

PAJARO/SUNNY MESA
COMMUNITY SERVICES DISTRICT
136 San Juan Road, Royal Oaks, CA 95076
O (831) 722-1389 | Fax (831) 722-2137
www.pajarosunnymesa.com

P. 1

AGENDA

SPECIAL MEETING OF THE BOARD OF DIRECTORS
DISTRICT CONFERENCE BOARD ROOM
136 SAN JUAN ROAD, ROYAL OAKS, CA 95076

NOVEMBER 19, 2020
5:30 P.M.

“Notice of Teleconferenced Meeting”

Pursuant to Governor Newsom’s March 17, 2020 Executive Order [N-29-20](#) regarding COVID-19, members of the Pajaro/Sunny Mesa Community Services District Board of Directors and staff may participate in this meeting by teleconference.

To reduce the spread of COVID-19, members of the public may listen to the meeting via teleconference by calling **1-425-436-6355** and entering passcode **407147** and then the pound sign (“#”). There will be no in-person participation in the meeting under the authority of Governor Newsom’s Executive Order [N-29-20](#). You may also submit written comments in writing either at District Offices in person or by email by 2:00 pm on November 19, 2020.

To submit a comment by email, please send to info@pajarosunnymesa.com and write “Public Comment” in the subject line. Include the item number and/or title of the item in the body of the email and your comments. All comments received by 2:00 pm will be emailed to the Board members and included as an “Add to Packet” on the District’s website before the meeting. Those comments received after 2:00 pm will be added to the record of the meeting and shared with Board members at the meeting.”

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.

Contact the District office at the email address or telephone number above if you believe you require any modification or accommodation for any disability which might impair your ability to participate in the meeting.

Roll Call Vote:

- o (11/21) President Harry Wiggins _____
- o (11/21) Vice President Sanford Coplin _____
- o (11/23) Secretary Robert Moody _____
- o (11/23) Assistant Secretary Darlene Lamboley _____
- o (11/21) Treasurer Michael Moore _____

Old Business:

1. NONE

New Business:

1. REVIEW AND MOTION TO APPROVE DRAFT FINANCIAL REPORTS FOR OCTOBER 2020

- Clarifying and Technical Questions to Staff
- Public Input
- Motion/Second
- Board Deliberation
- Motion to Approve Draft Financial Reports October 2020

Motioned by: Director _____ Seconded by: Director _____
 Ayes: _____ Noes: _____ Absent: _____ Abstained: _____
 Motion passed: _____ Motion Failed: _____ Motion Tabled: _____

Roll Call Vote:

- o (11/21) President Harry Wiggins _____
- o (11/21) Vice President Sanford Coplin _____
- o (11/23) Secretary Robert Moody _____
- o (11/23) Assistant Secretary Darlene Lamboley _____
- o (11/21) Treasurer Michael Moore _____

2. REVIEW AND MOTION TO APPROVE CHECKS AND DIRECT STAFF TO SIGN 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 \$ _____

- Clarifying and Technical Questions to Staff
- Public Input

- Motion/Second
- Board Deliberation
- Motion to Approve checks and direct staff to sign checks

Motioned by: Director _____ Seconded by: Director _____
 Ayes: _____ Noes: _____ Absent: _____ Abstained: _____
 Motion passed: _____ Motion Failed: _____ Motion Tabled: _____

Roll Call Vote:

- o (11/21) President Harry Wiggins _____
- o (11/21) Vice President Sanford Coplin _____
- o (11/23) Secretary Robert Moody _____
- o (11/23) Assistant Secretary Darlene Lamboley _____
- o (11/21) Treasurer Michael Moore _____

3. RESOLUTION NO. 11-01-20 RESOLUTION OF THE DISTRICT BOARD OF THE PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT DESIGNATION OF SUBRECIPIENT’S AGENT RESOLUTION HAZARD MITIGATION GRANT PROGRAM AND PRE-DISASTER MITIGATION PROGRAM

- Cal-OES grant award - \$112,500
- Authorization for agent to sign documents related to LHMP grant
- Copy of Resolution
- District has been awarded a grant for the purpose of generating a Local Hazard Mitigation Plan
- District match funding is \$37,500 for a total of \$150,000

- Clarifying and Technical Questions to Staff
- Public Input
- Motion/Second
- Board Deliberation
- Motion to Approve adoption of Resolution # 11-01-20

Motioned by: Director _____ Seconded by: Director _____
 Ayes: _____ Noes: _____ Absent: _____ Abstained: _____
 Motion passed: _____ Motion Failed: _____ Motion Tabled: _____

Roll Call Vote:

- o (11/21) President Harry Wiggins _____
- o (11/21) Vice President Sanford Coplin _____
- o (11/23) Secretary Robert Moody _____
- o (11/23) Assistant Secretary Darlene Lamboley _____
- o (11/21) Treasurer Michael Moore _____

4. 2019-2020 FINAL DRAFT AUDIT PRESENTATION

- Audit presentation by Jarred Penner, Bianchi, Kasavan & Pope LLP
- Finance committee report on draft audit

- Clarifying and Technical Questions to Staff
- Public Input
- Motion/Second
- Board Deliberation
- Motion to Accept 2019-2020 Audit as presented

Motioned by: Director _____ Seconded by: Director _____
Ayes: _____ Noes: _____ Absent: _____ Abstained: _____
Motion passed: _____ Motion Failed: _____ Motion Tabled: _____

Roll Call Vote:

- o (11/21) President Harry Wiggins _____
- o (11/21) Vice President Sanford Coplin _____
- o (11/23) Secretary Robert Moody _____
- o (11/23) Assistant Secretary Darlene Lamboley _____
- o (11/21) Treasurer Michael Moore _____

STAFF/COMMITTEE REPORTS: (INFORMATION ONLY, NO ACTION)

This part of agenda is for the Staff to report to the Board on District operations however no action is agendized and no action may be taken other than asking for an action item to be brought to the Board at a future meeting.

1. Proposition 218 proceedings
 - Discussion requested by Director Coplin

2. District office will be closed on the following dates:
 - November 26th - 27th, 2020 for Thanksgiving
 - December 21st - 25th, 2020 for Christmas

3. District Operations Update: changes due to COVID-19 and “Shelter in Place” order
 - No updates to current operational status
 - District office will remain open with strict guidelines
 - District Parks have been closed
 - Copies of notice at District Office and list of duties for Office
 - No vendors or members of public are allowed into Office
 - Payments are being received; no change given
 - District has a verbal agreement in place for Mutual Aid with both Castroville Community Services District and Aromas Water District. District Counsel is working on a written agreement.
 - President Wiggins and Vice President Coplin conducted a conference call with District General Manager and Operations Manager to plan for “worst case scenario”
 - o President now has District Office keys and alarm codes and has advised staff to have Operations Manuals, keys to facilities and system maps readily available on the conference room table
 - o Contact info for all Board Members, employees and vendors are in the binder
 - Notices mailed to customers with May bills indicating that their water is safe and unaffected by COVID-19 (copy included)
 - Office remains closed to public; continuing to take payments by phone or drop-off
 - Office will be at full staffing beginning July 6, 2020 with physical distancing requirements met and health screening protocols in place; masks or face coverings to be worn at all times while indoors.
 - All field personnel to work from home (stand-by) when air quality is bad

4. District Operations Report

5. Usage Comparison Report 2019/2020

CLOSED SESSION:

A. NONE

MOTION TO ADJOURN

Next Board meeting date: _____
Motioned by: Director _____ Seconded by: Director _____
Ayes: _____ Noes: _____ Absent: _____ Abstained: _____
Motion passed: _____ Motion Failed: _____ Motion Tabled: _____

Adjournment Time: _____ p.m.

MINUTES

The regular meeting of the Pajaro/Sunny Mesa Community Services District Board of Directors via teleconference was called to order at 5:30 pm on October 22, 2020.

ROLL CALL: President Harry Wiggins
Vice President Sanford Coplin
Secretary Robert Moody
Assistant Secretary Darlene Lamboley
Treasurer Michael Moore

ADMINISTRATIVE STAFF: General Manager Don Rosa
Bookkeeper Amy Saldade
Recorder Judy Vazquez-Varela

ABSENT DIRECTOR(S) & STAFF: None

DISTRICT COUNSEL: None

ADDITION(S) TO AGENDA: None

PUBLIC IN ATTENDANCE: Diana Staines with Denise Duffy & Associates Inc.

PUBLIC COMMENTS: None

Action Items

1. Consider and approve the Minutes of the September 29, 2020 Regular Board Meeting

Motion was made by Director Lamboley and seconded by Director Coplin to approve the Regular Board Meeting Minutes of September 29, 2020. Motion carried.

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

OLD BUSINESS: None

NEW BUSINESS: (Action Items)

1. Review and consider approving the Financial Reports for September 2020

Motion made by Director Moody and seconded by Director Moore to approve the September 2020 Financials. Motion carried.

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

MONTHLY EXPENDITURES REPORT FOR REVIEW

APPROVAL OF CHECKS:

2. Review and consider approving of checks and directing Staff to sign checks
 1. General Fund 633: Total of \$0.00
 2. Operating Account: Check No. 24505 through Check No. 24529 for a total of \$191,670.54
 3. Reserve Account: Check No. 119 for a total of \$113,757.07
 4. Street Maintenance Account: Check No. 526 for a total of \$344.58
 5. Pajaro Park Account: Total of \$950.12
 6. COP 2010 Account: Total of \$6,594.10
 7. Debt Service Reserve Account: Total of \$38,587.95

Motion was made by Director Coplin, seconded by Director Lamboley to approve the September 2020 Checks, and direct Staff to sign checks. Motion carried.

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

3. Resolution No. 10-01-20 to Adopt a Final Initial Study/Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program for the Springfield Water System Improvements Project

item 3 was skipped to open 2020-2021 Pajaro Lighting Assessment Public Hearing at 5:45 pm, after closing the Public Hearing the Board returned and discussed this item.

The reports Final Initial Study/Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program were posted on the District Website for Board review. These reports conclude the Planning Phase of the Springfield Grant and Staff is moving forward with the Construction Grant Application.

Director Moody requested clarification on page 36 of agenda (page 2 or Resolution) line F as it is contradicting indicating that there will not be significant environmental impact. He requested the word "not" be removed from this line. Diana from Denise Duffy & Associates Inc. will make edits to Resolution No. 10-01-20.

Motion was made by Director Coplin, seconded by Director Lamboley to adopt Resolution 10-01-20 Final Initial Study/Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program for the Springfield Water System Improvements Project with edits. Motion carried.

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

4. 2020-2021 Pajaro Lighting Assessment

Public Hearing opened at 5:43 pm. No public present.

The Board was presented with the Lighting District Information documents. No written protests were received.

There being no members of the public present, Hearing was closed at 5:49 pm.

Motion was made by Director Moore, seconded by Director Moody to approve the 2020-2021 Pajaro Lighting Assessment. Motion carried.

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

STAFF/COMMITTEE REPORTS: (Informational Only)

1. Office of Grants and Local Services (OGALS) Per Capita Program

- Staff presented the Board with a report of options to utilize the program funds.

2. District Operation: changes due to COVID-19 and "Shelter in Place" order

- District office will remain open with strict guidelines.
- District Parks have been closed.
- Copies of notice at District office and list of duties for office.
- No Vendors or members of the public are allowed into office.
- Payments are being received; no change given.
- District has a verbal agreement in place for Mutual Aid with both Castroville CSD and Aromas WD. District Counsel is working on a written agreement.
- President Wiggins and Vice President Coplin conducted a conference call with General Manager and Operations Manager to plan for "worst case scenario"
 - President now has District Office keys and alarm codes and has advised Staff to have Operations Manuals, keys to facilities and system maps readily available on the conference room table.
 - Contact information for all Board Members, employees and vendors are available in binder.
- Notices mailed to customers with May bills indicating that their water is safe and unaffected by COVID-19, copy of notice included in packet.
- Office remains closed to public; continuing to take payments by phone or drop-off.

- Office will be at full staffing beginning July 6, 2020 with physical distancing requirements met and health screening protocols in place; masks or face coverings to be worn always while indoors.
- All field personnel to work from home (stand-by) when air quality is bad.

3. District Operations Report

Pajaro Grant

- Level controls were installed October 12th. The new tank's manway/hatch is defective and needs to be replaced.

Pajaro Park

- Per conference call with Dr. Moreno the Pajaro Park is to remain closed.
- The Cayetano Park is also closed because it must remain supervised and disinfected periodically.

Emergency Generators

- Staff is working on application for Grant Funding from CalOES with a maximum appropriation per agency of \$300,000. CalOES has set \$20,000,00 for Special Districts to utilize the funds for mitigation of Public Safety Power Shutoff. Staff will request funds for Pajaro Well 2 and operation center (District Office). The grants will be awarded on a rating scale prioritizing disadvantaged communities, submission deadline is October 30th, 2020.

Water Rate Study

- Public Hearing notification will go out on January 6th, 2021 regarding the February 25th, 2021 Public hearing.

Multi Community Bottle Water Project

- Staff received one more request for bottled water delivery, totaling 191 homes benefiting from this project.

4. Usage Comparison Report 2013/2020

- Water usage is down in all systems compared to this month in 2013.

Closed Session: None

NEXT BOARD MEETING:

The next Special Board Meeting is to be held on Thursday, November 19, 2020 at 5:30 pm.

There being no further business, the regular Board Meeting of the Pajaro/Sunny Mesa Community Services District was adjourned at 6:33 pm with motion made by Director Coplin, seconded by Director Lamboley. Motion Carried.

Respectfully submitted by:

Harry Wiggins, President

Sanford Coplin, Vice President

Judith Vazquez-Varela, Recorder

FINANCIAL NOTES - October 2020

Account No:	Account Name:	Increase / Decrease	Description
Income:			
4001-4015	Total Income	+	Consistent Seasonal Usage: All Systems
Expenses: Indirect			
5040	Workers' Comp Insurance	+	Quarterly Payment
5120	Property Taxes	+	Annual Assessments
5260	Accounting & Bookkeeping	+	2020 Audit Progress Billing #2 Bianchi, Kasavan & Pope
5326	Licenses & Certification	+	Course Enrollment for Water Treatment: Certificate Renewal for General Manager & Operations Manager
Expenses: Direct			
5225	Street Maintenance	+	Landscaping & irrigation repairs at Stone Ridge Estates: pass-through
Other Income:			
4140	Connection Fees	+	New Connection: Pajaro Water System
4141	Application Fees	+	New Connection: Pajaro Water System

Balance Sheet

As of October 31, 2020

Oct 31, 20

ASSETS

Current Assets

Checking/Savings

1001 · SCCB - Operating Account	212,681.16
1002 · SCCB Reserve Account	212,170.08
1003 · SCCB - Sick Leave Account	14,451.84
1004 · SCCB - Street Maint Acct	203,521.69
1006 · SCCB-GF 633	30,203.59
1007 · SCCB - Debt Service Reserve	61,838.88
1032 · SCCB-COP Acct (aka Const. Acct)	66,962.63
1036 · PSM Pajaro Park Acct	73,024.71
1050 · Cash in County Treasury - DS	28,266.06
1051 · Cash in County Treasury - GF	97,415.37
1066 · Union Bank Vega 2303	147,502.24
1068 · Union Bank Vega 2301	56.39
1069 · Union Bank Vega-2302	10,531.59
1095 · Union Bank Wtr Bond-Res 2204	147,894.35
2202 · Union Bank 2015 Wtr Rfd Bd-2202	38,677.50
2300 · 2015 Vega Mutual Wtr-2300	2,225.00

Total Checking/Savings 1,347,423.08

Accounts Receivable

1110 · Invoice Accounts Recv	2,118.56
1231 · Grants Receivable-A/R	120,620.69

Total Accounts Receivable 122,739.25

Other Current Assets

1080 · Petty Cash	380.00
1100 · Water Customer Accounts Recv	220,174.36
1101 · Allowance for Doubtful Accounts	-8,784.09
1115 · Prepaid Expenses	1.31
1153 · Receivable from Monterey County	860.00
1251 · Assess. Rec. - Lighting	1,660.14
1253 · Assessments Rec. - Water bond	252,000.00
1253.1 · Assess Rec - Water Bond - Count	789.43
1254 · Advanced Pay - Spec. Asses - WB	-16,561.65

Total Other Current Assets 450,519.50

Total Current Assets 1,920,681.83

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)	-45,033.40
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	144,062.43
1551 · A/D - District Office Building	-121,922.73
1555 · Office Equipment/Furniture	30,573.05
1556 · A/D - Office Equip/Furniture	-29,825.90
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	488,652.21
1571 · A/D - Equipment - Pumping Plant	-439,463.87
1580 · Distribution Mains [P]	1,487,948.01
1581 · A/D - Distribution Mains	-1,063,798.68
1590 · Meters	86,141.13
1591 · A/D - Meters	-84,656.11
1600 · Hydrants	7,422.43

November 16, 2020

Balance Sheet

Accrual Basis

As of October 31, 2020

	Oct 31, 20
1601 · A/D - Hydrants	-4,556.72
1610 · Automotive Equipment	222,919.12
1611 · A/D - Automotive Equipment	-186,634.31
1620 · Utility Trans/Distr Plant	115,702.65
1621 · A/D - Utility T&D Plant	-90,071.77
1622 · A/D - Moss Landing	-157,020.31
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	-15,624.73
1650 · Trans & Distr Plant	81,133.08
1651 · A/D - Trans & Distr Plant	-59,380.30
1670 · Small Tools/Equipment	10,817.67
1671 · A/D - Small Tools/Equipment	-8,096.51
1680 · ALCO Water Project	155,809.38
1681 · A/D - ALCO Water Project	-93,485.45
1804 · CIP-Springfield	393,244.44
1805 · CIP-Vega Imprvtmnt Project	4,590,073.33
1805.1 · A/D - Vega	-1,950,799.90
1806 · Moss Landing Bridge Project	251,233.09
1807 · CIP-Langley/VP	247,543.58
1807.1 · A/D - Langley/VP	-66,136.74
1808 · CIP-Normco	296,974.74
1808.1 · A/D - Normco Tank	-108,521.73
1811 · CIP-Vierra Estate	175,238.16
1811.1 · A/D - Vierra Estates	-40,112.72
1812 · CIP-Moss Landing Water System	297,669.12
1812.1 · A/D - Moss Landing Water	-65,973.55
1814 · CIP-Pajaro	1,581,885.77
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	-1,092,169.63
1818 · Buildings - Pajaro Park	796,400.00
1818.1 · A/D - Buildings-Pajaro Park	-150,374.26
1819 · Equipment - Pajaro Park	43,381.00
1819.1 · A/D - Equipment-Pajaro Park	-23,136.89
1820 · Normco Treatment Facility	111,943.00
1820.1 · A/D-Normco Treatment Facility	-68,865.85
1821 · CIP-Sunny Mesa	48,044.61
1822 · CIP-Vega	23,643.81
1823 · CIP-Blackie	10,230.04
Total Fixed Assets	12,179,403.38
Other Assets	
1120 · Due From Gen Fund	973.66
1141 · Due From SC Grant Acct	100.00
1151 · Due from Maint Account	157.19
1220 · Spl Asmnt Revc-Long Term	3,758,859.72
1900 · Due From Other Funds	159,690.92
1950 · Deferred amount on refunding	69,885.60
1951 · Deferred Amt of Ref-Vega Bds15	90,016.09
Total Other Assets	4,079,683.18
TOTAL ASSETS	18,179,768.39
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 · Accounts Payable	48,560.46
2500 · Due to Other Funds	159,693.06
Total Accounts Payable	208,253.52

November 16, 2020

Balance Sheet

Accrual Basis

As of October 31, 2020

	<u>Oct 31, 20</u>
Other Current Liabilities	
2005 · Accrued Liabilities	64,560.00
2100 · Payroll Tax Liabilities	1,000.00
2121 · Customer Security Deposits	19,652.15
2122 · Future Water Conn. Deposits	36,600.00
2123 · Hydrant Meter Deposits	25,050.00
2225 · Accrued Vacation Liability	26,771.91
2230 · Accrued Sick Leave Liability	46,730.77
2263 · 457b EE Plan Payable	3,172.62
2264 · Employee Insurance Payable	-1,501.60
2265 · EE Aflac Insurance Payable	835.07
2320 · Due to 64 Original Sewer Accts	29,169.90
2324 · Payable to Customers	2,347.79
2325 · Payable to P.V.W.M.A.	-35,912.48
	<hr/>
Total Other Current Liabilities	218,476.13
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Total Current Liabilities	426,729.65
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Long Term Liabilities	
2256 · Vehicle Loan Payable	25,311.32
2257 · Reorganization Loan	245,000.00
2267 · Pajaro Tank Loan-0190	892,991.53
2333 · COP Bonds Payable	-255,000.00
2339 · Vega Project Bonds Payable	-72,100.00
2350 · Bonds Payable - Water Bond	193,000.00
2360 · Bonds Payable-2015 COP Wtr Rf	2,200,000.00
2361 · Bonds Payable-2015 Vga Wtr Rf	3,574,999.67
2400 · Unamortized Discount on 2015	-32,650.01
2401 · Unamortized Discount-2015 Vega	-13,250.72
	<hr/>
Total Long Term Liabilities	6,758,301.79
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Total Liabilities	7,185,031.44
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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	5,685,378.85
3999 · Suspense	13,037.78
Net Income	166,063.44
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Total Equity	10,994,736.95
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TOTAL LIABILITIES & EQUITY	18,179,768.39
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November 16, 2020

Profit & Loss

October 2020

Accrual Basis

	<u>Oct 20</u>
Ordinary Income/Expense	
Income	
4001 · Route 1 - Pajaro	24,549.07
4002 · Route 2 - Pajaro	22,208.44
4003 · Route 3 - Commercial	22,226.33
4004 · Route 4 - Trailer Park	1,082.46
4005 · Route 5 - San Juan Rd Apts	964.89
4006 · Route 6 - Sunny Mesa	11,776.75
4007 · Route 7 - CSA 73	12,260.77
4008 · Route 8 - Vega	15,640.52
4010 · Route 10 -Springfield	850.00
4011 · Route 11 - Moss Landing	21,213.00
4012 · Route 12 - Blackie Road	2,860.39
4013 · Route 13 - Normco	29,842.95
4014 · Route 14 - Vierra	4,097.55
4015 · Route 15 - Langley/VP	2,617.94
	<hr/>
Total Income	172,191.06
Gross Profit	172,191.06
Expense	
INDIRECT	
5000 · Salaries and Wages	42,500.16
5005 · Administrative Fees	487.60
5010 · Contract Labor	1,420.00
5030 · Payroll Tax Expense	-389.47
5040 · Worker's Comp Insurance	4,242.77
5050 · Employee Health Insurance	15,683.39
5070 · Employee Retirement	8,586.31
5090 · Other Employee Expense	35.00
5120 · Property Taxes	1,131.10
5130 · Utilities - Office	377.66
5140 · Building Repair & Maint	325.35
5145 · District Wide Repair & Maint	1,622.76
5150 · Garbage Service	307.46
5160 · Office Equip Rental	738.95
5165 · Computer Software	594.41
5170 · Office Equipment Repair & Maint	226.39
5240 · Office Supplies	264.57
5245 · Postage	1,000.00
5250 · Legal Expenses	1,040.00
5256 · Interest Exp-Financed Items	237.06
5260 · Accounting & Bookkeeping	18,000.00
5270 · Automotive - Repair & Maint	158.32
5326 · Licenses and Certifications	310.05
5330 · Telephone	1,327.90
5370 · Fuel - Trucks	2,038.75
5390 · Bank Charges	1.57
5391 · Credit Card Transaction Fees	701.25
5XXX · Indirect Allocation	0.00
6560 · Payroll Processing Expenses	1.75
	<hr/>
Total INDIRECT	102,971.06
5190 · Soil and Water Tests	1,050.00
5220 · Water System - Repair & Maint	12,885.19
5225 · Street Maintenance	3,579.36
5230 · Park - Repair & Maint	91.68
5231 · Pajaro Park Expense	3,702.69
5310 · Utilities - Well Site	15,561.28
5315 · Utilities - Street Lighting	2,154.08
5427 · Improvement Project-Springfield	2,456.75
	<hr/>
Total Expense	144,452.09
Net Ordinary Income	27,738.97

Profit & Loss
 October 2020

	<u>Oct 20</u>
Other Income/Expense	
Other Income	
4100 · Late Payment Penalties	432.82
4110 · Hydrant Sales	2,506.23
4115 · Testing Fees	320.00
4140 · Connection Fees	2,152.00
4141 · Application Fees	275.00
4285 · P.V.W.M.A. Collection Fee	2,502.85
4345 · Customer Order Reimbursements	3,820.00
4350 · Interest Revenue	12.22
5408 · Springfield Project-Grant Reimb	115,866.38
5424 · Springfld Bottled Wtr Gr Reimb	371.07
Total Other Income	<u>128,258.57</u>
Other Expense	
5435 · Improvement Project-Pajaro	1,225.25
Total Other Expense	<u>1,225.25</u>
Net Other Income	<u>127,033.32</u>
Net Income	<u><u>154,772.29</u></u>

Pajaro/Sunny Mesa Community Services District Profit & Loss Budget Performance

October 2020

10:09 AM
November 16, 2020
Accrual Basis

Ordinary Income/Expense	Oct 20	Budget	% of Budget	Jul - Oct 20	YTD Budget	% of Budget	Annual Budget
Income							
4001 · Route 1 - Pajaro	24,549.07	22,583.34	108.7%	96,967.93	90,333.36	107.3%	271,000.00
4002 · Route 2 - Pajaro	22,208.44	23,000.00	96.6%	94,562.30	92,000.00	102.8%	276,000.00
4003 · Route 3 - Commercial	22,226.33	23,083.34	96.3%	101,349.83	92,333.36	109.8%	277,000.00
4004 · Route 4 - Trailer Park	1,082.46	1,125.00	96.2%	4,358.18	4,500.00	96.8%	13,500.00
4005 · Route 5 - San Juan Rd Apts	964.89	1,116.67	86.4%	4,046.01	4,466.68	90.6%	13,400.00
4006 · Route 6 - Sunny Mesa	11,776.75	11,975.00	98.3%	53,016.90	47,900.00	110.7%	143,700.00
4007 · Route 7 - CSA 73	12,260.77	13,166.67	93.1%	56,077.20	52,666.68	106.5%	158,000.00
4008 · Route 8 - Vega	15,640.52	13,025.00	120.1%	64,062.20	52,100.00	123.0%	156,300.00
4010 · Route 10 - Springfield	850.00	875.00	97.1%	3,400.00	3,500.00	97.1%	10,500.00
4011 · Route 11 - Moss Landing	21,213.00	22,583.34	93.9%	92,959.87	90,333.36	102.9%	271,000.00
4012 · Route 12 - Blackie Road	2,860.39	2,641.67	108.3%	13,464.60	10,566.68	127.4%	31,700.00
4013 · Route 13 - Normco	29,842.95	28,750.00	103.8%	131,371.72	115,000.00	114.2%	345,000.00
4014 · Route 14 - Vierra	4,097.55	4,383.34	93.5%	19,701.10	17,533.36	112.4%	52,600.00
4015 · Route 15 - Langley/VP	2,617.94	2,741.67	95.5%	12,449.26	10,966.68	113.5%	32,900.00
Total Income	172,191.06	171,050.04	100.7%	747,787.10	684,200.16	109.3%	2,052,600.00
Gross Profit	172,191.06	171,050.04	100.7%	747,787.10	684,200.16	109.3%	2,052,600.00
Expense							
INDIRECT							
5000 · Salaries and Wages	42,500.16	63,500.00	66.9%	235,658.00	254,000.00	92.8%	762,000.00
5005 · Administrative Fees	487.60	500.00	97.5%	1,453.24	2,000.00	72.7%	6,000.00
5010 · Contract Labor	1,420.00	2,000.00	71.0%	5,275.00	8,000.00	65.9%	24,000.00
5030 · Payroll Tax Expense	-389.47	1,333.34	-29.2%	2,017.81	5,333.36	37.8%	16,000.00
5040 · Worker's Comp Insurance	4,242.77	1,666.67	254.6%	4,242.77	6,666.68	63.6%	20,000.00
5050 · Employee Health Insurance	15,663.39	15,666.67	100.1%	62,733.56	62,666.68	100.1%	188,000.00
5070 · Employee Retirement	8,586.31	9,525.00	90.1%	38,277.62	38,100.00	100.5%	114,300.00
5090 · Other Employee Expense	35.00	208.34	16.8%	203.41	833.36	24.4%	2,500.00
5120 · Property Taxes	1,131.10	125.00	904.9%	1,131.10	500.00	226.2%	1,500.00
5130 · Utilities - Office	377.66	333.34	113.3%	1,060.69	1,333.36	79.6%	4,000.00
5140 · Building Repair & Maint	325.35	1,250.00	26.0%	9,686.69	5,000.00	193.7%	15,000.00
5145 · District Wide Repair & Maint	1,622.76	1,333.34	121.7%	3,984.24	5,333.36	74.7%	16,000.00
5150 · Garbage Service	307.46	308.34	99.7%	922.38	1,233.36	74.8%	3,700.00
5160 · Office Equip Rental	738.95	833.34	88.7%	2,894.29	3,333.36	86.8%	10,000.00
5165 · Computer Software	594.41	833.34	71.3%	2,340.65	3,333.36	70.2%	10,000.00
5170 · Office Equipment Repair & Maint	226.39	300.00	75.5%	1,373.52	1,200.00	114.5%	3,600.00
5175 · Small Tools - Repair & Maint.	0.00	83.34	0.0%	278.16	333.36	83.4%	1,000.00
5180 · Casualty Ins/Liability Ins	0.00	2,583.34	0.0%	30,100.96	10,333.36	291.3%	31,000.00
5200 · Billing Supplies	0.00	308.34	0.0%	2,511.66	1,233.36	203.6%	3,700.00
5240 · Office Supplies	264.57	291.67	90.7%	1,111.30	1,166.68	95.3%	3,500.00
5245 · Postage	1,000.00	708.34	141.2%	3,000.00	2,833.36	105.9%	8,500.00
5250 · Legal Expenses	1,040.00	2,250.00	46.2%	9,612.48	9,000.00	106.8%	27,000.00
5255 · Interest Expense	0.00	1,083.34	0.0%	9,367.67	4,333.36	216.2%	13,000.00
5255 · Interest Exp-Financed Items	237.06	200.00	118.5%	311.03	800.00	38.9%	2,400.00
5260 · Accounting & Bookkeeping	18,000.00	3,083.34	583.8%	22,770.00	12,333.36	184.6%	37,000.00
5266 · Engineering Svcs-Dist Wide	0.00	3,416.67	0.0%	39,000.00	13,666.68	285.4%	41,000.00
5270 · Automotive - Repair & Maint	158.32	833.34	19.0%	596.28	3,333.36	17.9%	10,000.00
5280 · Conferences, Meetings, Seminars	0.00	41.67	0.0%	0.00	166.68	0.0%	500.00
5290 · Travel Expenses	0.00	41.67	0.0%	0.00	166.68	0.0%	500.00
5300 · Books & Subscriptions	0.00	125.00	0.0%	0.00	500.00	0.0%	1,500.00
5305 · Water Conservation Program	0.00	125.00	0.0%	0.00	500.00	0.0%	1,500.00
5320 · Membership Fees and Dues	0.00	1,666.67	0.0%	780.10	6,666.68	11.7%	20,000.00
5326 · Licenses and Certifications	310.05	166.67	186.0%	400.05	666.68	60.0%	2,000.00

Pajaro/Sunny Mesa Community Services District Profit & Loss Budget Performance

October 2020

	Oct 20	Budget	% of Budget	Jul - Oct 20	YTD Budget	% of Budget	Annual Budget
5330 · Telephone	1,327.90	1,416.67	93.7%	8,063.09	5,666.68	142.3%	17,000.00
5340 · Burglar Alarm Monitoring	0.00	66.67	0.0%	222.00	266.68	83.2%	800.00
5370 · Fuel - Trucks	2,038.75	2,000.00	101.9%	7,620.47	8,000.00	95.3%	24,000.00
5390 · Bank Charges	1.57	16.67	9.4%	370.19	66.68	555.2%	200.00
5391 · Credit Card Transaction Fees	701.25	500.00	140.3%	2,620.50	2,000.00	131.0%	6,000.00
5400 · Miscellaneous Expense	0.00	16.67	0.0%	-200.00	66.68	-299.9%	200.00
5XXX · Indirect Allocation	0.00			0.00			
6560 · Payroll Processing Expenses	1.75	50.00	3.5%	1.75	200.00	0.9%	600.00
6577 · COP Debt Service - Interest	0.00	6,500.00	0.0%	0.00	26,000.00	0.0%	78,000.00
Total INDIRECT	102,971.06	127,291.80	80.9%	511,792.66	509,167.20	100.5%	1,527,500.00
5190 · Soil and Water Tests	1,050.00	2,666.67	39.4%	10,345.70	10,666.68	97.0%	32,000.00
5220 · Water System - Repair & Maint	12,885.19	18,750.00	68.7%	50,834.23	75,000.00	67.8%	225,000.00
5225 · Street Maintenance	3,579.36	2,720.84	131.6%	11,891.11	10,883.36	109.3%	32,650.00
5230 · Park - Repair & Maint	91.68	83.34	110.0%	283.25	333.36	85.0%	1,000.00
5231 · Pajaro Park Expense	3,702.69			6,614.26			
5265 · Engineering Expenses	0.00	166.67	0.0%	0.00	666.68	0.0%	2,000.00
5310 · Utilities - Well Site	15,561.28	14,166.67	109.8%	49,675.20	56,666.68	87.7%	170,000.00
5315 · Utilities - Street Lighting	2,154.08	2,333.34	92.3%	6,457.18	9,333.36	69.2%	28,000.00
5325 · Permits	0.00	2,083.34	0.0%	1,656.00	8,333.36	19.9%	25,000.00
5360 · Fuel - Generator	0.00	125.00	0.0%	776.90	500.00	155.4%	1,500.00
5426 · Vega Assmnt Bond Expense	0.00			964.31			
5427 · Improvement Project-Springfield	2,456.75			-6,336.80			
5428 · COP Bond Expense	0.00	291.67	0.0%	2,155.00	1,166.68	184.7%	3,500.00
5433 · Pajaro Water Bond Interest Exp	0.00	883.34	0.0%	7,140.00	3,533.36	202.1%	10,600.00
6575 · Vega Debt Service-Interest	0.00	11,916.67	0.0%	72,830.00	47,666.68	152.8%	143,000.00
Total Expense	144,452.09	183,479.35	78.7%	727,079.00	733,917.40	99.1%	2,201,750.00
Net Ordinary Income	27,738.97	-12,429.31	-223.2%	20,708.10	-49,717.24	-41.7%	-149,150.00
Other Income/Expense							
Other Income							
4100 · Late Payment Penalties	432.82	416.67	103.9%	1,684.18	1,666.68	101.0%	5,000.00
4101 · Billing Adjustments	0.00	41.67	0.0%	0.00	166.68	0.0%	500.00
4110 · Hydrant Sales	2,506.23	416.67	601.5%	7,518.01	1,666.68	451.1%	5,000.00
4115 · Testing Fees	320.00	625.00	51.2%	320.00	2,500.00	12.8%	7,500.00
4140 · Connection Fees	2,152.00	358.34	600.5%	4,304.00	1,433.36	300.3%	4,300.00
4141 · Application Fees	275.00	45.84	599.9%	275.00	183.36	150.0%	550.00
4146 · Other Fees	0.00	33.34	0.0%	0.00	133.36	0.0%	400.00
4200 · Street Maintenance-Reimb	0.00	5,316.67	0.0%	0.00	21,266.68	0.0%	63,800.00
4210 · Vega Bond Assessments	0.00	23,166.67	0.0%	0.00	92,666.68	0.0%	278,000.00
4280 · Pro-Rata Tax Collection Share	0.00	2,083.34	0.0%	93.61	8,333.36	1.1%	25,000.00
4285 · P.V.W.M.A. Collection Fee	2,502.85	2,250.00	111.2%	10,978.98	9,000.00	122.0%	27,000.00
4300 · Collection of Previous W/O Acct	0.00	41.67	0.0%	0.00	166.68	0.0%	500.00
4305 · Miscellaneous Revenue	0.00	125.00	0.0%	0.00	500.00	0.0%	1,500.00
4307 · Returned Check Charges	0.00			25.00			
4340 · Utility Reimbursements	0.00	2,333.34	0.0%	281.79	9,333.36	3.0%	28,000.00
4341 · Lighting Admin Reimbursements	0.00	1,000.00	0.0%	0.00	4,000.00	0.0%	12,000.00
4345 · Customer Order Reimbursements	3,820.00			5,870.96			
4346 · District 25% Overhead Fee	0.00	41.67	0.0%	0.00	166.68	0.0%	500.00
4350 · Interest Revenue	12.22	475.00	2.6%	81.42	1,900.00	4.3%	5,700.00
4355 · Audit/Bookkeeping Reimbursement	0.00	58.34	0.0%	0.00	233.36	0.0%	700.00
4360 · Legal Counsel Reimbursement	0.00	33.34	0.0%	0.00	133.36	0.0%	400.00
5408 · Springfield Project-Grant Reimb	115,866.38			115,866.38			

Pajaro/Sunny Mesa Community Services District Profit & Loss Budget Performance

October 2020

	Oct 20	Budget	% of Budget	Jul - Oct 20	YTD Budget	% of Budget	Annual Budget
5424 · Springfid Bottled Wtr Gr Reimb	371.07			1,484.28			
5794 · Water Bond Assessments	0.00	3,375.00	0.0%	180.98	13,500.00	1.3%	40,500.00
Total Other Income	128,258.57	42,237.57	303.7%	148,964.59	168,950.28	88.2%	506,850.00
Other Expense							
5435 · Improvement Project-Pajaro	1,225.25			3,409.25			
6260 · Lighting Expenses	0.00			200.00			
Total Other Expense	1,225.25			3,609.25			
Net Other Income	127,033.32	42,237.57	300.8%	145,355.34	168,950.28	86.0%	506,850.00
Net Income	154,772.29	29,808.26	519.2%	166,063.44	119,233.04	139.3%	357,700.00

Pajaro/Sunny Mesa Community Services District
Profit & Loss Budget vs. Actual
October 2020

Ordinary Income/Expense	Oct 20	Budget	\$ Over Budget	% of Budget
Income				
4001 · Route 1 - Pajaro	24,549.07	22,583.34	1,965.73	108.7%
4002 · Route 2 - Pajaro	22,208.44	23,000.00	-791.56	96.56%
4003 · Route 3 - Commercial	22,226.33	23,083.34	-857.01	96.29%
4004 · Route 4 - Trailer Park	1,082.46	1,125.00	-42.54	96.22%
4005 · Route 5 - San Juan Rd Apts	964.89	1,116.67	-151.78	86.41%
4006 · Route 6 - Sunny Mesa	11,776.75	11,975.00	-198.25	98.34%
4007 · Route 7 - CSA 73	12,260.77	13,166.67	-905.90	93.12%
4008 · Route 8 - Vega	15,640.52	13,025.00	2,615.52	120.08%
4010 · Route 10 -Springfield	850.00	875.00	-25.00	97.14%
4011 · Route 11 - Moss Landing	21,213.00	22,583.34	-1,370.34	93.93%
4012 · Route 12 - Blackie Road	2,860.39	2,641.67	218.72	108.28%
4013 · Route 13 - Normco	29,842.95	28,750.00	1,092.95	103.8%
4014 · Route 14 - Vierra	4,097.55	4,383.34	-285.79	93.48%
4015 · Route 15 - Langley/VP	2,617.94	2,741.67	-123.73	95.49%
Total Income	172,191.06	171,050.04	1,141.02	100.67%
Expense				
INDIRECT				
5000 · Salaries and Wages	42,500.16	63,500.00	-20,999.84	66.93%
5005 · Administrative Fees	487.60	500.00	-12.40	97.52%
5010 · Contract Labor	1,420.00	2,000.00	-580.00	71.0%
5030 · Payroll Tax Expense	-389.47	1,333.34	-1,722.81	-29.21%
5040 · Worker's Comp Insurance	4,242.77	1,666.67	2,576.10	254.57%
5050 · Employee Health Insurance	15,683.39	15,666.67	16.72	100.11%
5070 · Employee Retirement	8,586.31	9,525.00	-938.69	90.15%
5090 · Other Employee Expense	35.00	208.34	-173.34	16.8%
5120 · Property Taxes	1,131.10	125.00	1,006.10	904.88%
5130 · Utilities - Office	377.66	333.34	44.32	113.3%
5140 · Building Repair & Maint	325.35	1,250.00	-924.65	26.03%
5145 · District Wide Repair & Maint	1,622.76	1,333.34	289.42	121.71%
Gross Profit	172,191.06	171,050.04	1,141.02	100.67%

Pajaro/Sunny Mesa Community Services District
Profit & Loss Budget vs. Actual
 October 2020

	Oct 20	Budget	\$ Over Budget	% of Budget
5150 · Garbage Service	307.46	308.34	-0.88	99.72%
5160 · Office Equip Rental	738.95	833.34	-94.39	88.67%
5165 · Computer Software	594.41	833.34	-238.93	71.33%
5170 · Office Equipment Repair & Maint	226.39	300.00	-73.61	75.46%
5175 · Small Tools - Repair & Maint.	0.00	83.34	-83.34	0.0%
5180 · Casualty Ins/Liability Ins	0.00	2,583.34	-2,583.34	0.0%
5200 · Billing Supplies	0.00	308.34	-308.34	0.0%
5240 · Office Supplies	264.57	291.67	-27.10	90.71%
5245 · Postage	1,000.00	708.34	291.66	141.18%
5250 · Legal Expenses	1,040.00	2,250.00	-1,210.00	46.22%
5255 · Interest Expense	0.00	1,083.34	-1,083.34	0.0%
5256 · Interest Exp-Financed Items	237.06	200.00	37.06	118.53%
5260 · Accounting & Bookkeeping	18,000.00	3,083.34	14,916.66	583.78%
5266 · Engineering Svcs-Dist Wide	0.00	3,416.67	-3,416.67	0.0%
5270 · Automotive - Repair & Maint	158.32	833.34	-675.02	19.0%
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	1,666.67	-1,666.67	0.0%
5326 · Licenses and Certifications	310.05	166.67	143.38	186.03%
5330 · Telephone	1,327.90	1,416.67	-88.77	93.73%
5340 · Burglar Alarm Monitoring	0.00	66.67	-66.67	0.0%
5370 · Fuel - Trucks	2,038.75	2,000.00	38.75	101.94%
5390 · Bank Charges	1.57	16.67	-15.10	9.42%
5391 · Credit Card Transaction Fees	701.25	500.00	201.25	140.25%
5400 · Miscellaneous Expense	0.00	16.67	-16.67	0.0%
6560 · Payroll Processing Expenses	1.75	50.00	-48.25	3.5%
6577 · COP Debt Service - Interest	0.00	6,500.00	-6,500.00	0.0%
Total INDIRECT	102,971.06	127,291.80	-24,320.74	80.89%
5190 · Soil and Water Tests	1,050.00	2,666.67	-1,616.67	39.38%
5220 · Water System - Repair & Maint	12,885.19	18,750.00	-5,864.81	68.72%

Pajaro/Sunny Mesa Community Services District
Profit & Loss Budget vs. Actual

October 2020

	Oct 20	Budget	\$ Over Budget	% of Budget
5225 · Street Maintenance	3,579.36	2,720.84	858.52	131.55%
5230 · Park - Repair & Maint	91.68	83.34	8.34	110.01%
5265 · Engineering Expenses	0.00	166.67	-166.67	0.0%
5310 · Utilities - Well Site	15,561.28	14,166.67	1,394.61	109.84%
5315 · Utilities - Street Lighting	2,154.08	2,333.34	-179.26	92.32%
5325 · Permits	0.00	2,083.34	-2,083.34	0.0%
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	883.34	-883.34	0.0%
6575 · Vega Debt Service-Interest	0.00	11,916.67	-11,916.67	0.0%
Total Expense	138,292.65	183,479.35	-45,186.70	75.37%
Net Ordinary Income	33,898.41	-12,429.31	46,327.72	-272.73%
Other Income/Expense				
Other Income				
4100 · Late Payment Penalties	432.82	416.67	16.15	103.88%
4101 · Billing Adjustments	0.00	41.67	-41.67	0.0%
4110 · Hydrant Sales	2,506.23	416.67	2,089.56	601.49%
4115 · Testing Fees	320.00	625.00	-305.00	51.2%
4140 · Connection Fees	2,152.00	358.34	1,793.66	600.55%
4141 · Application Fees	275.00	45.84	229.16	599.91%
4146 · Other Fees	0.00	33.34	-33.34	0.0%
4200 · Street Maintenance-Reimb	0.00	5,316.67	-5,316.67	0.0%
4210 · Vega Bond Assessments	0.00	23,166.67	-23,166.67	0.0%
4280 · Pro-Rata Tax Collection Share	0.00	2,083.34	-2,083.34	0.0%
4285 · P.V.W.M.A. Collection Fee	2,502.85	2,250.00	252.85	111.24%
4300 · Collection of Previous W/O Acct	0.00	41.67	-41.67	0.0%
4305 · Miscellaneous Revenue	0.00	125.00	-125.00	0.0%
4340 · Utility Reimbursements	0.00	2,333.34	-2,333.34	0.0%
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	12.22	475.00	-462.78	2.57%
4355 · Audit/Bookkeeping Reimbursement	0.00	58.34	-58.34	0.0%

**Pajaro/Sunny Mesa Community Services District
 Profit & Loss Budget vs. Actual**

October 2020

	Oct 20	Budget	\$ Over Budget	% of Budget
4360 · Legal Counsel Reimbursement	0.00	33.34	-33.34	0.0%
5794 · Water Bond Assessments	0.00	3,375.00	-3,375.00	0.0%
Total Other Income	8,201.12	42,237.57	-34,036.45	19.42%
Other Expense				
Total Other Expense	0.00			
Net Other Income	8,201.12	42,237.57	-34,036.45	19.42%
Net Income	42,099.53	29,808.26	12,291.27	141.23%

Total Income **Total Expense** **Difference**
 \$180,392.18 \$138,292.65 \$42,099.53

September Cash **October Cash** **Difference**
 \$410,048.06 \$424,851.24 \$14,803.18

Pajaro/Sunny Mesa Community Services District
Check Detail - Operating Account
November 1 - 16, 2020

Type	Num	Date	Name	Account	Paid Amount	Original Amount
Bill Pmt -Check	ACH	11/02/2020	Agustin Sorroza-Moreno- ACH	1001 · SCCB - Operating Account		-1,110.00
Bill	10/19...	11/02/2020		5010 · Contract Labor	-1,110.00	1,110.00
TOTAL					-1,110.00	1,110.00
Bill Pmt -Check	ACH	11/10/2020	Ace Hardware Prunedale-Online	1001 · SCCB - Operating Account		-167.95
Bill	0503...	10/19/2020		5145 · District Wide Repair & Maint	-17.24	17.24
Bill	0503...	10/21/2020		5220 · Water System - Repair & Maint	-48.47	48.47
Bill	0503...	10/26/2020		5220 · Water System - Repair & Maint	-29.87	29.87
Bill	0503...	10/28/2020		5145 · District Wide Repair & Maint	-24.77	24.77
Bill	0504...	11/05/2020		5220 · Water System - Repair & Maint	-47.60	47.60
TOTAL					-167.95	167.95
Bill Pmt -Check	ACH	11/10/2020	Ace Hardware Watsonville- ACH	1001 · SCCB - Operating Account		-459.05
Bill	200117	10/07/2020		5230 · Park - Repair & Maint	-60.07	60.07
Bill	200175	10/08/2020		5220 · Water System - Repair & Maint	-26.13	26.13
Bill	200446	10/17/2020		5220 · Water System - Repair & Maint	-106.90	106.90
Bill	200483	10/20/2020		5220 · Water System - Repair & Maint	-108.08	108.08
Bill	200506	10/20/2020		5220 · Water System - Repair & Maint	-13.07	13.07
Bill	200521	10/21/2020		5230 · Park - Repair & Maint	-31.61	31.61
Bill	200556	10/22/2020		5220 · Water System - Repair & Maint	-10.89	10.89
Bill	200572	10/22/2020		5220 · Water System - Repair & Maint	-33.54	33.54
Bill	200587	10/23/2020		5220 · Water System - Repair & Maint	-45.86	45.86
Bill	200595	10/23/2020		5145 · District Wide Repair & Maint	-22.90	22.90
TOTAL					-459.05	459.05
Bill Pmt -Check	ACH	11/10/2020	ACWA-JPIA (med ins)-ACH	1001 · SCCB - Operating Account		-17,078.41
Bill	0657...	11/06/2020		5050 · Employee Health Insurance	-15,683.39	15,683.39
				2264 · Employee Insurance Payable	-1,395.02	1,395.02
TOTAL					-17,078.41	17,078.41
Bill Pmt -Check	ACH	11/10/2020	ICONIX Waterworks (US), Inc- ACH	1001 · SCCB - Operating Account		-789.55
Bill	U201...	10/08/2020		5145 · District Wide Repair & Maint	-789.55	789.55
TOTAL					-789.55	789.55
Bill Pmt -Check	ACH	11/10/2020	MBAS- ACH	1001 · SCCB - Operating Account		-45.00
Bill	2010...	10/29/2020		5190 · Soil and Water Tests	-45.00	45.00
TOTAL					-45.00	45.00
Bill Pmt -Check	ACH	11/10/2020	PARS- ACH	1001 · SCCB - Operating Account		-487.60
Bill	46472	10/12/2020		5005 · Administrative Fees	-487.60	487.60
TOTAL					-487.60	487.60
Bill Pmt -Check	ACH	11/10/2020	Pure Water- ACH	1001 · SCCB - Operating Account		-8,453.85
Bill	368771	11/01/2020	State Water Resources Control Board	5427 · Improvement Project-Springfield	-1,892.25	1,892.25
Bill	368772	11/01/2020	State Water Resources Control Board	5427 · Improvement Project-Springfield	-6,561.60	6,561.60
TOTAL					-8,453.85	8,453.85
Bill Pmt -Check	ACH	11/10/2020	Quinn Company- ACH	1001 · SCCB - Operating Account		-2,705.10
Bill	WON...	10/15/2020		5220 · Water System - Repair & Maint	-539.04	539.04
Bill	WON...	10/15/2020		5220 · Water System - Repair & Maint	-853.10	853.10
Bill	WON...	10/15/2020		5220 · Water System - Repair & Maint	-656.48	656.48
Bill	WON...	10/15/2020		5220 · Water System - Repair & Maint	-656.48	656.48
TOTAL					-2,705.10	2,705.10

Pajaro/Sunny Mesa Community Services District
Check Detail - Operating Account
November 1 - 16, 2020

Type	Num	Date	Name	Account	Paid Amount	Original Amount
Bill Pmt -Check	ACH	11/10/2020	Singh Computech- ACH	1001 · SCCB - Operating Account		-240.00
Bill	PSM...	10/26/2020		5165 · Computer Software	-240.00	240.00
TOTAL					-240.00	240.00
Bill Pmt -Check	ACH	11/10/2020	Soil Control Lab- ACH	1001 · SCCB - Operating Account		-225.00
Bill	0100...	10/14/2020		5190 · Soil and Water Tests	-75.00	75.00
Bill	0100...	10/14/2020		5190 · Soil and Water Tests	-25.00	25.00
Bill	0100...	10/14/2020		5190 · Soil and Water Tests	-75.00	75.00
Bill	0100...	10/14/2020		5190 · Soil and Water Tests	-50.00	50.00
TOTAL					-225.00	225.00
Bill Pmt -Check	ACH	11/10/2020	Taylor's Office City- ACH	1001 · SCCB - Operating Account		-131.53
Bill	3258...	10/06/2020		5240 · Office Supplies	-46.88	46.88
Bill	3261...	11/04/2020		5240 · Office Supplies	-84.65	84.65
TOTAL					-131.53	131.53
Bill Pmt -Check	ACH	11/10/2020	Univar-ACH	1001 · SCCB - Operating Account		-1,581.76
Bill	4878...	10/15/2020		5220 · Water System - Repair & Maint	-1,581.76	1,581.76
TOTAL					-1,581.76	1,581.76
Check	AP	11/03/2020	Total Merchant Services	1001 · SCCB - Operating Account		-1,176.44
				5391 · Credit Card Transaction Fees	-1,176.44	1,176.44
TOTAL					-1,176.44	1,176.44
Check	AP	11/04/2020	FP Mailing Solutions-Online	1001 · SCCB - Operating Account		-1,000.00
				5245 · Postage	-1,000.00	1,000.00
TOTAL					-1,000.00	1,000.00
Bill Pmt -Check	AP	11/10/2020	A. L. Lease Company, Inc.-Online	1001 · SCCB - Operating Account		-132.89
Bill	128880	10/06/2020		5220 · Water System - Repair & Maint	-62.82	62.82
Bill	129683	10/22/2020		5145 · District Wide Repair & Maint	-70.07	70.07
TOTAL					-132.89	132.89
Bill Pmt -Check	AP	11/10/2020	Aramark- Online	1001 · SCCB - Operating Account		-132.28
Bill	7610...	10/16/2020		5140 · Building Repair & Maint	-33.07	33.07
Bill	7610...	10/23/2020		5140 · Building Repair & Maint	-33.07	33.07
Bill	7610...	10/30/2020		5140 · Building Repair & Maint	-33.07	33.07
Bill	7610...	11/06/2020		5140 · Building Repair & Maint	-33.07	33.07
TOTAL					-132.28	132.28
Bill Pmt -Check	AP	11/10/2020	AT&T 2043-Online	1001 · SCCB - Operating Account		-406.80
Bill	Oct 2...	10/26/2020		5330 · Telephone	-406.80	406.80
TOTAL					-406.80	406.80
Bill Pmt -Check	AP	11/10/2020	AT&T 2486-Online	1001 · SCCB - Operating Account		-177.36
Bill	Oct 2...	10/26/2020		5310 · Utilities - Well Site	-177.36	177.36
TOTAL					-177.36	177.36
Bill Pmt -Check	AP	11/10/2020	AT&T 3439-Online	1001 · SCCB - Operating Account		-33.09

Pajaro/Sunny Mesa Community Services District
Check Detail - Operating Account
November 1 - 16, 2020

Type	Num	Date	Name	Account	Paid Amount	Original Amount
				5220 · Water System - Repair & Maint	-60.22	60.22
				5220 · Water System - Repair & Maint	-30.11	30.11
				5220 · Water System - Repair & Maint	-30.11	30.11
				5220 · Water System - Repair & Maint	-30.10	30.10
TOTAL					-722.62	722.62
Bill Pmt -Check	AP	11/10/2020	Mission Uniform Service-Online	1001 · SCCB - Operating Account		-160.00
Bill	5134...	10/12/2020		5140 · Building Repair & Maint	-40.00	40.00
Bill	5134...	10/19/2020		5140 · Building Repair & Maint	-40.00	40.00
Bill	5135...	10/26/2020		5140 · Building Repair & Maint	-40.00	40.00
Bill	5135...	11/02/2020		5140 · Building Repair & Maint	-40.00	40.00
TOTAL					-160.00	160.00
Bill Pmt -Check	AP	11/10/2020	Monterey One Water- Online	1001 · SCCB - Operating Account		-25.73
Bill	NOV....	10/31/2020		5130 · Utilities - Office	-25.73	25.73
TOTAL					-25.73	25.73
Bill Pmt -Check	AP	11/10/2020	PG&E 0819-Online	1001 · SCCB - Operating Account		-8,807.18
Bill	10/5/...	11/04/2020		5310 · Utilities - Well Site	-4,525.66	4,525.66
				5310 · Utilities - Well Site	-2,094.10	2,094.10
				5310 · Utilities - Well Site	-196.00	196.00
				5310 · Utilities - Well Site	-709.95	709.95
				5310 · Utilities - Well Site	-336.92	336.92
				5315 · Utilities - Street Lighting	-88.83	88.83
				5310 · Utilities - Well Site	-855.72	855.72
TOTAL					-8,807.18	8,807.18
Bill Pmt -Check	AP	11/10/2020	PG&E 1438-Online	1001 · SCCB - Operating Account		-2,004.95
Bill	9/24/...	10/26/2020		5310 · Utilities - Well Site	-2,004.95	2,004.95
TOTAL					-2,004.95	2,004.95
Bill Pmt -Check	AP	11/10/2020	PG&E 1826-Online	1001 · SCCB - Operating Account		-73.99
Bill	9/17/...	10/19/2020		5310 · Utilities - Well Site	-73.99	73.99
TOTAL					-73.99	73.99
Bill Pmt -Check	AP	11/10/2020	PG&E 6022-Online	1001 · SCCB - Operating Account		-14.48
Bill	09/19...	10/20/2020		5315 · Utilities - Street Lighting	-14.48	14.48
TOTAL					-14.48	14.48
Bill Pmt -Check	AP	11/10/2020	PG&E 6857-Online	1001 · SCCB - Operating Account		-5,352.65
Bill	9/25/...	11/03/2020		5310 · Utilities - Well Site	-1,615.43	1,615.43
				5310 · Utilities - Well Site	-1,347.78	1,347.78
				5130 · Utilities - Office	-244.00	244.00
				5310 · Utilities - Well Site	-92.55	92.55
				5315 · Utilities - Street Lighting	-2,052.89	2,052.89
TOTAL					-5,352.65	5,352.65
Bill Pmt -Check	AP	11/10/2020	Royal Oaks Auto Repair Inc.	1001 · SCCB - Operating Account		-20.00
Bill	32555	11/06/2020		5270 · Automotive - Repair & Maint	-20.00	20.00
TOTAL					-20.00	20.00
Bill Pmt -Check	AP	11/10/2020	Santa Cruz Answering Service-Onl...	1001 · SCCB - Operating Account		-62.86
Bill	1009 ...	10/22/2020		5330 · Telephone	-62.86	62.86

Pajaro/Sunny Mesa Community Services District
Check Detail - Operating Account
November 1 - 16, 2020

Type	Num	Date	Name	Account	Paid Amount	Original Amount
TOTAL					-62.86	62.86
Bill Pmt -Check	AP	11/10/2020	Santa Cruz County Bank	1001 · SCCB - Operating Account		-566.04
Bill	ACC...	10/22/2020		2256 · Vehicle Loan Payable	-440.19	440.19
				5256 · Interest Exp-Financed Items	-125.85	125.85
TOTAL					-566.04	566.04
Bill Pmt -Check	AP	11/10/2020	Sturdy Oil Company-Online	1001 · SCCB - Operating Account		-1,919.08
Bill	CL55...	10/15/2020		5370 · Fuel - Trucks	-997.77	997.77
Bill	F130...	10/21/2020		5270 · Automotive - Repair & Maint	-83.98	83.98
Bill	CL56...	10/31/2020		5370 · Fuel - Trucks	-837.33	837.33
TOTAL					-1,919.08	1,919.08
Bill Pmt -Check	AP	11/10/2020	Tom's Site Service-Online	1001 · SCCB - Operating Account		-406.98
Bill	50492	10/11/2020		5145 · District Wide Repair & Maint	-225.49	225.49
Bill	51295	11/08/2020		5145 · District Wide Repair & Maint	-181.49	181.49
TOTAL					-406.98	406.98
Bill Pmt -Check	AP	11/10/2020	USA Blue Book- ONLINE	1001 · SCCB - Operating Account		-198.90
Bill	389338	10/14/2020		5145 · District Wide Repair & Maint	-69.78	69.78
Bill	403723	10/28/2020		5145 · District Wide Repair & Maint	-129.12	129.12
TOTAL					-198.90	198.90
Bill Pmt -Check	AP	11/10/2020	Valvoline	1001 · SCCB - Operating Account		-176.54
Bill	14817	10/15/2020		5270 · Automotive - Repair & Maint	-74.34	74.34
Bill	15807	11/06/2020		5270 · Automotive - Repair & Maint	-102.20	102.20
TOTAL					-176.54	176.54
Bill Pmt -Check	AP	11/10/2020	WM / Carmel Marina - Office-Online	1001 · SCCB - Operating Account		-307.46
Bill	9520...	11/01/2020		5150 · Garbage Service	-307.46	307.46
TOTAL					-307.46	307.46
Check	EDD	11/02/2020	Employment Development Dept	1001 · SCCB - Operating Account		-1,195.04
				5030 · Payroll Tax Expense	-1,195.04	1,195.04
TOTAL					-1,195.04	1,195.04
Check	FDGL	11/02/2020	FDGL	1001 · SCCB - Operating Account		-38.12
				5160 · Office Equip Rental	-38.12	38.12
TOTAL					-38.12	38.12
Check	PARS	11/04/2020	US Bank - PARS #6746022400	1001 · SCCB - Operating Account		-4,416.51
				5070 · Employee Retirement	-4,416.51	4,416.51
TOTAL					-4,416.51	4,416.51
Bill Pmt -Check	24539	11/10/2020	Brian & Laurel Balsbaugh	1001 · SCCB - Operating Account		-150.00
Bill	Sec. ...	10/27/2020		2121 · Customer Security Deposits	-150.00	150.00
TOTAL					-150.00	150.00
Bill Pmt -Check	24540	11/10/2020	Gonzalo Lopez-Martinez	1001 · SCCB - Operating Account		-150.00

Pajaro/Sunny Mesa Community Services District
Check Detail - Operating Account
November 1 - 16, 2020

Type	Num	Date	Name	Account	Paid Amount	Original Amount
Bill	Sec. ...	11/01/2020		2121 · Customer Security Deposits	-150.00	150.00
TOTAL					-150.00	150.00
Bill Pmt -Check	24541	11/10/2020	Grunsky Law Firm	1001 · SCCB - Operating Account		-1,040.00
Bill	Inv. 9...	10/26/2020		5250 · Legal Expenses	-1,040.00	1,040.00
TOTAL					-1,040.00	1,040.00
Bill Pmt -Check	24542	11/10/2020	H.D.F.C. Pelican Investments, LLC	1001 · SCCB - Operating Account		-150.00
Bill	Secur...	10/29/2020		2121 · Customer Security Deposits	-150.00	150.00
TOTAL					-150.00	150.00
Bill Pmt -Check	24543	11/10/2020	Jesus Arellano	1001 · SCCB - Operating Account		-150.00
Bill	Sec ...	11/02/2020		2121 · Customer Security Deposits	-150.00	150.00
TOTAL					-150.00	150.00
Bill Pmt -Check	24544	11/10/2020	Lawrence Raneses	1001 · SCCB - Operating Account		-150.00
Bill	Sec ...	11/02/2020		2121 · Customer Security Deposits	-150.00	150.00
TOTAL					-150.00	150.00
Bill Pmt -Check	24545	11/10/2020	Mark & Aubre Banks	1001 · SCCB - Operating Account		-150.00
Bill	Sec. ...	10/27/2020		2121 · Customer Security Deposits	-150.00	150.00
TOTAL					-150.00	150.00
Bill Pmt -Check	24546	11/10/2020	Monterey Bay Air Resources District	1001 · SCCB - Operating Account		-1,656.00
Bill	2824-...	09/25/2020		5325 · Permits	-354.00	354.00
				5325 · Permits	-354.00	354.00
				5325 · Permits	-474.00	474.00
				5325 · Permits	-474.00	474.00
TOTAL					-1,656.00	1,656.00
Bill Pmt -Check	24547	11/10/2020	Monterey County Tax Collector	1001 · SCCB - Operating Account		-1,131.10
Bill	117-3...	10/19/2020		5120 · Property Taxes	-190.38	190.38
Bill	413-0...	10/19/2020		5120 · Property Taxes	-79.22	79.22
Bill	117-1...	10/19/2020		5120 · Property Taxes	-22.68	22.68
Bill	117-1...	10/19/2020		5120 · Property Taxes	-44.62	44.62
Bill	117-1...	10/19/2020		5120 · Property Taxes	-59.72	59.72
Bill	117-2...	10/19/2020		5120 · Property Taxes	-56.86	56.86
Bill	117-1...	10/19/2020		5120 · Property Taxes	-22.68	22.68
Bill	117-2...	10/19/2020		5120 · Property Taxes	-185.44	185.44
Bill	117-2...	10/19/2020		5120 · Property Taxes	-341.70	341.70
Bill	125-1...	10/19/2020		5120 · Property Taxes	-11.16	11.16
Bill	125-1...	10/19/2020		5120 · Property Taxes	-20.90	20.90
Bill	131-0...	10/19/2020		5120 · Property Taxes	-23.18	23.18
Bill	133-2...	10/19/2020		5120 · Property Taxes	-28.72	28.72
Bill	117-2...	10/19/2020		5120 · Property Taxes	-43.84	43.84
TOTAL					-1,131.10	1,131.10
Bill Pmt -Check	24548	11/10/2020	Steven Sanguinetti	1001 · SCCB - Operating Account		-150.00
Bill	Sec ...	11/02/2020		2121 · Customer Security Deposits	-150.00	150.00
TOTAL					-150.00	150.00
Bill Pmt -Check	24549	11/10/2020	SWRCB-DWOCF	1001 · SCCB - Operating Account		-90.00
Bill	Op#4...	11/01/2020		5326 · Licenses and Certifications	-90.00	90.00

12:15 PM

November 16, 2020

Pajaro/Sunny Mesa Community Services District

Check Detail - Operating Account

November 1 - 16, 2020

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Type	Num	Date	Name	Account	Paid Amount	Original Amount
TOTAL					-90.00	90.00

Pajaro/Sunny Mesa Community Services District
Check Detail - Pajaro Park Account
November 1 - 16, 2020

Type	Num	Date	Name	Account	Paid Amount	Original Amount
Bill Pmt -Check	ACH	11/10/2020	Ace Hardware Watsonville- ACH	1036 · PSM Pajaro Park Acct		-6.54
Bill	200288	10/13/2020		5231 · Pajaro Park Expense	-6.54	6.54
TOTAL					-6.54	6.54
Bill Pmt -Check	ACH	11/10/2020	Panther Protective Services- ACH	1036 · PSM Pajaro Park Acct		-450.00
Bill	011-2...	10/28/2020		5231 · Pajaro Park Expense	-450.00	450.00
TOTAL					-450.00	450.00
Bill Pmt -Check	AP	11/10/2020	AT&T 0577 Pajaro Park-Online	1036 · PSM Pajaro Park Acct		-340.69
Bill	10/13...	10/13/2020		5231 · Pajaro Park Expense	-340.69	340.69
TOTAL					-340.69	340.69
Bill Pmt -Check	AP	11/10/2020	PG&E 3540 Pajaro Park-Online	1036 · PSM Pajaro Park Acct		-114.07
Bill	09/18...	10/20/2020		5231 · Pajaro Park Expense	-114.07	114.07
TOTAL					-114.07	114.07
Bill Pmt -Check	847	11/10/2020	Monterey County Tax Collector	1036 · PSM Pajaro Park Acct		-2,714.52
Bill	117-3...	10/19/2020		5231 · Pajaro Park Expense	-1,573.52	1,573.52
Bill	117-3...	10/19/2020		5231 · Pajaro Park Expense	-1,039.62	1,039.62
Bill	117-3...	10/19/2020		5231 · Pajaro Park Expense	-101.38	101.38
TOTAL					-2,714.52	2,714.52

Pajaro/Sunny Mesa Community Services District
Check Detail - Street Maintenance Account
November 1 - 16, 2020

Type	Num	Date	Name	Account	Paid Amount	Original Amount
Bill Pmt -Check	AP	11/10/2020	AT&T 5203 Street Maint-Online	1004 · SCCB - Street Maint Acct		-194.42
Bill	11/1/...	11/01/2020		5225 · Street Maintenance	-194.42	194.42
TOTAL					-194.42	194.42
Bill Pmt -Check	AP	11/10/2020	PG&E 9545 Street Maint-Online	1004 · SCCB - Street Maint Acct		-57.77
Bill	8/20/...	10/20/2020		5225 · Street Maintenance	-34.78	34.78
				5310 · Utilities - Well Site	-22.99	22.99
TOTAL					-57.77	57.77
Bill Pmt -Check	527	11/10/2020	Oscar Ortiz	1004 · SCCB - Street Maint Acct		-3,200.00
Bill	8-01-...	10/28/2020		5225 · Street Maintenance	-1,300.00	1,300.00
Bill	June-...	10/28/2020		5225 · Street Maintenance	-1,900.00	1,900.00
TOTAL					-3,200.00	3,200.00
Bill Pmt -Check	528	11/10/2020	Pajaro/Sunny Mesa Comm Svcs Dist	1004 · SCCB - Street Maint Acct		-164.38
Bill	Oct ...	11/01/2020		5225 · Street Maintenance	-164.38	164.38
TOTAL					-164.38	164.38

Pajaro/Sunny Mesa Community Services District
Check Detail - COP 2010 Account

November 1 - 16, 2020

Type	Num	Date	Name	Account	Paid Amount	Original Amount
Bill Pmt -Check	ACH	11/10/2020	Quinn Company- ACH	1032 · SCCB-COP Acct (aka Const....		-4,935.35
Bill	E241...	10/19/2020		5220 · Water System - Repair & Maint	-4,935.35	4,935.35
TOTAL					-4,935.35	4,935.35
Bill Pmt -Check	AP	11/10/2020	Contractor Compliance& Monitorin...	1032 · SCCB-COP Acct (aka Const....		-225.25
Bill	Inv. 1...	10/31/2020		5435 · Improvement Project-Pajaro	-225.25	225.25
TOTAL					-225.25	225.25
Bill Pmt -Check	AP	11/10/2020	Thomas E Yeager, P.E.-Online	1032 · SCCB-COP Acct (aka Const....		-412.50
Bill	Invoic...	11/01/2020		5435 · Improvement Project-Pajaro	-412.50	412.50
TOTAL					-412.50	412.50

RESOLUTION NO. 11-01-20

**RESOLUTION OF THE DISTRICT BOARD OF THE PAJARO/SUNNY MESA
COMMUNITY SERVICES DISTRICT DESIGNATION OF SUBRECIPIENT’S AGENT
RESOLUTION HAZARD MITIGATION GRANT PROGRAM AND PRE-DISASTER
MITIGATION PROGRAM**

BE IT RESOLVED BY THE DISTRICT BOARD OF THE PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT THAT THE GENERAL MANAGER OF THE DISTRICT is hereby authorized to execute for and on behalf of the Pajaro/Sunny Mesa Community Services District, a public entity established under the laws of the State of California, this application and to file it with the California Governor’s Office of Emergency Service., for the purpose of obtaining certain federal financial assistance under the Public Law 93-288 as amended by the Robert T. Stafford disaster Relief and Emergency Assistance Act of 1988, and/or state financial assistance under the California Disaster Act.

THAT the Pajaro/Sunny Mesa Community Services District, a public entity established under the laws of the State of California, hereby authorizes its agent to provide to the California Governor’s Office of Emergency Service for all matters pertaining to such state disaster assistance the assurance and agreements required.

This is a universal resolution and is effective for all open and futures Disaster/Grants up to three (3) years following the date of approval.

PASSED AND ADOPTED by the Board of Directors of the Pajaro/Sunny Mesa Community Services District on the 19th day of November 2020, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

BY _____
Harry Wiggins, Board President

CERTIFICATE OF SECRETARY

I, Don Rosa, as the duly elected Secretary of the Board of Directors of the Pajaro/Sunny Mesa Community Services District, Monterey County, California, do hereby certify that the above Resolution is a full, true and correct copy of said Resolution passed and adopted by the Board of Directors at a meeting held on the 19th day of November 2020, and that said Resolution is now spread upon the minutes of said Board.

Secretary of the Board of Directors

PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT

LIST OF APPOINTED OFFICIALS

JUNE 30, 2020

CURRENT BOARD OF DIRECTORS

<u>Title</u>	<u>Director</u>	<u>Term Expires</u>
President	Harry Wiggins	November 2021
Vice-President	Sanford Coplin	November 2021
Treasurer	Michael Moore	November 2021
Secretary	Robert Moody	November 2023
Assistant Secretary	Darlene Lamboley	November 2023

MANAGEMENT

General Manager Donald Rosa

Pajaro/Sunny Mesa Community Service District
136 San Juan Road
Royal Oaks, California 95076
(831) 722-1389
www.pajarosunnymesa.com

PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Pajaro/Sunny Mesa Community Services District
Royal Oaks, California

We have audited the accompanying financial statements of the Pajaro/Sunny Mesa Community Services District (District), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the State Controller's Minimum Audit Requirements for California Special Districts. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the District, as of June 30, 2020, 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, as well as accounting systems prescribed by the California State Controller's Office and California regulations governing Special Districts.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that budgetary comparison information on pages 29-32 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Salinas, California
January xx, 2021

BASIC FINANCIAL STATEMENTS

PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT

STATEMENT OF NET POSITION

JUNE 30, 2020

	Water Enterprise	Street Maintenance Enterprise	Lighting Enterprise	Parks Enterprise	Total
CURRENT ASSETS					
Cash and cash equivalents - Note 2	\$ 1,192,901	\$ -	\$ -	\$ 152,642	\$ 1,345,543
Restricted cash - street maintenance - Note 2	-	297,359	-	-	297,359
Receivables, net - Note 3	245,019	3,591	2,767	-	251,377
Prepaid expenses	-	-	-	-	-
Grants receivable	1,252,725	-	-	-	1,252,725
Bond repayment assessments receivable, current	166,914	-	-	-	166,914
Due from other funds	107,931	24,104	50,531	105,117	287,683
TOTAL CURRENT ASSETS	2,965,490	325,054	53,298	257,759	3,601,601
OTHER ASSETS					
Restricted cash - bond reserve fund - Note 2	306,459	-	-	-	306,459
Bond repayment assessments receivable, net of current portion - Note 4	3,677,240	-	-	-	3,677,240
TOTAL OTHER ASSETS	3,983,699	-	-	-	3,983,699
CAPITAL ASSETS - net - Note 5	6,773,821	-	-	5,083,527	11,857,348
TOTAL ASSETS	13,723,010	325,054	53,298	5,341,286	19,442,648
DEFERRED OUTFLOW OF RESOURCES					
Deferred loss from debt refunding	151,573	-	-	-	151,573
	\$ 13,874,583	\$ 325,054	\$ 53,298	\$ 5,341,286	\$ 19,594,221
CURRENT LIABILITIES					
Cash overdraft - Note 2	\$ -	\$ 31,564	\$ 12,449	\$ -	\$ 44,013
Accounts payable	407,303	39	2,479	915	410,736
Accrued expenses	201,534	-	-	-	201,534
Deposits	77,902	-	-	-	77,902
Line of credit - Note 6	1,252,147	-	-	-	1,252,147
Notes payable, current portion - Note 7	40,281	-	-	-	40,281
Revenue refunding bond, current portion - Note 7	70,000	-	-	-	70,000
Special assessment bond, current portion - Note 7	166,000	-	-	-	166,000
Due to other funds	230,484	57,201	-	-	287,685
TOTAL CURRENT LIABILITIES	2,445,651	88,804	14,928	915	2,550,298
OTHER LIABILITIES					
Notes payable - net of current portion - Note 7	263,263	-	-	-	263,263
Revenue refunding bond - net of discount and current portion - Note 7	1,843,905	-	-	-	1,843,905
Special assessment refunding bond - net of discount and current portion - Note 7	3,683,385	-	-	-	3,683,385
TOTAL OTHER LIABILITIES	5,790,553	-	-	-	5,790,553
TOTAL LIABILITIES	8,236,204	88,804	14,928	915	8,340,851
NET POSITION					
Invested in capital assets - net of related debt	1,013,446	-	-	5,083,527	6,096,973
Restricted - Note 8	306,459	208,221	-	-	514,680
Unrestricted	4,318,474	28,029	38,370	256,844	4,641,717
TOTAL NET POSITION	5,638,379	236,250	38,370	5,340,371	11,253,370
	\$ 13,874,583	\$ 325,054	\$ 53,298	\$ 5,341,286	\$ 19,594,221

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

PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

FOR THE YEAR ENDED JUNE 30, 2020

	Water Enterprise	Street Maintenance Enterprise	Lighting Enterprise	Parks Enterprise	Total
OPERATING REVENUES					
User service charges	\$ 1,972,885	\$ -	\$ -	\$ -	\$ 1,972,885
Street lights service charges	-	-	40,877	-	40,877
Street maintenance service charges	-	64,158	-	-	64,158
Connection fees	38,550	-	-	-	38,550
Reimbursements	1,633,047	-	-	-	1,633,047
Miscellaneous	2,806	-	-	-	2,806
Pajaro Park revenue	-	-	-	27,700	27,700
TOTAL OPERATING REVENUES	<u>3,647,288</u>	<u>64,158</u>	<u>40,877</u>	<u>27,700</u>	<u>3,780,023</u>
OPERATING EXPENSES					
Salaries and employee benefits	966,197	22,281	8,102	29,069	1,025,649
General, administrative and operating expenses	750,129	67,490	27,380	33,292	878,291
Depreciation and amortization	419,225	-	-	237,315	656,540
TOTAL OPERATING EXPENSES	<u>2,135,551</u>	<u>89,771</u>	<u>35,482</u>	<u>299,676</u>	<u>2,560,480</u>
OPERATING INCOME (LOSS)	<u>1,511,737</u>	<u>(25,613)</u>	<u>5,395</u>	<u>(271,976)</u>	<u>1,219,543</u>
NON-OPERATING REVENUES (EXPENSES)					
Property taxes	-	-	-	23,518	23,518
Assessments	176,341	-	-	-	176,341
Grant revenue	105,615	-	-	-	105,615
Other income	17,767	-	-	-	17,767
Income from investment	8,741	-	-	-	8,741
Interest expense	(293,213)	-	-	-	(293,213)
Other expense	-	-	-	-	-
Grant reimbursement expenses	(123,147)	-	-	-	(123,147)
NON-OPERATING REVENUES (EXPENSES)	<u>(107,896)</u>	<u>-</u>	<u>-</u>	<u>23,518</u>	<u>(84,378)</u>
INCREASE (DECREASE) IN NET POSITION	<u>1,403,841</u>	<u>(25,613)</u>	<u>5,395</u>	<u>(248,458)</u>	<u>1,135,165</u>
NET POSITION, BEGINNING OF YEAR	<u>4,234,538</u>	<u>261,863</u>	<u>32,975</u>	<u>5,588,829</u>	<u>10,118,205</u>
NET POSITION, END OF YEAR	<u>\$ 5,638,379</u>	<u>\$ 236,250</u>	<u>\$ 38,370</u>	<u>\$ 5,340,371</u>	<u>\$ 11,253,370</u>

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

PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2020

	Water Enterprise	Street Maintenance Enterprise	Lighting Enterprise	Parks Enterprise	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers and others	\$ 3,623,709	\$ 61,255	\$ 40,630	\$ 27,700	\$ 3,753,294
Payments to suppliers and vendors	(428,210)	(67,575)	(26,912)	(35,594)	(558,291)
Payments to employees	(949,310)	(22,281)	(8,102)	(29,069)	(1,008,762)
Net cash provided by (used in) operating activities	2,246,189	(28,601)	5,616	(36,963)	2,186,241
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Draws from line of credit	1,330,862	-	-	-	1,330,862
Acquisition and construction of capital assets	(1,819,341)	-	-	-	(1,819,341)
Principal payments on debt maturities	(552,006)	-	-	-	(552,006)
Interest payments	(295,927)	-	-	-	(295,927)
Collection of assessments	176,341	-	-	23,518	199,859
Grant income	(895,113)	-	-	-	(895,113)
Collection of property taxes	151,906	-	-	-	151,906
Miscellaneous revenue	17,767	-	-	-	17,767
Net cash provided by (used in) capital and related financing activities	(1,885,511)	-	-	23,518	(1,861,993)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest and dividends	8,741	-	-	-	8,741
Net cash provided by investing activities	8,741	-	-	-	8,741
Net increase (decrease) in cash and cash equivalents	369,419	(28,601)	5,616	(13,445)	332,989
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	1,129,941	294,396	(18,065)	166,087	1,572,359
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 1,499,360	\$ 265,795	\$ (12,449)	\$ 152,642	\$ 1,905,348
RECONCILIATION OF CASH AND CASH EQUIVALENTS AND RESTRICTED CASH TO STATEMENT OF NET POSITION					
Cash and cash equivalents	\$ 1,192,901	\$ -	\$ -	\$ 152,642	\$ 1,345,543
Cash overdraft	-	(31,564)	(12,449)	-	(44,013)
Restricted cash - street maintenance	-	297,359	-	-	297,359
Restricted cash - bond reserve fund	306,459	-	-	-	306,459
TOTAL CASH AND CASH EQUIVALENTS AND RESTRICTED CASH	\$ 1,499,360	\$ 265,795	\$ (12,449)	\$ 152,642	\$ 1,905,348

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

PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2020

	Water Enterprise	Street Maintenance Enterprise	Lighting Enterprise	Parks Enterprise	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN)					
NET OPERATING ACTIVITIES					
Operating income (loss)	\$ 1,511,737	\$ (25,613)	\$ 5,395	\$ (271,976)	\$ 1,219,543
Adjustments to reconcile increase (decrease) in net position to net cash provided by (used in) operating activities:					
Depreciation and amortization	419,225	-	-	237,315	656,540
(Gain) loss on disposition of fixed assets	-	-	-	-	-
Increase (Decrease) in due from other funds	39,123	-	-	-	39,123
Increase in prepaids	507	-	-	-	507
Decrease (increase) in receivables	(23,579)	(2,903)	(247)	-	(26,729)
Decrease in deposits	150	-	-	-	150
Decrease (increase) in due to other funds	(39,123)	-	-	-	(39,123)
(Increase) decrease in accounts payable and accruals	338,149	(85)	468	(2,302)	336,230
Net cash provided by (used in) operating activities	\$ 2,246,189	\$ (28,601)	\$ 5,616	\$ (36,963)	\$ 2,186,241

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

PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General Statement

The Pajaro/Sunny Mesa Community Services District (District) is a Special District within Monterey County as defined by the State of California. The District is authorized to provide water, street maintenance, lighting and park services. The District owns and operates nine, individual, non-contiguous water systems. All water systems are within the District's sphere of influence, and are considered one District, with a common, uniform rate schedule.

The District's oversight is performed by a five-member board of directors (Board) who are appointed for four-year terms by the Monterey County Board of Supervisors. The Board along with the General Manager provides direction on the overall management of the District such as overseeing operating budgets, ongoing operations, capital planning and rate setting.

Financial Reporting Entity

The District's basic financial statements include the accounts of all District operations. The criteria for including other organizations as component units within the reporting entity (District) are set forth in Section 2100 of GASB's *Codification of Governmental Accounting and Financial Reporting Standards*. Based on the criteria set forth by GASB, the District has no component units.

Basis of Presentation

The District's basic financial statements are presented on the accrual basis of accounting and conform to accounting principles generally accepted in the United States of America. The District has elected under GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Activities That Use Proprietary Fund Accounting*, to apply all applicable pronouncements, statements and interpretations of the Financial Accounting Standards Board issued on or after November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

The accounts of the District are organized as enterprise funds. The activities of these funds are accounted for with separate sets of self-balancing accounts that comprise the District's assets, deferred outflows, liabilities, deferred inflows, net assets, revenues and expenses.

PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2020

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)**Basis of Presentation** (Continued)

The accounting and financial reporting treatment applied to the District is determined by its measurement focus. The transactions of the District are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations are included on the statement of net position.

Budgetary Controls

The District operates under a budget prepared and approved annually by the Board of Directors. The budget is prepared on a detailed line item basis. Revenues are budgeted by source, and expenses are budgeted by department or enterprise (water, street maintenance, lighting and parks) and use (salaries and employee benefits, services and supplies, other charges, fixed assets acquisitions and contingencies). Once approved, the Board of Directors may amend the adopted budget when unexpected modifications are required.

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America except that bond proceeds are treated as revenues, and bond principal payments and fixed assets acquisitions are treated as expenses. In addition, depreciation is generally not provided for in budgeted expenses.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 expenses during the reporting period. Actual results could differ from those estimates.

Cash and Investments

For purposes of reporting cash flows, the District considers all highly liquid debt instruments, including those that are classified as restricted assets with an original maturity of three months or less when acquired, to be cash equivalents.

PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Customer Receivables

The District utilizes the allowance method of accounting for uncollectible or doubtful accounts. Accounts receivable are valued at outstanding principal balance, reduced for any allowance. An allowance of \$9,135 has been recorded by management at June 30, 2020. Accounts receivable are written off when deemed uncollectible. Recoveries of accounts receivable previously written off are recorded as income when received. Receivables over thirty (30) days past due are assessed penalties.

Special Assessment Receivable

Special assessments, levied to service debt for which the District is in some manner obligated or to reimburse a fund for advances made to finance capital improvement projects, are recognized as revenue at the time the individual assessments become due.

Capital Assets

Capital assets are carried at cost, which includes direct labor, outside services, materials and transportation, overhead and interest on funds borrowed to finance construction. Donated capital assets are recorded at estimated fair value at the date of donation. Gains or losses resulting from the sale or disposition of property and equipment are recognized in the period of disposition.

Repairs and maintenance including planned major maintenance activities, which are not considered betterments and do not extend the useful life of property, plant and equipment, are charged to expense as incurred.

Construction-in-process is not depreciated until it is placed into service.

The District recognizes depreciation using the straight-line method over the estimated useful lives as follows:

Buildings	20-50 Years
Water and sewer system	30-50 Years
Infrastructure	20-35 Years
Machinery and equipment	5-10 Years
Improvements	20 Years

PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2020

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****Deferred Outflows and Inflows of Resources**

The District reports deferred outflows of resources on its statement of net position. Deferred outflows of resources represent a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense) until the applicable period. The District has one item that qualifies for reporting in this category. This item is a deferred loss on debt refunding. A deferred loss on debt refunding results from the difference in the carrying value of refunded debt and its reacquisition price. The amount is reported in the statement of net position and is deferred and amortized over the shorter of the life of the refunded (old) or refunding (new) debt.

Deferred inflows of resources represent an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until then. The District has no items that qualify for reporting in this category.

Bond Discounts and Issuance Costs

Bond discounts are deferred and amortized over the life of the bonds using a method which approximates the effective interest method. Bonds payable are reported net of the applicable bond discount. Debt issuance costs are recognized as an expense in the year in which the costs were incurred.

Compensated Absences

District employees accumulate vacation hours for subsequent use or payment upon termination, death or retirement. The employees accumulate up to 25 days of vacation per year. All accumulated vacation is recorded as an expense and a liability in the Water Enterprise Fund at the time the liability is accrued. Total unused vacation will be paid to the employee during January of the following year.

District employees accumulate sick leave hours for subsequent use or payment upon death or retirement. Sick leave is recorded as an expense and a liability in the Water Enterprise Fund to the extent it is earned during the year.

Employees hired prior to October 1, 2011, accumulate 12 days of sick leave per year to a maximum of 1,920 hours and one-third of unused accumulated sick leave will be paid upon death or retirement.

PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Compensated Absences (Continued)

Employees hired after October 1, 2011, may accumulate sick leave up to a maximum of 70 hours per year. At the beginning of each new fiscal year, employee's sick leave account balances are credited with the hours necessary to restore the accounts to the maximum of 70 hours. Unused sick leave will be paid upon death or retirement.

Property Taxes

The County of Monterey is responsible for the assessment, collection and apportionment of property taxes for all taxing jurisdictions, including the District. Secured property taxes for each year ended June 30 are payable in equal installments, November 1 and February 1 and become delinquent on December 10 and April 10, respectively. The lien date is January 1 of each year. Property taxes are accounted for as collected and remitted by the County in the governmental funds. Property taxes on the unsecured roll are due on the January 1 lien date and become delinquent if unpaid by August 31.

Income Taxes

The District is a California local government unit which is exempt from both federal and state income taxes.

Net Position

Net position represents the difference between the District's assets and liabilities. Net position is classified in the following three components:

Invested in capital assets, net of related debt – This component of net position, net of accumulated depreciation and reduced by the outstanding balances of any bonds, or other borrowings that are attributable to the acquisition of those assets.

Restricted – This component of net position consists of constraints imposed by creditors (debt covenants on bonds), grantors, contributors or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted – This component of net position consists of assets that do not meet the definition of "restricted" or "investment in capital assets, net of related debt".

PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2020

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)**Operating Revenues and Expenses**

Operating revenues and expenses consist of those revenues that result from the ongoing principal operations of the District. Operating revenues consist primarily of charges for services in the form of assessments or water sales. Non-operating revenues and expenses consist of those revenues and expenses that are related to financing and investing type of activities and result from non-exchange transactions or ancillary activities. When an expense is incurred for purposes for which there are both restricted and unrestricted assets available, it is the District's policy to apply those expenses to restricted assets to the extent such are available and then to unrestricted assets.

General and Administrative Expense Allocation

General and administrative expenses are charged to each of the enterprises based upon estimated cost allocations derived from time studies approved by the Board.

Subsequent Events

Subsequent events were evaluated through **January xx, 2021**, the date the financial statements were available to be issued.

PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2020

2. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH

	<u>Water Enterprise</u>	<u>Street Maintenance Enterprise</u>	<u>Lighting Enterprise</u>	<u>Parks Enterprise</u>	<u>Total</u>
Cash and cash equivalents	\$ 1,192,901	\$ (31,564)	\$ (12,449)	\$ 152,642	\$ 1,301,530
Restricted cash, current	-	297,359	-	-	297,359
Restricted cash, non-current (bond fund)	<u>306,459</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>306,459</u>
	<u>\$ 1,499,360</u>	<u>\$ 265,795</u>	<u>\$ (12,449)</u>	<u>\$ 152,642</u>	<u>\$ 1,905,348</u>

Cash and cash equivalent and restricted cash as of June 30, 2020, consisted of the following:

	<u>Amount</u>
Cash on hand	\$ 400
Cash in the bank - checking	1,423,416
Cash in County Treasury	175,073
Cash held in trust account	<u>306,459</u>
Total cash and cash equivalents	<u>\$ 1,905,348</u>

Investments Authorized by the California Government Code and the District's Investment Policy

The California Government Code authorizes investments in U.S. Treasury obligations, U.S. District securities, municipal securities, negotiable certificates of deposits, commercial paper, bankers' acceptances, medium-term corporate bonds ("A" or better), asset-backed securities, repurchase agreements, money market funds and local government investment pools. The District currently invests its funds in the local government investment pool administered by Monterey County. As of June 30, 2020, the investment policy and the investments of the Monterey County pool are in compliance with the California Government Code.

PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2020

2. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH (Continued)

Disclosure Relating to Interest Rate Risk

Interest rate risk is the risk of changes in market interest rates adversely affecting the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. As of June 30, 2020, the weighted average maturity of the Monterey County investment portfolio is 307 days.

Disclosure Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The Monterey County investment pool does not have a rating provided by a nationally recognized statistical rating organization. Approximately 84.7% of the investment portfolio is comprised of U.S. Treasuries, Federal District securities, Negotiable CDs and other liquid funds.

All of those assets have an investment grade rating. U.S. Treasuries are not specifically rated, but are considered the safest of all investments. The corporate debt (14.3%) is rated in the higher levels of investment grade. All Federal securities have AA ratings or are guaranteed by the U.S. Treasury.

Concentration of Credit Risk

The Monterey County or the District investment policy contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. The Monterey County pool does not include any investments by any one issuer (other than the State of California Local District Investment Fund and the California Asset Management Program – external governmental investment pools) that represents 10% or more of total investments.

PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2020

2. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH (Continued)

Custodial Credit Risk

Custodial Credit Risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code does not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits. The provisions require a financial institution to secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository. Regulated pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure districts' deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

The District also maintains checking accounts with a financial institution and uses these accounts as operating accounts for the District. As of June 30, 2020, the District has \$1,087,980 on deposit with one bank. The District also has on deposit \$306,549 in restricted cash held in trust by another financial institution. The deposits are insured by the Federal Deposit Insurance Corporation (FDIC) up to the amount of \$250,000 and the State regulation stipulated above fully insures all deposits as of June 30, 2020.

3. RECEIVABLES

Receivables consisted of the following at June 30, 2020:

	<u>Water Enterprise</u>	<u>Street Maintenance Enterprise</u>	<u>Lighting Enterprise</u>	<u>Parks Enterprise</u>	<u>Total</u>
Service charge receivables	\$ 253,897	\$ 688	\$ -	\$ -	\$ 254,585
Uncollectible allowance	(9,135)	-	-	-	(9,135)
Assessment receivables	-	2,903	1,907	-	4,810
Other receivables	<u>257</u>	<u>-</u>	<u>860</u>	<u>-</u>	<u>1,117</u>
	<u>\$ 245,019</u>	<u>\$ 3,591</u>	<u>\$ 2,767</u>	<u>\$ -</u>	<u>\$ 251,377</u>

PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2020

4. BOND REPAYMENT ASSESSMENT RECEIVABLES

Bond repayment assessment receivables consisted of the following at June 30, 2020:

Water bond receivables	\$ 207,352
Vega bond receivables	<u>3,636,802</u>
	3,844,154
Less current portion	<u>(166,914)</u>
Bond repayment assessment receivables, net of current portion	<u>\$ 3,677,240</u>

5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2020, consisted of the following:

	<u>July 1, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2020</u>
<u>Capital Assets</u>				
<u>Not Depreciated:</u>				
Land	\$ 1,585,739	\$ 60,714	\$ -	\$ 1,646,453
Construction in process	<u>635,008</u>	<u>1,639,179</u>	<u>(85,144)</u>	<u>2,189,043</u>
	<u>2,220,747</u>	<u>1,699,893</u>	<u>(85,144)</u>	<u>3,835,496</u>
<u>Capital Assets Being</u>				
<u>Depreciated:</u>				
Utility plant	2,347,998	58,275	-	2,406,273
Buildings and improvements	505,245	15,431	-	520,676
Machinery and equipment	772,255	96,833	(42,734)	826,354
Vega plant improvements	4,590,074	29,928	-	4,620,002
Normco tank	296,975	-	-	296,975
Langley/VP	240,497	-	-	240,497
Vierra Estate	175,238	-	-	175,238
Moss Landing Water	297,669	4,124	-	301,793
Pajaro Park buildings and improvements	<u>5,513,510</u>	<u>-</u>	<u>-</u>	<u>5,513,510</u>
	<u>14,739,461</u>	<u>204,591</u>	<u>(42,734)</u>	<u>14,901,318</u>
Total Capital Assets	16,960,208	1,904,484	(127,878)	18,736,814
Less accumulated depreciation	<u>(6,276,280)</u>	<u>(645,920)</u>	<u>42,734</u>	<u>(6,879,466)</u>
	<u>\$ 10,683,928</u>	<u>\$ 1,258,564</u>	<u>\$ (85,144)</u>	<u>\$ 11,857,348</u>

PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2020

6. LINE OF CREDIT

In March 2019, the District entered into a collateralized line of credit agreement with Santa Cruz County Bank to assist with the working capital requirements for the Pajaro Tank Project. The maximum amount available for borrowing is \$2,316,125 and the interest rate of Wall Street Journal Prime Rate plus 1.00% totaled 4.25% as of June 30, 2020. The maturity date of the agreement is March 28, 2021. The line of credit balance was \$1,252,147 as of June 30, 2020.

7. LONG-TERM DEBT**2015 Water Revenue Refunding Bonds**

In June 2015, the District issued \$2,275,000 in Water Revenue Refunding Bonds to provide resources to purchase U.S. Government Securities that were placed in escrow for the purpose of generating resources for full payment of the 2010 Certificates of Participation. As a result, the 2010 Certificates of Participation were considered to be defeased, and the liability was removed from the statement of net position in 2015.

The Water Revenue Refunding Bonds mature in installments ranging from \$60,000 to \$140,000 from May 1, 2016 through May 1, 2040, and bear interest at rates from 2.00% to 4.40%, payable annually on May 1 each year.

The Bonds are subject to optional prepayment prior to their respective stated maturities, as a whole or in part in order of maturity, on or after May 1, 2023. The amount of such optional prepayments is equal to the principal, accrued interest to the date of prepayment plus a prepayment premium, if applicable. The premium is computed on the principal prepaid at a rate of 2% for May 1, 2023 through November 1, 2023, and 1% for prepayment dates May 1, 2024 through November 1, 2024. There are no premiums applicable to prepayments made on or after May 1, 2025.

The Bonds maturing on May 1, 2040, are subject to mandatory prepayments ranging from \$115,000 to \$140,000 beginning May 1, 2036 through May 1, 2040.

PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2020

7. LONG-TERM DEBT (Continued)

2015 Water Revenue Refunding Bonds (Continued)

A Reserve Fund, equal to the lesser of 10% of the proceeds of the Bonds, the maximum annual debt service, or 125% of the average annual debt service on the Certificates, is required. The balance in the Reserve Fund at June 30, 2020, was \$147,857 and is included in restricted cash in the statement of net position.

The District is obligated to make installment payments solely from the "Net Revenues" defined as the gross revenues during each fiscal year, less the maintenance and operation costs during each fiscal year.

Special Assessment Vega Water Bond

The District has an outstanding special assessment bond which was issued for the primary purpose of enabling the District to acquire and construct certain water storage and distribution improvements and appurtenances. The special assessment bond was issued under, and is subject to, the provisions of the Improvement Bond Act of 1915 and are collateralized by liens against properties within the District and repaid from assessments levied against the subject properties. The District is liable for delinquent unpaid assessments in excess of the amounts recoverable upon sale or redemption of the subject properties.

At June 30, 2020, unpaid assessments receivable amounted to \$3,636,802 of which \$135,000 is current and \$3,501,802 is non-current. The assessments are billed to consumers through property tax rolls by the County of Monterey.

The Vega Special Assessment Bond was originally issued at \$4,715,000 with installment payments ranging from \$10,000 to \$420,000 paid serially from September 2, 2009 through September 2, 2038, and bear interest at rates 4% to 5%, payable semiannually on March 2 and September 2 of each year.

During fiscal year 2016, the District paid in full the outstanding payable balance of the 2007 Vega Special Assessment Bond via debt refunding. Refer to the section below for more details.

PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2020

7. LONG-TERM DEBT (Continued)

2015 Vega Mutual Water Refunding District Bonds

In July 2015, the District issued \$4,135,000 in Vega Mutual Water Refunding Bonds to provide resources to purchase U.S. Government Securities that were placed in escrow for the purpose of generating resources for full payment of the original Vega Mutual Water Assessment District, Series 2007 Bonds.

The outstanding principal of the defeased bonds is \$4,204,800 at June 30, 2016. The reacquisition price exceeded the net carrying amount of the old debt by \$110,020. This amount is presented as deferred outflow of resources and is amortized over the life of the refunded debt, which is the same as the original debt. This advance refunding was undertaken to reduce total debt service payments over the next twenty-two years by approximately \$770,000 and resulted in an economic gain (difference between the present values of debt service payments on the old and new debt) of approximately \$550,000.

The Bonds are collateralized by liens against properties within the District and repaid from assessments levied against the subject properties. The District is liable for delinquent unpaid assessments in excess of the amounts recoverable upon sale or redemption of the subject properties.

The Bonds mature in installments ranging from \$80,000 to \$275,000 from September 2, 2016 through September 2, 2037, and bear interest at rates from 3.50% to 4.25%, payable semiannually on March 2 and September 2 of each year.

The Bonds are subject to optional redemption prior to their respective stated maturities, as a whole or in part in order of maturity, on or after March 2, 2016.

The redemption price is equal to the principal, accrued interest to the date of prepayment plus a prepayment premium, if applicable. The premium is computed on the principal prepaid at a rate of 3% for March 2, 2026 through September 2, 2025. There are no premiums applicable to redemptions made on or after March 2, 2026.

PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2020

7. LONG-TERM DEBT (Continued)

Special Assessment Water Improvement Bond

The District has an outstanding special assessment bond which was issued for the purpose of enabling the District to acquire and make improvements to certain water treatment systems. The special assessment bond was issued under, and is subject to, the provisions of the Improvement Bond Act of 1915 and are collateralized by liens against properties within the District and repaid from assessments levied against the subject properties. The District is liable for delinquent unpaid assessments in excess of the amounts recoverable upon sale or redemption of the subject properties.

The Improvement Special Assessment Bond was originally issued at \$692,700 with installment payments ranging from \$1,000 to \$43,000 paid serially from September 2, 1987 through September 2, 2025, and bear interest at 6.375%, payable semiannually on March 2 and September 2 of each year.

At June 30, 2020, unpaid assessments receivable amounted to \$207,352 of which \$31,914 is current and \$175,438 is non-current. The assessments are billed to consumers through property tax rolls by the County of Monterey.

Reorganization Loan

The District obtained a loan in 2007 with an original principal amount of \$520,000 for the purpose of refinancing an existing loan with a financial institution and the construction of various District improvements. The loan constituted a first lien on all District net revenues. The principal payments range from \$20,000 to \$40,000 paid from September 14, 2007 through May 14, 2026, with an interest rate of 5.25%, paid semiannually on September 14 and May 14 of each year.

Vehicle Loan

The District obtained a \$33,500 loan from a financial institution on December 2, 2014, for the purchase of a District vehicle. The loan matured on December 16, 2019, and required monthly payments of \$609. The District obtained \$63,024 in loans from a financial institution on March 13, 2020, for the purchase of two District vehicles. These loans mature on September 11, 2025, and require total monthly payments of \$1,189.

PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2020

7. LONG-TERM DEBT (Continued)

Changes in long-term debt amounts for 2020 were as follows:

	<u>Balance 2019</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 2020</u>	<u>Due Within One Year</u>
<u>Long-term debt:</u>					
2015 Water Revenue Refunding Bonds	\$ 2,010,000	\$ -	\$ (65,000)	\$ 1,945,000	\$ 70,000
2015 Vega Refunding Bonds	3,762,900	-	(125,000)	3,637,900	135,000
Water Improvement Bond	253,000	-	(29,000)	224,000	31,000
Reorganization loan	275,000	-	(30,000)	245,000	30,000
Vehicle loan	3,608	63,024	(8,088)	58,544	10,281
Unamortized discount	<u>(45,901)</u>	<u>-</u>	<u>2,291</u>	<u>(43,610)</u>	<u>-</u>
Total long-term debt	6,258,607	<u>\$ 63,024</u>	<u>\$ (254,797)</u>	6,066,834	<u>\$ 276,281</u>
Less current portion	<u>(252,608)</u>			<u>(276,281)</u>	
Total long-term debt, net of current portion	<u>\$ 6,005,999</u>			<u>\$ 5,790,553</u>	

Future debt service requirements for the years ending June 30 are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Current	\$ 276,281	\$ 251,480	\$ 527,761
2022	291,134	240,118	531,252
2023	303,755	227,691	531,446
2024-2027	1,311,374	772,298	2,083,672
2028-2032	1,490,000	691,833	2,181,833
2033-2037	1,820,000	360,197	2,180,197
Thereafter	<u>574,290</u>	<u>42,136</u>	<u>616,426</u>
	<u>\$ 6,066,834</u>	<u>\$ 2,585,753</u>	<u>\$ 8,652,587</u>

PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2020

8. RESTRICTED NET POSITION

Restricted assets consisted of the following at June 30, 2020:

	<u>Amount</u>
Water bond fund	\$ 306,459
Street maintenance reserve fund	<u>208,221</u>
	<u>\$ 514,680</u>

The District has established a water trust account at a financial institution to hold and separate proceeds received from the Vega Water Mutual Refunding Bond and Water Revenue Refunding Bonds. The funds are held in trust until at which time expenditures occur for the designated projects and payments are remitted. In addition, reserve trust accounts are maintained at a financial institution to hold funds for future debt service as in accordance with the bond agreement.

The District, through county tax rolls, assesses specific home associations for street maintenance and repairs. Included in the assessments are funds for future large street projects. The accumulation of these fees, although not actually segregated from other District assets, are legally segregated by accounting purposes and restricted for their intended use by enabling state legislation and District ordinances.

PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT**NOTES TO BASIC FINANCIAL STATEMENTS****JUNE 30, 2020****9. POOLED ARRANGEMENTS**

The District is a member of the Association of California Water Agencies Joint Powers Insurance Authority (Authority).

The Authority is a risk-pooling, self insurance authority, created under provisions of California Government Code Sections 6500 et seq. The purpose of the Authority is to arrange and administer programs of insurance for the pooling of self-insured losses and to purchase excess insurance coverage. The Authority provides coverage to the District for property losses, auto and general liability, worker's compensation, public official's liability, and underground tank storage losses. Members of the Authority share the costs of professional risk management, claims administration and excess insurance. The District establishes an amount which represents the District's deductible per occurrence and the Authority provides self-insured coverage up to established pool limits for the various type of insurance coverage. Settlements have not exceeded insurance coverage in each of the past three years.

Coverage limits are \$2 million per occurrence for general liability, automotive and public official's liability; replacement cost for property, subject to varying deductibles; \$100,000 for crime coverage; and statutory limits for worker's compensation.

10. RETIREMENT PLAN

The District's current defined contribution plan administered by the Public District Retirement Services (PARS) provides retirement benefits to all full-time employees employed on or after January 1, 2010. The District is required to contribute an amount equal to fifteen percent (15%) of the permanent full-time employees' gross salaries. The contribution to the Plan was \$104,427 for the year ended June 30, 2020. Employees become 100% vested in the Plan upon completion of five years of service. If the age and years of service requirements are not met at termination of employment, the employee is entitled to one-half of all their accrued contributions. Any employee forfeitures are either returned to the District and used to offset future contributions or reallocated pro-rata among the remaining employees. The fair market value (and carrying value) of the Plan is determined by the current value of the Plan's investment portfolio in the open market.

11. CONCENTRATION OF CREDIT RISK

The Pajaro/Sunny Mesa Community Services District serves the residents of specific geographic areas of North Monterey County and extends credit to substantially all of its customers and does not require security deposits for all of its customers.

PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2020

12. COMMITMENTS AND CONTINGENCIES

The District is subject to various claims and legal actions relating to a range of matters that are incidental to the conduct of its operations. In management's opinion, the outcome of any such litigation will not materially affect the District's financial condition, and management intends to vigorously pursue their positions in these matters.

North County Water System Improvement Projects

On May 27, 2010, Certificates of Participation were executed for the purpose of improving systems in the area that have quantity and quality water issues. The project will include the construction of the water system to serve potable water and fire suppression flows to areas within the District which are presently out of compliance with county and state environmental health standards due to very high levels of arsenic and nitrate contaminations. As a result of the 2015 Water Revenue bond refunding, these Certificates of Participation were considered to be defeased in the year ended June 30, 2015. Refer to Note 7 for additional information.

13. PAJARO NEIGHBORHOOD PARK - DONATED CAPITAL ASSETS

On February 11, 2014, the District was given title to the property and improvements of the newly constructed Pajaro Neighborhood Park (Park). Funding for the construction of the Park was provided by a grant from the State Department of Parks and Recreation (Proposition 84) and the Redevelopment District of Monterey County. The total transfer project value was approximately \$6.3 million. As part of the property transfer agreement, the District is now responsible for the cost to operate and maintain the Park for a period of twenty years.

14. GRANTS

The District has received financial assistance from various federal and state agencies in the form of grants. These programs are subject to audit by agents of the granting authority. Management does not believe that liabilities for reimbursements, if any, will have a materially adverse effect upon the financial condition of the District.

PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2020

14. GRANTS (Continued)

Grants from State Water Resources Control Board

On June 6, 2017, the District became eligible for funding of cleanup and abatement activities via a grant received from the State Water Board. The maximum amount payable under this agreement shall not exceed \$153,218, of which \$79,164 is budgeted for prior years with bottled distribution records to be completed by June 30, 2017. The additional funding of \$74,054 was given to continue the bottled water distribution. Under the grant agreement, the District may obtain funding for reasonable and necessary costs of clean up and abatement activities, including providing interim replacement drinking water to disadvantaged communities, incurred on or after September 5, 2014, with bottled distribution records to be completed by December 31, 2019. The District's funding for the same project for prior period (2013-2016) was amended and increased by \$50,000, with the final claim and disbursement date moved to May 1, 2019.

On October 1, 2019, the District received a grant from the California Water Boards for the purpose of purchasing and delivering bottled drinking water for three distinct project areas within Monterey County. The total grant of \$532,565 funds work completed by September 30, 2022, to provide five-gallon water bottles, totaling approximately 65 gallons to bottled drinking water to approximately 218 people.

In September 2016, the District entered into a grant agreement with the State Water Resources Control Board for the purpose of assisting in financing the cost of studies, planning and other preliminary activities associated with the construction of a new well, which will enable the District to meet safe drinking water standards. The State will provide grant funding to the District in an amount equal to \$500,000. In accordance with the agreement, the District is required to complete the project and submit a final planning report to the State Water Resources Control Board no later than February 15, 2020. The District had six months from completion to submit all invoices related to the project, and the project was closed on July 15, 2020.

PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2020

14. **GRANTS** (Continued)

Grant from California Department of Water Resources

On September 14, 2014, the District entered into a grant agreement with the San Benito County Water District for the construction of a new 600,000-gallon tank. The new tank will be constructed in the undeveloped area adjacent to the site of the existing water storage tank. The total cost of the project is estimated to be \$1.7 million. The funds for this project will be provided by the California Department of Water Resources. As of June 30, 2020, the project is still in progress.

15. **WATER RATE INCREASES**

In November 2015, the Board of Directors of the District approved water rate increases, which became effective on January 1, 2016, and in effect for five fiscal years.

The approved increases are as follows for the years ending June 30:

2016: 15%

2017: 8%

2018: 5%

2019: 5%

2020: 5%

REQUIRED SUPPLEMENTARY INFORMATION

PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT

STATEMENT OF REVENUES AND EXPENSES,
BUDGET AND ACTUAL - WATER ENTERPRISE

FOR THE YEAR ENDED JUNE 30, 2020

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
OPERATING REVENUES				
User service charges	\$ 2,028,700	\$ 2,028,700	\$ 1,972,885	\$ (55,815)
Reimbursements	27,500	27,500	1,633,047	1,605,547
Connection fees	15,800	15,800	38,550	22,750
Miscellaneous	1,950	1,950	2,806	856
TOTAL OPERATING REVENUES	2,073,950	2,073,950	3,647,288	1,573,338
OPERATING EXPENSES				
Salaries and employee benefits	1,002,800	1,002,800	966,197	36,603
Water system repairs and maintenance	275,000	275,000	293,035	(18,035)
Utilities - well site	168,000	168,000	137,591	30,409
Legal expenses	140,000	65,000	61,714	3,286
Other expenses	49,500	49,500	4,289	45,211
Accounting and bookkeeping	37,000	37,000	33,557	3,443
Office expenses	32,900	32,900	35,961	(3,061)
Soil and water tests	34,000	34,000	28,475	5,525
Casualty insurance	31,000	31,000	28,401	2,599
Fuel	25,500	25,500	36,405	(10,905)
Licenses and permits	25,000	25,000	29,614	(4,614)
Membership fees and dues	19,000	19,000	18,860	140
Telephone	17,000	17,000	16,952	48
Postage	8,500	8,500	8,000	500
Utilities - office	4,000	4,000	3,070	930
Bond administrative costs	3,500	3,500	11,471	(7,971)
Engineering expense	1,000	1,000	2,734	(1,734)
TOTAL OPERATING EXPENSES	1,873,700	1,798,700	1,716,326	82,374
OPERATING INCOME	200,250	275,250	1,930,962	1,655,712
NON-OPERATING REVENUES (EXPENSES)				
Assessments	312,750	312,750	176,341	(136,409)
Grant revenue	-	-	105,615	105,615
Income from investment	5,700	5,700	8,741	3,041
Other income	1,500	1,500	17,767	16,267
Bond principal payments and interest expense	(514,050)	(514,050)	(548,010)	(33,960)
Other non-operating expenses	-	-	-	-
Grant reimbursement expenses	-	-	(123,147)	(123,147)
NON-OPERATING REVENUES (EXPENSES) - NET	(194,100)	(194,100)	(362,693)	(168,593)
INCREASE IN NET POSITION - BUDGETARY BASIS	\$ 6,150	\$ 81,150	1,568,269	\$ 1,487,119
DIFFERENCES BETWEEN BUDGETARY AND GAAP EXPENDITURES:				
Depreciation and amortization expense			(419,225)	
Debt principal payments			254,797	
TOTAL CHANGE IN NET POSITION REPORTED ON THE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION			\$ 1,403,841	

The accompanying notes are an integral part of this supplementary information.

PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT

STATEMENT OF REVENUES AND EXPENSES,
BUDGET AND ACTUAL - STREET MAINTENANCE ENTERPRISE

FOR THE YEAR ENDED JUNE 30, 2020

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
OPERATING REVENUES			
Street maintenance reimbursements	\$ 63,800	\$ 64,158	\$ 358
TOTAL OPERATING REVENUES	<u>63,800</u>	<u>64,158</u>	<u>358</u>
OPERATING EXPENSES			
Salaries and employee benefits	31,150	22,281	8,869
General, administrative and operating expenses	<u>32,650</u>	<u>67,490</u>	<u>(34,840)</u>
TOTAL OPERATING EXPENSES	<u>63,800</u>	<u>89,771</u>	<u>(25,971)</u>
OPERATING INCOME	<u>-</u>	<u>(25,613)</u>	<u>(25,613)</u>
DECREASE IN NET POSITION - BUDGETARY BASIS	<u>\$ -</u>	<u>(25,613)</u>	<u>\$ (25,613)</u>
DIFFERENCES BETWEEN BUDGETARY AND GAAP EXPENDITURES:		<u>-</u>	
TOTAL DECREASE IN NET POSITION REPORTED ON THE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION		<u>\$ (25,613)</u>	

The accompanying notes are an integral part of this supplementary information.

PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT

STATEMENT OF REVENUES AND EXPENSES,
BUDGET AND ACTUAL - LIGHTING ENTERPRISE

FOR THE YEAR ENDED JUNE 30, 2020

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
OPERATING REVENUES			
Street lights service charges	\$ 41,100	\$ 40,877	\$ (223)
TOTAL OPERATING REVENUES	<u>41,100</u>	<u>40,877</u>	<u>(223)</u>
OPERATING EXPENSES			
Salaries and employee benefits	12,000	8,102	3,898
General, administrative and operating expenses	<u>29,100</u>	<u>27,380</u>	<u>1,720</u>
TOTAL OPERATING EXPENSES	<u>41,100</u>	<u>35,482</u>	<u>5,618</u>
OPERATING INCOME	<u>-</u>	<u>5,395</u>	<u>5,395</u>
INCREASE IN NET POSITION - BUDGETARY BASIS	<u>\$ -</u>	<u>5,395</u>	<u>\$ 5,395</u>
DIFFERENCES BETWEEN BUDGETARY AND GAAP EXPENDITURES:		<u>-</u>	
TOTAL INCREASE IN NET POSITION REPORTED ON THE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION		<u>\$ 5,395</u>	

The accompanying notes are an integral part of this supplementary information.

PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT

STATEMENT OF REVENUES AND EXPENSES,
BUDGET AND ACTUAL - PARKS ENTERPRISE

FOR THE YEAR ENDED JUNE 30, 2020

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
OPERATING REVENUES			
Pajaro Park revenue	\$ -	\$ 27,700	\$ 27,700
TOTAL OPERATING REVENUES	<u>-</u>	<u>27,700</u>	<u>27,700</u>
OPERATING EXPENSES			
Salaries and employee benefits	49,250	29,069	20,181
General, administrative and operating expenses	22,600	33,292	(10,692)
TOTAL OPERATING EXPENSES	<u>71,850</u>	<u>62,361</u>	<u>9,489</u>
OPERATING LOSS	<u>(71,850)</u>	<u>(34,661)</u>	<u>37,189</u>
NON-OPERATING REVENUES (EXPENSES)			
Property tax	20,000	23,518	3,518
Other income (expense)	-	-	-
NON-OPERATING REVENUES (EXPENSES)	<u>20,000</u>	<u>23,518</u>	<u>3,518</u>
INCREASE (DECREASE) IN NET POSITION - BUDGETARY BASIS	<u>\$ (51,850)</u>	<u>(11,143)</u>	<u>\$ 40,707</u>
DIFFERENCES BETWEEN BUDGETARY AND GAAP EXPENDITURES:			
Depreciation and amortization expense		<u>(237,315)</u>	
TOTAL DECREASE IN NET POSITION REPORTED ON THE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION		<u>\$ (248,458)</u>	

The accompanying notes are an integral part of this supplementary information.

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

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

To the Board of Directors
Pajaro/Sunny Mesa Community Services District
Royal Oaks, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audit contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Pajaro/Sunny Mesa Community Services District (District), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated January 27, 2020.

Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

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

Purpose of this Report

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

Salinas, California
January xx, 2021

DISTRICT OPERATIONS REPORT

November 19, 2020

TOPIC	STATUS	DATE OF PLANNED RESPONSE
Arrowhead Tank Replacement Project	Bid docs prepared by Wyeast Engineering. Documents 100% complete. Project is ready to go out for bid, will need updating. 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 is 100 percent complete and online. • Springfield Planning Grant – Environmental and Technical packages are being finalized. 	<p>November 2020</p> <p>November 2020</p>
Pajaro Park	<p>Pajaro Park remains closed.</p> <p>Per meeting with Monterey County Director of Health, Pajaro Park is to remain closed.</p> <p>Tot Lot has been reopened, following safe reopening guidance provided by California Department of Public Health. Safety guidelines are posted at both entrance to park.</p>	November 2020
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 is working with United States Department of Agriculture (USDA) in completing the application. Grant application submitted to CalOES for the purchase of 3 generators, Well #1, District Office, and replacement for Well #2 for Pajaro Water System, requesting a total of \$299,689.	November 2020
Hazard Mitigation Plan	<p>Generate a Disaster Mitigation Plan for submission to Monterey County and FEMA.</p> <ul style="list-style-type: none"> • Pre-Disaster Hazard Mitigation Plan Application for assistance has been submitted to Cal OES. 	On Agenda
Water Rate Study	Public Hearing Date is set for February 25 th , 2021 at 5:30 pm. Notification to go out on January 6 th , 2021.	On Agenda
Multi Community Bottled Water Project	Springfield Water System, Moss Landing Mobile Home Park, Springfield/Bluff/Jensen/Giberson Roads. Three more sign-ups, totaling 194 homes currently receiving bottled water.	November 2020

Usage Comparison in Gallons 2019-2020

Water Systems	Oct-17	Oct-18	Oct-19	Oct-20
Pajaro	7,361,816	8,069,424	7,147,888	6,957,896
Normco	3,324,860	3,116,916	2,894,012	2,830,432
Sunny Mesa	2,157,232	2,704,020	2,835,668	2,971,056
Moss Landing	2,506,548	2,210,340	2,003,144	2,078,692
Vega	1,453,364	1,208,020	1,365,100	1,568,556
Vierra Estates	367,268	409,156	378,488	320,892
Springfield (pumped)	734,536	587,180	455,158	699,455
Langley/Valle Pacifico	290,224	270,028	326,876	234,872
Blackie	244,596	200,464	207,196	233,376
District Total	18,440,444	18,775,548	17,613,530	17,895,227

Water Systems	Oct-19	Oct-20	Percentage
Pajaro	7,147,888	6,957,896	↓ -2.7%
Normco	2,894,012	2,830,432	↓ -2.2%
Sunny Mesa	2,835,668	2,971,056	↑ 4.8%
Moss Landing	2,003,144	2,078,692	↑ 3.8%
Vega	1,365,100	1,568,556	↑ 14.9%
Vierra Estates	378,488	320,892	↓ -15.2%
Springfield (pumped)	455,158	699,455	↑ 53.7%
Langley/Valle Pacifico	326,876	234,872	↓ -28.1%
Blackie	207,196	233,376	↑ 12.6%
District Total	17,613,530	17,895,227	↑ 1.6%