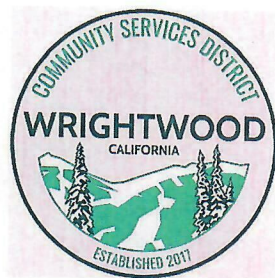


Wrightwood Community
Services District
January 8, 2023
Regular
Board Meeting



WRIGHTWOOD COMMUNITY SERVICES DISTRICT

P.O. Box 218 Wrightwood, CA 92397

Regular Meeting of the Board of Directors

Monday, January 8, 2024 – 5:30 p.m.

Wrightwood Community Building

1275 State Highway 2, Wrightwood, CA

Agenda

5:30 PM – Call to Order

1. Pledge of Allegiance
2. Roll Call
3. Agenda Approval
4. Public Comments: *Pursuant to Government Code Section 54954.2(a), any request for a disability-related modification or accommodation, including auxiliary aids or services, that is sought to participate in the above-agenized public meeting, should be directed to the Chair at any time prior to the meeting. Under this item, any member of the public wishing to directly address the Board on any item of interest that is not within the subject matter jurisdiction of the Board may do so now. However, the Board is prohibited by law from taking any action on any item not appearing on the agenda unless the action is otherwise authorized by the Brown Act. Any member of the public wishing to directly address the Board on any item listed on the agenda may do so when the item is being considered by the Board. Pursuant to Section 2.3.2 of Ordinance No 2021-1 adopted by the Board on March 2, 2021, the Chair may limit each speaker to a comment period of three (3) minutes or less.*
5. Agency Reports
6. Consent Calendar: December 5, 2023, Regular Board Meeting Minutes
7. General Manager's Report
8. November 2023 Financial Report
9. Wrightwood Historical Society Variance Request: Discussion and Possible Action
10. Eadie & Payne 2022/23 Audit Report: Discussion
11. Review Resolution NO. 2024-01 Establishing Policies for Relations Among Directors and Staff: Discussion and Possible Action
12. Social Media Policy: Discussion and Possible Action
13. Directors Comments
14. Future Board Meeting: Tuesday, February 6, 2024, at 5:30 p.m.

Wrightwood Community Services District

THE VISION

To empower our community to have local control by serving as a platform for community discussion, cohesion and action in the areas of parks and recreation, street lighting, solid waste and recycling and wastewater planning and engineering.

To promote and grow a vibrant parks and recreation department for our community.

To maintain and enhance our current infrastructure

To economize our solid waste process and maximize our efficiency in executing them

To protect our natural resources through evaluating community wastewater needs

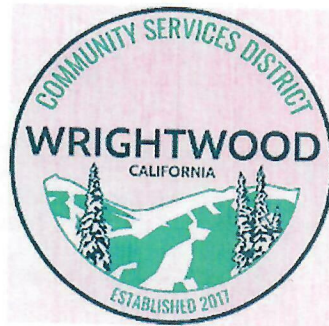
To meet all these ends in a fiscally responsible manner

Wrightwood Community Services District

The Mission

To provide local governance in the areas of parks and recreation, street lighting, solid waste and recycling and waste water planning and engineering in a fiscally responsible manner.

Item # 6
Consent Calendar
December 5, 2023



REGULAR BOARD MEETING

December 5, 2023

Wrightwood Community Building
1275 State Highway 2
Wrightwood, CA

MINUTES

Board Members:

Natalie Lopiccolo, President
Chuck Franklin, Vice President
Sadie Albers, Member
Alexis Claiborne, Member
Kristy Gerardo, Member

Staff Present:

Steven Kennedy, Attorney
Tamara Keen, General Manager
Angela Rovida, Administrative Assistant

Call to Order: President Lopiccolo called the meeting to order at 5:32 pm.

- 1. Pledge of Allegiance:** Vicky Rinek led the Pledge of Allegiance.
- 2. Roll Call:** All directors are present, and Counsel Kennedy is present via phone.
- 3. Agenda Approval:** Director Albers motioned to approve the agenda; Director Claiborne seconded the motion. All in favor, motion carries.
- 4. Public Comment:** Strech Suba with CERT, asked a clarifying question about his personal liability when completing a reservation application for the use of the Community Building for CERT meetings. Counsel Kennedy advised that the release of liability does not hold any individual personally liable but instead releases the WCSD from liability. Strech also reported that CERT is in the process of creating emergency preparedness packets to provide to every Wrightwood Elementary School student. Patricia Gonzalez with Full Circle and Beyond Prepared thanked the WCSD and audience for welcoming her to the community. She spoke about her involvement in many organizations and groups in town. She wished everyone a happy holiday. Vicky Rinek, a local resident, suggested the WCSD provide all Board members a stipend. Mallory Reiss with Love Roots Yoga urged the WCSD and Board to pursue waster water solutions for the downtown area.
- 5. Agency Reports:** CJ Porter with Supervisor Cook's office reported that last month the Board approved a contract to a local Wrightwood business, RE Chaffe Construction, for on call heavy equipment rental services for the county.
- 6. Consent Calendar:** Director Claiborne motioned to approve the agenda with the addition of director names to item six on the consent calendar for November; Director Albers seconded the motion. All in favor, motion carries.

- 7. General Manager's Report:** This month the WCSD hosted their first annual Senior Firewood giveaway. Approximately 130 households were provided with wood. The event was made possible with the help of Valyermo Hotshots, Mountain Hardware, the Methodist Church, and Bruce LeClaire. A special thank you to Vicky Rinek and Paula Ames-Axt for their wood donations to the event. The WCSD hopes to host a second senior firewood giveaway later this winter. A senior Thanksgiving lunch was hosted the same day, prepared by Vicky Rinek. Approximately forty lunches were served. Director Albers and GM Keen hosted a series of vision plan meetings, each meeting had a good turnout. On November 28th Victor Hernandez with Senator Ochoa Bough's office held mobile office hours in the community building. He plans to hold mobile office hours every third Thursday of the month from 11am to 1pm. A video conference call between WCSD staff, resident Bruce LeClaire, Director Albers and engineers from Cal Tech Environmental Solutions took place last week. CTES is a reputable company that helps communities resolve wastewater issues. Once information has been submitted to CTES and reviewed, they will provide a formal proposal with next steps. The annual audit was completed last week. Eadie and Payne will be presenting their findings at the January Board meeting. The first tax deposit from SB County was received, the WCSD received a reimbursement check for the skate park camera that was vandalized in 2021, winter porta pots have been delivered and the dump card printer was replaced with a newer model after it stopped working.
- 8. Annual Review of Resolution No. 2018-10 Establishing Policies for Relations Among Directors and Staff:** President Lopiccolo suggested to hold Board officer elections annually. Counsel Kennedy advised amending Section 1.2.1 to adopt an annual Board officer appointments election. President Lopiccolo motioned to amend Section 1.2.1 of Resolution No. 2018-10 to include office appointment elections at the end of every calendar year. Director Albers seconded the motion. All in favor, motion passes.
- 9. Appointment of Board Officers:** Director Albers, Director Gerardo and President Lopiccolo nominated Director Albers for Board President. Vice President Franklin and Director Claiborne nominated Vice President Franklin for Board President. Director Albers, Director Gerardo, and President Lopiccolo voted Director Albers for Board President. Vice President Franklin and Director Claiborne voted Vice President Franklin for Board President. Director Albers, Director Gerardo, Director Claiborne, and President Lopiccolo voted Director Gerardo for Board Vice President and Vice President Franklin abstained.
- 10. Farmers Market Variance Request:** Director Albers motioned to deny the variance; Director Claiborne seconded the motion. All in favor, motion carries.
- 11. Fire Safe Council Variance Request:** Vice President Franklin motioned to approve the variance; Director Gerardo seconded the motion. All in favor, motion carries.
- 12. Tri-Community Co-Op variance Request:** Vice President Franklin motioned to approve the variance; Director Claiborne seconded the motion. All in favor, motion carries.
- 13. Wrightwood Christmas Tree Lights Donation:** President Lopiccolo motioned to approve a \$500.00 donation to the Christmas tree fund. Director Gerardo seconded the motion. Director Claiborne, Director Gerardo, and President Lopiccolo vote yes. Vice President Franklin votes no. Director Albers abstains. Motion carries.

14. Rescheduling January 2024 Regular Board Meeting: President Lopiccolo motioned to reschedule the January Board meeting to Monday January 8th at 5:30pm; Director Albers seconded the motion. All in favor, motion carries.

15. Directors Comments: Vice President Franklin congratulated Director Albers on her new appointment as President of the Board. Director Claiborne thanked the residents for their feedback and participation. She also thanked WCSD staff for all their work this month. Director Gerardo thanked Vice President Franklin for his tenure on the Board and regrets his decision to decline the Vice Presidency. Director Albers thanked WCSD staff for their work on all the community events this month. She also thanked President Lopiccolo and Vice President Franklin for their time on the Board. President Lopiccolo thanked the residents in the audience for their opinions and participation. She congratulated the newly appointed officers and thanked Counsel Kennedy for his continued guidance.

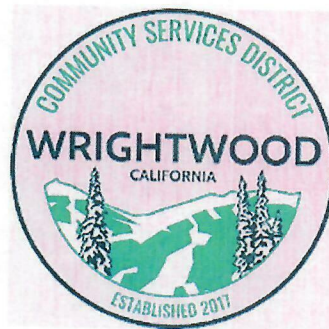
16. Future Board Meeting: January 8th, 2024 at 5:30pm.

17. Adjournment: President Lopiccolo adjourned the meeting at 7:33pm.

Minutes Approved: _____ Date: _____
President Lopiccolo

Item # 7

General Manger's Report



General Manager's Report

Happy New Year! Another year has come and gone, and I can't wait to see what the new year has in store.

The Request for Exemption letters for commercial recycling were mailed to the local businesses before the holidays. Commercial businesses may be exempt from recycling due to low generation- meaning less than 4 cubic yards of solid waste weekly. (combined trash & recycling), no generation of solid waste or limited space. All exemption requests will be reviewed by WCSD staff, and a site visit may be required. The exemptions are valid for 2 years after which you will need to reapply. If audit reveals solid waste exceeds the 4 cubic yard threshold the waiver may no longer be valid.

Dance classes are filling up quickly and the WWPOA is issuing a challenge to the community in support of our dance classes. The challenge is that the WWPOA will match all community donations to this program up to \$500 to purchase leotards, tights etc. and/or a quality sound system with wireless microphones. The amount of donations will determine what can be purchased. Please join the WWPOA to help continue to grow this program.

Wes Zuber from UIA approached me and recommended an "Affordable Connectivity Program" which is an FCC benefit program that helps ensure that households can afford the broadband they need for work, school, healthcare and more. The benefit provides a discounted rate of \$30 per month for internet service for eligible households. For questions call the ACP Support Center at 877-384-2575 or email ACPSupport@usac.org.

On Tuesday Jan 30th at 6:30pm at the Community Building, SB County Fire will be conducting a public outreach/informational presentation on FP5. The presentation will include a 10-to-15-minute PowerPoint presentation with a question and answers period. The goal of this presentation is to inform the public and community members about the upcoming FP5 Measure in March.

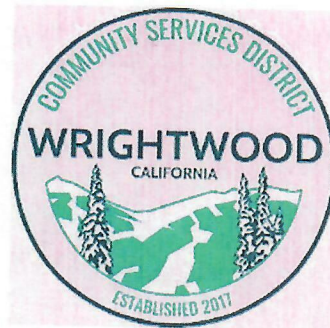
Just a reminder that a representative from Senator Ochoa-Bogh's office will continue to hold a mobile office at the Community Building every 3rd Thursday of

the month from 11am to 1pm. This is an opportunity for the community to ask questions or voice any concerns.

With the weather being so chilly we decided it would be a good opportunity to give the Community Building a fresh coat of paint. We have started the prep work and hope to be finished by Thursday.

Item # 8

November 2023 Financials



| | | Nov-23 DISBURSEMENTS AND DEPOSITS | | | |
|--------------|--------------------|-----------------------------------|--------------|-----------------------|----------------|
| Check Number | Amount | Disbursement Date | Cleared Date | Payee | Description |
| Debit | \$449.17 | 11/3/2023 | 11/3/2023 | Golden State Water | Water |
| Debit | \$305.61 | 11/6/2023 | 11/6/2023 | So CA Edison | Electric |
| Debit | \$69.21 | 11/10/2023 | 11/10/2023 | ADP | P/R Process |
| Debit | \$106.60 | 11/8/2023 | 11/8/2023 | Amazon | Peg Board |
| Debit | \$553.84 | 11/9/2023 | 11/9/2023 | Diamond Environmental | Porta Pots |
| Debit | \$129.29 | 11/9/2023 | 11/9/2023 | Amazon | Totes |
| Debit | \$64.65 | 11/13/2023 | 11/13/2023 | Mountain Hardware | Mulch |
| Debit | \$33.77 | 11/14/2023 | 11/14/2023 | Amazon | Toilet Paper |
| Debit | \$7.10 | 11/15/2023 | 11/15/2023 | Wrightwood Fine Foods | Foil |
| Debit | \$511.90 | 11/15/2023 | 11/15/2023 | So CA Edison | Street Lights |
| Debit | \$39.85 | 11/17/2023 | 11/17/2023 | Amazon | Space Heater |
| Debit | \$172.38 | 11/18/2023 | 11/18/2023 | Amazon | Totes |
| Debit | \$38.43 | 11/21/2023 | 11/21/2023 | Wrightwood Fine Foods | Sr. Firewood |
| Debit | \$69.40 | 11/21/2023 | 11/21/2023 | USPS | Printer Ship |
| Debit | \$20.97 | 11/21/2023 | 11/21/2023 | Wrightwood Fine Foods | Sr.Lunch |
| Debit | \$52.82 | 11/21/2023 | 11/21/2023 | Hole in One Donuts | Hotshots/Wood |
| Debit | \$146.33 | 11/22/2023 | 11/22/2023 | Diamond Environmental | Porta Pots |
| Debit | \$69.21 | 11/24/2023 | 11/24/2023 | ADP | P/R Process |
| Debit | \$119.99 | 11/24/2023 | 11/24/2023 | Canva | Edit Program |
| Debit | \$1,170.58 | 11/29/2023 | 11/29/2023 | Diamond Environmental | Porta Pots |
| Debit | \$64.99 | 11/29/2023 | 11/29/2023 | Aconis | CyberProt |
| Debit | \$158.32 | 11/29/2023 | 11/29/2023 | So Ca Gas | Gas |
| Debit | \$192.87 | 11/29/2023 | 11/29/2023 | Prime | Dues |
| Debit | \$48.47 | 11/30/2023 | 11/30/2023 | Amazon | Paper |
| Debit | \$110.24 | 11/30/2022 | 11/30/2023 | Verizon | Phones |
| Debit | \$1,432.18 | 11/30/2023 | 11/30/2023 | SQ Card Imaging | Dump Printer |
| 2575 | \$180.00 | 10/25/2023 | 11/13/2023 | Dan Day | Umpire |
| 2576 | \$645.64 | 10/25/2023 | 11/7/2023 | Waxie | Supplies |
| 2577 | \$1,818.75 | 10/31/2023 | 11/15/2023 | Brunick,McElhane,Kenn | Attorney |
| 2578 | \$750.00 | 10/31/2023 | 11/8/2023 | Septic Control | Septic |
| 2579 | \$302.45 | 11/3/2023 | 11/10/2023 | Tricia Opdahl | Dance Instruct |
| 2580 | \$150.00 | 11/6/2023 | 11/15/2023 | Kayla D | Refund Dep |
| 2581 | \$19,554.22 | 11/6/2023 | 11/8/2023 | Doran Construction | Pkg Lot Pave |
| 2582 | \$10,071.60 | 11/14/2023 | 11/22/2023 | CR&R | Disposal Fees |
| 2583 | \$40.71 | 11/16/2023 | 11/28/2023 | Stacey Beadel | T-shirts |
| 2584 | \$212.50 | 11/16/2023 | 11/20/2023 | April Gould | Dance Instruct |
| 2588 | \$12,000.00 | 11/21/2023 | 11/30/2023 | Eadie & Payne | Audit |
| 2589 | \$82.00 | 11/21/2023 | 11/30/2023 | Campbells Appliance | Stove Ignitor |
| TOTAL | \$51,946.04 | | | | |

| Payroll | |
|---------------|-------------------|
| 11/15 Payroll | \$4,446.13 |
| 11/15 Taxes | \$1,593.72 |
| | |
| | |
| | |
| | |
| | |
| | |
| TOTAL | \$6,039.85 |

| Deposits | | |
|--------------|--------------------|--------------|
| Date | Amount | Name |
| 11/1/2023 | \$485.00 | Rent/Deposit |
| 11/9/2023 | \$4,007.58 | CR&R |
| 11/9/2023 | \$432.00 | Rent |
| 11/13/2023 | \$52,036.46 | SB County |
| 11/17/2023 | \$1,098.25 | Rent |
| 11/20/2023 | \$48.73 | LA County |
| 11/21/2023 | \$237.00 | Rent |
| 11/29/2023 | \$21,386.00 | SB County |
| | | |
| | | |
| | | |
| | | |
| TOTAL | \$79,731.02 | |

DEPOSITS AND DISBURSEMENTS FISCAL YEA 23/24

| Month | Beginning Balance | Deposit | Total Disburstmnts | Payroll | Gross |
|--------|-------------------|-------------|--------------------|-------------|--------------|
| Jul-23 | \$336,382.97 | \$15,418.08 | \$114,680.18 | \$4,589.04 | \$232,531.83 |
| Aug-23 | \$237,120.87 | \$13,075.91 | \$20,242.55 | \$17,249.34 | \$212,704.89 |
| Sep-23 | \$212,704.89 | \$20,183.15 | \$13,200.02 | \$4,921.25 | \$214,766.77 |
| Oct-23 | \$214,766.77 | \$10,371.64 | \$30,559.37 | \$16,853.69 | \$177,725.35 |
| Nov-23 | \$177,725.35 | \$79,731.02 | \$51,946.04 | \$6,039.85 | \$199,470.48 |
| Dec-23 | | | | | \$0.00 |
| Jan-24 | | | | | \$0.00 |
| Feb-24 | | | | | \$0.00 |
| Mar-24 | | | | | \$0.00 |
| Apr-24 | | | | | \$0.00 |
| May-24 | | | | | \$0.00 |
| Jun-24 | | | | | \$0.00 |

| Estimate Cash Flow Statement | MONTHLY HOURS | | | | MONTH |
|-------------------------------|---------------------|-------------|------------|----------|---------------|
| | GM | PARK | OFFICE | PARK/REC | |
| Current Bank Balance | \$199,470.48 | | | | |
| Savings Account | \$157,815.48 | | | | |
| Reserve for Operations | \$92,996.77 | 66.5 | 158.25 | 0 | Jul-23 |
| Reserve for Capital | \$4,190.19 | 71.5 | 149 | 0 | Aug-23 |
| Reserve for Replacements | \$29,805.05 | 74.25 | 138.75 | 0 | Sep-23 |
| Total Estimate Revenue | \$593,178.55 | 87.5 | 161 | 0 | Oct-23 |
| Accounts Payable | | 66 | 148 | 0 | Nov-23 |
| Outstanding | | | | 0 | Dec-23 |
| | | | | 0 | Jan-24 |
| | | | | 0 | Feb-24 |
| | | | | 0 | Mar-24 |
| | | | | 0 | Apr-24 |
| Total Estimated Expense | \$0.00 | | | 0 | May-24 |
| Balance | \$593,178.55 | | | 0 | Jun-24 |

Wrightwood Community Services District

Profit and Loss by Class

November 2023

| Income | PARKS / LIGHTING | SOLID WASTE | NOT SPECIFIED | TOTAL |
|--|-------------------|--------------------|---------------|--------------------|
| 4000 Facility Rental | | | | \$0.00 |
| 4000.1 CC Parking Lot | 1,064.25 | | | \$1,064.25 |
| 4000.2 Kitchen Fees | 187.50 | | | \$187.50 |
| 4000.3 Old Firehouse / Museum | 635.00 | | | \$635.00 |
| 4000.5 Security - Cleaning Deposit | -150.00 | | | \$ -150.00 |
| 4000.8 WW Community Bldg | 353.25 | | | \$353.25 |
| Total 4000 Facility Rental | 2,090.00 | | | \$2,090.00 |
| 4100 Property Tax | | | | |
| 4200 Solid Waste Franchise Fee | | 29,466.12 | | \$29,466.12 |
| 4300 Solid Waste Fees | | 4,007.58 | | \$4,007.58 |
| 4400 Sports League | | 44,004.07 | | \$44,004.07 |
| 4400.2E Dance Class | 5.00 | | | \$0.00 |
| Total 4400 Sports League | 5.00 | | | \$5.00 |
| Total Income | \$2,095.00 | \$77,477.77 | \$0.00 | \$79,572.77 |
| GROSS PROFIT | \$2,095.00 | \$77,477.77 | \$0.00 | \$79,572.77 |
| Expenses | | | | |
| 5000 Advertising & Marketing | 50.00 | | | \$50.00 |
| 5030 Dues & Subscriptions | | | | \$0.00 |
| 5030.2 Memberships | 96.43 | 96.44 | | \$192.87 |
| Total 5030 Dues & Subscriptions | 96.43 | 96.44 | | \$192.87 |
| 5080 Meals & Entertainment | 73.79 | | | \$73.79 |
| 5090 Office Admin | | | | \$0.00 |
| 5090.1 Office Equipment | | 1,432.18 | | \$1,432.18 |
| 5090.2 Online Software | 128.49 | 56.49 | | \$184.98 |
| 5090.5 Supplies | 38.77 | 9.70 | | \$48.47 |
| 5090.6 SW Dump Card | | 69.40 | | \$69.40 |
| Total 5090 Office Admin | 167.26 | 1,567.77 | | \$1,735.03 |
| 5100 Payroll Expenses | | | | \$0.00 |
| 5100.1 Administrative Staff | 1,513.40 | 378.35 | | \$1,891.75 |
| 5100.2 GM Salaries | 1,394.44 | 1,394.44 | | \$2,788.88 |
| 5100.3 Park Maintenance | 930.00 | | | \$930.00 |
| Total 5100 Payroll Expenses | 3,837.84 | 1,772.79 | | \$5,610.63 |
| 5110 Payroll Tax Expense | | | | \$0.00 |
| 5110.1 Federal Payroll Taxes | 214.61 | 214.61 | | \$429.22 |
| Total 5110 Payroll Tax Expense | 214.61 | 214.61 | | \$429.22 |
| 5130 Professional Services | | | | \$0.00 |
| 5130.2 Audit | 12,000.00 | | | \$12,000.00 |
| 5130.5 Payroll Processing | 69.20 | 69.22 | | \$138.42 |
| Total 5130 Professional Services | 12,069.20 | 69.22 | | \$12,138.42 |

Wrightwood Community Services District

Profit and Loss by Class

November 2023

| | PARKS / LIGHTING | SOLID WASTE | NOT SPECIFIED | TOTAL |
|---|---------------------|--------------------|---------------|--------------------|
| 5140 Rent & Lease | | | | \$0.00 |
| 5140.1 Porta Potty | 1,496.56 | 374.15 | | \$1,870.71 |
| Total 5140 Rent & Lease | 1,496.56 | 374.15 | | \$1,870.71 |
| 5150 Repairs & Maintenance | | | | \$0.00 |
| 5150.2 Facility Maintenance | 19,814.61 | | | \$19,814.61 |
| 5150.3 Job Supplies | 618.65 | | | \$618.65 |
| Total 5150 Repairs & Maintenance | 20,433.26 | | | \$20,433.26 |
| 5180 Services | | | | \$0.00 |
| 5180.2 Sports League | | | | \$0.00 |
| 5180.2D Other Park & Rec Expenses | 38.43 | | | \$38.43 |
| 5180.2F Dance | 555.66 | | | \$555.66 |
| Total 5180.2 Sports League | 594.09 | | | \$594.09 |
| Total 5180 Services | 594.09 | | | \$594.09 |
| 5190 Solid Waste Disposal Fees | | 11,607.77 | | \$11,607.77 |
| 5210 Telephone | | | | \$0.00 |
| 5210.3 Office Phone | 55.12 | 55.12 | | \$110.24 |
| Total 5210 Telephone | 55.12 | 55.12 | | \$110.24 |
| 5240 Utilities | | | | \$0.00 |
| 5240.1 Electric | | | | \$0.00 |
| 5240.1A Community Center | 220.80 | 55.31 | | \$276.11 |
| 5240.1B Museum | 29.50 | | | \$29.50 |
| 5240.1C Street Lights | 511.90 | | | \$511.90 |
| Total 5240.1 Electric | 762.20 | 55.31 | | \$817.51 |
| 5240.2 Gas | | | | \$0.00 |
| 5240.2A Community Center | 126.65 | 31.67 | | \$158.32 |
| Total 5240.2 Gas | 126.65 | 31.67 | | \$158.32 |
| 5240.3 Trash | | | | \$0.00 |
| 5240.3A Community Center | 304.80 | 76.21 | | \$381.01 |
| Total 5240.3 Trash | 304.80 | 76.21 | | \$381.01 |
| 5240.4 Water | | | | \$0.00 |
| 5240.4A Community Center | 334.74 | 83.69 | | \$418.43 |
| 5240.4B Museum | 30.74 | | | \$30.74 |
| Total 5240.4 Water | 365.48 | 83.69 | | \$449.17 |
| Total 5240 Utilities | 1,559.13 | 246.88 | | \$1,806.01 |
| Unapplied Cash Bill Payment Expense | | | 0.00 | \$0.00 |
| Total Expenses | \$40,647.29 | \$16,004.75 | \$0.00 | \$56,652.04 |
| NET OPERATING INCOME | \$-38,552.29 | \$61,473.02 | \$0.00 | \$22,920.73 |

Wrightwood Community Services District

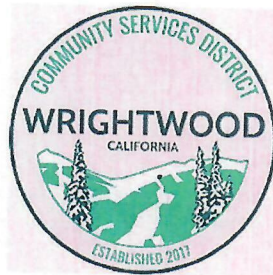
Profit and Loss by Class

November 2023

| | PARKS / LIGHTING | SOLID WASTE | NOT SPECIFIED | TOTAL |
|---------------------------|---------------------|--------------------|---------------|--------------------|
| Other Income | | | | |
| 4600 Interest Income | 794.82 | | | \$794.82 |
| Total Other Income | \$794.82 | \$0.00 | \$0.00 | \$794.82 |
| NET OTHER INCOME | \$794.82 | \$0.00 | \$0.00 | \$794.82 |
| NET INCOME | \$-37,757.47 | \$61,473.02 | \$0.00 | \$23,715.55 |

ITEM # 9

Wrightwood Historical Society Variance Request



FACILITY RATE VARIANCE REQUEST

The Wrightwood Community Services District is prohibited by Article XVI, Section 6, of the California Constitution "to make any gift or authorize the making of any gift, of any public money or thing of value to any individual, municipal or other corporation whatever." As a result, any reduction in the District's standard facility usage rates that may be granted must not constitute an unconditional gift of public funds.

At a minimum, this means that any request for such cost variance should be tied to a valid public purpose that benefits the District. Specifically, eligibility for a facility rate variance is limited to only those applicants that are engaging in uses related to the particular public duties and functions that the District is empowered to perform within its jurisdictional boundaries pursuant to Government Code Section 61000 et seq. as expressly authorized by the San Bernardino County Local Agency Formation Commission.

| | |
|-------------------------|---|
| Organization Name: | Wrightwood Historical Society |
| Contact Person: | Lauren Kozyra |
| Address: | 6000 Cedar St / PO Box 486 Wrightwood, CA 92397 |
| Phone Number: | 805-455-5580 |
| Email: | wwhistoricalsociety.museum@gmail.com |
| Request Submittal Date: | December 7, 2023 |

A request for Facility Rate Variance must directly provide a public benefit to the Wrightwood Community Services District to avoid being a Gift of Public Funds. Please describe in the 'Explanation' section below the following: (1) the connection between the cost reduction requested from the District and the corresponding benefit that would be received by the Public and (2) how such benefit falls within the scope of the District's authorized public purpose: street lighting, parks and recreation, solid waste and recycling, and wastewater.

Please feel free to attach any supporting material that you believe would be relevant. The Wrightwood Community Services District Board of Directors will discuss and act upon your request at their next Regular Public Board Meeting. Though not required, you may want to attend the Board meeting to answer questions.

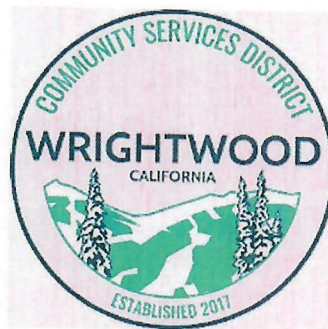
| | |
|--------------------------|---|
| Type of Event: | Board Meeting |
| Dates to Be Considered: | 1/5/24, 2/2/24, 3/1/24, 4/5/24, 5/3/24, 6/7/24, 7/5/24, 8/2/24, 9/6/24, 10/4/24, 11/1/24, 12/6/24 |
| Amount to Be Considered: | \$384.00 |

Explanation:

The Wrightwood Historical Society is a volunteer-run organization, which maintains and staffs the Wrightwood History Museum located at 6000 Cedar Street. The Wrightwood History Museum is open to the public every Saturday from 10am to 4pm and is free of charge to all visitors. The Wrightwood Historical Society also offers monthly free events and speakers for Wrightwood residents and visitors. In 2023, these events included a wildflower walk at Puma Canyon Preserve, a tour of Camp Cajon, History in a Suitcase at the elementary school, several speaking events, and a Halloween Haunted Museum. Wrightwood Historical Society also hosted all of the third and fourth grade Wrightwood Elementary students for museum field trips in 2023. The generosity of the CSD in supporting the Wrightwood Historical Society's use of the Old Firehouse for the museum has been critically important to keep the museum open and running for the local community. This request is for a variance for the Wrightwood Historical Society Board to use the meeting room at 6000 Cedar Street the first Friday of every month for two hours for the management and continued improvement of the museum and all that it offers to the Wrightwood community. Many thanks for your consideration.

Item # 10

Eadie and Payne 2022/23 Audit Report



December 23, 2023

To the Board of Directors
Wrightwood Community Services District
Wrightwood, California

We have audited the financial statements of Wrightwood Community Services District (District) as of and for the year ended June 30, 2023, and have issued our report thereon dated December 23, 2023. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated May 22, 2023, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, as part of our audit, we considered the internal control of the District solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our findings regarding a significant control deficiency over financial reporting and material weakness, and other matters noted during our audit in a separate letter to you dated December 23, 2023.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, and our firm have complied with all relevant ethical requirements regarding independence.

Our firm has identified the self-review of nonattest services as a threat to independence. To eliminate this threat, the firm requires review of the financial statements by an independent partner, and acceptance of the report by management.

Significant Risks Identified

We identified the following as significant risk during our audit:

Allocation of Fund Revenues and Expenses

In prior years management has not properly allocated revenues and expenses between the Parks & Streetlights Fund and the Solid Waste Fund.

Year-end Accruals

In prior years management has not properly accrued for revenues and expenses at year-end.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the District is included in Note 1 to the financial statements. Management adopted Governmental Accounting Standards Board Statement 96, *Subscription-Based Information Technology Arrangements (SBITA)* [GASB 96] during fiscal year ended June 30, 2023. GASB 96 requires the recognition of certain subscription assets and liabilities for SBITAs that were previously classified as operating expenses and recognized as outflows of resources based on the payment provisions of the contract. Management has determined that no contract entered into as of June 30, 2023, qualifies for treatment under GASB 96. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events.

Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimate affecting the financial statements is management's estimate of capital assets valuation, depreciable lives, and associated depreciation. We evaluated the key factors and assumptions used to develop the estimate in determining that it is reasonable in relation to the financial statements taken as a whole.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users.

Significant Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. Management has corrected all identified misstatements.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures.

The following material misstatements that we identified as a result of our audit procedures were brought to the attention of, and corrected by, management:

Parks & streetlights fund revenues were increased and solid waste fund revenues were decreased by \$274,195 to properly report property tax and franchise fee revenues in the proper funds.

Grant and donation revenues increased and capital outlay increased by \$80,925 for the parks & streetlights fund to properly report grant and donation revenues and capital outlay.

Capital assets increased and capital outlay decreased by \$298,045 in the government-wide fund to properly record capital asset additions.

Accumulated depreciation and depreciation expense were increased by \$40,045 to properly report depreciation.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the District's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Circumstances that Affect the Form and Content of the Auditor's Report

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditor's report. No circumstances that affect the form and content of our auditor's report are noted.

Representations Requested from Management

We have requested certain representations from management that are included in the management representation letter dated December 23, 2023.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the District, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the District's auditors.

Restriction on Use

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

Very truly yours,

**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**

To the Board of Directors and Management
Wrightwood Community Services District
Wrightwood, California

We have audited, 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, the financial statements of the governmental activities, the business-type activities, and each major fund of Wrightwood Community Services District (District) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our reports thereon dated December 23, 2023.

Report on 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) as a basis for designing 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.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying Schedule of Findings and Responses, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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 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. We consider the deficiencies described in the accompanying Schedule of Findings and Responses as items 2023-001 to be a material weakness.

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. We consider the deficiency described in the accompanying Schedule of Findings and Responses as items 2023-002 to be a significant deficiency.

Report on 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 financial statements. 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*.

Wrightwood Community Services District's Response to Findings

The District's response to the findings identified in our audit is described in the accompanying Schedule of Findings and Responses. The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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.

Riverside, California
December 23, 2023

Wrightwood Community Services District
SCHEDULE OF FINDINGS AND RESPONSES
For the year ended June 30, 2023

Material Weakness

2023-001 Regular Review of Revenue and Expenditure Classifications and Fund Allocations

Criteria

The District reports two separate funds -- the Parks & Streetlights Fund and the Solid Waste Fund. Each fund should account for its own revenue sources and expenditures/expenses. All transactions should be properly classified and/or allocated to the appropriate fund.

Condition

During our audit, we identified certain revenues were posted to the incorrect fund.

Cause

The bookkeeper is not familiar with fund accounting and management failed to catch and correct the error because there was no regular review of fund allocations.

Effect

The error, if not corrected, would have understated the revenue for Parks and Streetlights. If the revenue and expenditures are classified and/or allocated to the incorrect fund, the fund balances will be misstated.

Repeat Finding: Yes (2020-001), (2021-001), (2022-001)

Recommendation

We recommend the District provide training for proper fund accounting to employees who are responsible for bookkeeping. In addition, the general manager should review and validate the fund allocations on a periodic basis. In the absence of general manager, a member of the board or an independent accountant should perform the review.

Wrightwood Community Services District's Response

The District's has hired an independent accountant to review the District's accounting records. Management will continue to work with the accountant to ensure the proper classifications are reported.

Wrightwood Community Services District
SCHEDULE OF FINDINGS AND RESPONSES (Continued)
For the year ended June 30, 2023

Significant Deficiency

2023-002 Financial Statement Preparation and Financial Reporting Process

Criteria

Accounts receivable, prepaid expenses, accrued liabilities, and accounts payable should be properly reflected on the financial statements in accordance with accounting principles generally accepted in the United States of America.

Condition

The District requires assistance to determine adjustments for recording various cash to accrual adjustments such as recording accounts receivable, prepaid expenses, accrued liabilities, and accounts payable.

Cause

The District has not established a process for accruing revenue earned and expenses incurred during the year. In addition, the District did not properly review accounting records to determine what accrual adjustments needed to be recorded on a monthly basis and at year end.

Effect

Potential misstatement of the financial statements due to lack of accrual balances in conformity with accounting principles generally accepted in the United States of America.

Repeat Finding: Yes (2020-001), (2021-001), (2022-001)

Recommendation

We recommend that the District establish procedures to record accrual adjustments at year-end. In addition, the general manager should review the adjustments to determine completeness and accuracy. In the absence of the general manager, a board member or an independent accountant should perform the review.

Wrightwood Community Services District's Response

The District's has hired an independent accountant to review the District's accounting records. Management will continue to work with the accountant to ensure the proper reporting is completed.

Wrightwood Community Services District
SCHEDULE OF FINDINGS AND RESPONSES PRIOR YEAR
For the year ended June 30, 2022

Material Weaknesses

Material Weakness

2022-001 Regular Review of Revenue and Expenditure Classifications and Fund Allocations

Criteria

The District reports two separate funds -- the Parks & Streetlights Fund and the Solid Waste Fund. Each fund should account for its own revenue sources and expenditures/expenses. All transactions should be properly classified and/or allocated to the appropriate fund.

Condition

During our audit, we identified certain revenues were posted to the incorrect fund.

Cause

The bookkeeper is not familiar with fund accounting and management failed to catch and correct the error because there was no regular review of fund allocations.

Effect

The error, if not corrected, would have understated the revenue for Parks and Streetlights by approximately \$162,000 while expenditures would have been overstated by approximately \$22,000. If the revenue and expenditures are classified and/or allocated to the incorrect fund, the fund balances will be misstated.

Recommendation

We recommend the District provide training for proper fund accounting to employees who are responsible for bookkeeping. In addition, the general manager should review and validate the fund allocations on a periodic basis. In the absence of general manager, a member of the board or an independent accountant should perform the review.

Wrightwood Community Services District's Response

The General Manager is currently reviewing the financial statements on a monthly basis. The District will provide any and all necessary QuickBooks classes to enhance the performance of their bookkeeper and General Manager. The District will also hire an independent accountant to review the Districts accounting records on a quarterly basis.

Current Status: Repeat finding in fiscal year 2023 (2023-001)

Wrightwood Community Services District
SCHEDULE OF FINDINGS AND RESPONSES PRIOR YEAR
For the year ended June 30, 2022

Significant Deficiency

2022-002 Financial Statement Preparation and Financial Reporting Process

Criteria

Accounts receivable, prepaid expenses, accrued liabilities, and accounts payable should be properly reflected on the financial statements in accordance with accounting principles generally accepted in the United States of America.

Condition

The District requires assistance to determine adjustments for recording various cash to accrual adjustments such as recording accounts receivable, prepaid expenses, accrued liabilities, and accounts payable.

Cause

The District has not established a process for accruing revenue earned and expenses incurred during the year. In addition, the District did not properly review accounting records to determine what accrual adjustments needed to be recorded on a monthly basis and at year end.

Effect

Potential misstatement of the financial statements due to lack of accrual balances in conformity with accounting principles generally accepted in the United States of America.

Recommendation

We recommend that the District establish procedures to record accrual adjustments at year-end. In addition, the general manager should review the adjustments to determine completeness and accuracy. In the absence of the general manager, a board member or an independent accountant should perform the review.

Wrightwood Community Services District's Response

The District will establish procedures to record accrual adjustments at year end and have an independent accountant review.

Current Status: Repeat finding in fiscal year 2023 (2023-001)

WRIGHTWOOD COMMUNITY SERVICES DISTRICT

**INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING
AGREED-UPON PROCEDURES**

FOR FISCAL YEAR ENDING JUNE 30, 2023

**DRAFT NOT FOR
DISTRIBUTION 12-27-23**

**INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURES**

To the Board of Directors
Wrightwood, California

We have performed the procedures enumerated below to the accompanying Appropriations Limit worksheet of the Wrightwood Community Services District (District) for the year ending June 30, 2023. The District's management is responsible for the determination of the Appropriations Limit for the year ending June 30, 2023.

The District has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of meeting the requirements of Section 1.5 Article XIII-B of the California Constitution. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures performed and our findings were as follows:

1. We obtained the completed worksheet and compared the limit and annual adjustment factors included in the worksheet to the limit and annual adjustment factors that were adopted by resolution of the District's Board of Directors. We also compared the population and inflation options included in the aforementioned worksheet to those that were selected by a recorded vote of the District's Board of Directors.

Finding: No exceptions were noted as a result of our procedures.

2. For the accompanying Appropriations Limit worksheet, we added line A, last year's limit, to line E, total adjustments, and agreed the resulting amount to line F, this year's limit.

Finding: No exceptions were noted as a result of our procedures.

3. We compared the current-year information presented in the Appropriation Limit worksheet to the other worksheets described in No. 1 above.

Finding: No exceptions were noted as a result of our procedures.

4. We compared the prior-year appropriations limit presented in the accompanying Appropriations Limit worksheet to the prior-year appropriations limit adopted by the District's Board of Directors during the prior year.

Finding: No exceptions were noted as a result of our procedures.

We were engaged by the District to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA and the standards applicable to attestation engagements contained in Government Auditing Standards issued by the Comptroller General of the United States. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Appropriations Limit worksheet of the Wrightwood Community Services District (District) for the year ending June 30, 2023. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the District's Board of Directors and management of the District and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record, and its distribution is not limited.

Riverside, California
December 23, 2023

WRIGHTWOOD COMMUNITY
 SERVICES DISTRICT
 APPROPRIATIONS LIMIT CALCULATION
 FISCAL YEAR 2023/2024

| | <u>AMOUNT</u> |
|--|-------------------|
| A. LAST YEAR'S LIMIT | <u>\$ 746,246</u> |
| B. ADJUSTMENT FACTORS | |
| 1. Population % | -0.4500% |
| 2. Change in per-capita income in California | 4.4400% |
| Total Adjustment % | <u>3.9700%</u> |
| C. ANNUAL ADJUSTMENT \$ | <u>29,625</u> |
| D. OTHER ADJUSTMENTS: | - |
| E. TOTAL ADJUSTMENTS | <u>29,625</u> |
| F. CURRENT YEAR'S LIMIT | <u>\$ 775,871</u> |

DRAFT NOT FOR DISTRIBUTION 12-27-23



**WRIGHTWOOD COMMUNITY SERVICES DISTRICT
FINANCIAL STATEMENTS
June 30, 2023 and 2022**

DRAFT NOT FOR
DISTRIBUTION 12-27-23



WRIGHTWOOD COMMUNITY SERVICES DISTRICT
TABLE OF CONTENTS

| | <u>Page</u> |
|---|-------------|
| BASIC FINANCIAL STATEMENTS | |
| Independent Auditors' Report | 1 |
| Government-wide Financial Statements: | |
| Statements of Net Position | 4 |
| Statements of Activities | 6 |
| Fund Financial Statements | |
| Governmental Fund Financial Statements: | |
| Balance Sheet | 8 |
| Reconciliation of Governmental Funds Balance Sheet to Government-Wide Statement of Net Position | 9 |
| Statement of Revenues, Expenditures and Changes in Fund Balances | 10 |
| Reconciliation of the Governmental Funds Statement of Revenues, and Expenditures and Changes in Fund Balances to the Government-Wide Statement of Activities. | 11 |
| Proprietary Fund Financial Statements: | |
| Statement of Net Position | 12 |
| Statement of Revenues, Expenses and Changes in Net Position | 13 |
| Statement of Cash Flows | 14 |
| Notes to Financial Statements | 15 |
| REQUIRED SUPPLEMENTARY INFORMATION | |
| Budgetary Comparison Schedule – General Fund | 25 |

DRAFT FOR 12-21-23
 DISTRIBUTION

INDEPENDENT AUDITORS' REPORT

Board of Directors
Wrightwood Community Services District
Wrightwood, California

Report on the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, and each major fund of Wrightwood Community Services District (District), as of and for the years ended June 30, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the District, as of June 30, 2023, and 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Required Supplementary Information

Management has omitted Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on pages 25 and 26 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated December 23, 2023 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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.

Riverside, California
December 23, 2023

DRAFT NOT FOR DISTRIBUTION 12-23-23

WRIGHTWOOD COMMUNITY SERVICES DISTRICT
STATEMENT OF NET POSITION
 June 30, 2023

| | Governmental Activities | Business-Type Activities | Total |
|---|----------------------------|-----------------------------|---------------------|
| Assets | | | |
| Cash and cash equivalents | \$ 510,828 | \$ 20,302 | \$ 531,130 |
| Accounts and other receivables, net | 4,902 | 3,866 | 8,768 |
| Prepaid expenses | 6,687 | 6,688 | 13,375 |
| Capital assets, net of accumulated depreciation | 784,067 | - | 784,067 |
| Total Assets | <u>1,306,484</u> | <u>30,856</u> | <u>1,337,340</u> |
| Liabilities | | | |
| Accounts payables and accrued expenses | 2,613 | 21,686 | 24,299 |
| Customer deposits | 4,329 | - | 4,329 |
| Total Liabilities | <u>6,942</u> | <u>21,686</u> | <u>28,628</u> |
| Net Position | | | |
| Net investment in capital assets | 784,067 | - | 784,067 |
| Unrestricted | 515,475 | 9,170 | 524,645 |
| Total Net Position | <u>\$ 1,299,542</u> | <u>\$ 9,170</u> | <u>\$ 1,308,712</u> |

DRAFT NOT FOR DISTRIBUTION 12-21-23

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

WRIGHTWOOD COMMUNITY SERVICES DISTRICT
STATEMENT OF NET POSITION
 June 30, 2022

| | Governmental Activities | Business-Type Activities | Total |
|---|----------------------------|-----------------------------|-------------------|
| Assets | | | |
| Cash and cash equivalents | \$ 415,950 | \$ 35,612 | \$ 451,562 |
| Accounts and other receivables, net | 4,545 | 3,480 | 8,025 |
| Prepaid expenses | 5,621 | 5,621 | 11,242 |
| Capital assets, net of accumulated depreciation | 526,066 | - | 526,066 |
| Total Assets | <u>952,182</u> | <u>44,713</u> | <u>996,895</u> |
| Liabilities | | | |
| Accounts payables and accrued expenses | 124 | 16,957 | 17,081 |
| Customer deposits | 2,979 | - | 2,979 |
| Current portion of notes payable | 5,291 | 5,293 | 10,584 |
| Total Liabilities | <u>8,394</u> | <u>22,250</u> | <u>30,644</u> |
| Net Position | | | |
| Net investment in capital assets | 526,066 | - | 526,066 |
| Unrestricted | 417,722 | 22,463 | 440,185 |
| Total Net Position | <u>\$ 943,788</u> | <u>\$ 22,463</u> | <u>\$ 966,251</u> |

DRAFT NOT FOR DISTRIBUTION 12/21/23

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

WRIGHTWOOD COMMUNITY SERVICES DISTRICT
STATEMENT OF ACTIVITIES
For the year ended June 30, 2023

| | Governmental Activities | Business-Type Activities | Total |
|-----------------------------------|----------------------------|-----------------------------|---------------------|
| Expenses | | | |
| Solid waste disposal fees | \$ - | \$ 154,474 | \$ 154,474 |
| Professional services | 29,728 | 29,498 | 59,226 |
| Salaries and benefits | 58,449 | 37,918 | 96,367 |
| Recreation fees | 5,003 | - | 5,003 |
| Maintenance | 20,309 | 1,034 | 21,343 |
| Utilities | 22,296 | 4,059 | 26,355 |
| Insurance | 5,622 | 5,621 | 11,243 |
| Office expenses | 7,729 | 6,488 | 14,217 |
| Depreciation expense | 40,045 | - | 40,045 |
| Total Expenses | <u>189,181</u> | <u>239,092</u> | <u>428,273</u> |
| Program Revenues | | | |
| Special assessments | - | 225,635 | 225,635 |
| Rental revenue | 15,684 | - | 15,684 |
| Recreation charges | 5,338 | - | 5,338 |
| Grants and donations | 245,127 | - | 245,127 |
| Other | 5,749 | 164 | 5,913 |
| Total Program Revenue | <u>271,898</u> | <u>225,799</u> | <u>497,697</u> |
| Net Program Revenues (Expenses) | <u>82,717</u> | <u>(13,293)</u> | <u>69,424</u> |
| General Revenues | | | |
| Property taxes | 172,526 | - | 172,526 |
| Franchise fees | 100,511 | - | 100,511 |
| Total General Revenues | <u>273,037</u> | <u>-</u> | <u>273,037</u> |
| Changes in Net Position | <u>355,754</u> | <u>(13,293)</u> | <u>342,461</u> |
| Net Position | | | |
| Net position at beginning of year | <u>943,788</u> | <u>22,463</u> | <u>966,251</u> |
| Net position at end of year | <u>\$ 1,299,542</u> | <u>\$ 9,170</u> | <u>\$ 1,308,712</u> |

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

WRIGHTWOOD COMMUNITY SERVICES DISTRICT
STATEMENT OF ACTIVITIES
For the year ended June 30, 2022

| | Governmental Activities | Business-Type Activities | Total |
|-----------------------------------|----------------------------|-----------------------------|-------------------|
| Expenses | | | |
| Solid waste disposal fees | \$ - | \$ 160,439 | \$ 160,439 |
| Professional services | 37,531 | 36,753 | 74,284 |
| Salaries and benefits | 42,651 | 24,511 | 67,162 |
| Recreation fees | 7,920 | - | 7,920 |
| Maintenance | 23,231 | 1,382 | 24,613 |
| Utilities | 18,074 | 3,280 | 21,354 |
| Insurance | 5,163 | 5,162 | 10,325 |
| Office expenses | 12,738 | 3,923 | 16,661 |
| Depreciation expense | 39,795 | 192 | 39,987 |
| Total Expenses | <u>187,103</u> | <u>235,642</u> | <u>422,745</u> |
| Program Revenues | | | |
| Special assessments | - | 225,159 | 225,159 |
| Rental revenue | 11,139 | - | 11,139 |
| Recreation charges | 10,840 | - | 10,840 |
| Grants and donations | 1,500 | - | 1,500 |
| Other | 497 | - | 497 |
| Total Program Revenue | <u>23,976</u> | <u>225,159</u> | <u>249,135</u> |
| Net Program Revenues (Expenses) | <u>(163,127)</u> | <u>(10,483)</u> | <u>(173,610)</u> |
| General Revenues | | | |
| Property taxes | 164,129 | - | 164,129 |
| Franchise fees | 96,798 | - | 96,798 |
| Total General Revenues | <u>260,927</u> | <u>-</u> | <u>260,927</u> |
| Changes in Net Position | <u>97,800</u> | <u>(10,483)</u> | <u>87,317</u> |
| Net Position | | | |
| Net position at beginning of year | <u>845,988</u> | <u>32,946</u> | <u>878,934</u> |
| Net position at end of year | <u>\$ 943,788</u> | <u>\$ 22,463</u> | <u>\$ 966,251</u> |

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

WRIGHTWOOD COMMUNITY SERVICES DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS - PARKS & STREETLIGHTS
 June 30, 2023 and 2022

| | <u>2023</u> | <u>2022</u> |
|--|-------------------|-------------------|
| Assets | | |
| Cash and cash equivalents | \$ 510,828 | \$ 415,950 |
| Accounts and other receivables, net | 4,902 | 4,545 |
| Prepaid expenses | 6,687 | 5,621 |
| Total Assets | <u>\$ 522,417</u> | <u>\$ 426,116</u> |
| Liabilities and Fund Balances | | |
| Liabilities | | |
| Accounts payables and accrued expenses | \$ 2,613 | \$ 124 |
| Customer deposits | 4,329 | 2,979 |
| Total Liabilities | <u>6,942</u> | <u>3,103</u> |
| Fund balance | | |
| Nonspendable - prepaid expenses | 6,687 | 5,621 |
| Unassigned | 508,788 | 417,392 |
| Total Fund Balance | <u>515,475</u> | <u>423,013</u> |
| Total Liabilities and Fund Balance | <u>\$ 522,417</u> | <u>\$ 426,116</u> |

DRAFT NOT FOR DISTRIBUTION 12-27-23

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

**WRIGHTWOOD COMMUNITY SERVICES DISTRICT
 RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
 TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION**
 June 30, 2023 and 2022

| | <u>2023</u> | <u>2022</u> |
|---|---------------------|-------------------|
| Fund balances of governmental funds | \$ 515,475 | \$ 423,013 |
| Amounts reported for governmental activities in the Statement of Net Position are different because: | | |
| Capital assets net of depreciation have not been included as financial resources in governmental fund activity. | 784,067 | 526,066 |
| Long-term debt has not been included as a liability in governmental fund activity: | | |
| Notes payable | - | (5,291) |
| Net position of governmental activities | <u>\$ 1,299,542</u> | <u>\$ 943,788</u> |

DRAFT NOT FOR DISTRIBUTION 12-27-23

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

WRIGHTWOOD COMMUNITY SERVICES DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS - PARKS & STREETLIGHTS
For the years ended June 30, 2023 and 2022

| | <u>2023</u> | <u>2022</u> |
|--------------------------------------|-------------------|-------------------|
| Revenues | | |
| Property taxes | \$ 172,526 | \$ 164,129 |
| Franchise fees | 100,511 | 96,798 |
| Rental revenue | 15,684 | 11,139 |
| Recreation charges | 5,338 | 10,840 |
| Grant and donations | 245,127 | 1,500 |
| Other | 5,749 | 497 |
| Total Operating Revenue | <u>544,935</u> | <u>284,903</u> |
| Expenditures | | |
| Current | | |
| Professional services | 29,728 | 37,531 |
| Salaries and benefits | 58,449 | 42,651 |
| Recreation fees | 5,003 | 7,920 |
| Maintenance | 20,309 | 23,231 |
| Utilities | 22,296 | 18,074 |
| Insurance | 5,622 | 5,163 |
| Office expenses | 7,729 | 12,738 |
| Capital outlay | 298,046 | - |
| Debt service | | |
| Principal and interest expense | 5,291 | 5,291 |
| Total Expenditures | <u>452,473</u> | <u>152,599</u> |
| Excess of Revenues Over Expenditures | <u>92,462</u> | <u>132,304</u> |
| Net Change in Fund Balances | <u>92,462</u> | <u>132,304</u> |
| Fund Balance | | |
| Fund balance, beginning of year | 423,013 | 290,709 |
| Fund balance, end of year | <u>\$ 515,475</u> | <u>\$ 423,013</u> |

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

**WRIGHTWOOD COMMUNITY SERVICES DISTRICT
 RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
 EXPENDITURES AND CHANGES IN FUND BALANCES TO THE GOVERNMENT-WIDE
 STATEMENT OF ACTIVITIES**

For the years ended June 30, 2023 and 2022

| | <u>2023</u> | <u>2022</u> |
|--|-------------------|------------------|
| Net change in fund balances - governmental fund | \$ 92,462 | \$ 132,304 |
| Amounts reported for governmental activities in the Statement of Activities are different because: | | |
| When capital assets that are to be used in governmental activities are purchased or constructed, the resources expended for those assets are reported as expenditures in governmental funds. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. As a result, fund balance decreases by the amount of financial resources expended, whereas net assets decreased by the amount of depreciation expense charged for the year, net of disposals. | | |
| Capital outlay | 298,046 | - |
| Depreciation expense | (40,045) | (39,795) |
| In the statement of activities, only interest on long term notes payable is reported. However, in the governmental funds, principal payments decrease financial resources. Thus the change in net assets differs from the change in fund balance by the principal, as well as, issuance of debt. | | |
| Debt service principal payments | 5,291 | 5,291 |
| Changes in net position of governmental activities | <u>\$ 355,754</u> | <u>\$ 97,800</u> |

DRAFT NOT FOR DISTRIBUTION 12-27-23

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

WRIGHTWOOD COMMUNITY SERVICES DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS (ENTERPRISE)
 June 30, 2023 and 2022

| | <u>2023</u> | <u>2022</u> |
|---------------------------------------|------------------|------------------|
| Assets | | |
| Current Assets | | |
| Cash and cash equivalents | \$ 20,302 | \$ 35,612 |
| Accounts receivable, net | 3,866 | 3,480 |
| Prepaid expenses | 6,688 | 5,621 |
| Total Current Assets | <u>30,856</u> | <u>44,713</u> |
| Non Current Assets | | |
| Capital Assets | | |
| Equipment | 3,246 | 3,246 |
| Less accumulated depreciation | (3,246) | (3,246) |
| Total Non Current Assets | <u>-</u> | <u>-</u> |
| Total Assets | <u>\$ 30,856</u> | <u>\$ 44,713</u> |
| Liabilities | | |
| Current Liabilities | | |
| Accounts payable and accrued expenses | \$ 21,686 | \$ 16,957 |
| Current portion of notes payable | - | 5,293 |
| Total Current Liabilities | <u>21,686</u> | <u>22,250</u> |
| Net Position | | |
| Unrestricted | 9,170 | 22,463 |
| Total Liabilities and Net Position | <u>\$ 30,856</u> | <u>\$ 44,713</u> |

DRAFT NOT FOR DISTRIBUTION 12-21-23

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

WRIGHTWOOD COMMUNITY SERVICES DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS (ENTERPRISES)
For the years ended June 30, 2023 and 2022

| | <u>2023</u> | <u>2022</u> |
|-----------------------------------|-----------------|------------------|
| Operating Revenue | | |
| Special assessments | \$ 225,799 | \$ 225,159 |
| Operating Expenses | | |
| Solid waste disposal fees | 154,474 | 160,439 |
| Professional services | 29,498 | 36,753 |
| Salaries and benefits | 37,918 | 24,511 |
| Maintenance | 1,034 | 1,382 |
| Utilities | 4,059 | 3,280 |
| General and administrative | 20 | - |
| Insurance | 5,621 | 5,162 |
| Office expenses | 6,468 | 3,923 |
| Depreciation | - | 192 |
| Total Operating Expenses | <u>239,092</u> | <u>235,642</u> |
| Operating Loss | <u>(13,293)</u> | <u>(10,483)</u> |
| Change in Net Position | <u>(13,293)</u> | <u>(10,483)</u> |
| Net Position | | |
| Net position at beginning of year | 22,463 | 32,946 |
| Net position at end of year | <u>\$ 9,170</u> | <u>\$ 22,463</u> |

DRAFT NOT FOR DISTRIBUTION 12-27-23

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

WRIGHTWOOD COMMUNITY SERVICES DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (ENTERPRISE)
For the Years Ended June 30, 2023 and 2022

| | <u>2023</u> | <u>2022</u> |
|--|--------------------|--------------------|
| Cash Flows from Operating Activities | | |
| Receipts from customers and others | \$ 225,413 | \$ 225,107 |
| Payments to vendors for materials and services | (197,512) | (217,744) |
| Payments to employees for salaries and benefits | (37,918) | (24,511) |
| Net Cash Provided (Used) by Operating Activities | <u>(10,017)</u> | <u>(17,148)</u> |
| Cash Flows from Noncapital Financing Activities | | |
| Principal payments on notes payable | (5,293) | (5,293) |
| Net Cash Flows Provided (Used) by Financing Activities | <u>(5,293)</u> | <u>(5,293)</u> |
| Net Increase (Decrease) in Cash and Cash Equivalents | (15,310) | (22,441) |
| Cash and Cash Equivalents-Beginning of Year | 35,612 | 58,053 |
| Cash and Cash Equivalents-End of Year | <u>\$ 20,302</u> | <u>\$ 35,612</u> |
| Reconciliation of Operating Income to | | |
| Net Cash Provided (Used) by Operating Activities | | |
| Change in net position | \$ (13,293) | \$ (10,483) |
| Adjustments to reconcile change in net position to net cash provided by operating activities: | | |
| Depreciation | - | 192 |
| Change in Assets and Liabilities | | |
| (Increase) decrease in accounts receivable | (386) | (52) |
| (Increase) decrease in prepaid expense | (1,067) | (2,653) |
| Increase (decrease) in accounts payable | 4,729 | (4,152) |
| Net Cash Provided by Operating Activities | <u>\$ (10,017)</u> | <u>\$ (17,148)</u> |

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

WRIGHTWOOD COMMUNITY SERVICES DISTRICT
NOTES TO FINANCIAL STATEMENTS
June 30, 2023 and 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Operations of the Reporting Entity

The Wrightwood Community Services District (District) was established by an action of the LAFCO for San Bernardino County which was a reorganization that included the formation of Wrightwood Community Services District and the dissolution of County Service Area 56.

The District was formed to provide the following services:

Street Lighting - Acquire, construct, improve, maintain and operate street lighting and landscaping on public property, public right-of-ways, and public easements.

Park and Recreation - Acquire, construct, improve, maintain, and operate recreation facilities, including, but not limited to, parks and open space, in the same manner as a recreation and park district formed pursuant to the Recreation and Park District Law of the Public Resources Code.

Solid Waste and Recycling - Collect, transfer, and dispose of solid waste and refuse and provide solid waste handling service, including, but not limited to, source reduction, recycling, composting activities, pursuant to Division 30, and consistent with Section 41821.2 of the Public Resources Code.

Wastewater (Currently inactive) - Planning and engineering for the potential development of a regional wastewater treatment system should such be required by the Lahontan Regional Water Quality Control Board in the same manner as a sanitary district, formed pursuant to Sanitary District Act of 1923 Division 6 of the Health and Safety Code.

Government-Wide and Fund Financial Statements

The government-wide financial statements (e.g., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the reporting entity. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the expenses of a given function or segment are offset by program revenues. Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

WRIGHTWOOD COMMUNITY SERVICES DISTRICT
NOTES TO FINANCIAL STATEMENTS
June 30, 2023 and 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Measurement Focus, Basis of Accounting, and Financial Statements Presentation

Separate financial statements are provided from governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Currently, the District does not have fiduciary fund types. Major individual governmental funds are reported as separate columns in the fund financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible with the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes are considered to be susceptible to accrual and have been recognized as revenues in the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental fund:

Parks & Streetlights Fund - provides park and recreation services along with one community center and one senior center for the community of Wrightwood. Additionally, accounts for financial resources to provide and maintain streetlights and landscaping on public property within the community of Wrightwood.

WRIGHTWOOD COMMUNITY SERVICES DISTRICT
NOTES TO FINANCIAL STATEMENTS
June 30, 2023 and 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Measurement Focus, Basis of Accounting, and Financial Statements Presentation (continued)

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 noncurrent) are included on the statement of net position. The statement of revenues, expenses and changes in net position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. In these funds, receivables have been recorded as revenue and provisions have been made for uncollectible amounts.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds are charges to customers for sales and services. Operating expenses for the proprietary funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The District reports the following major proprietary fund:

Solid Waste Fund – accounts for the funds received and expended for the District's solid waste and recycling services.

The accounting policies of the District conform to generally accepted accounting principles as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Use of Estimates

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

Cash and Cash Equivalents

Cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from date of acquisition.

WRIGHTWOOD COMMUNITY SERVICES DISTRICT
NOTES TO FINANCIAL STATEMENTS
June 30, 2023 and 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Interfund Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (e.g., the current portion of interfund loans) or "advances to/from other funds" (e.g., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances". The District does not have any interfund receivables or payables at June 30, 2023 and 2022.

Property and Special Assessment Taxes

Secured property taxes and special assessment are levied in two equal installments, November 1 and February 1. They become delinquent with penalties on December 10 and April 10, respectively. The lien date is January 1 of each year. Unsecured property taxes are due on March 1 and become delinquent with penalties on August 31.

Accounts Receivable

No allowance for uncollectible were recorded at June 30, 2023 and 2022, based on management's expectation that all accounts receivable will be collected.

Inventories and Prepaid Items

Inventories, if any, are valued at cost using the first-in/first-out method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

WRIGHTWOOD COMMUNITY SERVICES DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2023 and 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Capital Assets

Capital assets, which include land, improvements to land, structure and improvements, and equipment, are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the District as assets with have an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation in accordance with GASB Statement No. 72.

The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvement are capitalized as projects are constructed.

Depreciable capital assets of the government are depreciated using the straight-line method over the following estimated useful lives:

| <u>Assets</u> | <u>Years</u> |
|----------------------------|--------------|
| Improvements to land | 20-45 |
| Structure and improvements | 45 |
| Equipment | 3-15 |

Fund Equity

The District implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classification describes the relative strength of the spending constraints placed on the purpose for which the resources can be used:

- *Nonspendable Fund Balance*: Amounts cannot be spent because they are: (a) not in spendable form or (b) legally or contractually required to be maintained intact. Due to the nature or form of the resources, they generally cannot be expected to be converted into cash.
- *Restricted Fund Balance*: Amounts are restricted by external parties, i.e., creditors, grantors, contributors, or laws/regulations of other governments or restricted by law through constitutional provision or enabling legislation.

WRIGHTWOOD COMMUNITY SERVICES DISTRICT
NOTES TO FINANCIAL STATEMENTS
June 30, 2023 and 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund Equity (continued)

- *Committed Fund Balance:* Amounts can only be used for a specific purpose pursuant to constraints imposed by formal action of the District's highest level of decision-making authority (the board of Directors). The formal action must occur prior to the end of the reporting period; however, the amount may be determined in the subsequent period. These are self-imposed limitations on available resources. These committed amounts cannot be used for any other purpose unless the District removes or changes the specified use by taking the same level of action it employed to previously commit those amounts. These committed amounts would be approved and adopted by formal action of the Board.
- *Assigned Fund Balance:* Amounts are constrained by the District's intent to be used for specific purposes that are neither restricted nor committed. The intent will be expressed by the body or official to which the governing body has delegated the authority.
- *Unassigned Fund Balance:* The unassigned fund balance has net resources in excess of what can properly be classified in one of the four categories already described.

When both restricted and unrestricted resources are available for use when expenditure is incurred, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed. It is the District's policy to consider committed amounts as being reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Long-Term Debt and Interest Payable

In the Government-Wide Financial Statements, long-term debt and other long-term obligations are reported as liabilities in the appropriate activities. In the Fund Financial Statements, with the exception of advances from other funds, long-term liabilities are not presented. Consequently, long term debt is shown as a reconciling item in the Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position.

In the Government-Wide Financial Statements, interest payable on long-term debt is recognized as the liability is incurred for governmental activities and business-type activities. In the Fund Financial Statements, only propriety fund types recognize the interest payable when the liability is incurred.

WRIGHTWOOD COMMUNITY SERVICES DISTRICT
NOTES TO FINANCIAL STATEMENTS
June 30, 2023 and 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

In the Government-Wide Financial Statements, net position is classified in the following categories:

- *Net Investment in Capital Assets* consists of capital assets net of accumulated depreciation and reduced by outstanding debt that attributed to the acquisition, construction, or improvement of the assets.
- *Restricted Net Position* is restricted by external creditors, grantors, contributors, laws or regulations of other governments.
- *Unrestricted Net Position* is all net position that does not meet the definition of "net investment in capital assets" or "restricted net position."

Subsequent Events

Subsequent events are events or transactions that occur after the balance sheet date, but before financial statements are available to be issued. The District recognizes in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the balance sheet, including the estimates inherent in the process of preparing the financial statements. The District's financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the balance sheet, but arose after the balance sheet date and before the financial statements were available to be issued. The District has evaluated subsequent events through December 23, 2023, which is the date the financial statements were available to be issued.

2. CASH AND CASH EQUIVALENTS

The District at times maintains deposits with financial institutions in excess of federal depository insurance limits. California law requires banks and savings and loan institutions to pledge government securities with a market value of 110 percent of the District's cash on deposit or first trust deed mortgage notes with a market value of 150 percent of the deposit as collateral for these deposits. Under California law, this collateral is held in a separate investment pool by another institution in the District's name and places it ahead of general creditors of the institution.

At June 30, 2023 and 2022, the carrying amount of the District's deposits were \$531,130 and \$451,562, respectively, and the bank balances were \$538,386 and \$459,098, respectively. The District has cash in financial institutions insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000, and the remaining balance is collateralized in accordance with the California Government Code.

WRIGHTWOOD COMMUNITY SERVICES DISTRICT
NOTES TO FINANCIAL STATEMENTS
 June 30, 2023 and 2022

3. CAPITAL ASSETS

Capital asset activity for the years ended June 30, 2023 and 2022, was as follows:

2023 Governmental Activities:

| | Beginning Balance | Additions | Deletions | Ending Balance |
|--|----------------------|-------------------|-------------|-------------------|
| Capital assets, not being depreciated: | | | | |
| Land | \$ 185,000 | \$ - | \$ - | \$ 185,000 |
| Capital assets, being depreciated: | | | | |
| Improvements to land | 523,634 | 298,046 | - | 821,680 |
| Structures and improvements | 196,097 | - | - | 196,097 |
| Furniture and Equipment | 29,495 | - | - | 29,495 |
| Total capital assets, being depreciated | <u>749,226</u> | <u>298,046</u> | <u>-</u> | <u>1,047,272</u> |
| Less accumulated depreciation for: | | | | |
| Improvements to land | (253,468) | (27,723) | - | (281,191) |
| Structures and improvements | (134,420) | (7,674) | - | (142,094) |
| Furniture and equipment | (20,272) | (4,648) | - | (24,920) |
| Total accumulated depreciation | <u>(408,160)</u> | <u>(40,045)</u> | <u>-</u> | <u>(448,205)</u> |
| Total capital assets, being depreciated, net | <u>341,066</u> | <u>258,001</u> | <u>-</u> | <u>599,067</u> |
| Total capital assets, net | <u>\$ 526,066</u> | <u>\$ 258,001</u> | <u>\$ -</u> | <u>\$ 784,067</u> |

2023 Business-Type Activities:

| | Beginning Balance | Additions | Deletions | Ending Balance |
|--|----------------------|-------------|-------------|-------------------|
| Capital assets, being depreciated: | | | | |
| Equipment | \$ 3,246 | \$ - | \$ - | \$ 3,246 |
| Less accumulated depreciation for: | | | | |
| Equipment | (3,246) | - | - | (3,246) |
| Total capital assets, being depreciated, net | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

WRIGHTWOOD COMMUNITY SERVICES DISTRICT
NOTES TO FINANCIAL STATEMENTS
June 30, 2023 and 2022

3. CAPITAL ASSETS (Continued)

2022 Governmental Activities:

| | Beginning Balance | Additions | Deletions | Ending Balance |
|--|----------------------|--------------------|-------------|-------------------|
| Capital assets, not being depreciated: | | | | |
| Land | \$ 185,000 | \$ - | \$ - | \$ 185,000 |
| Capital assets, being depreciated: | | | | |
| Improvements to land | 523,634 | - | - | 523,634 |
| Structures and improvements | 196,097 | - | - | 196,097 |
| Furniture and Equipment | 29,495 | - | - | 29,495 |
| Total capital assets, being depreciated | <u>749,226</u> | <u>-</u> | <u>-</u> | <u>749,226</u> |
| Less accumulated depreciation for: | | | | |
| Improvements to land | (229,860) | (23,608) | - | (253,468) |
| Structures and improvements | (126,511) | (7,909) | - | (134,420) |
| Furniture and equipment | (11,994) | (8,278) | - | (20,272) |
| Total accumulated depreciation | <u>(368,365)</u> | <u>(39,795)</u> | <u>-</u> | <u>(408,160)</u> |
| Total capital assets, being depreciated, net | <u>380,861</u> | <u>(39,795)</u> | <u>-</u> | <u>341,066</u> |
| Total capital assets, net | <u>\$ 565,861</u> | <u>\$ (39,795)</u> | <u>\$ -</u> | <u>\$ 526,066</u> |

2022 Business-Type Activities:

| | Beginning Balance | Additions | Deletions | Ending Balance |
|--|----------------------|-----------------|-------------|-------------------|
| Capital assets, being depreciated: | | | | |
| Equipment | \$ 3,246 | \$ - | \$ - | \$ 3,246 |
| Less accumulated depreciation for: | | | | |
| Equipment | (3,054) | (192) | - | (3,246) |
| Total capital assets, being depreciated, net | <u>\$ 192</u> | <u>\$ (192)</u> | <u>\$ -</u> | <u>\$ -</u> |

WRIGHTWOOD COMMUNITY SERVICES DISTRICT
NOTES TO FINANCIAL STATEMENTS
 June 30, 2023 and 2022

4. NOTES PAYABLE

The District entered into an agreement with the San Bernardino County Registrar of Voters (SBCRV) for the repayment of costs related to services provided by SBCRV to conduct the District's special formation election. The total amount of the costs advanced by SBCRV was \$63,500. The note payable is to be repaid in six annual payments of \$10,584. There is no interest on the note payable. The note payable balances reported in the Statement of Net Position at June 30, 2023 and 2022 were as follows:

| | Principal Balance 7/1/2022 | Additions | Retirements | Principal Balance 6/30/2023 | Amounts Due Within One Year |
|-------------------------|----------------------------------|-----------|-------------|-----------------------------------|-----------------------------------|
| SBC Registrar of Voters | \$ 10,584 | \$ - | \$ (10,584) | \$ - | \$ - |
| | Principal Balance 7/1/2021 | Additions | Retirements | Principal Balance 6/30/2022 | Amounts Due Within One Year |
| SBC Registrar of Voters | \$ 21,168 | \$ - | \$ (10,584) | \$ 10,584 | \$ 10,584 |

5. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors or omissions; injuries to employees; and natural disasters. As a result, the District participates in a public entity risk pool provided by the Special District Risk Management Authority (SDRMA) which provides coverage for property/liability claims and workers' compensation claims. Upon joining the SDRMA, the District signed a participation agreement which outlines the rights and responsibilities of both the SDRMA and the District. The agreement states that for premiums paid by the District, the SDRMA will assume financial responsibility for the District's losses up to the maximum amount of insurance purchased, minus the District's deductible amounts. The SDRMA provides this insurance coverage through a pooled, self-insurance mechanism which includes reinsurance purchased by the SDRMA to protect against large, catastrophic claims above the losses the SDRMA retains internally for payment from the pooled contributions of its members.

6. RISK AND UNCERTAINTIES

Concentrations of Credit Risk

The District's financial instruments that are exposed to concentrations of credit risk consist primarily of cash and accounts receivable. The District places its cash with high credit worthy institutions. At times, such cash may be in excess of the FDIC insurance limit. The District routinely assesses the financial strength of its customers and, as a consequence, believes that its account receivable credit risk exposure is limited.

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk. As of June 30, 2023 and 2022, \$281,130 and \$209,098 was uninsured by the FDIC insurance, respectively.

WRIGHTWOOD COMMUNITY SERVICES DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE-GENERAL
For the year ended June 30, 2023

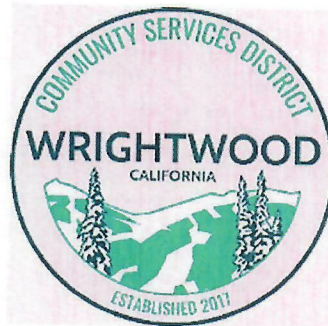
| | Budgeted Amounts | | Actual | Variances with Final Budget Positive (Negative) |
|---|--------------------|---------------------|-------------------|--|
| | Original | Final | | |
| Revenues | | | | |
| Property taxes | \$ 45,000 | \$ 168,000 | \$ 172,526 | \$ 4,526 |
| Franchise fees | 39,000 | 82,000 | 100,511 | 18,511 |
| Rental revenue | 8,350 | 9,200 | 15,684 | 6,484 |
| Recreation charges | 17,000 | 12,000 | 5,338 | (6,662) |
| Grants and donations | - | - | 245,127 | 245,127 |
| Other | 441 | 441 | 5,749 | 5,308 |
| Total Revenues | <u>109,791</u> | <u>271,641</u> | <u>544,935</u> | <u>273,294</u> |
| Expenditures | | | | |
| Current | | | | |
| Professional services | 14,710 | 59,038 | 29,728 | 29,310 |
| Salaries and benefits | 19,796 | 134,796 | 58,449 | 76,347 |
| Recreation fees | 3,425 | 5,000 | 5,003 | (3) |
| Maintenance | 4,369 | 24,164 | 20,309 | 3,855 |
| Utilities | 89,450 | 188,232 | 22,296 | 165,936 |
| Insurance | - | 12,849 | 5,622 | 7,227 |
| Office expenses | 19,114 | 12,427 | 7,729 | 4,698 |
| Election costs | - | 29,484 | - | 29,484 |
| Capital outlay | - | 25,000 | 298,046 | (273,046) |
| Principal and interest expense | - | 1,263 | 5,291 | (4,028) |
| Total Expenditures | <u>150,864</u> | <u>492,253</u> | <u>452,473</u> | <u>39,780</u> |
| Excess of Revenues Over (Under) Expenditures | <u>(41,073)</u> | <u>(220,612)</u> | <u>92,462</u> | <u>313,074</u> |
| Net Change in Fund Balance | <u>\$ (41,073)</u> | <u>\$ (220,612)</u> | <u>92,462</u> | <u>\$ 313,074</u> |
| Fund balance, beginning | | | <u>423,013</u> | |
| Fund balance, ending | | | <u>\$ 515,475</u> | |

WRIGHTWOOD COMMUNITY SERVICES DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE-GENERAL
For the year ended June 30, 2022

| | Budgeted Amounts | | Actual | Variances with Final Budget Positive (Negative) |
|---|--------------------|--------------------|-------------------|--|
| | Original | Final | | |
| Revenues | | | | |
| Property taxes | \$ 140,000 | \$ 140,000 | \$ 164,129 | \$ 24,129 |
| Franchise fees | 78,000 | 78,000 | 96,798 | 18,798 |
| Rental revenue | 11,590 | 11,590 | 11,139 | (451) |
| Recreation charges | 15,500 | 15,500 | 10,840 | (4,660) |
| Grants and donations | - | - | 1,500 | 1,500 |
| Other | 25 | 25 | 497 | 472 |
| Total Revenues | <u>245,115</u> | <u>245,115</u> | <u>284,903</u> | <u>39,788</u> |
| Expenditures | | | | |
| Current | | | | |
| Professional services | 40,577 | 40,577 | 37,531 | 3,046 |
| Salaries and benefits | 71,533 | 71,533 | 42,651 | 28,882 |
| Recreation fees | 2,750 | 2,750 | 7,920 | (5,170) |
| Maintenance | 35,920 | 35,920 | 23,231 | 12,689 |
| Utilities | 16,200 | 16,200 | 18,074 | (1,874) |
| Insurance | 10,325 | 10,325 | 5,163 | 5,162 |
| Office expenses | 7,618 | 7,618 | 12,738 | (5,120) |
| Election costs | 11,000 | 11,000 | - | 11,000 |
| Capital outlay | 65,319 | 65,319 | - | 65,319 |
| Principal and interest expense | - | - | 5,291 | (5,291) |
| Total Expenditures | <u>261,242</u> | <u>261,242</u> | <u>152,599</u> | <u>108,643</u> |
| Excess of Revenues Over (Under) Expenditures | <u>(16,127)</u> | <u>(16,127)</u> | <u>132,304</u> | <u>148,431</u> |
| Net Change in Fund Balance | <u>\$ (16,127)</u> | <u>\$ (16,127)</u> | <u>132,304</u> | <u>\$ 148,431</u> |
| Fund Balance | | | | |
| Fund balance, beginning | | | 290,709 | |
| Fund balance, ending | | | <u>\$ 423,013</u> | |

Item # 11

Review Resolution NO. 2024-1
Establishing Policies for
Relations Among Directors and
Staff



RESOLUTION NO. 2024-01

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE WRIGHTWOOD COMMUNITY SERVICES DISTRICT
ESTABLISHING POLICIES FOR ITS RELATIONS
AMONG DIRECTORS AND WITH STAFF**

WHEREAS, the Board of Directors of the Wrightwood Community Services District finds as follows:

A. The Wrightwood Community Services District (“the District”) is a community services district organized and operating pursuant to California Government Code Section 61000 et seq.

B. The District is governed by an elected Board of Directors (“the Board”) whose meetings are subject to the requirements of the Ralph M. Brown Act, California Government Code Section 54950 et seq. (“the Brown Act”) pursuant to California Government Code Section 61044.

C. The Board adopted Ordinance No. 2021-1 on March 2, 2021, establishing guidelines for the conduct of its public meetings and activities and imposing requirements upon itself which allow greater access to its meetings than prescribed by the Brown Act.

D. The purpose of this Resolution is to supplement Ordinance No. 2021-1 and to ensure that the Board’s deliberations are conducted honorably and that its activities are performed in a manner that reflects a dedication to the highest standards of integrity so as to continue to earn the trust and confidence of the public served by the District.

THEREFORE, THE BOARD OF DIRECTORS of the Wrightwood Community Services District does hereby resolve as follows:

Section 1. **RELATIONS BETWEEN DIRECTORS.**

1.1. **Duties.** The Board shall govern the District. The Board shall establish policies for the operation of the District. The Board shall provide for the implementation of those policies which is the responsibility of the District's General Manager. All members of the Board shall exercise their independent judgment on behalf of the entire District, including the residents, property owners, and the public as a whole in furthering the purposes and intent of the District.

1.2. **Officers.**

1.2.1. Within 45 days after each general district or unopposed election, the Board shall meet and elect the officers of the Board. In odd-numbered years, the Board shall appoint its officers during the regular Board meeting in December.

1.2.2. The officers of the Board are President and Vice-President. The President shall preside over meetings of the Board and the Vice-President shall serve in the President's absence or inability to serve. The Board may create additional offices and elect members to those offices, provided no members of the Board shall hold more than one office.

1.3. **Parliamentary Procedure.**

1.3.1. A majority of the total membership of the Board shall constitute a quorum for the transaction of District business. Except as otherwise specifically provided by law, a majority of the total membership of the Board is required for the Board to take action. The Board shall act only by ordinance, resolution, or motion. The Board President shall have the same rights and obligations of the other directors concerning voting procedures. The minutes of the Board shall record the aye and no votes taken by the members of the Board for the passage of all ordinances, resolutions, or motions. The Board shall keep a record of all its actions, including financial transactions.

1.3.2. Meetings of the Board shall be subject to the Brown Act and Ordinance No. 2021-1 (as may be amended from time to time). Robert's Rules of Order shall provide general

guidance for the conduct of the Board's business, except where otherwise provided by law, ordinance, resolution, or motion of the District, or otherwise inconsistent with the intent of the Board. The Board President (or committee chair) shall preserve order and decorum and will rule on all matters of procedure, with the advice of legal counsel. Questions of law may be referred to the District's legal counsel for opinion.

1.4. **Committees**. Any matter brought before the Board may, if deemed necessary, be referred to District staff or a committee of the Board composed of less than a quorum of the Board for review and recommendation. The Board may establish such standing and ad hoc committees as it deems necessary. The selection of the Board members to serve on such committees shall be at the discretion of the Board President, unless otherwise overridden by majority vote of the Board. Pursuant to Section 1 of Ordinance No. 2021-1, all meetings of standing committees of the Board shall be conducted in compliance with all applicable requirements of the Brown Act. Meetings of ad hoc committees of the Board may be exempt from the notice, agenda, and public participation requirements of the Brown Act as long as the committee substantially comply with the following guidelines: (1) The committee's life should be restricted to a relatively short period of time; (2) The committee's purpose should be limited to a single and specific task; (3) The committee shall not be given any independent discretionary authority to make ultimate decisions on behalf of the Board with respect to the final resolution of the task; (4) The committee's charge should not be automatically renewed upon completion of its particular assignment or expiration of its fixed term; (5) The committee's meeting schedule should not be on a regular basis or established by formal action of the Board; and (6) Public notice of the formation of the committee shall be given in a timely manner.

1.5. **Personal Conduct during Meetings**. The business of the District is a team effort. All Board members should work together in a collaborative manner, assisting each other in

conducting the affairs of the District. Directors shall, at all times, conduct themselves with courtesy to each other, to staff, and to members of the audience present at Board meetings. Directors shall defer to the President concerning the conduct of Board meetings, but shall be free to question and discuss items on the agenda. In turn, the Board President shall not exercise the privileges of the office in such a manner as to unfairly advance his or her own personal opinions or unduly prejudice the positions of other Board members. When responding to requests and concerns from the public and other District customers, Board members should be courteous, responding to individuals in a positive manner and routing their questions through appropriate channels and to responsible management personnel. Board members should develop a working relationship with the District's General Manager wherein current issues, concerns, and District projects can be discussed comfortably and openly. Board members should function as a part of the whole. Issues should be brought to the attention of the entire Board, rather than to individual members or outside agencies selectively. Board members are responsible for monitoring the District's progress in attaining its goals and objectives, while pursuing its mission.

1.6. **Communication of Views and Positions**. The Board is committed to providing excellence in legislative leadership necessary to furnish the highest quality of government services to the public and to the District's customers. In order to achieve this goal, cooperative interaction between and among Board members is encouraged. As such, the following rules shall be observed:

1.6.1. The dignity, style, values, and opinions of each Board member shall be respected. Responsiveness and attentive listening in communication is encouraged.

1.6.2. The needs of the public and the District's customers should be the priority of the Board.

1.6.3. Board members should commit themselves to emphasizing the positive, avoiding double talk, hidden agendas, gossip, backbiting, and other negative forms of interaction.

1.6.4. Board members commit themselves to focusing on issues and not personalities. The presentation of the opinions of others should be encouraged. Cliques and voting blocks based on personalities rather than issues will be avoided.

1.6.5. Differing viewpoints are healthy in the decision-making process. Individuals have the right to disagree with ideas and opinions in a constructive and forthright manner. However, once the Board has taken action, individual Board members should commit to support said action and not create barriers to the implementation thereof.

1.7. **Board Discipline.** In the exercise of its discretion, the Board, by affirmative vote of a majority of its members, may censure any of its members for a period of time deemed appropriate by said majority of the Board. Unless otherwise prohibited by law, the maximum penalty that may be imposed upon the censured member by said majority of the Board during the period of such censure shall be the following:

1.7.1. The suspension of all spending of District funds by the censured Board member and of all reimbursement from District funds of any costs incurred by the censured Board member, unless otherwise allowed by the Board.

1.7.2. The removal of the censured Board member from service as an officer of the Board, and/or on all committees and other assignments on behalf of the District and/or the Board, unless subsequently authorized by the Board.

1.7.3. The withholding of all compensation by the District to the censured Board member except as otherwise allowed for attending meetings of the Board and other meetings subsequently authorized by the Board.

Section 2. **RELATIONS WITH STAFF.**

2.1 **General Manager.**

2.1.1. The Board shall appoint a General Manager for the District. The General Manager shall serve at the pleasure of the Board. The Board shall set the compensation for the General Manager. The Board may require that the General Manager be bonded. The District shall pay the cost of the bonds.

2.1.2. The General Manager shall be responsible for all of the following:

- a. The implementation of the policies established by the Board for the operation of the District;
- b. The appointment, supervision, discipline, and dismissal of the District's employees, consistent with the employee relations system established by the Board;
- c. The supervision of the District's facilities and services; and
- d. The supervision of the District's finances.

2.1.3. The General Manager is the Board's primary link to operational achievement and conduct of the District, so that all authority and accountability of staff, as far as the Board is concerned, is considered the authority and accountability of the General Manager. Board members will refrain from making requests directly to District employees (other than the General Manager) to undertake analyses, perform work assignments, or change the priority of work assignments; however, Board members may request non-confidential, factual information regarding District operations from District employees. Additionally, Board members are to refrain from having open discussions regarding the District's operations or topics of a potentially sensitive nature with any staff member other than the General Manager, as doing so could undermine management, jeopardize the District's credibility, or even put the District at risk legally. The Board, as a whole, will not evaluate, either formally or informally, any staff member other than the General Manager. In

seeking clarification on informational items, Board members should contact the General Manager to obtain information needed to supplement, upgrade, or enhance their knowledge to improve legislative decision-making. Any Board member requests that require substantial work, as determined by the General Manager, will be addressed with the Board President.

2.2. **Treasurer.** Pursuant to California Government Code Section 61053, the Board has designated an alternative depository for District funds in place of the San Bernardino County Treasury and has appointed a District Treasurer to serve in place of the County Treasurer. The same person may be appointed by the Board to serve as both the General Manager and the District Treasurer. The District Treasurer shall serve at the pleasure of the Board. The Board shall set the compensation of the District Treasurer. The Board shall require the District Treasurer to be bonded. The District shall pay the cost of the bonds.

Section 3. **REVIEW AND AMENDMENT.**

Each year the Board shall review this Resolution to determine its effectiveness and the necessity for its continued operation. The District's General Manager shall report to the Board on the operation of this Resolution, and make any recommendations deemed appropriate, including proposals to amend the Resolution. Upon conclusion of its review, the Board may take any action it deems appropriate concerning this Resolution. Nothing herein shall preclude the Board from taking action on the Resolution at times other than upon conclusion of the annual review. Any of the within rules not required by law may be suspended or changed by a majority of the members of the Board.

Section 4. **SEVERABILITY.**

If any provision of this Resolution, or the application thereof to any person or circumstances, is held invalid, such invalidity shall not affect other provisions or applications of this Resolution which can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are declared to be severable.

Section 5. **EFFECTIVE DATE.**

The provisions of this Resolution shall supersede Resolution No. 2018-10 adopted by the Board on November 6, 2018, and shall take effect immediately upon adoption.

ADOPTED this 8th day of January, 2024.

AYES:
NOES:
ABSTAIN:
ABSENT:

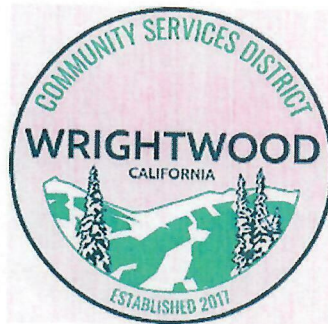
ATTEST:

President, Board of Directors

Secretary, Board of Directors

Item # 12

Social Media Policy



WRIGHTWOOD COMMUNITY SERVICES DISTRICT

Social Media Policy

This policy is to establish guidelines on the use of social media sites by the Wrightwood Community Services District (WCSD) as an additional means of conveying WCSD information to its customers and visitors and maximizing the promotion of WCSD programs and services.

The WCSD has an overriding interest and expectation in protecting the integrity of the information posted on its social media pages and deciding what is "spoken" on behalf of WCSD. This policy applies wholly to the WCSD and all WCSD employees who use social media sites and/or technology on behalf of WCSD.

All questions relating to this policy should be directed to WCSD General Manager and/or WCSD Board of Directors.

Section 1: Social media sites refer to content created by individuals, using accessible and interactive publishing technologies through and on the internet. Social media uses many technologies and platforms, including social networking, blogs, wikis, photo and video sharing, and more.

A social media page refers to a page on a social media site which the WCSD establishes and maintains, and over which it has control over all postings, except for advertisements or hyperlinks by the social media site's owners, vendors, and/or partners.

Information, articles, pictures, videos, hyperlinks or any other form of content or communication posted on any social media page will be considered a post or comment.

Section 2: The WCSD official website at www.wrightwoodcsd.org will remain the WCSD primary source and means of internet communication. To the extent possible, a link to the WCSD website shall be included on any WCSD social media page. Wherever possible, WCSD social media pages should link back to the official website for forms, documents, online services, and other information necessary to conduct business with WCSD. Information posted by WCSD on social media pages will supplement and not replace required notices and standard methods of communication.

Section 3: Not all forms of social media may be appropriate for use by WCSD and any social media page established on behalf of WCSD must be approved by WCSD General Manager. Consideration shall be given to the overall nature, theme, and suitability for use for WCSD purposes.

WCSD social media pages should make clear that they are maintained by WCSD and state that they follow WCSD social media policy. To the extent possible, this policy must be displayed to users or made available by hyperlink.

All photos posted by WCSD on its social media pages shall be for use in marketing and promotion of WCSD programs and services. Under no circumstances will WCSD use photos of individuals who expressly ask that their photos not be made public.

WCSD social media pages are subject to the California Public Records Act. Any content maintained in a social media format that is related to WCSD business, including a list of subscribers, posted

communications and communication submitted for posting, may be a public record subject to public disclosure. All such content must be retained with the Public Records act and WCSD document retention policy.

Employees representing WCSD that post content on behalf of WCSD on its social media pages must, at all times, conduct themselves as a representative of WCSD and in accordance with all WCSD policies. Employees found in violation of this policy may be subject to disciplinary action, up to and including termination of employment.

This policy may be revised at any time upon approval by WCSD Board of Directors. Every attempt will be made to provide prior notice of any changes. However, when deemed necessary, in order to fully protect WCSD interests, the interests of the public, and to more fully protect the safety of the public, including employees governed by this policy, then this policy may be changed without notice.

Section 4: Social media sites currently utilized by WCSD includes Facebook. The General Manager may authorize usage of additional social media platforms. All approved social media sites must provide a mechanism for the employee to remove posts or prevent the posting of content that violates this policy.

The WCSD staff shall administer and monitor the WCSD social media pages and shall maintain all login and password information.

The WCSD social media pages are to be used for informational purposes only and all content must pertain to WCSD and/or WCSD business, programs, services, or events. The WCSD shall have full permission and rights to any content posted by or on behalf of WCSD, including all photographs and videos.

WCSD social pages shall be managed consistent with the Brown Act, the Political Reform Act, and the California Election Code. Members of the WCSD Board of Directors shall not post or respond to any posts, comments, or publications on any WCSD social media page or use WCSD social media page to blog or engage in serial meetings, or otherwise discuss, deliberate, or express opinions on any issue within the subject matter jurisdiction of the Board of Directors, or for any political purpose.

Notwithstanding the above, a designated member of WCSD's Board of Directors may post on a WCSD social media page such time-sensitive safety information as may be related to an emergency situation that is currently impacting the area served by WCSD. No member of WCSD's Board of Directors may comment on a social media page in response to another director's post regarding any matter that is within the subject matter jurisdiction of WCSD.

WCSD staff will be responsible for posting content on the WCSD social media pages on behalf of WCSD, monitoring content, responding to comments where appropriate, and ensuring adherence to this policy. Staff must immediately notify WCSD General Manager to any potential content posted on the WCSD social media pages that violates this policy.

Content posted by staff on WCSD social media pages shall be done during normal business hours and social media pages will be checked every business day by WCSD staff.

Any employee authorized to post content on WCSD social media pages shall not express their own personal views or concerns. Rather, posting of content by an authorized employee shall only reflect the views of WCSD.

Any employee authorized to post on WCSD social media pages shall review, be familiar with, and comply with this policy and the social media site's use policies and terms and conditions.

Section 5: WCSD reserves the right to have any content restricted or removed if deemed to be in violation of this policy or any applicable federal, state, or local law. Any such removed content must be retained consistent with the Public Records Act, where applicable, and/or WCSD document retention policy, including date, time, and identity of the poster, when available.

Many social media sites permit and invite posts and comments by site users. By permitting use of this feature, WCSD does not intend to create a general public forum, and all comments and posts must comply with this policy.

WCSD intends for its use of any social media to relate solely to matters of WCSD business. A comment or post by a member of the public on any WCSD social media page is the opinion of the commenter or poster only and does not imply endorsement of, agreement with, or reflect the opinions or policies of WCSD.

Section 6: The following posts or comments are inappropriate and are subject to removal or restriction by WCSD:

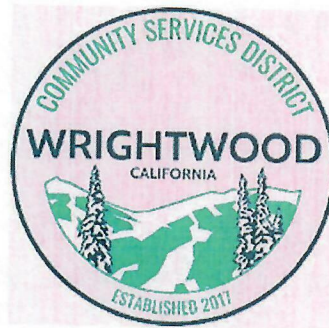
- 1 Profane, obscene, violent, or pornographic content and/or language
- 2 Content that promotes, fosters, or perpetuates discrimination or harassment on any basis protected by local, state, or federal law
- 3 Defamatory, derogatory, or personal attacks on any WCSD employee or official
- 4 Threats to any person or organization or encouragement of illegal activity
- 5 Information that tends to compromise the safety or security of WCSD employees, the public, public systems, or WCSD technology resources
- 6 Content that violates any legal ownership interest, such as a copyright or trademark
- 7 Content containing personal information such as home addresses, phone numbers, social security numbers, dates of birth or driver's license numbers
- 8 Solicitation of commerce, including any advertising or business services or products for sale
- 9 Content that violates any federal, state, or local laws
- 10 Comments in support of, opposition to, any political campaigns or ballot measures
- 11 Comments not related to WCSD posts, business, information, announcements, events, or comments not related to the original topic, including random or unintelligible posts
- 12 Comments or posts on topics or issues not within the jurisdictional purview of WCSD

The above list is not necessarily exhaustive and WCSD reserves the right to remove or restrict any post or comment that violates the purpose or spirit of this policy.

Section 7: Any employee authorized to post on WCSD social media pages shall use their best judgement in deciding whether or not to respond to a post or comment, and shall avoid engaging any user in an argumentative or offensive manner. Any response by an authorized employee made on behalf of WCSD shall comply with all terms of this policy. Content in any post or response made on behalf of WCSD shall not specifically refer to any WCSD vendor, supplier, member, contractor, employee, or official without the approval of the WCSD General Manager.

Item # 13

Directors Comments



Item # 14

Future Board Meeting
Tuesday, Feb 6, 2024
@5:30pm

