u>
Program Revenue					
Service fees	\$ 1,941,808	\$ 1,457,337	\$ 282,502	\$ 108,693	\$ 3,790,340
Connection fees	337,893	153,889	-	-	491,782
Grants	10,839	-	-	46,000	56,839
<b>Total program Revenue</b>	<b>2,290,540</b>	<b>1,611,226</b>	<b>282,502</b>	<b>154,693</b>	<b>4,338,961</b>
Expenses					
Salaries and wages	717,981	677,822	4,290	53,215	1,453,308
Employee benefits	464,465	483,815	717	29,401	978,398
<b>Total salaries, wages and benefits</b>	<b>1,182,446</b>	<b>1,161,637</b>	<b>5,007</b>	<b>82,616</b>	<b>2,431,706</b>
Field operations:					
Material & supplies	9,489	8,873	-	-	18,362
Uniforms	4,854	3,904	-	-	8,758
Chemicals & lab fees	55,190	-	-	-	55,190
Utilities	68,059	12,161	-	-	80,220
Maintenance & repairs	40,411	17,586	-	13,937	71,934
Training	10,426	7,827	-	-	18,253
Vehicle maintenance	15,551	17,515	-	-	33,066
Garbage contract	-	-	273,339	-	273,339
<b>Total field operations</b>	<b>203,980</b>	<b>67,866</b>	<b>273,339</b>	<b>13,937</b>	<b>559,122</b>

(Continued)

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT  
Combining Statement of Activities and Changes in Net Position  
Business-Type Activities

For the Year Ended June 30, 2021

	Water Department	Sewer Department	Garbage Department	Other	Total Business- Type Activities (Utilities)
Expenses (Continued)					
General & administrative					
Board expenses	\$ 25,419	\$ 25,418	\$ -	\$ -	50,837
Accounting & audit services	7,999	7,999	-	-	15,998
Consulting services	27,563	27,563	-	-	55,126
Insurance	33,933	33,933	-	-	67,866
License, permit & contracts	20,761	20,761	-	-	41,522
Office expense	25,382	25,381	-	-	50,763
Travel & meetings	4,168	4,169	-	-	8,337
Office utilities	34,122	34,122	-	-	68,244
 Total general & administrative	 179,347	 179,346	 -	 -	 358,693
Other expenses					
Depreciation	364,529	279,060	-	-	643,589
Interest	15,509	15,509	-	-	31,018
Miscellaneous	17,894	17,895	-	-	35,789
Total other expenses	397,932	312,464	-	-	710,396
 Total Expenses	 1,963,705	 1,721,313	 278,346	 96,553	 4,059,917
 Net Program					
Revenue (Expense)	\$ 326,835	\$ (110,087)	\$ 4,156	\$ 58,140	\$ 279,044

(Continued)

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT  
Combining Statement of Activities and Changes in Net Position  
Business-Type Activities

For the Year Ended June 30, 2021

	<u>Water Department</u>	<u>Sewer Department</u>	<u>Garbage Department</u>	<u>Other</u>	<u>Total Business- Type Activities (Utilities)</u>
General Revenues					
Property tax	\$ 37,662	\$ 37,662	\$ -	\$ -	75,324
Administrative fees	1,333	1,333	-	3,136	5,802
Interest	23,356	26,391	1,180	293	51,220
Rental revenue	31,724	31,724	-	-	63,448
Other	34	34	-	-	68
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total General Revenues	\$ <u>94,109</u>	\$ <u>97,144</u>	\$ <u>1,180</u>	\$ <u>3,429</u>	\$ <u>195,862</u>
Increase (Decrease) in Net Position	\$ <u>420,944</u>	\$ <u>(12,943)</u>	\$ <u>5,336</u>	\$ <u>61,569</u>	\$ <u>474,906</u>

**Statistical  
Section  
(Unaudited)**

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT										
Financial Trends - Net Position by Component										
Last Ten Years										
(accrual basis of accounting)										
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<u>Governmental activities</u>										
Net Investment in capital assets	\$ 4,721,371	\$ 4,909,237	\$ 5,114,336	\$ 5,217,880	\$ 5,179,742	\$ 4,621,128	\$ 4,704,252	\$ 4,796,045	\$ 4,890,819	\$ 4,992,728
Restricted	135,611	71,842	23,792	2,450	236,825	232,379	200,892	173,071	150,631	133,961
Unrestricted	(857,885)	(1,082,712)	(1,075,533)	(1,174,290)	(1,326,180)	(859,559)	(1,140,142)	676,832	613,978	448,638
Total governmental activities net position	\$ 3,999,097	\$ 3,898,367	\$ 4,062,595	\$ 4,046,040	\$ 4,090,387	\$ 3,993,948	\$ 3,765,002	\$ 5,645,948	\$ 5,655,428	\$ 5,575,327
<u>Business-type activities</u>										
Net Investment in capital assets	\$ 9,243,842	\$ 9,473,181	\$ 8,378,016	\$ 8,105,755	\$ 8,066,888	\$ 8,539,548	\$ 9,040,954	\$ 9,205,910	\$ 9,332,808	\$ 9,638,854
Restricted	1,673,611	1,179,160	854,620	748,444	940,206	866,195	700,402	725,240	688,198	666,202
Unrestricted	3,795,375	3,585,581	4,317,030	3,875,392	3,346,322	2,655,847	1,921,827	3,024,993	3,025,565	2,882,095
Total business-type activities net position	\$ 14,712,828	\$ 14,237,922	\$ 13,549,666	\$ 12,729,591	\$ 12,353,416	\$ 12,061,590	\$ 11,663,183	\$ 12,956,143	\$ 13,046,571	\$ 13,187,151
<u>Primary Government</u>										
Net Investment in capital assets	13,965,213	14,382,418	13,492,352	13,323,635	13,246,630	13,160,676	13,745,206	14,001,955	14,223,627	14,631,582
Restricted	1,809,222	1,251,002	878,412	750,894	1,177,031	1,098,574	901,294	898,311	838,829	800,163
Unrestricted	2,937,490	2,502,869	3,241,497	2,701,102	2,020,142	1,796,288	781,685	3,701,825	3,639,543	3,330,733
Total primary government net position	\$ 18,711,925	\$ 18,136,289	\$ 17,612,261	\$ 16,775,631	\$ 16,443,803	\$ 16,055,538	\$ 15,428,185	\$ 18,602,091	\$ 18,701,999	\$ 18,762,478

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT Business-Type Activities Financial Trends - Change in Net Position Last Ten Years (accrual basis of accounting)										
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>Charges for Services</b>										
Water	\$ 1,941,808	\$ 1,948,281	\$ 1,817,309	\$ 1,737,105	\$ 1,519,649	\$ 1,476,065	\$ 1,321,545	\$ 1,271,470	\$ 1,116,947	\$ 1,007,216
Sewer	1,457,337	1,476,464	1,397,313	1,324,468	1,226,613	1,152,270	1,059,104	950,546	847,594	759,081
Garbage	282,502	268,010	255,180	250,631	243,959	239,059	234,899	228,110	221,996	223,079
Contract Services	108,693	105,651	101,230	97,817	100,087	97,536	156,271	58,908	-	-
Connection Fees and Grants	548,621	528,167	233,711	192,733	148,527	356,479	14,134	106,548	70,909	68,408
Property taxes	75,324	42,514	142,068	68,972	184,353	524,830	327,435	276,771	284,024	371,895
Other General Revenue	120,538	212,232	417,226	199,553	162,841	209,265	215,256	295,182	153,276	182,132
<b>Total</b>	<b>4,534,823</b>	<b>4,581,319</b>	<b>4,364,037</b>	<b>3,871,279</b>	<b>3,586,029</b>	<b>4,055,504</b>	<b>3,328,644</b>	<b>3,187,535</b>	<b>2,694,746</b>	<b>2,611,811</b>
<b>Expenses:</b>										
Water - direct expenses	1,386,426	1,368,941	1,458,295	1,356,898	1,116,103	1,164,260	958,465	1,177,799	907,872	1,360,193
Sewer - direct expenses	1,229,503	1,160,275	715,748	676,272	629,341	730,529	567,833	715,404	637,989	853,414
Garbage - direct expenses	278,346	262,464	247,663	240,437	235,891	235,679	232,296	232,048	221,996	219,041
Contract Services - direct exp	96,553	96,430	133,356	100,453	86,047	83,259	80,597	59,039	-	-
Indirect expenses	1,069,089	1,004,953	988,900	1,028,579	1,226,821	1,443,370	1,064,083	1,093,673	1,067,469	1,022,051
<b>Total expenses</b>	<b>4,059,917</b>	<b>3,893,063</b>	<b>3,543,962</b>	<b>3,402,639</b>	<b>3,294,203</b>	<b>3,657,097</b>	<b>2,903,274</b>	<b>3,277,963</b>	<b>2,835,326</b>	<b>3,454,699</b>
<b>Change in net position</b>	<b>474,906</b>	<b>688,256</b>	<b>820,075</b>	<b>468,640</b>	<b>291,826</b>	<b>398,407</b>	<b>425,370</b>	<b>(90,428)</b>	<b>(140,580)</b>	<b>(842,888)</b>
<b>Net Position</b>	<b>14,237,922</b>	<b>13,549,666</b>	<b>12,729,591</b>	<b>12,353,416</b>	<b>12,061,590</b>	<b>11,663,183</b>	<b>12,956,143</b>	<b>13,046,571</b>	<b>13,187,151</b>	<b>14,030,039</b>
Prior period restatement	-	-	-	(92,465)	-	-	(1,718,330)	-	-	-
<b>Net Position - Beginning</b>	<b>14,237,922</b>	<b>13,549,666</b>	<b>12,729,591</b>	<b>12,260,951</b>	<b>12,061,590</b>	<b>11,663,183</b>	<b>11,237,813</b>	<b>13,046,571</b>	<b>13,187,151</b>	<b>14,030,039</b>
<b>Net Position - Ending</b>	<b>\$ 14,712,828</b>	<b>\$ 14,237,922</b>	<b>\$ 13,549,666</b>	<b>\$ 12,729,591</b>	<b>\$ 12,353,416</b>	<b>\$ 12,061,590</b>	<b>\$ 11,663,183</b>	<b>\$ 12,956,143</b>	<b>\$ 13,187,151</b>	<b>\$ 13,187,151</b>

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT										
Governmental Activities										
Financial Trends - Change in Net Position										
Last Ten Years										
(accrual basis of accounting)										
Fiscal Year										
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<u>Changes for services (Fire):</u>										
Property taxes	\$ 3,692,261	\$ 3,597,362	\$ 3,425,899	\$ 3,367,063	\$ 3,157,996	\$ 2,773,179	\$ 2,688,493	\$ 2,627,109	\$ 2,598,525	\$ 2,427,616
Other General Revenues	165,346	57,822	109,806	111,829	112,726	69,531	26,641	13,547	31,817	17,859
Program Revenue	179,699	53,539	87,250	92,931	54,974	105,100	66,920	22,854	37,849	20,390
Total program revenues	4,037,306	3,708,723	3,622,955	3,571,823	3,325,696	2,947,810	2,782,054	2,663,510	2,668,191	2,465,865
<u>Expenses:</u>										
Fire - direct expenses	3,543,071	3,462,510	3,281,524	3,190,295	2,952,935	2,422,887	2,403,246	2,367,565	2,270,696	2,429,257
Indirect expenses	393,505	410,441	324,876	307,265	276,322	295,977	310,513	305,425	317,394	321,418
Total Expenses	3,936,576	3,872,951	3,606,400	3,497,560	3,229,257	2,718,864	2,713,759	2,672,990	2,588,090	2,750,675
Change in net position	100,730	(164,228)	16,555	74,263	96,439	228,946	68,295	(9,480)	80,101	(284,810)
Net Position	3,898,367	4,062,595	4,046,040	4,090,387	3,993,948	3,765,002	5,645,948	5,655,428	5,575,327	5,860,137
Prior Period restatement	-	-	-	(118,610)	-	-	(1,949,241)	-	-	-
Net Position - Beginning	3,898,367	4,062,595	4,046,040	3,971,777	3,993,948	3,765,002	3,696,707	5,655,428	5,575,327	5,860,137
Net Position - Ending	\$ 3,999,097	\$ 3,898,367	\$ 4,062,595	\$ 4,046,040	\$ 4,090,387	\$ 3,993,948	\$ 3,765,002	\$ 5,645,948	\$ 5,655,428	\$ 5,575,327

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT										
Financial Trends - Fund Balances of General Fund										
Last Ten Years										
(modified accrual basis of accounting)										
Fiscal Year										
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General Fund										
Nonspendable	\$ 21,764	\$ 12,599	\$ 237,839	\$ 386,129	\$ 339,096	\$ 243,223	\$ 236,927	\$ 234,977	\$ 265,829	\$ 250,825
Restricted	135,611	71,842	23,792	2,450	236,825	232,379	200,892	173,071	150,631	133,961
Committed	941,967	783,773	342,688	-	166,174	497,868	511,200	446,435	387,281	218,004
Unassigned	454,510	262,908	337,610	525,533	(59,432)	146,070	13,190	156,389	96,491	100,156
Total general fund	<u>\$ 1,553,852</u>	<u>\$ 1,131,122</u>	<u>\$ 941,929</u>	<u>\$ 914,112</u>	<u>\$ 682,663</u>	<u>\$ 1,119,540</u>	<u>\$ 962,209</u>	<u>\$ 1,010,872</u>	<u>\$ 900,232</u>	<u>\$ 702,946</u>

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT										
Financial Trends - Changes in Fund Balances of Governmental Funds										
Last Ten Years										
(modified accrual basis of accounting)										
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
	Fiscal Year									
<b>Revenues</b>										
Property taxes	\$3,692,261	\$ 3,597,362	\$ 3,425,899	\$ 3,367,063	\$ 3,157,996	\$ 2,773,179	\$ 2,688,493	\$ 2,627,109	\$ 2,598,525	\$ 2,427,616
Fire Protection Fees	63,016	47,000	21,000	16,000	9,654	28,080	25,370	20,177	14,500	8,390
Interest	7,023	15,897	14,308	11,610	12,920	13,122	8,725	9,147	7,807	9,324
Rental & Admin Revenue	240,049	38,078	160,598	173,355	63,409	82,200	41,550	2,677	43,866	12,000
Other	35,164	11,238	1,150	5,821	90,779	51,229	17,915	4,400	3,493	8,535
<b>Total Revenues</b>	<b>\$4,037,513</b>	<b>\$ 3,709,575</b>	<b>\$ 3,622,955</b>	<b>\$ 3,573,849</b>	<b>\$ 3,334,758</b>	<b>\$ 2,947,810</b>	<b>\$ 2,782,053</b>	<b>\$ 2,663,510</b>	<b>\$ 2,668,191</b>	<b>\$ 2,465,865</b>
<b>Expenditures</b>										
Fire Dept Operations	\$3,564,261	\$ 3,479,834	\$ 3,450,899	\$ 3,066,139	\$ 3,001,402	\$ 2,646,212	\$ 2,694,089	\$ 2,417,007	\$ 2,331,945	\$ 2,503,054
Capital outlay	50,522	40,548	144,239	276,261	675,467	47,672	40,594	40,782	42,514	24,008
Debt service:										
Principle	-	-	-	-	92,500	90,000	85,000	80,000	77,500	72,500
Interest	-	-	-	-	2,266	6,595	11,033	15,081	18,946	22,626
<b>Total expenditures</b>	<b>\$3,614,783</b>	<b>\$ 3,520,382</b>	<b>\$ 3,595,138</b>	<b>\$ 3,342,400</b>	<b>\$ 3,771,635</b>	<b>\$ 2,790,479</b>	<b>\$ 2,830,716</b>	<b>\$ 2,552,870</b>	<b>\$ 2,470,905</b>	<b>\$ 2,622,188</b>
<b>Increase (Decrease) in Fund Balance</b>	<b>\$ 422,730</b>	<b>\$ 189,193</b>	<b>\$ 27,817</b>	<b>\$ 231,449</b>	<b>\$ (436,877)</b>	<b>\$ 157,331</b>	<b>\$ (48,663)</b>	<b>\$ 110,640</b>	<b>\$ 197,286</b>	<b>\$ (156,323)</b>
<b>Fund Balances</b>										
Fund Balance - Beginning	1,131,122	941,929	914,112	682,663	1,119,540	962,209	1,010,872	900,232	702,946	859,269
<b>End of year</b>	<b>\$1,553,852</b>	<b>\$ 1,131,122</b>	<b>\$ 941,929</b>	<b>\$ 914,112</b>	<b>\$ 682,663</b>	<b>\$ 1,119,540</b>	<b>\$ 962,209</b>	<b>\$ 1,010,872</b>	<b>\$ 900,232</b>	<b>\$ 702,946</b>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>3.06%</b>	<b>3.52%</b>	<b>3.44%</b>	<b>3.78%</b>	<b>3.97%</b>	<b>3.66%</b>

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT											
Revenue Capacity - Property Tax Uses											
Last Ten Fiscal Years (unaudited)											
Fiscal Year	Water Fund	% Change Inc. (Dec.)	Sewer Fund	% Change Inc. (Dec.)	Fire Fund	% Change Inc. (Dec.)	Total	% Change Inc. (Dec.)	Total	% Change Inc. (Dec.)	
2012	\$ 312,970	-2.9%	\$ 58,925	-43.1%	\$ 2,427,616	-0.8%	\$ 2,799,511	-2.6%	\$ 2,799,511	-2.6%	
2013	\$ 216,016	-31.0%	\$ 68,008	15.4%	\$ 2,598,525	7.0%	\$ 2,882,549	3.0%	\$ 2,882,549	3.0%	
2014	\$ 256,153	18.6%	\$ 20,618	-69.7%	\$ 2,627,109	1.1%	\$ 2,903,880	0.7%	\$ 2,903,880	0.7%	
2015	\$ 153,615	-40.0%	\$ 173,820	743.0%	\$ 2,688,493	2.3%	\$ 3,015,928	3.9%	\$ 3,015,928	3.9%	
2016	\$ 524,830	241.7%	-	-100.0%	\$ 2,773,179	3.1%	\$ 3,298,009	9.4%	\$ 3,298,009	9.4%	
2017	\$ 184,353	-64.9%	-	0.0%	\$ 3,157,996	13.9%	\$ 3,342,349	1.3%	\$ 3,342,349	1.3%	
2018	\$ 68,972	-62.6%	-	0.0%	\$ 3,367,063	6.6%	\$ 3,436,035	2.8%	\$ 3,436,035	2.8%	
2019	\$ 117,500	70.4%	\$ 24,568	0.0%	\$ 3,425,899	1.7%	\$ 3,567,967	3.8%	\$ 3,567,967	3.8%	
2020	\$ 21,257	-81.9%	\$ 21,257	-13.5%	\$ 3,597,362	5.0%	\$ 3,639,876	2.0%	\$ 3,639,876	2.0%	
2021	\$ 37,662	77.2%	\$ 37,662	77.2%	\$ 3,692,261	2.6%	\$ 3,767,585	3.5%	\$ 3,767,585	3.5%	

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT  
 Revenue Capacity - Change in Assessed Value  
 Excludes Airplane Valuations  
 Last Ten Fiscal Years (unaudited)

<u>Fiscal Year</u>	<u>22500 SVPSD</u>	<u>% Change</u>	<u>22500 SVPSD Z#1 M&amp;O</u>	<u>% Change</u>
2011/2012	\$ 1,114,496,136	-3.91%	\$ 1,068,791,057	-4.39%
2012/2013	\$ 1,139,329,005	2.23%	\$ 1,091,840,295	2.16%
2013/2014	\$ 1,140,780,468	0.13%	\$ 1,092,841,096	0.09%
2014/2015	\$ 1,167,411,722	2.33%	\$ 1,117,841,929	2.29%
2015/2016	\$ 1,276,999,392	9.39%	\$ 1,221,703,079	9.29%
2016/2017	\$ 1,282,457,837	0.43%	\$ 1,226,162,637	0.37%
2017/2018	\$ 1,313,553,159	2.42%	\$ 1,257,774,663	2.58%
2018/2019	\$ 1,355,356,890	3.18%	\$ 1,297,640,343	3.17%
2019/2020	\$ 1,393,514,979	2.82%	\$ 1,333,616,495	2.77%
2020/2021	\$ 1,439,192,986	3.28%	\$ 1,376,712,214	3.23%

*Source: Placer County Assessed Valuation and Tax Rates  
 (Excludes Airplane Valuations) value by Agency*

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Olympic Valley Public Service District  
Revenue Capacity - Water, Sewer, and Garbage Base Rates  
Last Ten Fiscal Years (unaudited)

Fiscal Year	Residential Single Family Annual		Residential Multit-Family Annual		Commercial 2" Meter Annual		Residential Single Family Annual		Residential Multit-Family Annual		Commercial Annual		Residential Annual	
	Water Base Rate	Water Base Rate	Water Base Rate	Water Base Rate	Water Base Rate	Water Base Rate	Sewer Base Rate	Sewer Base Rate	Sewer Base Rate	Sewer Base Rate	Sewer Base Rate	Sewer Base Rate	Sewer Base Rate	Garbage Base Rate
2012	\$ 572	\$ 286	\$ 761	\$ 370	\$ 320	\$ 656.11	\$ 228							
2013	\$ 601	\$ 301	\$ 799	\$ 426	\$ 368	\$ 755.00	\$ 235							
2014	\$ 679	\$ 340	\$ 903	\$ 471	\$ 407	\$ 834.00	\$ 242							
2015	\$ 760	\$ 380	\$ 1,011	\$ 509	\$ 440	\$ 900.00	\$ 244							
2016	\$ 836	\$ 418	\$ 1,112	\$ 540	\$ 466	\$ 954.00	\$ 249							
2017	\$ 935	\$ 453	\$ 2,995	\$ 616	\$ 485	\$ 1,091.25	\$ 256							
2018	\$ 972	\$ 471	\$ 3,115	\$ 647	\$ 509	\$ 1,145.80	\$ 261							
2019	\$ 1,011	\$ 490	\$ 3,239	\$ 680	\$ 535	\$ 1,203.10	\$ 269							
2020	\$ 1,035	\$ 502	\$ 3,318	\$ 680	\$ 535	\$ 1,203.10	\$ 277							
2021	\$ 1,077	\$ 522	\$ 3,451	\$ 714	\$ 561	\$ 1,263.26	\$ 285							

Source: Olympic Valley Public Service District

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT  
 Revenue Capacity - Ten Largest Customers  
 Current Year and Nine Years Prior

2011 - 2012

2020 - 2021

Customer	2020 - 2021		2011 - 2012	
	Total Revenue	Rank	Total Revenue	Rank
Resort @ Squaw Creek	\$ 187,586	1	\$ 74,548	1
Village at Squaw Valley - 22	\$ 142,224	2	\$ 73,933	2
Village at Squaw Valley - 1st A	\$ 125,989	3	\$ 62,213	3
Resort at Squaw Creek	\$ 79,867	4	\$ 59,193	4
Squaw Valley Lodge	\$ 56,061	5	\$ 54,394	5
Squaw Valley Lodge	\$ 49,402	6	\$ 52,860	6
Village Inn Owners Association	\$ 48,821	7	\$ 26,926	7
Squaw Valley Lodge	\$ 39,470	8	\$ 20,245	8
Village Inn Owners Association	\$ 38,940	9	\$ 19,240	9
Tahoe City PUD	\$ 33,890	10	\$ 14,457	10

Sources: Olympic Valley Public Service District Accounting Department

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Debt Capacity - Outstanding Debt by Type  
Last Ten Fiscal Years  
Business-Type Activities

Fiscal Year	Building Capital Lease	Term Loans	Total	Per Capita Income	Debt Per Capita	Median Household Income (MHI)	Debt Per MHI
2011/2012	\$ 1,568,664	\$ 425,000	\$ 1,993,664	\$ 49,736	\$ 40	\$ 69,581	\$ 29
2012/2013	\$ 1,498,568	\$ 347,500	\$ 1,846,068	\$ 52,610	\$ 35	\$ 69,521	\$ 27
2013/2014	\$ 1,426,138	\$ 267,500	\$ 1,693,638	\$ 53,482	\$ 32	\$ 73,643	\$ 23
2014/2015	\$ 1,351,296	\$ 182,500	\$ 1,533,796	\$ 55,983	\$ 27	\$ 75,689	\$ 20
2015/2016	\$ 1,273,962	\$ 92,500	\$ 1,366,462	\$ 59,430	\$ 23	\$ 76,203	\$ 18
2016/2017	\$ 1,194,053	\$ -	\$ 1,194,053	\$ 61,525	\$ 19	\$ 85,326	\$ 14
2017/2018	\$ 1,111,483	\$ -	\$ 1,111,483	\$ 63,609	\$ 17	\$ 81,366	\$ 14
2018/2019	\$ 1,026,163	\$ -	\$ 1,026,163	\$ 65,547	\$ 16	\$ 89,175	\$ 12
2019/2020	\$ 938,002	\$ -	\$ 938,002	\$ 67,610	\$ 14	\$ 97,668	\$ 10
2020/2021	\$ 846,905	\$ -	\$ 846,905	\$ 72,279	\$ 12	\$ 88,965	\$ 10

Governmental Activities

Fiscal Year	Building Capital Lease	Term Loans	Total	Per Capita Income	Debt Per Capita	Median Household Income (MHI)	Debt Per MHI
2011/2012	\$ -	\$ 425,000	\$ 425,000	\$ 49,736	\$ 9	\$ 69,581	\$ 6
2012/2013	\$ -	\$ 347,500	\$ 347,500	\$ 52,610	\$ 7	\$ 69,521	\$ 5
2013/2014	\$ -	\$ 267,500	\$ 267,500	\$ 53,482	\$ 5	\$ 73,643	\$ 4
2014/2015	\$ -	\$ 182,500	\$ 182,500	\$ 55,983	\$ 3	\$ 75,689	\$ 2
2015/2016	\$ -	\$ 92,500	\$ 92,500	\$ 59,430	\$ 2	\$ 76,203	\$ 1
2016/2017	\$ -	\$ -	\$ -	\$ 61,525	\$ -	\$ 85,326	\$ -
2017/2018	\$ -	\$ -	\$ -	\$ 63,609	\$ -	\$ 81,366	\$ -
2018/2019	\$ -	\$ -	\$ -	\$ 65,547	\$ -	\$ 89,175	\$ -
2019/2020	\$ -	\$ -	\$ -	\$ 67,610	\$ -	\$ 97,668	\$ -
2020/2021	\$ -	\$ -	\$ -	\$ 72,279	\$ -	\$ 88,965	\$ -

Source: MHI and Per Capita derived from Federal Reserve Bank of St. Louis

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT  
Demographic and Economic Information – Placer County

Year	District Workforce (actual FTEs)	Placer County Population	Median Household Income (Placer Co)	Per Capita Income (Placer Co)	Unemployment Rate Placer County
2020	28	403,490	\$ 88,965	\$ 72,279	10.5%
2019	28	403,711	\$ 97,668	\$ 67,610	3.3%
2018	27	395,978	\$ 89,175	\$ 65,547	3.4%
2017	27	389,387	\$ 81,366	\$ 63,609	4.1%
2016	27	383,598	\$ 85,326	\$ 61,525	4.7%
2015	27	376,508	\$ 76,203	\$ 59,430	5.2%
2014	27	371,264	\$ 75,689	\$ 55,983	6.4%
2013	25	368,059	\$ 73,643	\$ 53,482	8.2%
2012	25	363,837	\$ 69,521	\$ 52,610	9.9%
2011	25	359,648	\$ 69,581	\$ 49,736	11.5%

Source: (1) Populations derived from State of California Department of Finance  
(2) MHI and Per Capita derived from Federal Reserve Bank of St. Louis  
(3) Unemployment derived from Federal Reserve of St. Louis (mo. of June)

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Olympic Valley Public Service District										
Operating Indicators by Function										
Last Ten Years										
	2021*	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>Utilities:</b>										
Water Production (million gallons)	92.73	107.23	114.61	111.43	115.08	104.93	95.2	116.4	134.36	121.9
Sewer Flows (million gallons)	57.44	68.26	87.33	77.6	97.07	86.84	69.56	74.27	77.29	90.28
Number of Sewer Pressure Tests**	43	68	-	-	-	-	-	-	-	-
Miles of Water Mains and Services	16.25	16.25	16.25	16.25	16.33	15.68	15.61	15.40	15.28	15.28
Miles of Sewer Mains and Laterals	27.96	27.96	29.96	27.86	27.86	27.40	27.60	27.17	27.10	27.10
<b>Fire:</b>										
Emergency Calls	423	507	558	555	637	552	460	455	555	507
Fleet Vehicles	9	9	9	9	9	8	8	7	7	7
Miles travelled	-	34,023	12,888	21,943	30,228	37,844	24,143	26,597	21,581	25,940
<b>Technical Services:</b>										
Contracts & Agreements	20	16	18	18	21	18	21	24	15	7
Public Records Requests	10	14	7	-	2	2	4	2	-	1
Building Projects – Single Family Residents	20	33	13	13	2	3	4	1	5	2
Building Projects –Remodel/Additions	21	11	16	15	17	16	12	14	12	8
Property Sales	93	185	147	99	132	115	71	77	102	101

\*Date is through October 2021

\*\*Not tracked prior to 2020

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Water Production  
Last Ten Years  
(In million gallons)

Monthly Production	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Jan	6.85	10.44	6.51	7.49	8.07	7.78	6.94	7.60	8.65	5.63
Feb	6.87	9.52	7.42	6.15	7.48	6.91	6.63	7.14	8.45	6.41
Mar	7.53	8.99	10.64	6.35	7.28	7.29	7.96	8.96	6.86	6.68
April	6.92	7.64	6.64	5.04	5.85	6.87	6.20	8.00	5.15	6.79
May	10.14	11.87	9.33	6.49	6.44	6.98	8.33	6.16	7.16	8.65
June	13.55	14.11	15.35	10.04	11.10	13.65	12.45	11.67	11.08	13.34
July	17.15	18.21	16.32	12.60	15.49	15.50	15.82	16.48	15.02	15.61
Aug	16.28	16.98	13.94	11.71	13.76	15.87	14.53	15.32	14.47	13.63
Sept	13.72	13.37	11.00	10.29	11.12	12.94	12.47	12.39	12.22	9.90
Oct	8.59	8.49	7.82	6.70	6.79	8.98	7.00	6.92	8.25	6.09
Nov	5.79	5.78	4.20	4.88	4.24	4.98	5.35	5.16	4.76	
Dec	8.50	8.96	7.23	7.46	7.31	7.33	7.75	8.81	5.16	
Annual Totals	121.89	134.36	116.4	95.2	104.93	115.08	111.43	114.61	107.23	92.73
Average Monthly Water Production	10.16	11.20	9.70	7.93	8.74	9.59	9.29	9.55	8.94	9.27

Source: Olympic Valley Public Service District Water Department

\*Data is through October 2021

OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

Sewer Flows  
Last Ten Years  
(In million gallons)

Monthly Sewer Flows	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021*
Jan	7.02	9.7	6.5	7.19	9.98	11.5	7.97	7.34	8.53	5.85
Feb	7.79	9.37	8.63	7.18	9.98	12.67	6.94	9.29	8.14	7.01
Mar	10.43	10.09	8.71	6.82	11.84	11.25	10.25	10.69	5.97	7.85
April	9.22	5.58	6.65	4.52	7.16	11.5	9.34	11.9	5.9	7.09
May	10.14	4.08	4.56	3.87	5.1	7.36	5.21	7.61	4.67	4.77
June	5.02	4.88	5.07	5.08	4.98	5.68	5.18	6.24	4.54	5.3
July	7.6	7.57	6.98	6.85	6.71	7.36	6.85	7.14	6.44	6.36
Aug	6.73	6.77	6.67	5.93	5.89	6	5.68	6.17	5.9	4.74
Sept	5.56	5.16	4.66	5.93	4.91	5.08	4.67	4.81	4.87	3.58
Oct	5.04	3.94	4.13	3.86	5.16	4.45	3.99	3.8	4.34	4.89
Nov	5.04	3.5	3.65	3.89	4.67	6.72	4.18	3.32	4.11	
Dec	10.69	6.65	8.06	8.44	10.46	7.5	7.34	9.02	4.85	
Annual Totals	90.28	77.29	74.27	69.56	86.84	97.07	77.6	87.33	68.26	57.44
Average Monthly Sewer Flows	7.52	6.44	6.19	5.80	7.24	8.09	6.47	7.28	5.69	5.74

Source: Olympic Valley Public Service District Operations Department

\*Data is through October 2021

# OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

OLYMPIC VALLEY, CALIFORNIA

INDEPENDENT AUDITORS' REPORT  
ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH  
*GOVERNMENT AUDITING STANDARDS*

June 30, 2021

# McCLINTOCK ACCOUNTANCY CORPORATION

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To the Board of Directors  
Olympic Valley Public Service District

We have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Olympic Valley Public Service District, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 24, 2021.

## **Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis.

*A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

*A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

The logo for McClintock Accountancy Corporation is written in a black, cursive, handwritten-style font. The letters are connected and have a fluid, slightly slanted appearance.

McCLINTOCK ACCOUNTANCY CORPORATION

Tahoe City, California

November 24, 2021