

APPLE VALLEY FOOTHILL COUNTY WATER DISTRICT

Business Basics

Question: What is the exact business name used on checks?

Answer: [APPLE VALLEY FOOTHILL COUNTY WATER](#)

Question: What is the official business address?

Answer: [22545 DEL ORO ROAD, APPLE VALLEY, CA 92308](#)

Question: What are the primary phone numbers and email addresses for contact?

Answer:

- **Office Phone:** 760-247-1101
- **Cell Phones:** Makayla 442-459-7649 and Daniel 760-881-9843
- **Emails:** MSIMMIONS@AVFWATER.ORG, and DSMITH@AVFWATER.ORG

Question: What is the business entity type (e.g., Sole Proprietorship, LLC, S-Corp, C-Corp)?

Answer: [The Apple Valley Foothill County Water District is not a private business entity. It is a California Special District—specifically a public county water district governed by Division 12 of the California Water Code. As a local government agency established to provide public utility services, it does not use corporate or LLC structures, issue stock, or have private owners. It operates under an elected or appointed Board of Directors and must comply with public agency laws like the Brown Act and Proposition 218.](#)

Question: What is the Employer Identification Number (EIN)?

Answer: [33-0017642](#)

Billing and Payment Terms

Question: How does the district structure its customer billing?

Answer: [The district utilizes a metered usage structure combined with a residential base rate.](#)

Question: What are the district's standard payment terms and due dates?

Answer: [Invoices are due upon receipt. They are considered late or past-due if they remain unpaid 26 days after the statement date \(which is the last day of the previous month\). Late penalties apply after 30 days. Customers have a total of 60 days to pay past-due amounts before water service faces disconnection.](#)

Question: What payment methods are accepted from customers?

Answer: [Customers can pay using the following methods:](#)

- **In-Office:** Physical check, cash, money order, or debit/credit card.
- **Remote/Online:** Personal bank electronic checks (E-checks), the Web-Based Billing System Consumer Portal, or the NexBillPay automated payment service website.

Sales Tax Compliance

Question: Does the district charge sales tax on its services?

Answer: [No, as a local government entity, the district lacks the constitutional authority to levy sales taxes. Revenue collection is strictly limited by California state laws:](#)

- **State Tax Exemptions:** [Under California Sales and Use Tax Law Section 6353, utility water delivered to consumers through mains, lines, or pipes is completely exempt from sales tax.](#)

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- **Proposition 218 Restraints:** This California constitutional amendment mandates that utility fees cannot exceed the actual cost of providing the service. Because a sales tax functions as a general revenue generator, levying it would violate this law.

Banking Information

Question: What is the bank name and Account type?

Answer: Global Credit Union

- General Checking
- Money Market
- Savings

*future plans include creation of two (2) additional accounts;
Restricted Savings & Capital Improvement Fund

Question: What are the routing and account numbers?

Answer: We prioritize security. We will only share banking details in person, over the phone, or via end-to-end encrypted apps like WhatsApp or Signal. If we use an encrypted app, both parties must delete the chat history immediately after confirmation.

***Important: I do not move money, add accounts, or make transfers unless you specifically request it.
I PREFER THAT YOU DELIVER THE BANK INFORMATION BY PHONE TO ME, IN PERSON OR BY TEXT.***

- Thank you for documenting these internal controls. Operating strictly on an explicit request basis protects our financial workflows. We have noted your preference for verbal, in-person, or SMS delivery of banking details and follow your protocols to match this standard.
- The monthly bank statements can be provided each month as they become available with several formatting options;
 - ❖ Portable Document Format (PDF), for official eStatements
 - ❖ Comma Delimited (CSV)
 - ❖ QuickBooks Online (QBO)
 - ❖ Quicken File eXchange (QFX)

*Any discrepancies, revisions, corrections can be noted in your external audit report.

A brief explanation of how you bill so I can create a customer list or just a category for the different incomes whichever you like.

To help you categorize our revenue streams and establish your sample testing population, here is a breakdown of how the Apple Valley Foothill County Water District collects and classifies its income.

1. Operating Revenues (Utility Billing Customer Database)

These revenues are tied directly to active accounts in our utility billing system. You can use this classification to structure a customer list and select samples for substantive testing:

- **Fixed Service Charges:** The flat minimum monthly base rate charged to all connected customer accounts to cover system access.
- **Volumetric Water Consumption:** Tiered variable charges based on actual water used, measured in units of 100 cubic feet (CCF) via meter readings.
- **Ancillary Customer Fees:** Late penalties, account setup fees, door-hanger fees, and reconnection

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charges.

2. Non-Operating Revenues (Other Income Categories)

These funding sources do not flow through our standard utility customer accounts and are tracked via separate General Ledger codes:

- **Property Taxes & Standby Assessments:** Tax allocations and local parcel assessments collected and distributed to us via San Bernardino County.
- **New Service Connection Fees:** One-time capacity and infrastructure buy-in fees paid by developers or property owners for new meter installations.
- **Interest Income:** Earnings on cash balances held in the Global Credit Union accounts.

Bottom Line

The better the setup, the smoother everything runs. I will be setting up company files that you can access at any time. Looking forward to working with your company. I prefer to be paid on a weekly basis by auto deposit into my account. I will provide that information as soon as I start working for the company.

Thanks for reaching out! You're absolutely right—a good setup makes everything smoother. Having those Files accessible at any time will be incredibly helpful. Weekly auto-deposit is no problem at all on our end. Just pass along your details once you get started, and we'll take care of it.

**WE ARE ALL EXCITED TO HAVE YOU ON BOARD AND LOOKING FORWARD TO
WORKING TOGETHER!**



External Audit Report Template

To: Makayla Simmon/msimmons@avfwater.org Daniel Smith/dsmith@avfwater.org

From: Shirley Brown/surelyshirley2016@gmail.com

Date: [Date]

Subject: [Month/External Audit Report] – Summary of Findings & Next Steps

1. Quick Summary [e.g., Review & Recommendations]

I recently completed a brief, collaborative review of your [Month/Financial, Banking] to check how your current workflows are holding up. Overall, your team is doing a great job with [mention 1-2 positive things, e.g., organizing digital files, turning around requests quickly, following internal controls, etc.].

However, I did spot a few quick-fix areas where we can tighten up our controls, reduce manual errors, and make your day-to-day work smoother.

2. Where you Stand (Key Findings & Fixes)

Topic A: [e.g., Missing Receipt Documentation]

- **What we noticed:** Out of 20 expense reports tested, 4 were missing itemized receipts for purchases over \$50.
- **Why it matters:** This creates gaps during your year-end tax prep and violates standard expense policies.
- **My recommendation:** Setting up automatic email reminders users who submit reports without attachments.
- **AVFCWD's response:** Agreed. [Makayla/Daniel] will discuss and implement the system reminder by next week.

Topic B: [e.g., Shared Login Credentials]

- **What I noticed:** AVFCWD is currently sharing a single login for the [QuickBooks/Banking/Billing] portal.
- **Why it matters:** It loses an audit trail, making it impossible to see who authorized specific vendor changes, money transfers, changes to accounts.
- **My recommendation:** Request individual, view-only licenses for members who need access.

External Audit Report Template

- **AVFCWD's response:** Agreed. [Makayla/Daniel] will submit an IT ticket today to get these licenses set up.
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3. Wrapping Up

Thanks so much to [Makayla/Daniel] and the Board of Apple Valley Foothill County Water District for being incredibly helpful and transparent during this quick check-in.

We will circle back in about [e.g., 30 days] just to ensure those software licenses are live, and the expense reminders are working smoothly. If you have any questions or want to brainstorm better ways to automate these steps, please contact me anytime!