

PAJARO/SUNNY MESA

COMMUNITY SERVICES DISTRICT

136 San Juan Road Royal Oaks, CA 95076

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www.pajarosunnymesa.com

AGENDA

REGULAR MEETING OF THE BOARD OF DIRECTORS

PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT

DISTRICT CONFERENCE ROOM

136 SAN JUAN ROAD ROYAL OAKS, CA 95076

JANUARY 24, 2019

5:30 P.M.

1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

2. ROLL CALL:

(11/19) President Paul Miller _____

(11/21) Vice President Sanford Coplin _____

(11/19) Secretary Harry Wiggins _____

(11/21) Assistant Secretary Darlene Lamboley _____

(11/21) Treasurer Michael Moore _____

ADMINISTRATIVE STAFF: General Manager Don Rosa _____

Operations Mgr. Judy Vazquez-Varela _____

Recorder Simone Coke _____

DISTRICT COUNSEL: Attorney Paul Gullion _____

Attorney Alan Smith _____

The Pajaro/Sunny Mesa Community Services District welcomes you to its meetings regularly scheduled on the fourth Thursday of each month, and your interest and participation is encouraged and appreciated.

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| <u>ADDITIONS TO AGENDA (IF ANY):</u> | In accordance with Section 54954.2 (b) (2) of the Government Code (Brown Act) two-thirds vote required for action items. (Upon a determination by a two-thirds vote of the legislative body, or, unanimous vote of those members present, that there is a need act immediately and that the need to act immediately arose after the agenda was posted.) |
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| <u>PUBLIC COMMENTS FOR ITEMS NOT ON AGENDA:</u> | Any person may address the Board on any item not on the agenda when recognized by the Board Chair. |
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Documents provided to the District after the agenda has been published will be available at the District office and available for photocopying during ordinary business hours as Public Records at the cost set by resolution by the Board from time to time. This is ordinarily \$.25 per page. Documents provided to the Board for agenda items will ordinarily be placed on the District website if time permits. Otherwise, late documents will be provided to the Board at the meeting and a copy placed with the agendas available to the Public at Board meetings.

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| <u>PUBLIC COMMENTS FOR CLOSED SESSION</u> | Any person may address the Board on any item on the Closed Session Agenda when recognized by the Board Chair. |
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Scheduled Items:

- 1: Monterey Office of Emergency Services (OES) Disaster Mitigation Plan
 - Gerry Malais- Director
 - Kelsey Scanlon- Hazard Mitigation Coordinator

Consent Items:

- 1. Consider and approve draft Minutes of December 20, 2018 Meeting

Approved _____ Denied _____ Tabled _____
 Motioned by: Director _____ Seconded by: Director _____
 Ayes: _____ Noes: _____ Absent: _____ Abstained: _____

- 2. Consider and approve December 2018 Financials

Approved _____ Denied _____ Tabled _____
 Motioned by: Director _____ Seconded by: Director _____
 Ayes: _____ Noes: _____ Absent: _____ Abstained: _____

- 3. Consider and approve

Approved _____ Denied _____ Tabled _____
 Motioned by: Director _____ Seconded by: Director _____
 Ayes: _____ Noes: _____ Absent: _____ Abstained: _____

- 4. District Operations Report

- 5. Usage Comparison Report 2013/2018

Staff/Committee Reports: (Informational Only)

- 1. Water Tax Proposal- California Governor, Gavin Newsom
 - Funds raised would pay for improvements to water systems located within disadvantaged communities
 - A similar proposal/fee of \$0.95 per month failed in 2018
 - Does the Board have an interest in learning more or adding to an agenda in the future
 - Copy of ACWA article

Staff Reports: (Action Items)

1. At the request of President Miller, invalidate December 20, 2018 Election of Officers
2. Conduct new Election of Officers for the 2019 calendar year
 - 2019 Committee appointments by the Board President
 - Finance/Audit
 - Legal/Property
 - General Manager’s Evaluation
 - Water District visitation/comparison

Old Business:

1. Pajaro Water Tank Project
 - District is currently working on obtaining funding for project shortfall
 - There are no funds for contingency available. Board would need to accept this liability estimated at \$90,000-\$180,000; may need to consider applying for a short-term line of credit
 - Board to award bid to Anderson Pacific Engineering Construction, Inc.; the lowest responsive bidder, for the Pajaro Water Tank Project, in the amount of \$1,862,300
 - Board to authorize General Manager to execute a Professional Services Agreement with MNS Engineering to provide Construction Management services during construction of the Pajaro Water Tank Project for a total amount not to exceed \$256,849 (included in initial Grant funding)
 - Board to authorize General Manager to issue Notice to Proceed
2. Rate Increase proposed for February 1, 2019
 - 5% increase per Water Rate Study approved November 2015
 - Board to decide on increase of up to 5%
 - Staff recommendation- Approve Rate Increase

New Business:

1. Approve or Disapprove of invalidating previous Election of Board Officers held on December 20, 2018

Approved _____ Denied _____ Tabled _____
 Motioned by: Director _____ Seconded by: Director _____
 Ayes: _____ Noes: _____ Absent: _____ Abstained: _____

2. Approve or Disapprove Election of Board Members Offices for 2019

Director: _____ Board President
 Director: _____ Board Vice President
 Director: _____ Board Secretary
 Director: _____ Board Assistant Secretary
 Director: _____ Board Treasurer

Office: President

Approved _____ Denied _____ Tabled _____
 Motioned by: Director _____ Seconded by: Director _____
 Ayes: _____ Noes: _____ Absent: _____ Abstained: _____

Office: Vice President

Approved _____ Denied _____ Tabled _____

Motioned by: Director _____ Seconded by: Director _____

Ayes: _____ Noes: _____ Absent: _____ Abstained: _____

Office: Secretary

Approved _____ Denied _____ Tabled _____

Motioned by: Director _____ Seconded by: Director _____

Ayes: _____ Noes: _____ Absent: _____ Abstained: _____

Office: Assistant Secretary

Approved _____ Denied _____ Tabled _____

Motioned by: Director _____ Seconded by: Director _____

Ayes: _____ Noes: _____ Absent: _____ Abstained: _____

Office: Treasurer

Approved _____ Denied _____ Tabled _____

Motioned by: Director _____ Seconded by: Director _____

Ayes: _____ Noes: _____ Absent: _____ Abstained: _____

3. Approve or Disapprove

Approved _____ Denied _____ Tabled _____

Motioned by: Director _____ Seconded by: Director _____

Ayes: _____ Noes: _____ Absent: _____ Abstained: _____

Old Business:

1. Approve or Disapprove award of bid to Anderson Pacific Engineering Construction, Inc. for the Pajaro Tank Project, authorize General Manager to execute Professional Services Agreement with MNS Engineering and issue Notice to Proceed

Approved _____ Denied _____ Tabled _____

Motioned by: Director _____ Seconded by: Director _____

Ayes: _____ Noes: _____ Absent: _____ Abstained: _____

2. Approve or Disapprove of a 5% water rate increase for 2019, to begin on February 1, 2019

Approved _____ Denied _____ Tabled _____

Motioned by: Director _____ Seconded by: Director _____

Ayes: _____ Noes: _____ Absent: _____ Abstained: _____

Monthly Expenditures Report for Review
Approval of Warrants & Checks:

- 1. General Fund 605: Check # _____ through check # _____ for a total of \$ _____
- 2. Water Account: Check # _____ through check # _____ for a total of \$ _____
- 3. Holding Acct: Check # _____ through check # _____ for a total of \$ _____
- 4. Street Maint. Acct: Check # _____ through check # _____ for a total of \$ _____
- 5. Reorganization Acct: Check # _____ through check # _____ for a total of \$ _____
- 6. Construction Acct: Check # _____ through check # _____ for a total of \$ _____
- 7. Acct: Check # _____ through check # _____ for a total of \$ _____

Approved _____ Denied _____ Tabled _____

Motioned by: Director _____ Seconded by: Director _____

Ayes: _____ Noes: _____ Absent: _____ Abstained: _____

1. Closed Session:

Conference with Legal Counsel- Existing Litigation (Government Code § 54957)

- A. AWC Holdings Trust and AWC II Holdings Trust vs the County of Monterey through its Board of Supervisors et al Case No. 18CV001746, Monterey County Superior Court, filed May 11, 2018
- B. Steve Pacheco, Trustee of the Salinas Land Holding Trust vs Pajaro/Sunny Mesa Community Services District et al Case No. unknown, Monterey County Superior Court, filing date unknown

Next Board meeting date: _____

Adjournment Time: _____ p.m.

Motioned by: Director _____ Seconded by: Director _____

MINUTES

The regular meeting of the Pajaro/Sunny Mesa Community Services District Board of Directors was called to order at 5:30 pm on December 20, 2018.

ROLL CALL:

President Paul Miller
Assistant Secretary Sanford Coplin
Treasurer Harry Wiggins

ADMINISTRATIVE STAFF:

General Manager Don Rosa
Operations Manager Judy Vazquez-Varela
Recorder Simone Coke

ABSENT DIRECTOR(S) & STAFF:

Vice President Michael Moore
Secretary Darlene Lamboley

DISTRICT COUNSEL:

Attorney Alan Smith Via Telephone for closed session

ADDITION(S) TO AGENDA: None

PUBLIC IN ATTENDANCE: Phil Vanderhorst and Brian Birkeland

PUBLIC COMMENTS:

1. Brian Birkeland, resident of the Langley/Valle Pacifico Water System wanted to inquire to find out approximately when the District is going to purchase generators and/or transfer switches for the water systems that don't currently have one. Mr. Birkeland expressed that he would like to keep the emergency generators topic on the District Operations Report.
2. Phil Vanderhorst, new District Employee introduced himself to the Board

SCHEDULED ITEMS:

1. 2017 – 2018 Audit Presentation, 5:30 PM
 - Jarrod Penner with Bianchi, Kasavan & Pope summarized audit to the Board of Directors

CONSENT ITEMS:

1. Consider and approve of the minutes from the November 15, 2018 Board Meeting

Motion was made by Director Coplin and seconded by Director Miller to approve the regular Board meeting minutes of November 15, 2018. Motion carried.

Roll Call Vote: Ayes: P. Miller; H. Wiggins; S. Coplin
Noes: None
Absent: M. Moore; D.Lamboley
Abstain: None

2. Consider and approve of the November 2018 financials.

Motion was made by Director Miller and seconded by Director Coplin to approve the October 2018 Financials. Motion Carried.

Roll Call Vote: Ayes: P. Miller; S. Coplin; H. Wiggins
 Noes: None
 Absent: M. Moore; D. Lamboley
 Abstain: None

3. District Operations Report:

- Springfield Planning Grant-
 - MNS Engineering is awaiting final decision as to the inclusion of the Moss Landing Mobile Home Park to the project, which is based on the Parks qualifications for grant funding. Castroville Community Services District is currently performing a Median Household Income Survey in the Mobile Home Park. The Study has been completed, working on isolating results to Mobile Home Park. Progress report phone conference will be held on January 9th, 2019.
- Pajaro Park
 - None of the grants administered by the Office of Grants and Local Services will fund the operation and maintenance of parks.
- Monies Held by District
 - One more former customer has been refunded, list submitted to State Controller will be updated prior to transfer of funds.
- Gift of Parcel
 - Final recordation documents from Monterey County Recorder's office have been received.
- General Manager Goals and Objectives for 2018-2019-Develop a plan for security enhancement for all District facilities.
 - Staff held meeting with State Water Resources Control Board Consolidation Specialist Michelle Frederick, Karen McBride with Rural Community Assistance Corporation, Victoria Nava-McClellan and May Nguyen from Environmental Justice Coalition for Water, Susan Robinson Program Director for Greater Monterey County Integrated Regional Water Management Program, Karen Nielsen from Nilsen and Associates and Paul Greenway from MNS Engineers to discuss funding assistance.

4. Usage Comparison Report 2013/2018: Water usage is down in all systems.

STAFF/COMMITTEE REPORTS: (Informational Only)

1. Auditing Firm Rotation:

- Board gave direction to staff, to research legal requirements.
- Copy of email from Joe Serrano, LAFCO indicates that the auditing firm can remain the same if the auditor manager is changed every five years.
- Copy of Government Code Section 12410.6 (b) states "Commencing 2013-14 fiscal year, a local agency shall not employ a public accounting firm to provide audit services to a local agency if the lead audit partner or coordinating audit partner having primary responsibility for the audit, or the audit partner responsible for reviewing the audit, has performed audit services for that local agency for six consecutive fiscal years".

STAFF REPORTS (Action Items):

1. 2017 – 2018 Final Audit Presentation

- Discussed the acceptance of 2017-2018 Final Audit.
- A few changes/edits to language of the Final Draft Audit where indicated.

2. Conduct Election of Officers for the 2019 calendar year

- Election of officers was conducted:
President - Director Miller
Vice President - Director Coplin
Secretary - Director Wiggins
Assistant Secretary - Director Lamboley
Treasure Director - Moore

3. Rate Increase proposed for January 1, 2019

- 5% increase per Water Rate Study approved November 2015
- Board discussed the option of of an increase of up to 5%
- Staff recommendation- to approve Rate Increase
- Director Coplin would like to have a discussion with a like agency for comparison of Administrative cost. He would like to form a committee for the research and visiting of like agencies. General Manager advised Director Coplin to begin the research by visiting this District first.

OLD BUSINESS:

MINUTES OF REGULAR MEETING – December 20, 2018

1. Pajaro Water Tank Project

- District is currently working on obtaining funding for project shortfall. Project Manager and MNS Engineers are working on providing our funding consultant with the necessary information for securing additional funding.
- Board cannot award bid to lowest responsive bidder due to the shortfall of funds. Anderson Pacific Engineering Construction, Inc. (apparent lowest bidder) has agreed to honor the bid for an additional 30 days.
- Board did not issue Notice to Proceed.

2. Tabled awarding of the Pajaro Tank Project Bid to Anderson Pacific.

Motion made by Director Miller and seconded by Director Coplin to table awarding the Pajaro Tank Project bid to Anderson Pacific. Motion Tabled.

Roll Call Vote: Ayes: P. Miller; H. Wiggins; S.Coplin
 Noes: None
 Absent: M. Moore; D. Lamboley
 Abstain: None

NEW BUSINESS:

1. Consider and approve of accepting 2017-2018 Audit Final Draft with changes indicated.

Motion made by Director Coplin and seconded by Director Miller to accept 2017-2018 Audit Final Draft with changes indicated. Motion Carried.

Roll Call Vote: Ayes: P. Miller; H. Wiggins; S.Coplin
 Noes: None
 Absent: M. Moore; D. Lamboley
 Abstain: None

2. Consider and approve Election of Board Members for 2019:

Motion was made by Director Coplin, seconded by Director Wiggins to nominate Director Miller as President. Motion carried.

Roll Call Vote: Ayes: H. Wiggins; P. Miller; S.Coplin
 Noes: None
 Absent: M. Moore; D. Lamboley
 Abstain: None

Motion was made by Director Miller, seconded by Director Wiggins to nominate Director Coplin as Vice President. Motion carried.

MINUTES OF REGULAR MEETING – December 20, 2018

Roll Call Vote: Ayes: H. Wiggins; P. Miller; S. Coplin
 Noes: None
 Absent: M. Moore; D. Lamboley
 Abstain: None

Motion was made by Director Miller, seconded by Director Coplin to nominate Director Wiggins as Secretary. Motion carried.

Roll Call Vote: Ayes: H. Wiggins; S. Coplin; P. Miller
 Noes: None
 Absent: M. Moore; D. Lamboley
 Abstain: None

Motion was made by Director Miller, seconded by Director Wiggins to nominate Director Lamboley as Assistant Secretary. Motion carried.

Roll Call Vote: Ayes: H. Wiggins; S. Coplin; P. Miller
 Noes: None
 Absent: M. Moore; D. Lamboley
 Abstain: None

Motion was made by Director Miller, seconded by Director Wiggins to nominate Director Moore as Treasurer. Motion carried.

Roll Call Vote: Ayes: H. Wiggins; S. Coplin; P. Miller
 Noes: None
 Absent: M. Moore; D. Lamboley
 Abstain: None

3. Tabled the 5% water rate increase for 2019.

Motion made by Director Coplin and seconded by Director Miller to table the 5% water rate increase for 2019. Motion tabled.

Roll Call Vote: Ayes: P. Miller; S. Coplin
 Noes: H. Wiggins
 Absent: M. Moore; D. Lamboley
 Abstain: None

MONTHLY EXPENDITURES REPORT FOR REVIEW
APPROVAL OF WARRANTS/CHECKS:

1. General Fund 633: None
2. Operating Account: Check No. 23511 through Check No. 23565 for a total of \$202,352.01

- 3. Capital Reserve Account: Total of \$1,210.88
- 4. Street Maintenance Account: Check No. 485 through Check No. 486 for a total of \$993.60
- 5. Pajaro Park Account: Check No. 815 for a total of \$1,403.19
- 6. COP 2010 Account: None

Motion was made by Director Miller, seconded by Director Coplin to approve all accounts for the month of November, 2018. Motion carried.

| | | |
|-----------------|----------|---------------------------------|
| Roll Call Vote: | Ayes: | P. Miller; S. Coplin; H Wiggins |
| | Noes: | None |
| | Absent: | M. Moore; D. Lambolely |
| | Abstain: | None |

CLOSED SESSION: (Personnel Matters, Litigation)

Closed session began at 6:35 p.m. and ended at 6:48 p.m.

No final action was taken.

NEXT BOARD MEETING:

The next Board meeting is to be held on Thursday January 24, 2018 at 5:30 pm.

There being no further business, the regular meeting of the Pajaro/Sunny Mesa Community Services District was adjourned at 7:39 p.m. with motion made by Director Wiggins, seconded by Director Miller. Motion carried.

Respectfully submitted by:

Paul Miller, President

Michael Moore, Vice President

Simone Coke, Recorder

FINANCIAL NOTES - December 2018

| Account No: | Account Name: | Increase / Decrease | Description |
|---------------------------|----------------------------------|------------------------|--|
| Income: | | | |
| 4001-4015 | Total Income | - | Typical December Usage |
| Expenses: Indirect | | | |
| 5170 | Office Equipment Repair | + | Quarterly Payment for Contract Fees |
| 5260 | Accounting and Bookkeeping | + | Progress Payment # 3 for Audit Services |
| 5270 | Automotive-Repair & Maint. | + | 30,000 Mile Service/Brake System Repairs/New Tires/Replaced & Reprogrammed Throttle Body for 2008 Chevy |
| 5390 | Bank Charges | + | Safety Deposit Box Rental Fee |
| Expenses: Direct | | | |
| 5220 | Water System Repair and Maint | + | Arsenic Reduction Media-Langley |
| 5325 | Permits | + | Annual Water System Fees F/Y 18-19 |
| Other Income: | | | |
| 4115 | Testing Fees | + | Backflow Testing |
| 4200 | Street Maint Reimb | + | Assessment Collections |
| 4280 | Pro Rata Tax Collection Share | + | Semi-Annual Collection of Assessment Through Property Taxes |
| 4340 | Utility Reimbursements | + | Semi-Annual Collection of Assessment Through Property Taxes |
| 5794 | Water Bond Assessments | + | Semi-Annual Collection of Assessment Through Property Taxes |

**Pajaro/Sunny Mesa
Balance Sheet
As of December 31, 2018**

January 17, 2019

Accrual Basis

| | Dec 31, 18 |
|--|---------------------|
| ASSETS | |
| Current Assets | |
| Checking/Savings | |
| 1001 · SCCB - Operating Account | 249,506.73 |
| 1002 · SCCB Reserve Account | 253,894.70 |
| 1003 · SCCB - Sick Leave Account | 14,451.84 |
| 1004 · SCCB - Street Maint Acct | 210,771.54 |
| 1006 · SCCB-GF 633 | 14,419.56 |
| 1032 · SCCB-COP Acct (aka Const. Acct) | 172,068.36 |
| 1036 · PSM Pajaro Park Acct | 92,498.90 |
| 1050 · Cash in County Treasury - DS | 60,342.93 |
| 1051 · Cash in County Treasury - GF | 322,789.41 |
| 1066 · Union Bank Vega 2303 | 148,498.74 |
| 1068 · Union Bank Vega 2301 | 117.05 |
| 1069 · Union Bank Vega-2302 | 10,261.34 |
| 1095 · Union Bank Wtr Bond-Res 2204 | 148,565.91 |
| 2201 · Union Bank-2015 Wtr Rfd Bd 2201 | 13.23 |
| 2202 · Union Bank 2015 Wtr Rfd Bd-2202 | 2.28 |
| Total Checking/Savings | 1,698,202.52 |
| Accounts Receivable | |
| 1110 · Invoice Accounts Recv | 5,826.50 |
| 1231 · Grants Receivable-A/R | 55,125.12 |
| Total Accounts Receivable | 60,951.62 |
| Other Current Assets | |
| 1080 · Petty Cash | 400.00 |
| 1100 · Water Customer Accounts Recv | 182,776.62 |
| 1101 · Allowance for Doubtful Accounts | -8,990.09 |
| 1153 · Receivable from Monterey County | 860.00 |
| 1251 · Assess. Rec. - Lighting | 949.14 |
| 1252 · Assessments Rec. - Street Maint | 6,255.76 |
| 1253 · Assessments Rec. - Water bond | 300,206.00 |
| 1253.1 · Assess Rec - Water Bond - Count | 116.43 |
| 1254 · Advanced Pay - Spec. Asses - WB | -16,561.65 |
| Total Other Current Assets | 466,012.21 |
| Total Current Assets | 2,225,166.35 |
| Fixed Assets | |
| 1084 · CIP-Springfield/Struve | 18,967.36 |
| 1500 · Land | 139,676.30 |
| 1510 · Land Improve (Non-office) | 253,942.67 |
| 1520 · Land Improve (Office) | 66,721.46 |
| 1521 · A/D - Land Impr (Off) | -41,984.80 |
| 1522 · Land - Parks | 248,000.00 |
| 1530 · Wells | 162,488.25 |
| 1540 · Pumping Plant Bldg | 191,044.92 |
| 1541 · A/D - Pumping Plant Bldg | -191,045.00 |
| 1550 · District Office Building | 134,443.43 |
| 1551 · A/D - District Office Building | -119,645.86 |
| 1555 · Office Equipment/Furniture | 44,041.05 |
| 1556 · A/D - Office Equip/Furniture | -42,396.90 |
| 1557 · Equipment - Lighting | 8,980.18 |
| 1559 · A/D - Lighting and Parks | -8,980.18 |
| 1560 · Electric Power to Sheds | 2,598.59 |
| 1561 · A/D - Electric Power to Sheds | -2,599.00 |
| 1570 · Equipment - Pumping Plant | 506,239.21 |
| 1571 · A/D - Equipment - Pumping Plant | -444,791.36 |
| 1580 · Distribution Mains [P] | 1,487,948.01 |
| 1581 · A/D - Distribution Mains | -1,037,113.15 |
| 1590 · Meters | 86,141.40 |
| 1591 · A/D - Meters | -83,726.14 |
| 1600 · Hydrants | 7,422.43 |
| 1601 · A/D - Hydrants | -4,408.28 |
| 1610 · Automotive Equipment | 199,276.12 |
| 1611 · A/D - Automotive Equipment | -186,354.46 |
| 1620 · Utility Trans/Distr Plant | 115,702.65 |

**Pajaro/Sunny Mesa
Balance Sheet
As of December 31, 2018**

January 17, 2019

Accrual Basis

| | <u>Dec 31, 18</u> |
|--|----------------------|
| 1621 · A/D - Utility T&D Plant | -86,696.72 |
| 1622 · A/D - Moss Landing | -144,458.66 |
| 1630 · Utility Plant | 107,992.45 |
| 1631 · A/D - Utility Plant | -107,992.00 |
| 1640 · Source of Supply Plant | 54,616.59 |
| 1641 · A/D - Source of Supply Plant | -13,517.06 |
| 1650 · Trans & Distr Plant | 81,133.08 |
| 1651 · A/D - Trans & Distr Plant | -57,450.72 |
| 1670 · Small Tools/Equipment | 10,774.02 |
| 1671 · A/D - Small Tools/Equipment | -7,226.14 |
| 1680 · ALCO Water Project | 155,809.38 |
| 1681 · A/D - ALCO Water Project | -85,695.00 |
| 1804 · CIP-Springfield | 149,090.02 |
| 1805 · CIP-Vega Imprvtmnt Project | 4,604,699.33 |
| 1805.1 · A/D - Vega | -1,729,882.37 |
| 1806 · Moss Landing Bridge Project | 251,233.09 |
| 1807 · CIP-Langley/VP | 240,496.74 |
| 1807.1 · A/D - Langley/VP | -54,111.90 |
| 1808 · CIP-Normco | 292,881.04 |
| 1808.1 · A/D - Normco Tank | -89,383.93 |
| 1811 · CIP-Vierra Estate | 148,754.46 |
| 1811.1 · A/D - Vierra Estates | -30,958.36 |
| 1812 · CIP-Moss Landing Water System | 288,274.14 |
| 1812.1 · A/D - Moss Landing Water | -53,315.54 |
| 1815 · CIP-Normco Improv Project | 3,225.00 |
| 1816 · Land - Pajaro Park | 781,632.00 |
| 1817 · Improvements - Pajaro Park | 4,717,110.00 |
| 1817.1 · A/D - Improvements -Pajaro Park | -887,387.78 |
| 1818 · Buildings - Pajaro Park | 796,400.00 |
| 1818.1 · A/D - Buildings-Pajaro Park | -122,179.12 |
| 1819 · Equipment - Pajaro Park | 43,381.00 |
| 1819.1 · A/D - Equipment-Pajaro Park | -18,798.79 |
| 1820 · Normco Treatment Facility | 111,943.00 |
| 1820.1 · A/D-Normco Treatment Facility | -46,477.27 |
| Total Fixed Assets | 10,814,502.88 |
| Other Assets | |
| 1120 · Due From Gen Fund | 0.66 |
| 1141 · Due From SC Grant Acct | 100.00 |
| 1151 · Due from Maint Account | 157.19 |
| 1220 · Spl Asmnt Revc-Long Term | 3,873,859.72 |
| 1230 · Grant Receivable | 88,205.40 |
| 1900 · Due From Other Funds | 159,690.92 |
| 1950 · Deferred amount on refunding | 73,213.60 |
| 1951 · Deferred Amt of Ref-Vega Bds15 | 95,017.09 |
| Total Other Assets | 4,290,244.58 |
| TOTAL ASSETS | 17,329,913.81 |
| LIABILITIES & EQUITY | |
| Liabilities | |
| Current Liabilities | |
| Accounts Payable | |
| 2000 · Accounts Payable | 109,696.26 |
| 2500 · Due to Other Funds | 159,693.06 |
| Total Accounts Payable | 269,389.32 |
| Other Current Liabilities | |
| 2005 · Accrued Liabilities | 67,274.00 |
| 2050 · Accrued Payroll | 43,469.42 |
| 2121 · Customer Security Deposits | 17,104.59 |
| 2122 · Future Water Conn. Deposits | 36,600.00 |
| 2123 · Hydrant Meter Deposits | 27,550.00 |
| 2225 · Accrued Vacation Liability | 17,743.84 |
| 2230 · Accrued Sick Leave Liability | 29,379.22 |
| 2263 · 457b EE Plan Payable | 3,441.65 |
| 2264 · Employee Insurance Payable | -2,892.87 |

Pajaro/Sunny Mesa
Balance Sheet
As of December 31, 2018

| | Dec 31, 18 |
|---------------------------------------|----------------------|
| 2265 · EE Aflac Insurance Payable | 570.15 |
| 2320 · Due to 64 Original Sewer Accts | 29,169.90 |
| 2324 · Payable to Customers | 7,183.76 |
| 2325 · Payable to P.V.W.M.A. | -19,691.98 |
| Total Other Current Liabilities | 256,901.68 |
| Total Current Liabilities | 526,291.00 |
| Long Term Liabilities | |
| 2256 · Vehicle Loan Payable | 6,565.65 |
| 2257 · Reorganization Loan | 300,000.00 |
| 2333 · COP Bonds Payable | -125,000.00 |
| 2339 · Vega Project Bonds Payable | -72,100.00 |
| 2350 · Bonds Payable - Water Bond | 253,000.00 |
| 2360 · Bonds Payable-2015 COP Wtr Rf | 2,200,000.00 |
| 2361 · Bonds Payable-2015 Vga Wtr Rf | 3,835,083.67 |
| 2400 · Unamortized Discount on 2015 | -34,205.01 |
| 2401 · Unamortized Discount-2015 Vega | -13,986.72 |
| Total Long Term Liabilities | 6,349,357.59 |
| Total Liabilities | 6,875,648.59 |
| Equity | |
| 3000 · Fund Balance | 219,540.85 |
| 3001 · Restricted-Street Maintenance | 87,655.80 |
| 3040 · Contributed Capital | 248,000.00 |
| 3045 · Restricted for Debt Service | 4,575,060.23 |
| 3050 · Retained Earnings | 5,090,581.40 |
| Net Income | 233,426.94 |
| Total Equity | 10,454,265.22 |
| TOTAL LIABILITIES & EQUITY | 17,329,913.81 |

**Pajaro/Sunny Mesa
Profit & Loss
December 2018**

January 17, 2019

Accrual Basis

| | Dec 18 |
|--|------------|
| Ordinary Income/Expense | |
| Income | |
| 4001 · Route 1 - Pajaro | 20,533.43 |
| 4002 · Route 2 - Pajaro | 20,901.33 |
| 4003 · Route 3 - Commercial | 17,083.03 |
| 4004 · Route 4 - Trailer Park | 1,038.79 |
| 4005 · Route 5 - San Juan Rd Apts | 1,019.47 |
| 4006 · Route 6 - Sunny Mesa | 8,889.22 |
| 4007 · Route 7 - CSA 73 | 10,045.23 |
| 4008 · Route 8 - Vega | 9,048.30 |
| 4010 · Route 10 -Springfield | 850.00 |
| 4011 · Route 11 - Moss Landing | 18,480.45 |
| 4012 · Route 12 - Blackie Road | 2,127.49 |
| 4013 · Route 13 - Normco | 18,005.63 |
| 4014 · Route 14 - Vierra | 3,307.04 |
| 4015 · Route 15 - Langley/VP | 1,950.29 |
| | 133,279.70 |
| Total Income | 133,279.70 |
| Gross Profit | 133,279.70 |
| Expense | |
| INDIRECT | |
| 5000 · Salaries and Wages | 63,542.35 |
| 5005 · Administrative Fees | 468.67 |
| 5030 · Payroll Tax Expense | 915.27 |
| 5050 · Employee Health Insurance | 10,909.45 |
| 5070 · Employee Retirement | 7,232.66 |
| 5090 · Other Employee Expense | 100.77 |
| 5130 · Utilities - Office | 238.34 |
| 5140 · Building Repair & Maint | 279.64 |
| 5145 · District Wide Repair & Maint | 406.75 |
| 5150 · Garbage Service | 279.42 |
| 5160 · Office Equip Rental | 759.01 |
| 5165 · Computer Software | 587.63 |
| 5170 · Office Equipment Repair & Maint | 531.33 |
| 5240 · Office Supplies | 150.26 |
| 5250 · Legal Expenses | 12,210.17 |
| 5256 · Interest Exp-Financed Items | 14.38 |
| 5260 · Accounting & Bookkeeping | 4,000.00 |
| 5270 · Automotive - Repair & Maint | 3,602.66 |
| 5330 · Telephone | 1,476.35 |
| 5340 · Burglar Alarm Monitoring | 84.00 |
| 5370 · Fuel - Trucks | 2,369.34 |
| 5390 · Bank Charges | 100.00 |
| 5391 · Credit Card Transaction Fees | 667.62 |
| 5XXX · Indirect Allocation | 0.00 |
| | 110,926.07 |
| Total INDIRECT | 110,926.07 |
| 5190 · Soil and Water Tests | 2,062.50 |
| 5220 · Water System - Repair & Maint | 24,094.25 |
| 5225 · Street Maintenance | 841.89 |
| 5231 · Pajaro Park Expense | 1,256.56 |
| 5310 · Utilities - Well Site | 12,581.33 |
| 5315 · Utilities - Street Lighting | 2,573.80 |
| 5325 · Permits | 5,952.00 |
| 5426 · Vega Assmnt Bond Expense | 2,123.14 |
| 5427 · Improvement Project-Springfield | 1,827.00 |
| | 164,238.54 |
| Total Expense | 164,238.54 |
| Net Ordinary Income | -30,958.84 |
| Other Income/Expense | |
| Other Income | |
| 4100 · Late Payment Penalties | 470.13 |
| 4101 · Billing Adjustments | 150.00 |
| 4110 · Hydrant Sales | 687.86 |
| 4115 · Testing Fees | 2,660.00 |
| 4200 · Street Maintenance-Reimb | 30,909.41 |

Pajaro/Sunny Mesa

Profit & Loss

December 2018

| | <u>Dec 18</u> |
|--|-------------------|
| 4210 · Vega Bond Assessments | 138,556.37 |
| 4280 · Pro-rata tax collection share | 11,529.20 |
| 4285 · P.V.W.M.A. Collection Fee | 1,964.00 |
| 4305 · Miscellaneous Revenue | 125.00 |
| 4340 · Utility Reimbursements | 25,532.40 |
| 4350 · Interest Revenue | 273.59 |
| 5409 · Pajaro Improve Proj-Grant Reimb | 668.25 |
| 5424 · Springfield Grant Funds | 2,369.44 |
| 5794 · Water Bond Assessments | 22,281.36 |
| | <hr/> |
| Total Other Income | 238,177.01 |
| Other Expense | |
| 5435 · Improvement Project-Pajaro | 525.00 |
| | <hr/> |
| Total Other Expense | 525.00 |
| | <hr/> |
| Net Other Income | 237,652.01 |
| | <hr/> |
| Net Income | <u>206,693.17</u> |

Pajaro/Sunny Mesa
Profit & Loss Budget Performance
 December 2018

| | Dec 18 | Budget | % of Budget | Jul - Dec 18 | YTD Budget | % of Budget | Annual Budget |
|--|------------|------------|-------------|--------------|------------|-------------|---------------|
| Ordinary Income/Expense | | | | | | | |
| Income | | | | | | | |
| 4001 · Route 1 - Pajaro | 20,533.43 | 22,833.33 | 89.9% | 134,547.65 | 136,999.98 | 98.2% | 274,000.00 |
| 4002 · Route 2 - Pajaro | 20,901.33 | 23,666.67 | 88.3% | 125,560.95 | 141,999.98 | 88.4% | 284,000.00 |
| 4003 · Route 3 - Commercial | 17,083.03 | 21,666.67 | 78.8% | 141,624.84 | 129,999.98 | 108.9% | 260,000.00 |
| 4004 · Route 4 - Trailer Park | 1,038.79 | 1,083.33 | 95.9% | 6,412.29 | 6,499.98 | 98.7% | 13,000.00 |
| 4005 · Route 5 - San Juan Rd Apts | 1,019.47 | 1,166.67 | 87.4% | 6,245.07 | 6,999.98 | 89.2% | 14,000.00 |
| 4006 · Route 6 - Sunny Mesa | 8,889.22 | 10,041.67 | 88.5% | 68,621.43 | 60,249.98 | 113.9% | 120,500.00 |
| 4007 · Route 7 - CSA 73 | 10,045.23 | 11,166.67 | 90.0% | 75,964.88 | 66,999.98 | 113.4% | 134,000.00 |
| 4008 · Route 8 - Vega | 9,048.30 | 12,000.00 | 75.4% | 74,614.97 | 72,000.00 | 103.6% | 144,000.00 |
| 4010 · Route 10 - Springfield | 850.00 | 875.00 | 97.1% | 5,100.00 | 5,250.00 | 97.1% | 10,500.00 |
| 4011 · Route 11 - Moss Landing | 18,480.45 | 21,250.00 | 87.0% | 117,887.38 | 127,500.00 | 92.5% | 255,000.00 |
| 4012 · Route 12 - Blackie Road | 2,127.49 | 2,625.00 | 81.0% | 15,919.89 | 15,750.00 | 101.1% | 31,500.00 |
| 4013 · Route 13 - Norrmo | 18,005.63 | 25,833.33 | 69.7% | 169,429.09 | 154,999.98 | 109.3% | 310,000.00 |
| 4014 · Route 14 - Verra | 3,307.04 | 3,791.67 | 87.2% | 26,650.47 | 22,749.98 | 117.1% | 45,500.00 |
| 4015 · Route 15 - Langley/VP | 1,950.29 | 2,625.00 | 74.3% | 16,488.09 | 15,750.00 | 104.7% | 31,500.00 |
| Total Income | 133,279.70 | 160,625.01 | 83.0% | 985,067.00 | 963,749.82 | 102.2% | 1,927,500.00 |
| Gross Profit | 133,279.70 | 160,625.01 | 83.0% | 985,067.00 | 963,749.82 | 102.2% | 1,927,500.00 |
| Expense | | | | | | | |
| INDIRECT | | | | | | | |
| 5000 · Salaries and Wages | 63,542.35 | 63,750.00 | 99.7% | 343,466.97 | 382,500.00 | 89.8% | 765,000.00 |
| 5005 · Administrative Fees | 468.67 | 475.00 | 98.7% | 2,793.64 | 2,850.00 | 98.0% | 5,700.00 |
| 5030 · Payroll Tax Expense | 915.27 | 1,333.33 | 68.6% | 5,926.48 | 7,999.98 | 74.1% | 16,000.00 |
| 5040 · Worker's Comp Insurance | 0.00 | 1,666.67 | 0.0% | 6,184.73 | 9,999.98 | 61.8% | 20,000.00 |
| 5050 · Employee Health Insurance | 10,909.45 | 14,166.67 | 77.0% | 80,045.50 | 84,999.98 | 94.2% | 170,000.00 |
| 5070 · Employee Retirement | 7,232.66 | 9,583.33 | 75.5% | 52,076.58 | 57,499.98 | 90.6% | 115,000.00 |
| 5090 · Other Employee Expense | 100.77 | 416.67 | 24.2% | 1,239.97 | 2,499.98 | 49.6% | 5,000.00 |
| 5120 · Property Taxes | 0.00 | 125.00 | 0.0% | 1,157.96 | 750.00 | 154.4% | 1,500.00 |
| 5130 · Utilities - Office | 238.34 | 333.33 | 71.5% | 2,005.86 | 1,999.98 | 100.3% | 4,000.00 |
| 5140 · Building Repair & Maint | 279.64 | 583.33 | 47.9% | 2,460.32 | 3,499.98 | 70.3% | 7,000.00 |
| 5145 · District Wide Repair & Maint | 406.75 | 1,083.33 | 37.5% | 5,518.93 | 6,499.98 | 84.9% | 13,000.00 |
| 5150 · Garbage Service | 279.42 | 291.67 | 95.8% | 1,397.10 | 1,749.98 | 79.8% | 3,500.00 |
| 5160 · Office Equip Rental | 759.01 | 833.33 | 91.1% | 5,041.39 | 4,999.98 | 100.8% | 10,000.00 |
| 5165 · Computer Software | 587.63 | 1,250.00 | 47.0% | 6,814.87 | 7,500.00 | 90.9% | 15,000.00 |
| 5170 · Office Equipment Repair & Maint | 531.33 | 300.00 | 177.1% | 1,989.40 | 1,800.00 | 110.5% | 3,600.00 |
| 5175 · Small Tools - Repair & Maint. | 0.00 | 83.33 | 0.0% | 79.83 | 499.98 | 16.0% | 1,000.00 |
| 5180 · Casualty Ins/Liability Ins | 0.00 | 2,500.00 | 0.0% | 24,227.00 | 15,000.00 | 161.5% | 30,000.00 |
| 5200 · Billing Supplies | 0.00 | 308.33 | 0.0% | 2,705.26 | 1,849.98 | 146.2% | 3,700.00 |
| 5240 · Office Supplies | 150.26 | 375.00 | 40.1% | 1,099.14 | 2,250.00 | 48.9% | 4,500.00 |
| 5245 · Postage | 0.00 | 708.33 | 0.0% | 4,024.70 | 4,249.98 | 94.7% | 8,500.00 |
| 5250 · Legal Expenses | 12,210.17 | 3,333.33 | 366.3% | 39,002.68 | 19,999.98 | 195.0% | 40,000.00 |
| 5255 · Interest Expense | 0.00 | 1,312.50 | 0.0% | 7,875.00 | 7,875.00 | 100.0% | 15,750.00 |
| 5266 · Interest Exp-Financed Items | 14.38 | 66.67 | 21.6% | 163.63 | 399.98 | 40.9% | 800.00 |
| 5260 · Accounting & Bookkeeping | 4,000.00 | 3,083.33 | 129.7% | 28,800.00 | 18,499.98 | 155.7% | 37,000.00 |
| 5266 · Engineering Svcs-Dist Wide | 0.00 | 0.00 | 0.0% | 0.00 | 0.00 | 0.0% | 0.00 |
| 5270 · Automotive - Repair & Maint | 3,602.66 | 833.33 | 432.3% | 4,944.60 | 4,999.98 | 98.9% | 10,000.00 |
| 5280 · Conferences, Meetings, Seminars | 0.00 | 41.67 | 0.0% | 60.00 | 249.98 | 24.0% | 500.00 |
| 5290 · Travel Expenses | 0.00 | 41.67 | 0.0% | 0.00 | 250.02 | 0.0% | 500.00 |

Pajaro/Sunny Mesa
Profit & Loss Budget Performance
 December 2018

| | Dec 18 | Budget | % of Budget | Jul - Dec 18 | YTD Budget | % of Budget | Annual Budget |
|--|-------------------|-------------------|---------------|---------------------|---------------------|---------------|---------------------|
| 5300 · Books & Subscriptions | 0.00 | 125.00 | 0.0% | 119.00 | 750.00 | 15.9% | 1,500.00 |
| 5305 · Water Conservation Program | 0.00 | 125.00 | 0.0% | 0.00 | 750.00 | 0.0% | 1,500.00 |
| 5320 · Membership Fees and Dues | 0.00 | 1,500.00 | 0.0% | 18,241.77 | 9,000.00 | 202.7% | 18,000.00 |
| 5326 · Licenses and Certifications | 0.00 | 166.67 | 0.0% | 1,287.53 | 999.98 | 128.8% | 2,000.00 |
| 5330 · Telephone | 1,476.35 | 1,333.33 | 110.7% | 10,095.22 | 7,999.98 | 126.2% | 16,000.00 |
| 5340 · Burglar Alarm Monitoring | 84.00 | 62.50 | 134.4% | 430.00 | 375.00 | 114.7% | 750.00 |
| 5370 · Fuel - Trucks | 2,369.34 | 2,000.00 | 118.5% | 11,151.09 | 12,000.00 | 92.9% | 24,000.00 |
| 5390 · Bank Charges | 100.00 | 16.67 | 599.9% | 100.00 | 99.98 | 100.0% | 200.00 |
| 5391 · Credit Card Transaction Fees | 667.62 | 533.33 | 125.2% | 4,277.15 | 3,199.98 | 133.7% | 6,400.00 |
| 5400 · Miscellaneous Expense | 0.00 | 16.67 | 0.0% | 30,298.00 | 99.98 | 30,304.1% | 200.00 |
| 5XXX · Indirect Allocation | 0.00 | | | 0.00 | | | |
| 6560 · Payroll Processing Expenses | 0.00 | 50.00 | 0.0% | 0.00 | 300.00 | 0.0% | 600.00 |
| 6577 · COP Debt Service - Interest | 0.00 | 6,708.33 | 0.0% | 40,237.50 | 40,249.98 | 100.0% | 80,500.00 |
| Total INDIRECT | 110,926.07 | 121,516.65 | 91.3% | 747,338.80 | 729,099.54 | 102.5% | 1,458,200.00 |
| 5190 · Soil and Water Tests | 2,062.50 | 2,750.00 | 75.0% | 14,471.50 | 16,500.00 | 87.7% | 33,000.00 |
| 5220 · Water System - Repair & Maint | 24,094.25 | 16,666.67 | 144.6% | 67,933.58 | 99,999.98 | 67.9% | 200,000.00 |
| 5225 · Street Maintenance | 841.89 | 2,720.83 | 30.9% | 3,894.01 | 16,324.98 | 23.9% | 32,650.00 |
| 5230 · Park - Repair & Maint | 0.00 | 83.33 | 0.0% | 16.16 | 499.98 | 3.2% | 1,000.00 |
| 5231 · Pajaro Park Expense | 1,256.56 | 0.00 | 100.0% | 10,343.30 | 0.00 | 100.0% | 0.00 |
| 5265 · Engineering Expenses | 0.00 | 250.00 | 0.0% | 0.00 | 1,500.00 | 0.0% | 3,000.00 |
| 5310 · Utilities - Well Site | 12,581.33 | 13,333.33 | 94.4% | 97,507.18 | 79,999.98 | 121.9% | 160,000.00 |
| 5315 · Utilities - Street Lighting | 2,573.80 | 2,583.33 | 99.6% | 12,305.71 | 15,499.98 | 79.4% | 31,000.00 |
| 5325 · Permits | 5,952.00 | 2,083.33 | 285.7% | 6,630.00 | 12,499.98 | 53.0% | 25,000.00 |
| 5360 · Fuel - Generator | 0.00 | 125.00 | 0.0% | 724.40 | 750.00 | 96.6% | 1,500.00 |
| 5426 · Vega Assmnt Bond Expense | 2,123.14 | | | 6,530.24 | | | |
| 5427 · Improvement Project-Springfield | 1,827.00 | 291.67 | 0.0% | 63,937.12 | 1,749.98 | 127.1% | 3,500.00 |
| 5428 · COP Bond Expense | 0.00 | 1,166.67 | 0.0% | 2,225.00 | 6,999.98 | 128.0% | 14,000.00 |
| 5433 · Pajaro Water Bond Interest Exp | 0.00 | 12,675.00 | 0.0% | 77,113.77 | 76,050.00 | 101.4% | 152,100.00 |
| 6575 · Vega Debt Service-Interest | 0.00 | | | | | | |
| Total Expense | 164,238.54 | 176,245.81 | 93.2% | 1,119,927.64 | 1,057,474.38 | 105.9% | 2,114,950.00 |
| Net Ordinary Income | -30,958.84 | -15,620.80 | 198.2% | -134,860.64 | -93,724.56 | 143.9% | -187,450.00 |
| Other Income/Expense | | | | | | | |
| 4100 · Late Payment Penalties | 470.13 | 625.00 | 75.2% | 3,046.11 | 3,750.00 | 81.2% | 7,500.00 |
| 4101 · Billing Adjustments | 150.00 | 33.33 | 450.0% | 452.02 | 199.98 | 226.0% | 400.00 |
| 4110 · Hydrant Sales | 687.86 | 333.33 | 206.4% | 3,682.44 | 1,999.98 | 184.1% | 4,000.00 |
| 4115 · Testing Fees | 2,660.00 | 625.00 | 425.6% | 5,230.00 | 3,750.00 | 139.5% | 7,500.00 |
| 4140 · Connection Fees | 0.00 | 358.34 | 0.0% | 32,501.95 | 2,150.04 | 1,511.7% | 4,300.08 |
| 4141 · Application Fees | 0.00 | 45.83 | 0.0% | 0.00 | 274.98 | 0.0% | 550.00 |
| 4146 · Other Fees | 0.00 | 33.34 | 0.0% | 0.00 | 200.04 | 0.0% | 400.08 |
| 4200 · Street Maintenance-Reimb | 30,909.41 | 5,316.67 | 581.4% | 37,987.48 | 31,899.98 | 119.1% | 63,800.00 |
| 4210 · Vega Bond Assessments | 138,556.37 | 22,258.33 | 622.5% | 138,556.37 | 133,549.98 | 103.7% | 267,100.00 |
| 4280 · Pro-rata tax collection share | 11,529.20 | 2,083.33 | 553.4% | 13,357.95 | 12,499.98 | 106.9% | 25,000.00 |
| 4285 · P.V.W./M.A. Collection Fee | 1,964.00 | 2,000.00 | 98.2% | 15,055.61 | 12,000.00 | 125.5% | 24,000.00 |
| 4300 · Collection of Previous W/O Acct | 0.00 | 41.67 | 0.0% | 0.00 | 249.98 | 0.0% | 500.00 |
| 4305 · Miscellaneous Revenue | 125.00 | 125.00 | 100.0% | 875.00 | 750.00 | 116.7% | 1,500.00 |
| 4307 · Returned Check Charges | 0.00 | | | 50.00 | | | |

Pajaro/Sunny Mesa Profit & Loss Budget Performance December 2018

| | Dec 18 | Budget | % of Budget | Jul - Dec 18 | YTD Budget | % of Budget | Annual Budget |
|--|-------------------|------------------|---------------|-------------------|-------------------|---------------|-------------------|
| 4340 · Utility Reimbursements | 25,532.40 | 2,583.33 | 988.4% | 27,070.20 | 15,499.98 | 174.6% | 31,000.00 |
| 4341 · Lighting Admin Reimbursements | 0.00 | 1,000.00 | 0.0% | 0.00 | 6,000.00 | 0.0% | 12,000.00 |
| 4346 · District 25% Overhead Fee | 0.00 | 41.67 | 0.0% | 0.00 | 249.98 | 0.0% | 500.00 |
| 4350 · Interest Revenue | 273.59 | 250.00 | 109.4% | 2,781.72 | 1,500.00 | 185.4% | 3,000.00 |
| 4355 · Audit/Bookkeeping Reimbursement | 0.00 | 58.33 | 0.0% | 0.00 | 349.98 | 0.0% | 700.00 |
| 4360 · Legal Counsel Reimbursement | 0.00 | 33.33 | 0.0% | 0.00 | 199.98 | 0.0% | 400.00 |
| 5408 · Springfield Project-Grant Reimb | 668.25 | | | 55,125.12 | | | |
| 5409 · Pajaro Improve Proj-Grant Reimb | 2,369.44 | | | 1,000.12 | | | |
| 5424 · Springfield Grant Funds | 22,281.36 | | | 13,989.13 | | | |
| 5794 · Water Bond Assessments | 22,281.36 | 3,312.50 | 672.6% | 22,281.36 | 19,875.00 | 112.1% | 39,750.00 |
| Total Other Income | 238,177.01 | 41,158.33 | 578.7% | 373,042.58 | 246,949.86 | 151.1% | 493,900.16 |
| Other Expense | | | | | | | |
| 5435 · Improvement Project-Pajaro | 525.00 | | | 1,780.00 | | | |
| 5440 · Improvement Project Sunny Mesa | 0.00 | | | 2,975.00 | | | |
| Total Other Expense | 525.00 | | | 4,755.00 | | | |
| Net Other Income | 237,652.01 | 41,158.33 | 577.4% | 368,287.58 | 246,949.86 | 149.1% | 493,900.16 |
| Net Income | 206,693.17 | 25,537.53 | 809.4% | 233,426.94 | 153,225.30 | 152.3% | 306,450.16 |

**Pajaro/Sunny Mesa
 Profit & Loss Budget vs. Actual
 December 2018**

| Ordinary Income/Expense | Dec 18 | Budget | \$ Over Budget | % of Budget |
|-------------------------------------|-------------------|-------------------|-------------------|---------------|
| | | | | |
| Income | | | | |
| 4001 · Route 1 - Pajaro | 20,533.43 | 22,833.33 | -2,299.90 | 89.93% |
| 4002 · Route 2 - Pajaro | 20,901.33 | 23,666.67 | -2,765.34 | 88.32% |
| 4003 · Route 3 - Commercial | 17,083.03 | 21,666.67 | -4,583.64 | 78.85% |
| 4004 · Route 4 - Trailer Park | 1,038.79 | 1,083.33 | -44.54 | 95.89% |
| 4005 · Route 5 - San Juan Rd Apts | 1,019.47 | 1,166.67 | -147.20 | 87.38% |
| 4006 · Route 6 - Sunny Mesa | 8,889.22 | 10,041.67 | -1,152.45 | 88.52% |
| 4007 · Route 7 - CSA 73 | 10,045.23 | 11,166.67 | -1,121.44 | 89.96% |
| 4008 · Route 8 - Vega | 9,048.30 | 12,000.00 | -2,951.70 | 75.4% |
| 4010 · Route 10 -Springfield | 850.00 | 875.00 | -25.00 | 97.14% |
| 4011 · Route 11 - Moss Landing | 18,480.45 | 21,250.00 | -2,769.55 | 86.97% |
| 4012 · Route 12 - Blackie Road | 2,127.49 | 2,625.00 | -497.51 | 81.05% |
| 4013 · Route 13 - Norrico | 18,005.63 | 25,833.33 | -7,827.70 | 69.7% |
| 4014 · Route 14 - Vierra | 3,307.04 | 3,791.67 | -484.63 | 87.22% |
| 4015 · Route 15 - Langley/VP | 1,950.29 | 2,625.00 | -674.71 | 74.3% |
| Total Income | 133,279.70 | 160,625.01 | -27,345.31 | 82.98% |
| Expense | | | | |
| Gross Profit | | | | |
| | 133,279.70 | 160,625.01 | -27,345.31 | 82.98% |
| INDIRECT | | | | |
| 5000 · Salaries and Wages | 63,542.35 | 63,750.00 | -207.65 | 99.67% |
| 5005 · Administrative Fees | 468.67 | 475.00 | -6.33 | 98.67% |
| 5030 · Payroll Tax Expense | 915.27 | 1,333.33 | -418.06 | 68.65% |
| 5040 · Worker's Comp Insurance | 0.00 | 1,666.67 | -1,666.67 | 0.0% |
| 5050 · Employee Health Insurance | 10,909.45 | 14,166.67 | -3,257.22 | 77.01% |
| 5070 · Employee Retirement | 7,232.66 | 9,583.33 | -2,350.67 | 75.47% |
| 5090 · Other Employee Expense | 100.77 | 416.67 | -315.90 | 24.19% |
| 5120 · Property Taxes | 0.00 | 125.00 | -125.00 | 0.0% |
| 5130 · Utilities - Office | 238.34 | 333.33 | -94.99 | 71.5% |
| 5140 · Building Repair & Maint | 279.64 | 583.33 | -303.69 | 47.94% |
| 5145 · District Wide Repair & Maint | 406.75 | 1,083.33 | -676.58 | 37.55% |
| 5150 · Garbage Service | 279.42 | 291.67 | -12.25 | 95.8% |

Pajaro/Sunny Mesa
Profit & Loss Budget vs. Actual
 December 2018

| | Dec 18 | Budget | \$ Over Budget | % of Budget |
|--|-------------------|-------------------|-------------------|---------------|
| 5160 · Office Equip Rental | 759.01 | 833.33 | -74.32 | 91.08% |
| 5165 · Computer Software | 587.63 | 1,250.00 | -662.37 | 47.01% |
| 5170 · Office Equipment Repair & Maint | 531.33 | 300.00 | 231.33 | 177.11% |
| 5175 · Small Tools - Repair & Maint. | 0.00 | 83.33 | -83.33 | 0.0% |
| 5180 · Casualty Ins/Liability Ins | 0.00 | 2,500.00 | -2,500.00 | 0.0% |
| 5200 · Billing Supplies | 0.00 | 308.33 | -308.33 | 0.0% |
| 5240 · Office Supplies | 150.26 | 375.00 | -224.74 | 40.07% |
| 5245 · Postage | 0.00 | 708.33 | -708.33 | 0.0% |
| 5250 · Legal Expenses | 12,210.17 | 3,333.33 | 8,876.84 | 366.31% |
| 5255 · Interest Expense | 0.00 | 1,312.50 | -1,312.50 | 0.0% |
| 5256 · Interest Exp-Financed Items | 14.38 | 66.67 | -52.29 | 21.57% |
| 5260 · Accounting & Bookkeeping | 4,000.00 | 3,083.33 | 916.67 | 129.73% |
| 5270 · Automotive - Repair & Maint | 3,602.66 | 833.33 | 2,769.33 | 432.32% |
| 5280 · Conferences, Meetings, Seminars | 0.00 | 41.67 | -41.67 | 0.0% |
| 5290 · Travel Expenses | 0.00 | 41.67 | -41.67 | 0.0% |
| 5300 · Books & Subscriptions | 0.00 | 125.00 | -125.00 | 0.0% |
| 5305 · Water Conservation Program | 0.00 | 125.00 | -125.00 | 0.0% |
| 5320 · Membership Fees and Dues | 0.00 | 1,500.00 | -1,500.00 | 0.0% |
| 5326 · Licenses and Certifications | 0.00 | 166.67 | -166.67 | 0.0% |
| 5330 · Telephone | 1,476.35 | 1,333.33 | 143.02 | 110.73% |
| 5340 · Burglar Alarm Monitoring | 84.00 | 62.50 | 21.50 | 134.4% |
| 5370 · Fuel - Trucks | 2,369.34 | 2,000.00 | 369.34 | 118.47% |
| 5390 · Bank Charges | 100.00 | 16.67 | 83.33 | 599.88% |
| 5391 · Credit Card Transaction Fees | 667.62 | 533.33 | 134.29 | 125.18% |
| 5400 · Miscellaneous Expense | 0.00 | 16.67 | -16.67 | 0.0% |
| 6560 · Payroll Processing Expenses | 0.00 | 50.00 | -50.00 | 0.0% |
| 6577 · COP Debt Service - Interest | 0.00 | 6,708.33 | -6,708.33 | 0.0% |
| Total INDIRECT | 110,926.07 | 121,516.65 | -10,590.58 | 91.29% |
| 5190 · Soil and Water Tests | 2,062.50 | 2,750.00 | -687.50 | 75.0% |
| 5220 · Water System - Repair & Maint | 24,094.25 | 16,666.67 | 7,427.58 | 144.57% |
| 5225 · Street Maintenance | 841.89 | 2,720.83 | -1,878.94 | 30.94% |
| 5230 · Park - Repair & Maint | 0.00 | 83.33 | -83.33 | 0.0% |

Pajaro/Sunny Mesa
Profit & Loss Budget vs. Actual
 December 2018

| | Dec 18 | Budget | \$ Over Budget | % of Budget |
|--|-------------------|-------------------|-------------------|---------------|
| 5265 · Engineering Expenses | 0.00 | 250.00 | -250.00 | 0.0% |
| 5310 · Utilities - Well Site | 12,581.33 | 13,333.33 | -752.00 | 94.36% |
| 5315 · Utilities - Street Lighting | 2,573.80 | 2,583.33 | -9.53 | 99.63% |
| 5325 · Permits | 5,952.00 | 2,083.33 | 3,868.67 | 285.7% |
| 5360 · Fuel - Generator | 0.00 | 125.00 | -125.00 | 0.0% |
| 5428 · COP Bond Expense | 0.00 | 291.67 | -291.67 | 0.0% |
| 5433 · Pajaro Water Bond Interest Exp | 0.00 | 1,166.67 | -1,166.67 | 0.0% |
| 6575 · Vega Debt Service-Interest | 0.00 | 12,675.00 | -12,675.00 | 0.0% |
| Total Expense | 159,031.84 | 176,245.81 | -17,213.97 | 90.23% |
| Net Ordinary Income | -25,752.14 | -15,620.80 | -10,131.34 | 164.86% |
| Other Income/Expense | | | | |
| Other Income | | | | |
| 4100 · Late Payment Penalties | 470.13 | 625.00 | -154.87 | 75.22% |
| 4101 · Billing Adjustments | 150.00 | 33.33 | 116.67 | 450.05% |
| 4110 · Hydrant Sales | 687.86 | 333.33 | 354.53 | 206.36% |
| 4115 · Testing Fees | 2,660.00 | 625.00 | 2,035.00 | 425.6% |
| 4140 · Connection Fees | 0.00 | 358.34 | -358.34 | 0.0% |
| 4141 · Application Fees | 0.00 | 45.83 | -45.83 | 0.0% |
| 4146 · Other Fees | 0.00 | 33.34 | -33.34 | 0.0% |
| 4200 · Street Maintenance-Reimb | 30,909.41 | 5,316.67 | 25,592.74 | 581.37% |
| 4210 · Vega Bond Assessments | 138,556.37 | 22,258.33 | 116,298.04 | 622.49% |
| 4280 · Pro-rata tax collection share | 11,529.20 | 2,083.33 | 9,445.87 | 553.4% |
| 4285 · P.V.W.M.A. Collection Fee | 1,964.00 | 2,000.00 | -36.00 | 98.2% |
| 4300 · Collection of Previous W/O Acct | 0.00 | 41.67 | -41.67 | 0.0% |
| 4305 · Miscellaneous Revenue | 125.00 | 125.00 | 0.00 | 100.0% |
| 4340 · Utility Reimbursements | 25,532.40 | 2,583.33 | 22,949.07 | 988.35% |
| 4341 · Lighting Admin Reimbursements | 0.00 | 1,000.00 | -1,000.00 | 0.0% |
| 4346 · District 25% Overhead Fee | 0.00 | 41.67 | -41.67 | 0.0% |
| 4350 · Interest Revenue | 273.59 | 250.00 | 23.59 | 109.44% |
| 4355 · Audit/Bookkeeping Reimbursement | 0.00 | 58.33 | -58.33 | 0.0% |
| 4360 · Legal Counsel Reimbursement | 0.00 | 33.33 | -33.33 | 0.0% |
| 5794 · Water Bond Assessments | 22,281.36 | 3,312.50 | 18,968.86 | 672.65% |

**Pajaro/Sunny Mesa
 Profit & Loss Budget vs. Actual
 December 2018**

Total Other Income
 Other Expense
 Total Other Expense
 Net Other Income
 Net Income

| Dec 18 | Budget | \$ Over Budget | % of Budget |
|------------|-----------|----------------|-------------|
| 235,139.32 | 41,158.33 | 193,980.99 | 571.3% |
| 0.00 | | | |
| 235,139.32 | 41,158.33 | 193,980.99 | 571.3% |
| 209,387.18 | 25,537.53 | 183,849.65 | 819.92% |

| Total Income | Total Expenses | Difference |
|---------------|----------------|--------------|
| \$368,419.02 | \$159,031.84 | \$209,387.18 |
| November Cash | December Cash | Difference |
| \$429,175.25 | \$422,844.44 | (\$6,330.81) |

DISTRICT OPERATIONS REPORT

January 24, 2019

| TOPIC | STATUS | DATE OF PLANNED RESPONSE |
|------------------------------------|--|--------------------------|
| Arrowhead Tank Replacement Project | Bid docs are being prepared by Wyeast Engineering. Project is funded by 2010 COP. Documents 100% complete. Project is ready to go out for bid. Board has given direction to monitor the integrity of the tanks and report as needed. | No Report |
| Grants & Loans Active | <p>A. SRF Planning Grant Springfield & IRWMP Grant Pajaro.</p> <ul style="list-style-type: none"> • Pajaro Grant – Project has gone out for bid, District received four bids. Notice to proceed necessary. On Agenda • Springfield Planning Grant – MNS Engineering is awaiting final decision as to the inclusion of the Moss Landing Mobile Home Park to the project, which is based on the Parks qualifications for grant funding. Request for the Median Household Income Survey has been formally submitted, Karen from RCAC will be completing the new survey to include only the Mobile Home Park and Struve Road. A telephone conference has been scheduled with the owner and operator of the Park to verify commitment to join the District. Outreach to the people on Springfield Road is being scheduled for verification of commitment to join. | On agenda |
| Tot Lot Park or Cayetano Park | Monterey County Resource Management Agency Director will submit the intent to process quitclaim deed for Board of Supervisors consideration, process could take 30 to 60 days. County also desires to transfer adjacent parcel, west of Pajaro Park, to the District. Monterey County has delivered two park benches. | No Report |
| Pajaro Park | Contacted Community Foundation for Monterey County regarding Grant funding. | January 2019 |
| Monies Held by District | Staff will be attending a webinar on February 5 th , 2019 regarding overview of California's Unclaimed Property reporting requirements, to ensure proper reporting is performed. | January 2019 |
| Sunny Mesa Sewer | District is holding monies that is to be refunded to the original Sunny Mesa Sewer customers. Balance Sheet Account #2320-Amount \$29,169.90. Staff is currently reviewing, and has spoken to Bianchi, Kasavan, and Pope for their opinion and assistance if needed. | No Report |
| Emergency Generators | Staff has contacted County of Monterey for assistance in the creation of a Hazard Mitigation Plan. | On agenda |

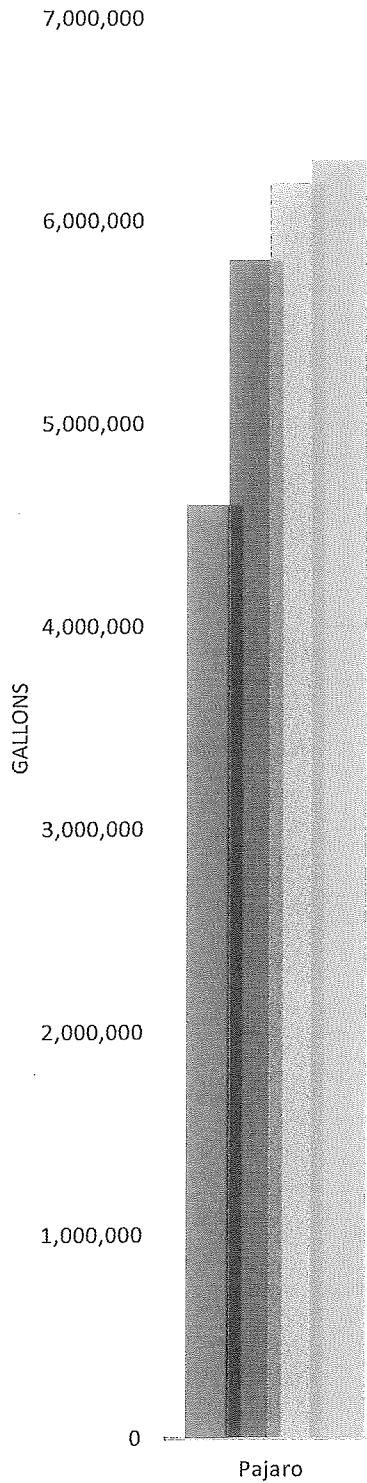
| | | |
|--|---|------------------|
| <p>General Manager (GM) Goals and Objectives for 2018-2019</p> | <p>Prepare Infrastructure Vulnerability Assessment for all water systems.</p> | <p>No update</p> |
| <p>Develop a plan for security enhancements for all District facilities.</p> <ul style="list-style-type: none"> Staff held meeting with State Water Resources Control Board Consolidation Specialist Michelle Frederick (SWRCB), Karen McBride with Rural Community Assistance Corporation (RCAC), Victoria Nava-McClellan and May from Environmental Justice Coalition for Water (EJCW), Susan Robinson, Program Director for Greater Monterey County Integrated Regional Water Management Program, Karen Nilsen from Nilsen and Associates to discuss funding assistance. | <p>No update</p> | |
| <p>Generate a Disaster Mitigation Plan for submission to Monterey County FEMA.</p> <ul style="list-style-type: none"> Staff is researching other like agencies for examples of Mitigation Plans | <p>On agenda</p> | |
| <p>Pursuit of new income/revenue for the Pajaro Park.</p> <ul style="list-style-type: none"> Contacted Community Foundation for Monterey County regarding grant funding. Grants are open to nonprofit 501(c)3 agencies only, since we are affiliated with the YMCA the District could apply in collaboration, having the YMCA as the lead agency in the application process. A meeting has been scheduled on January 18th, 2019 with a representative of the YMCA to discuss this matter. | <p>January 2019</p> | |
| <p>Pursue cost saving measures for administrative and field staff.</p> <ul style="list-style-type: none"> GM had telephone conference with a WaterSmart Software regarding computer software GM will have a meeting with Wonderware regarding SCADA software on October 31st. | <p>No update</p> | |

Usage Comparison in Gallons 2013-2018

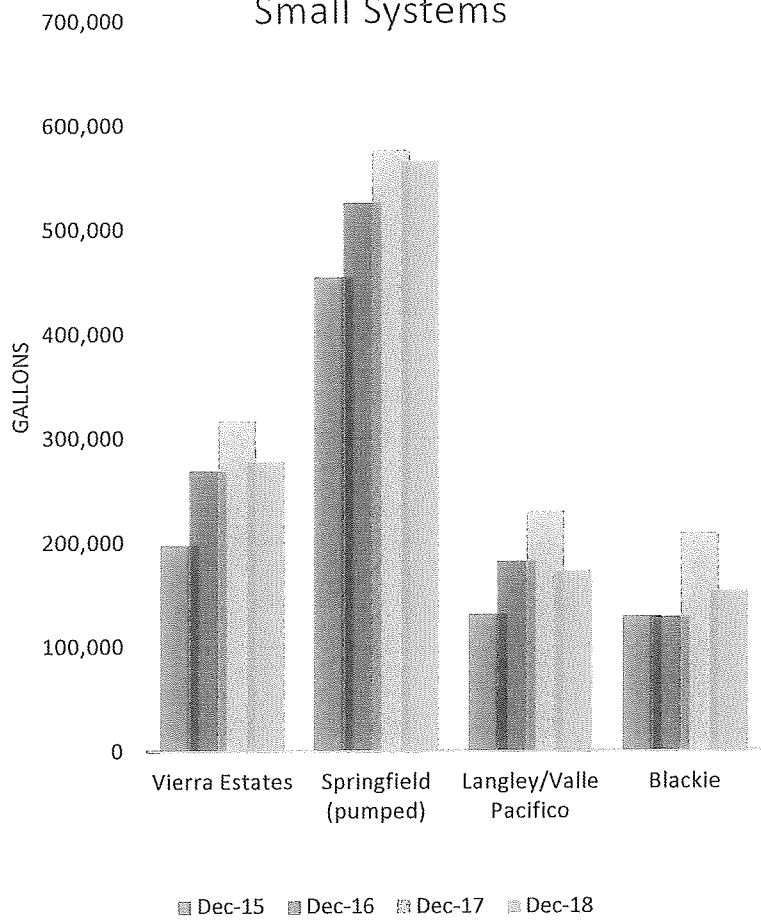
| Water Systems | Dec-15 | Dec-16 | Dec-17 | Dec-18 |
|------------------------|------------|------------|------------|------------|
| Pajaro | 4,603,192 | 5,809,716 | 6,185,212 | 6,301,900 |
| Normco | 1,509,464 | 1,970,232 | 1,976,964 | 1,507,968 |
| Sunny Mesa | 1,425,778 | 1,641,112 | 1,436,160 | 1,866,260 |
| Moss Landing | 1,479,544 | 1,567,808 | 2,282,148 | 2,014,364 |
| Vega | 704,616 | 876,656 | 745,008 | 806,344 |
| Vierra Estates | 198,220 | 269,280 | 317,152 | 279,004 |
| Springfield (pumped) | 455,532 | 526,966 | 576,708 | 567,208 |
| Langley/Valle Pacifico | 132,021 | 182,512 | 229,636 | 172,788 |
| Blackie | 130,152 | 128,656 | 208,692 | 154,088 |
| District Total | 10,638,519 | 12,972,938 | 13,957,680 | 13,669,924 |

| Water Systems | Dec-13 | Dec-18 | | Percentage |
|------------------------|------------|------------|---|------------|
| Pajaro | 5,854,327 | 6,301,900 | ↑ | 7.6% |
| Normco | 2,210,340 | 1,507,968 | ↓ | -31.8% |
| Sunny Mesa | 2,465,924 | 1,866,260 | ↓ | -24.3% |
| Moss Landing | 2,791,326 | 2,014,364 | ↓ | -27.8% |
| Vega | 1,113,899 | 806,344 | ↓ | -27.6% |
| Vierra Estates | 464,508 | 279,004 | ↓ | -39.9% |
| Springfield (pumped) | 609,620 | 567,208 | ↓ | -7.0% |
| Langley/Valle Pacifico | 252,076 | 172,788 | ↓ | -31.5% |
| Blackie | 157,080 | 154,088 | ↓ | -1.9% |
| District Total | 15,919,100 | 13,669,924 | ↓ | -14.1% |

Large Systems



Small Systems



■ Dec-15 ■ Dec-16 ■ Dec-17 ■ Dec-18



The next Department of Water Resources snow survey in February will determine how much a series of January storms improved the Sierra snowpack. Above, DWR employees take the year's first snow survey measurements at Phillips Station east of Sacramento on Jan. 3. It recorded 25.5 inches of snow depth and a snow water equivalent of nine inches, which was 80% of average for that location. Photo courtesy of California Department of Water Resources.

New Year, Same Uncertainty with Snowpack Situation

An intense winter storm that made its way through Northern California in early January took some of the edge off the first snow survey results of the year, indicating that 2019 could deliver a healthy water year for the state.

The Department of Water Resources (DWR) conducted the first Phillips Station snow survey on Jan. 3, recording 25.5 inches of snow depth and a snow water equivalent of 9 inches, which is 80% of average for

that location. Statewide, the Sierra snowpack on Jan. 3 was 67% of average. The results confirm that despite early winter storms, Sierra water content is below average for this time of year. However, storms during January have improved the outlook.

"The initial results were a little disappointing, but at this early stage, we remain cautiously optimistic. The year-to-year variability in precipitation is why water agencies

SNOW Continued on page 4

ACWA Advancing Drinking Water Solutions on Several Fronts

Gov. Gavin Newsom included in his recently-released proposed budget for Fiscal Year 2019-'20 a proposal for a Safe and Affordable Drinking Water Fund. The fund would be funded through a proposed statewide water tax and assessments on fertilizer sales and dairy operations. The fund is intended to solve the problem that "many local water systems in the state, particularly those serving small disadvantaged communities, consistently fail to provide safe drinking water to their customers."

The legislative language for the proposal will be "consistent with the policy framework of SB 623, introduced in the 2017-18 legislative session," according to the budget summary. On Jan. 11, the Newsom Administration indicated in a conference call with stakeholders that it had not yet been decided whether the proposal would be advanced as a policy bill or a budget trailer bill.

The budget summary indicated that "The most significant remaining challenge is the lack of a stable funding source for long-term operation and maintenance in drinking water systems." ACWA agrees with Governor Newsom about the need to address this funding gap. However, ACWA believes there is a better solution that does not involve the state taxing something that is essential to life – people's drinking water.

This year, ACWA and the California Municipal Utilities Association are

DRINKING WATER Continued on page 5

ACWA Video Series Highlights Innovation

ACWA has worked with JComm, Inc. to produce the first three episodes of a video series titled “California H2O: Flowing for the Future” to educate Californians about critical water issues and highlight the innovation and commitment of member agencies.

Video topics were selected to reflect ACWA’s Priority Goals. The first three videos debuted at ACWA’s Fall Conference & Exhibition in November. The videos focus on water industry innovation and success surrounding agriculture irrigation efficiency, water storage solutions and providing safe drinking water.

The videos are each approximately 4-5 minutes long and will provide member agencies a great tool in educating their communities about these important issues. There are also shorter, promotional versions of all the videos to use on social media.

ACWA member agencies are encouraged to incorporate the videos into their education and outreach programs by either downloading copies or linking to them at www.acwa.com/H2OVIDEO. ♠

VIDEO SERIES

California H2O FLOWING FOR THE FUTURE

- Post the videos on agency websites, play in lobbies, and show during public presentations, on tours and at community events.
- Promote the videos on your website through newsletter articles, bill inserts and other materials.
- Promote on social media channels using the shorter, teaser versions.
- Provide copies of the videos to local schools to use in their education efforts.

ACWA IN ACTION

AT WASHINGTON D.C.

ACWA East staff, along with Federal Affairs Committee Chair G. Patrick O’Dowd and ACWA Executive Director Dave Eggerton, were recently in D.C. meeting with new congress members. We’re excited to work with leadership at the federal level this year on behalf of our members.



DRINKING WATER Continued from page 1

advancing a proposal for a Safe Drinking Water Trust. This is a better solution for a sustainable, long-term funding source. The state has a very large budget surplus, making it an excellent year to create and fund the trust. The trust would generate the ongoing revenue stream and would avoid the multiple problems associated with a statewide water tax.

“ACWA members should expect high levels of activity in this area in 2019 in terms of advocacy, communications and outreach,” said ACWA Executive Director Dave Eggerton.

In a related effort, ACWA staff is collaborating with members and other partners to participate in the State Water Board’s development of a needs analysis to assess the needs associated with drinking water systems in California. The Legislature in 2018 allocated \$23.5 million in General Fund revenue for safe drinking water actions, including \$3 million for the needs analysis.

In addition, an ACWA working group is helping staff develop written comments regarding the State Water Board’s Jan. 3 draft report titled, “Options for

Implementation of a Statewide Low-Income Water Rate Assistance Program.” This report is part of AB 401 (Dodd, 2015) implementation.

Safe drinking water funding, water affordability and governance solutions for safe drinking water will be discussed at ACWA’s Legislative Symposium on March 6 in Sacramento. An expert panel will focus on safe and affordable drinking water policy work for 2019, including the ACWA- and CMUA- sponsored proposal for the Safe Drinking Water Trust. ♠