

**ANDERSON-COTTONWOOD
IRRIGATION DISTRICT**

FINANCIAL STATEMENTS

DECEMBER 31, 2023

**ANDERSON-COTTONWOOD IRRIGATION DISTRICT
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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Anderson-Cottonwood Irrigation District
Anderson, CA 96007

Opinion

We have audited the accompanying financial statements of the business-type activities of Anderson-Cottonwood Irrigation District, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of Anderson-Cottonwood Irrigation District as of December 31, 2023, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Anderson-Cottonwood Irrigation 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 opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Anderson-Cottonwood Irrigation 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 opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

Management is responsible for the other information included in the annual report. The other information comprises Anderson-Cottonwood Irrigation District's organization, but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.



BODEN KLEIN & SNEESBY
Certified Public Accountants

Roseville, California
October 18, 2024

ANDERSON-COTTONWOOD IRRIGATION DISTRICT

Management's Discussion and Analysis

December 31, 2023

Discussion and Analysis of Anderson Cottonwood Irrigation District's financials for year ended 12/31/23.

CHANGES IN FINANCIAL POSITION:

- Total assets of \$25,648,040 at 2023-year end is a decrease of \$950,435 from prior year
- Total liabilities of \$1,057,896 at 2023-year end is an increase of \$482,867 from prior year
- Total Revenues of \$2,182,780 is a decrease of \$10,812,609 from prior year
- Expenses decreased by \$206,011
- There was a decrease in cash by \$2,192,167
- Net Position at year end \$24,590,144, a decrease of \$1,525,464 from prior year

DISTRICT FINANCIAL REPORTS:

The District uses the accrual basis of accounting; all revenues and expenses are recorded in the year incurred regardless of when payment received or made.

DISTRICT PARTICULARS:

In 2023, District income decreased significantly due to a decrease in area of origin water transfer revenue compared to the drought of 2022. Expenses decreased mainly due to a decrease in depreciation expense, however, depreciation expense is anticipated to increase in 2024.

BUDGET VARIABLES FOR NEXT YEAR:

Due to the expectation of a wet year, District expenses and revenues will normalize in 2024. Expenses will increase in salaries and health insurance benefits; however, water rate revenue will get back to historical trends. A significant increase in capital expenditure is expected in 2024.

ANDERSON-COTTONWOOD IRRIGATION DISTRICT

Statement of Net Position

December 31, 2023

ASSETS

Current assets

Cash and cash equivalents (Note 3)	\$ 13,323,963
Accounts receivable - taxes	393,716
Supplies	18,880
Total current assets	<u>13,736,559</u>

Non-current assets

Capital assets, non depreciable	36,296
Capital assets, depreciable	24,163,108
Less: accumulated depreciation	<u>(12,448,498)</u>
	11,750,906
Construction in progress	<u>160,575</u>
Total non-current assets	<u>11,911,481</u>

TOTAL ASSETS**\$ 25,648,040****LIABILITIES**

Current liabilities

Accounts payable and accrued expenses	\$ 468,676
Accrued payroll and payroll taxes	41,120
Accrued vacation	32,248
Total current liabilities	<u>542,044</u>

Non-current liabilities

BOR-CVP debt	<u>515,852</u>
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TOTAL LIABILITIES**1,057,896****NET POSITION**

Invested in capital assets, net of related debt	11,911,481
Unrestricted	<u>12,678,663</u>

TOTAL NET POSITION**24,590,144****TOTAL LIABILITIES AND NET POSITION****\$ 25,648,040**

See notes to financial statements.

ANDERSON-COTTONWOOD IRRIGATION DISTRICT
Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended December 31, 2023

Operating Revenues

Water sales	\$ 121,135
Water transfers	848,596
Other income	<u>38,141</u>
Total operating revenues	<u>1,007,872</u>

Operating Expenses

Source of supply	692,897
Transmission, distribution, and pumping	1,951,632
General and administrative	614,376
Depreciation	<u>386,315</u>
Total operating expenses	<u>3,645,220</u>
Operating loss	<u>(2,637,348)</u>

Non-Operating Revenues (Expenses)

Property taxes	706,982
Investment income	<u>467,926</u>
Total non-operating revenues (expenses)	<u>1,174,908</u>

Loss before annual BOR-CVP adjustment	(1,462,440)
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Annual BOR-CVP adjustment	<u>(63,024)</u>
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CHANGE IN NET POSITION	(1,525,464)
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Beginning Net Position	<u>26,115,608</u>
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ENDING NET POSITION	<u>\$ 24,590,144</u>
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See notes to financial statements.

ANDERSON-COTTONWOOD IRRIGATION DISTRICT

Statement of Cash Flows

For the Year Ended December 31, 2023

Cash Flows From Operating Activities

Cash received from customers	\$ 4,392,109
Cash payments to suppliers for goods and services	(1,885,314)
Cash payments to employees for services	<u>(861,586)</u>
Net cash provided by operating activities	<u>1,645,209</u>

Cash Flows From Non-Capital Activities

Property taxes	<u>706,982</u>
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Cash Flows From Capital and Related Financing Activities

Purchase of capital assets	<u>(627,950)</u>
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Cash Flows From Investing Activities

Investment income	<u>467,926</u>
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Net change in cash and cash equivalents	2,192,167
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Cash and cash equivalents at beginning of year	<u>11,131,796</u>
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Cash and cash equivalents at end of year	<u><u>\$ 13,323,963</u></u>
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Cash paid for interest	<u><u>\$ -</u></u>
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Noncash financing activities

The District recorded an increase in the BOR-CVP payable of \$63,024. The increase is the result of the annual BOR-CVP allocated construction cost reconciliation performed by the USBR.

See notes to financial statements.

ANDERSON-COTTONWOOD IRRIGATION DISTRICT

Statement of Cash Flows

For the Year Ended December 31, 2023

**Reconciliation of operating loss to net
cash provided by operating activities:**

Operating loss	\$ (2,637,348)
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**Adjustments to reconcile operating loss to
net cash provided by operating activities:**

Depreciation	386,315
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Changes In operating assets and liabilities

Accounts receivable - taxes	(27,206)
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Accounts receivable - other	3,411,443
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Accounts payable and accrued expenses	467,739
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Accrued payroll and payroll taxes	23,598
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Accrued vacation	20,668
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Net cash provided by operating activities	<u>\$ 1,645,209</u>
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See notes to financial statements.

ANDERSON-COTTONWOOD IRRIGATION DISTRICT

Notes to the Basic Financial Statements

December 31, 2023

Note 1 Organization

Anderson-Cottonwood Irrigation District (the "District") was formed in 1914 and encompasses approximately 32,000 acres in Shasta and Tehama counties. The District has over 30 miles of canal and 200 miles of side laterals, serving of 6,500 acres of land with 760 landowners.

The District is an independent special district, separate from the County of Shasta and Tehama. All powers of the District are exercised by the Board of Directors. The governing body of the District is a Board of Directors consisting of five members elected by the District members.

The District's reporting entity includes all significant operations and revenue sources over which the District's Board of Directors exercises oversight responsibility as determined under the criteria established by the Governmental Accounting Standards Board (GASB) Statements 14 and 61. The District reports legally separate entities as blended component units if the District's Board of Directors are financially accountable for the entities and the relationship between the District and the entities is such that in substance they are one entity. However, no legally separate entities met the criteria for presentation as blended component units of the District for the year ended December 31, 2023.

Note 2 Summary of Significant Accounting Policies

The accounting policies of Anderson-Cottonwood Irrigation District conform to generally accepted accounting principles as applied to government units and applicable to enterprise funds. The District applies all relevant Governmental Accounting Standards Board (GASB) pronouncements. Proprietary funds apply Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails.

Fund Accounting

The District is an enterprise fund. All operations are accounted for as an enterprise fund.

Enterprise Fund – The enterprise fund is used to account for water operations that are financed and operated in a manner similar to private business enterprises. The intent of the District is that the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges.

Basis of Accounting

The basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of measurement made, regardless of the measurement focus applied.

The District's books and accounts are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operation of the fund are included on the balance sheet. Net position is

ANDERSON-COTTONWOOD IRRIGATION DISTRICT

Notes to the Basic Financial Statements

December 31, 2023

segregated into amounts recorded as net investment in capital assets, amounts restricted, and amounts unrestricted. Enterprise fund type operating statements present increases (i.e. revenues) and decreases (i.e. expenses) in net total position. .

Cash, Cash Equivalents, and Statement of Cash Flows

For purposes of cash flows, the District considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents, including restricted assets. Cash in bank and deposits in the State of California Local Agency Investment Fund (LAIF) are considered to be cash and cash equivalents.

Statement of Net Position

The statement of net position is designed to report the financial position of the District at the balance sheet date. Fund equity (net position) shown on this statement is typically separated into three categories defined as follows:

- Net investment in capital assets

This component of net position consists of capital assets, net of accumulated depreciation and amortization and reduced by any outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets. This category of net position is considered non-expendable.

- Restricted

This component of net assets has constraints placed on them which are imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments. The component includes net assets constrained by law, constitutional provisions or enabling legislation. At this time, the District does not have any restricted net assets.

- Unrestricted

This component of net position consists of amounts that do not meet the definition of "net investment in capital assets" and do not have restrictions placed upon them by outside parties or through enabling legislation. The District's Board of Directors may designate portions of unrestricted net position for particular purposes.

Use of Estimates

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

ANDERSON-COTTONWOOD IRRIGATION DISTRICT

Notes to the Basic Financial Statements

December 31, 2023

Statement of Revenues, Expenses and Changes in Net Position

The statement of revenues, expenses and changes in net position presents the results of operations of the District for the current period. Revenues are reported by major source. Operating revenues and expenses are presented separately from non-operating items and an operating income subtotal is presented prior to adjustment for non-operating items.

Revenue Policies

- **Irrigation Water Services:** The District sells irrigation water for various types of uses, all customers who purchase irrigation water services complete an application for the services and must pay before the irrigation water is delivered.
- **Water Transfers:** Due to the unique water rights the District possesses, the District makes every effort to transfer excess available water in-basin. Water sales must be approved by the Federal Bureau of Reclamation. With previous water sales, the District entered into an agreement with the transferee irrigation district which includes a provision for the transferee irrigation district to pay all Bureau of Reclamation fees which relate to the water sold. The District records a receivable for water transfer fees due from transferee Districts on past water transfers but not yet collected at year end. The District believes these receivables to be 100% collectible based on actual collections following year end.

Operating and Non-Operating Revenues and Expenses

The District's primary purpose is to provide irrigation water services to customers within the District. Operating revenues are those revenues that arise directly from accomplishing this primary purpose. Accordingly, the District defines operating revenues as its irrigation water sales, business and irrigation, and water transfer revenue. The District recognizes revenue when such service is delivered. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. Non-operating revenues are any revenues not meeting the definition above. Revenues from assessments to retire debt and interest income are considered non-operating revenues.

Budget and Budgetary Accounting

The Board of Directors annually adopts an operating budget. The operating budgets are prepared on the accrual basis to match the operating statements. Capital replacement expenditures are reviewed on an annual basis and budgeted as deemed necessary.

Compensated Absences

Vested or accumulated vacation that is expected to be liquidated with expendable available financial resources is reported as an expense and as current liability. The District's employees earn vacation in varying amounts depending on length of service. Upon separation from the District, employees are entitled to full payment for accrued vacation but not for sick leave. The District records its obligations for vacation when earned by the employees based on current rates of pay at the time. The division of the compensated absences liability to current and long-term portions was based on experience.

ANDERSON-COTTONWOOD IRRIGATION DISTRICT

Notes to the Basic Financial Statements

December 31, 2023

Capital Assets and Depreciation/Amortization

The District's capital assets include plant and equipment, which are recorded at historical cost. Assets acquired by contribution are recorded at estimated cost or fair market value at the date of acquisition. The District uses the straight-line method of computing depreciation. Estimated useful lives of the District's assets are determined based on the length of time the asset class is expected to provide service to the District and are as follows:

Transmission and distribution	10 - 75 Years
Buildings	40 - 50 Years
Equipment	5 - 10 Years

Maintenance and repairs are expensed as incurred. Significant renewals or betterments are capitalized and depreciated over their estimated useful lives.

Note 3

Cash, Cash Equivalents, and Investments

Cash, cash equivalents, and investments consist of the following at December 31, 2023:

Unrestricted:

Petty cash	\$ 300
Checking	878,851
Savings, money market, insured deposits	463,783
US T-Bills (less than 3 months)	11,907,000
Local Agency Investment Fund (LAIF)	<u>74,029</u>

Total cash, cash equivalents, and investments	<u>\$ 13,323,963</u>
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The District maintains a checking account at Tri-Counties Bank and savings/money market/insured deposits with RBC Bank. The accounts at each financial institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 cash. As of December 31, 2023, the District has \$628,851 on deposit above the federally insured limit of \$250,000.

The District invests in three-month U.S. Treasury Bills in an account with RBC Wealth Management.

The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

Pursuant to Government Accounting Standards Board Statement 3, the investment in LAIF is not classified in categories of credit risk. The District's funds in LAIF are invested in a diversified portfolio of underlying investments (e.g. U.S. Treasury obligations) such

ANDERSON-COTTONWOOD IRRIGATION DISTRICT

Notes to the Basic Financial Statements

December 31, 2023

that it considers the risk of material loss to be minimal. The funds held in LAIF can be withdrawn on demand.

Under the California Government Code, the District may only invest its funds in the following investment types:

Investments	Maximum % of Portfolio
U.S. Treasury Obligations	None
U.S. Agency Obligations	None
State and Local Government Bonds	None
Bankers' Acceptance	40%
Commercial Paper	25%
Negotiable Certificates of Deposit/CD Placement	30%
Service Repurchase Agreements	None
Reverse Repurchase Agreements and loans of Securities	20%
Medium Term Notes	30%
Mutual Funds and Money Market Mutual Funds	20%
Collateralized Bank Deposits	None
Mortgage Pass Through Securities	20%
Bank Time Deposits	None
County Pooled Investment Funds	None
Joint Powers Authority Investment Pools	None
Local Agency Investment Fund (LAIF)	None

By limiting the District's investments to LAIF and U.S. obligations, the District minimizes its credit quality risk, custodial credit risk, concentration of credit risk, interest rate risk, and foreign currency risk. Such investments are within the State statutes and the District's investment policy.

ANDERSON-COTTONWOOD IRRIGATION DISTRICT

Notes to the Basic Financial Statements

December 31, 2023

Note 4

Capital Assets

Utility plant and equipment for the fiscal year ended December 31, 2023 is summarized below:

	<u>December 31, 2022</u>	<u>Additions</u>	<u>Reductions</u>	<u>December 31, 2023</u>
Land	\$ 36,296	\$	\$	\$ 36,296
Transmission/distribution	9,475,204	67,348		9,542,552
Machinery	313,674	182,485		496,159
Pumps	430,846	45,884		476,731
Autos and trucks	267,167	169,370		436,537
Buildings	92,725			92,725
Yard improvements	14,697			14,697
Furniture and fixtures	32,333	2,288		34,621
Fish screens	5,575,575			5,575,575
Fish ladders	5,575,575			5,575,575
SCADA equipment	202,219			202,219
Groundwater program	<u>1,715,718</u>			<u>1,715,717</u>
Total assets	<u>23,732,029</u>	<u>467,375</u>		<u>24,199,404</u>
Construction in progress		<u>160,575</u>		<u>160,575</u>
Less accumulated depreciation	<u>(12,062,183)</u>	<u>(386,315)</u>		<u>(12,448,498)</u>
Capital assets, net of depreciation	<u>\$11,669,846</u>	<u>\$ 241,635</u>	<u>\$</u>	<u>\$ 11,911,481</u>

Note 5

Long-Term Liabilities

Long-term debt activity at December 31, 2023, consisted of the following:

	<u>12/31/2022</u>	<u>Additions</u>	<u>Reductions</u>	<u>12/31/2023</u>
Central Valley project (CVP)	<u>\$ 452,828</u>	<u>\$ 63,024</u>	<u>\$ -</u>	<u>\$ 515,852</u>

Central Valley Project

The liability of the District's share of Central Valley Project costs to the Bureau of Reclamation in the amount of \$515,852 is to be paid from projected deliveries of water from 2024 – 2030, at varying rates per acre foot.

ANDERSON-COTTONWOOD IRRIGATION DISTRICT

Notes to the Basic Financial Statements

December 31, 2023

Note 6 Pension Plan

Deferred Compensation Plan: The District offers its employees a deferred compensation plan created in accordance with IRC section 457. The plan, available to all District employees, permits them to defer a portion of their current salary until future years. Deferred compensation benefits are not available to employees until termination, retirement, death, or unforeseeable emergency.

Pension Plan: District employees (except for the general manager) are covered by a pension plan through their collective bargaining agreement. Total district contributions for the year ended December 31, 2023 totaled \$32,230.

Note 7 Risk of Loss

The District is exposed to various risks of loss related to theft, damage, and destruction of assets; and injuries to employees. During the 2023 fiscal year, the District purchased certain commercial insurance coverages to provide for these risks.

Note 8 Net Position

Net position costs of:

Net investment in capital assets	<u>\$ 11,911,481</u>
Unrestricted	
Board designated	
Capital improvement	146,616
Drainage fund	25,000
Water rights protection	250,000
Equipment reserve	<u>102,744</u>
Total board designated	524,360
Undesignated	<u>12,154,303</u>
Total unrestricted	<u>\$ 12,678,663</u>

Note 9 Subsequent Events

The District's management has evaluated the potential for subsequent events through the available for issuance date of the financial statements, October 18, 2024. During this period, the Organization is not aware of any significant recognizable or unrecognizable subsequent events.

**ANDERSON-COTTONWOOD
IRRIGATION DISTRICT**

REQUIRED SUPPLEMENTARY INFORMATION

DECEMBER 31, 2023

ANDERSON-COTTONWOOD IRRIGATION DISTRICT

Budgetary Comparison Schedule
For The Fiscal Year Ended December 31, 2023

	Budgeted Amounts			Variance Favorable (Unfavorable)
	Original	Final	Actual	
Operating Revenues				
Water sales	\$ 28,500	\$ 28,500	\$ 121,135	\$ 92,635
Water transfers	1,543,000	1,543,000	848,596	(694,404)
Penalties	2,000	2,000	-	(2,000)
Other	10,000	10,000	38,141	28,141
Total Operating Revenues	<u>1,583,500</u>	<u>1,583,500</u>	<u>1,007,872</u>	<u>(575,628)</u>
Operating Expenditures:				
Source of supply	1,225,000	1,225,000	692,897	532,103
Transmission, distribution, and pumping	1,816,600	1,816,600	1,951,632	(135,032)
General and administrative	635,250	635,250	614,376	20,874
Depreciation	-	-	386,315	(386,315)
Total Operating Expenditures	<u>3,676,850</u>	<u>3,676,850</u>	<u>3,645,220</u>	<u>31,630</u>
Excess of Operating Expenditures Over Operating Revenues	<u>(2,093,350)</u>	<u>(2,093,350)</u>	<u>(2,637,348)</u>	<u>(543,998)</u>
Non-Operating Revenues				
Property taxes - Shasta	558,000	558,000	630,349	72,349
Property taxes - Tehama	46,500	46,500	76,633	30,133
Interest/investment income	40,000	40,000	467,926	427,926
Total Non-Operating Revenues	<u>644,500</u>	<u>644,500</u>	<u>1,174,908</u>	<u>530,408</u>
Annual BOR-CVP adjustment	<u>-</u>	<u>-</u>	<u>(63,024)</u>	<u>(63,024)</u>
Total Excess of Expenditures Over Revenues	<u>(1,448,850)</u>	<u>(1,448,850)</u>	<u>(1,525,464)</u>	<u>(76,614)</u>
Net Position, beginning of year	<u>26,115,608</u>	<u>26,115,608</u>	<u>26,115,608</u>	
Net Position, end of year	<u><u>\$24,666,758</u></u>	<u><u>\$24,666,758</u></u>	<u><u>\$24,590,144</u></u>	

ANDERSON-COTTONWOOD IRRIGATION DISTRICT

Notes to Required Supplementary Information

December 31, 2023

Note 1 PURPOSE OF STATEMENTS AND SCHEDULES

A. Budgetary Comparison Schedule

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 34, the authority is required to present a budgetary comparison schedule for the General Fund and each Major Special Revenue Fund that has an adopted budget. This schedule presents the original adopted budget and the actual revenue and expenditures of the General Fund.

**ANDERSON-COTTONWOOD
IRRIGATION DISTRICT**

SUPPLEMENTARY INFORMATION

DECEMBER 31, 2023

ANDERSON-COTTONWOOD IRRIGATION DISTRICTStatement of Operating Expenses
For the Year Ended December 31, 2023

Source of Supply	
Water purchases/ CVP	\$ 611,076
Water rights protection	53,094
Water transfer/base supply	6,173
Association dues	<u>22,554</u>
Total source of supply	<u>692,897</u>
Transmission and Distribution	
Salaries and benefits	882,684
Utilities	307,577
Equipment rents and leases	136,365
CV Strategies	77,321
Maintenance agreements	56,100
Maintenance supplies and small tools/equipment	43,252
Permits and county assessments	41,810
Equipment and vehicle maintenance	34,487
Fuel	32,851
EAGSA & SGMA expense	31,044
Contracted services	26,460
Engineering & SCADA maintenance	23,113
Building/ diversion facilities maintenance	18,099
Canal maintenance/expense	16,877
Storm damage expense	8,263
High groundwater	<u>5,796</u>
Total transmission and distribution	<u>1,742,099</u>
Pumping	
Utilities/pumping	168,757
Pump maintenance	<u>40,776</u>
Total pumping	<u>209,533</u>
Total transmission, distribution, and pumping	<u>1,951,632</u>

See notes to financial statements.

ANDERSON-COTTONWOOD IRRIGATION DISTRICT

Statement of Operating Expenses
For the Year Ended December 31, 2023

General and Administrative	
Salaries and benefits	392,048
Legal	92,705
Insurance and claims	43,407
Office supplies/expense	28,176
SRSC Corporation	21,275
Website revamp	13,326
Audit expense	10,300
Election expense	4,978
Public notices	3,335
Medical expense/supplies	2,620
Consulting	1,522
Travel/training	684
Total general and administrative	<u>614,376</u>
 Depreciation	 <u>386,315</u>
 TOTAL OPERATING EXPENSES	 <u>\$ 3,645,220</u>

See notes to financial statements.

**ANDERSON-COTTONWOOD
IRRIGATION DISTRICT**

OTHER INFORMATION

DECEMBER 31, 2023

ANDERSON-COTTONWOOD IRRIGATION DISTRICT

Principal Officials
December 31, 2023

BOARD OF DIRECTORS

Dan Woolery	President
James Rickert	Vice President
Ronnean Lund	Board member
Audie Butcher	Board member
Steve McCarley	Board member

OPERATIONS

Dan Ruiz	General Manager
Ben Duncan	Operations Manager
Scott Passmore	Maintenance Supervisor
Terri White	Financial Supervisor