

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

AGENDA

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

NOVEMBER 18, 2021
5:00 P.M.

*** Face covering required for all entering District Office ***

To reduce the spread of COVID-19, **members of the public** may join the meeting from their computers via Zoom Meeting by entering the following link: <https://us06web.zoom.us/j/93708363904?pwd=T1VtL2dHaTRMT2hiSWb3ZhdEh3QT09> or by calling **1 (669) 900-9128** and when prompted, enter meeting ID: **937 0836 3904#** and passcode **179080#**. You may also submit written comments in writing either at District Offices in person or by email by 2:00 pm on November 18, 2021.

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.

Documents provided to the District after the agenda has been published will be available at the District office and available for photocopying during ordinary business hours as Public Records at the cost set by resolution by the Board from time to time. This is ordinarily \$.25 per page. Documents provided to the Board for agenda items will ordinarily be placed on the District website if time permits. Otherwise, late documents will be provided to the Board at the meeting and a copy placed with the agendas available to the Public at Board meetings.

AMERICANS WITH DISABILITIES ACT: In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Pajaro Sunny Mesa Community Services District at (831) 722-1389 before the meeting to allow the District to make reasonable accomodations.

1. PLEDGE OF ALLEGIANCE

2. CALL TO ORDER AND ROLL CALL

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

<u>ADMINISTRATIVE STAFF:</u>	General Manager Don Rosa _____
	Bookkeeper Amy Saldate _____
	Recorder Judy Vazquez-Varela _____
<u>DISTRICT COUNSEL:</u>	Attorney Alan Smith _____

3. SCHEDULED ITEM: RECOGNITION AND PRESENTATION FOR OUTGOING DIRECTORS

4. ADDITIONS TO AGENDA [SUBDIVISION (b), GOVERNMENT CODE § 54954.2]

The Board may act on items of business not appearing on the posted agenda if (1) three members determine that an emergency (as defined in Section 54956.5 exists), (2) two-thirds vote of the members present, or, if less than two-thirds of the members are present, a unanimous vote of those members present, determine that there is a need to take immediate action and that the need for action came to the attention of the District after the agenda was being or (3) the item was posted for a prior Board meeting not more than five calendar days before the date action is taken, and at the prior meeting the item was continued to the meeting at which action is taken. Before discussing any item pursuant to this subdivision, the Board will publicly identify the item.

5. COMMENTS FROM PUBLIC OR MEMBERS OF BOARD ON ITEMS NOT ON AGENDA

Any person may address the Board on any item not on the agenda when recognized by the Board President.

Any Board member may comment on any item not on the agenda.

ACTION ITEMS

Consent Agenda

Any person may comment on any item on the consent agenda.

1. DRAFT MINUTES OF OCTOBER 28, 2021 REGULAR MEETING

Approval of draft minutes for regular meeting on 10/28/2021

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

Roll Call Vote:

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

Old Business:

1. NONE

New Business:

1. PAJARO LIGHTING ASSESSMENT HEARING AT 5:45 PM

- Sample notice
- Info Sheet
- Yearly Cost comparison

- Clarifying and Technical Questions to Staff
- Public Input
- Motion/Second
- Board Deliberation
- Motion to Approve of the lighting assessment continuing thru 2022

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

Roll Call Vote:

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

2. 2020-2021 FINAL DRAFT AUDIT PRESENTATION

- Audit presentation by Jarred Penner of Bianchi, Kasavan & Pope
- Finance committee report
- Copy of Draft Financial Statement

- Clarifying and Technical Questions to Staff
- Public Input
- Motion/Second
- Board Deliberation
- Motion to Accept 2020-2021 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 Sanford Coplin _____
- o (11/23) Vice President Robert Moody _____
- o (11/23) Secretary Darlene Lamboley _____
- o (11/21) Assistant Secretary Michael Moore _____
- o (11/21) Treasurer Harry Wiggins _____

3. REVIEW AND MOTION TO APPROVE DRAFT FINANCIAL REPORTS FOR OCTOBER 2021

- Clarifying and Technical Questions to Staff
- Public Input
- Motion/Second
- Board Deliberation
- Motion to Approve Draft Financial Reports October 2021

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

Roll Call Vote:

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

4. REVIEW AND MOTION TO APPROVE NOVEMBER PAYMENTS (CHECK LISTING)

- 1. General Fund 633: Check # _____ through check # _____ for a total of \$ _____
- 2. Operating Account: Check # _____ through check # _____ for a total of \$ _____
- 3. Reserve Acct: Check # _____ through check # _____ for a total of \$ _____
- 4. Street Maint. Acct: Check # _____ through check # _____ for a total of \$ _____
- 5. Debt Service Acct: Check # _____ through check # _____ for a total of \$ _____
- 6. COP Acct: Check # _____ through check # _____ for a total of \$ _____
- 7. Pajaro Park Acct: Check # _____ through check # _____ for a total of \$ _____

- Clarifying and Technical Questions to Staff
- Public Input
- Motion/Second
- Board Deliberation
- Motion to Approve November payments

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

Roll Call Vote:

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

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. Board Vacancies: Update
 - 2 applications have been forwarded to Supervisor Phillips

2. District Operations Report

3. Usage Comparison Report 2020/2021

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: _____

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

Adjournment Time: _____ p.m.

MINUTES

The regular meeting of the Pajaro/Sunny Mesa Community Services District Board of Directors was called to order at 5:30 pm on October 28, 2021.

ROLL CALL: Vice President Robert Moody
Secretary Darlene Lambolely
Assistant Secretary Michael Moore
Treasurer Harry Wiggins

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

ABSENT DIRECTOR(S) & STAFF: President Sanford Coplin

DISTRICT COUNSEL: Attorney Alan Smith

ADDITION(S) TO AGENDA: None

PUBLIC IN ATTENDANCE: None

PUBLIC COMMENTS: None

Action Items

1. Consider and approve the Minutes of the September 23, 2021, Regular Board Meeting

Motion was made by Director Moore and seconded by Director Lambolely to approve the Regular Board Meeting Minutes of September 23, 2021. Motion carried.

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

OLD BUSINESS: None

NEW BUSINESS: (Action Items)

1. Review and consider approving the Financial Reports for September 2021

Bookkeeper Saldate presented the financial notes explaining that the District wide income water sales are steady. There was an increase in legal expenses due to two invoices (June and July) received from Grunsky Law Firm in the same month. We also received August and September interest payments increasing the interest expense. The biannual interest payment was made toward the 2015 Vega Water Refunding Bond increasing the Vega Debt Service Interest.

The September cash on hand was \$516,995. The total income was less than total expenses by \$14,755 due to the interest payment made for the Vega Water Bond. Our September cash surpassed August's by \$52,419.

Motion made by Director Wiggins and seconded by Director Lamboley to approve the September 2021 Financials. Motion carried.

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

MONTHLY EXPENDITURES REPORT FOR REVIEW

APPROVAL OF PAYMENTS:

2. Review and consider approving October payments

1. General Fund 633: Total of \$0.00
2. Operating Account: Check No. 24856 through Check No. 24883 for a total of \$184,528.60
3. Reserve Account: Total of \$2,394.55
4. Street Maintenance Account: Check No. 545 for a total of \$2,775.50
5. Pajaro Park Account: Total of \$1,796.12
6. COP 2010 Account: Total of \$0.00
7. Debt Service Reserve Account: Total of \$0.00

Motion was made by Director Moore seconded by Director Lamboley to approve the October 2021 payments. Motion carried.

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

3. Pajaro Park Funding

Director Coplin proposed choosing one of the two drafted letters to the Monterey County Parks Interim Chief of Parks, Bryan Flores. The Board was provided copies of the two versions of the draft letters.

General Manager Rosa, Directors Coplin and Wiggins met approximately 3 weeks ago with Josh Stratton, Supervisor Phillips' Aide and Bryan Flores to discuss the need for operation and maintenance funds for the Pajaro Park. Mr. Flores indicated that the proposed budget had been completed and it was too late to try to add and he did not advise the District to request

funding from the County, but the District could move forward with Proposition 218 process for Park funding.

Directors discussed the benefits of sending the letter and it appeared not to be of any benefit. Director Wiggins suggested holding off on requesting any funds from the County until a new County Supervisor is appointed. Attorney Smith informed the Board of the cost of a Proposition 218 process, it may cost the District \$70,000.

Director Moore moved to wait on sending the letter and continue pursuing grant funding for the purpose of capital improvements to the Pajaro Park, Director Lamboley seconded.

Motion was made by Director Moore and seconded by Director Lamboley to approve sending letter to Bryan Flores at Monterey County. Motion Failed.

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

STAFF/COMMITTEE REPORTS: (Informational Only)

1. 2020-2021 Audit

- Final Audit is expected to be presented to the Board during the November 18, 2021, Special Meeting. Directors Coplin and Wiggins will serve on the Finance Committee revising the Final Audit.

2. Lighting Assessment Hearing on November 18, 2021, at 5:45 pm

- A copy of a sample notice was provided to the Board, the notice was sent out to all parcel owners in the Pajaro Lighting Assessment District.

3. Board of Director's term ending November 30, 2021

- Director Coplin was nominated for another term. Both Directors Moore and Wiggins have notified Supervisor Phillips they will no longer serve on the Board.

4. District Operations Report

Generator Project

- Office Generator has been installed and four (4) Generac generators have been delivered to the District. The Generac's will be installed at Kari Tank, Covenant Booster, Andreas Estates Tank, and Matterhorn Booster sites.

Hazard Mitigation Plan

- Rincon Consultants was chosen for the development of the LHMP, they were notified of election on October 27, 2021. The District Engineer is preparing the Professional Services Contract. Kick-off meeting is scheduled for Monday November 1, 2021.

.71 Acres Surplus Property

- The Board of Supervisors approved the \$5,000 payment to the District from the surplus property sale proceeds. A memorandum was forwarded from the County and Attorney Smith is reviewing.

21-22 Work Plan-Sunny Mesa Well 1 Repair

- Maggiora began repair on September 24, 2021, parts for well pump are expected to arrive the week of October 25, 2021, and repair should be complete.

Director Moore inquired regarding the Sunny Mesa Sewer, he would like to know if there had been an end decision from Bianchi, Kasavan and Pope (BKP) on the method of refunding. Staff will contact BKP for a summary of plan and bring back to Board for approval.

5. Usage Comparison Report 2020/2021

- The water usage is down in most systems except for Moss Landing this month compared to 2020. Overall, the District reached 13 percent reduction in water use.

NEXT BOARD MEETING:

The next Special Board Meeting is to be held on Thursday, November 18, 2021, at 5:30 pm in person.

There being no further business, the Regular Board Meeting of the Pajaro/Sunny Mesa Community Services District was adjourned at 6:30 pm with motion made by Director Moore seconded by Director Lambolely. Motion carried.

Respectfully submitted by:

Sanford Coplin, President

Robert Moody, Vice President

Judith Vazquez-Varela, Recorder

PAJARO/SUNNY MESA

COMMUNITY SERVICES DISTRICT
136 San Juan Road Royal Oaks, CA 95076
(831) 722-1389 • (831) 663-2181 • Fax (831) 722-2137

October 1, 2021

PUBLIC NOTICE

The Pajaro/Sunny Mesa Community Services District hereby gives notice of a public hearing to be held Thursday, November 18th, 2021, at 5:45 p.m. at Pajaro/Sunny Mesa Community Services District office, at 136 San Juan Road, Royal Oaks, to discuss proposed rates for lighting assessments in the Pajaro/Hudson Landing/Struve Road areas.

To reduce the spread of COVID-19, members of the public may join meeting via videoconference by entering the following link:

<https://us06web.zoom.us/j/93708363904?pwd=T1VtL2dHaTRMT2hiSWWhWb3ZhdEh3QT09>

(the link is also found on our website, under join zoom meeting) or by calling **1 (669) 900-9128** and when prompted, enter meeting ID: **937 0836 3904#** and passcode **179080#**. *You may also submit written comments in writing either at District office in person or by email by 2:00 on November 18, 2021.* The Board of Directors shall hear and consider all objections and protests, if any, to said charges and may adopt, revise, change, reduce, or modify any assessment, provided that in no case may the Board increase any assessment over and above the charges stated. All interested persons may appear and object to any said assessment at the above hearing. A majority will cause the assessment to be abandoned as provided by law.

The proposed assessment for each parcel will fund the cost of the Pajaro Lighting District.

The estimated proposed total assessment charges for 2021-2022 Fiscal Year are \$41,096.70

The proposed assessment on your parcel for the 2021-2022 Fiscal Year is \$

NO CHANGE FROM PREVIOUS YEAR

Any inquiries concerning the assessment and any protest against the assessment may be mailed to:

PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT
ATTN: DON ROSA
136 SAN JUAN ROAD
ROYAL OAKS, CA 95076
(831)722-1389 / FAX (831)722-2137
Email: info@pajarosunnymesa.com

Please do not send payment at this time.

This assessment will appear on your 2021-2022 Property Tax Statement.

Thank you

PAJARO LIGHTING ASSESSMENT DISTRICT

- There are 213 lights in the assessment district
- 793 Parcels
 - Residential
 - Commercial
 - Industrial
- No projected P.G. & E. rate increase in 2021-2022
(Increase on L.E.D. October 2015 rate schedule)
- Monterey County provides list of current parcels to District upon request
- PSMCSD sends out information letter with amount of assessment determined by Monterey County EDU schedule, which is included on property tax bill
- All lights converted to L.E.D. in October of 2015

LIGHTING ASSESSMENT YEARLY COST COMPARISON

2021-2022	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016
\$ 29.46	\$ 29.46	\$ 29.46	\$ 31.62	\$ 31.66	\$ 31.18	\$ 34.96
58.92	58.92	58.92	63.24	63.32	62.36	69.62
117.84	117.84	117.84	126.48	126.64	124.73	139.82
147.30	147.30	147.30	158.10	158.30	155.91	174.78
176.76	176.76	176.76	189.72	189.96	187.09	209.74
206.22	206.22	206.22	221.34	221.62	218.27	244.70
235.68	235.68	235.68	252.96	253.28	249.46	279.66
294.60	294.60					

<u>2021-2022</u>		
Assessment	Parcels	Total
\$ 29.46	610	\$ 17,970.60
\$ 58.92	64	\$ 3,770.88
\$ 117.84	22	\$ 2,592.48
\$ 147.30	62	\$ 9,132.60
\$ 176.76	11	\$ 1,944.36
\$ 206.22	1	\$ 206.22
\$ 235.68	22	\$ 5,184.96
\$ 294.60	1	\$ 294.60
	<u>793</u>	<u>\$ 41,096.70</u>

\$29.46 per EDU (Equivalent Dwelling Units)

PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT

LIST OF APPOINTED OFFICIALS

JUNE 30, 2021

CURRENT BOARD OF DIRECTORS

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

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

TABLE OF CONTENTS

JUNE 30, 2021

	<u>Page</u>
INDEPENDENT AUDITORS' REPORT	1
BASIC FINANCIAL STATEMENTS	
Statement of Net Position	4
Statement of Revenues, Expenses and Changes in Net Position	5
Statement of Cash Flows	6
NOTES TO BASIC FINANCIAL STATEMENTS	8
REQUIRED SUPPLEMENTARY INFORMATION	
Statement of Revenues and Expenses, Budget and Actual – Water Enterprise	29
Statement of Revenues and Expenses, Budget and Actual – Street Maintenance Enterprise.....	30
Statement of Revenues and Expenses, Budget and Actual – Lighting Enterprise	31
Statement of Revenues and Expenses, Budget and Actual – Parks Enterprise	32
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 <i>GOVERNMENT AUDITING STANDARDS</i>	34

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, 2021, 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
November xx, 2021

BASIC FINANCIAL STATEMENTS

PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT

STATEMENT OF NET POSITION

JUNE 30, 2021

	Water Enterprise	Street Maintenance Enterprise	Lighting Enterprise	Parks Enterprise	Total
CURRENT ASSETS					
Cash and cash equivalents - Note 2	\$ 815,127	\$ -	\$ -	\$ 139,728	\$ 954,855
Restricted cash - street maintenance - Note 2	-	299,417	-	-	299,417
Receivables, net - Note 3	234,183	5,379	3,400	-	242,962
Grants receivable	367,638	-	-	-	367,638
Bond repayment assessments receivable, current	180,508	-	-	-	180,508
Due from other funds	107,931	24,105	50,531	105,117	287,684
TOTAL CURRENT ASSETS	1,705,387	328,901	53,931	244,845	2,333,064
OTHER ASSETS					
Restricted cash - bond reserve fund - Note 2	305,904	-	-	-	305,904
Bond repayment assessments receivable, net of current portion - Note 4	3,499,306	-	-	-	3,499,306
TOTAL OTHER ASSETS	3,805,210	-	-	-	3,805,210
CAPITAL ASSETS - net - Note 5	6,916,267	-	-	4,846,212	11,762,479
TOTAL ASSETS	12,426,864	328,901	53,931	5,091,057	17,900,753
DEFERRED OUTFLOW OF RESOURCES					
Deferred loss from debt refunding	143,244	-	-	-	143,244
	<u>\$ 12,570,108</u>	<u>\$ 328,901</u>	<u>\$ 53,931</u>	<u>\$ 5,091,057</u>	<u>\$ 18,043,997</u>
CURRENT LIABILITIES					
Cash overdraft - Note 2	\$ -	\$ 23,097	\$ 8,809	\$ -	\$ 31,906
Accounts payable	40,853	80	478	1,340	42,751
Accrued expenses	224,406	-	-	-	224,406
Deposits	80,729	-	-	-	80,729
Line of credit - Note 6	294,118	-	-	-	294,118
Notes payable, current portion - Note 7	56,830	-	-	-	56,830
Revenue refunding bond, current portion - Note 7	70,000	-	-	-	70,000
Special assessment bond, current portion - Note 7	179,000	-	-	-	179,000
Due to other funds	230,483	57,201	-	-	287,684
TOTAL CURRENT LIABILITIES	1,176,419	80,378	9,287	1,340	1,267,424
OTHER LIABILITIES					
Notes payable - net of current portion - Note 7	279,975	-	-	-	279,975
Revenue refunding bond - net of discount and current portion - Note 7	1,775,459	-	-	-	1,775,459
Special assessment refunding bond - net of discount and current portion - Note 7	3,505,121	-	-	-	3,505,121
TOTAL OTHER LIABILITIES	5,560,555	-	-	-	5,560,555
TOTAL LIABILITIES	6,736,974	80,378	9,287	1,340	6,827,979
NET POSITION					
Invested in capital assets - net of related debt	1,355,786	-	-	4,846,212	6,201,998
Restricted - Note 8	305,904	218,707	-	-	524,611
Unrestricted	4,171,444	29,816	44,644	243,505	4,489,409
TOTAL NET POSITION	5,833,134	248,523	44,644	5,089,717	11,216,018
	<u>\$ 12,570,108</u>	<u>\$ 328,901</u>	<u>\$ 53,931</u>	<u>\$ 5,091,057</u>	<u>\$ 18,043,997</u>

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, 2021

	Water Enterprise	Street Maintenance Enterprise	Lighting Enterprise	Parks Enterprise	Total
OPERATING REVENUES					
User service charges	\$ 2,039,899	\$ -	\$ -	\$ -	\$ 2,039,899
Street lights service charges	-	-	41,125	-	41,125
Street maintenance service charges	-	65,366	-	-	65,366
Connection fees	72,013	-	-	-	72,013
Grant revenue	97,050	-	-	-	97,050
Miscellaneous	68	-	-	-	68
Pajaro Park revenue	-	-	-	26,500	26,500
TOTAL OPERATING REVENUES	2,209,030	65,366	41,125	26,500	2,342,021
OPERATING EXPENSES					
Salaries and employee benefits	1,066,738	24,600	8,386	48,107	1,147,831
General, administrative and operating expenses	709,790	28,493	26,465	28,470	793,218
Depreciation and amortization	437,298	-	-	237,315	674,613
TOTAL OPERATING EXPENSES	2,213,826	53,093	34,851	313,892	2,615,662
OPERATING INCOME (LOSS)	(4,796)	12,273	6,274	(287,392)	(273,641)
NON-OPERATING REVENUES (EXPENSES)					
Reimbursements	454,854	-	-	-	454,854
Assessments	169,826	-	-	-	169,826
Other income	54	-	-	12,000	12,054
Property taxes	-	-	-	24,738	24,738
Income from investment	2,043	-	-	-	2,043
Interest expense	(282,042)	-	-	-	(282,042)
Grant reimbursement expenses	(145,184)	-	-	-	(145,184)
NON-OPERATING REVENUES (EXPENSES)	199,551	-	-	36,738	236,289
INCREASE (DECREASE) IN NET POSITION	194,755	12,273	6,274	(250,654)	(37,352)
NET POSITION, BEGINNING OF YEAR	5,638,379	236,250	38,370	5,340,371	11,253,370
NET POSITION, END OF YEAR	\$ 5,833,134	\$ 248,523	\$ 44,644	\$ 5,089,717	\$ 11,216,018

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, 2021

	Water Enterprise	Street Maintenance Enterprise	Lighting Enterprise	Parks Enterprise	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers and others	\$ 2,219,865	\$ 63,578	\$ 40,492	\$ 26,500	\$ 2,350,435
Payments to suppliers and vendors	(1,073,413)	(53,053)	(36,852)	(45,936)	(1,209,254)
Payments to employees	(1,041,152)	-	-	(30,216)	(1,071,368)
Net cash provided by (used in) operating activities	105,300	10,525	3,640	(49,652)	69,813
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Payments on line of credit	(958,029)	-	-	-	(958,029)
Acquisition and construction of capital assets	(491,394)	-	-	-	(491,394)
Principal payments on debt maturities	(280,470)	-	-	-	(280,470)
Interest payments	(284,756)	-	-	-	(284,756)
Collection of assessments	169,826	-	-	24,738	194,564
Grant income	1,194,757	-	-	-	1,194,757
Collection of property taxes	164,340	-	-	-	164,340
Miscellaneous revenue	54	-	-	12,000	12,054
Net cash provided by (used in) capital and related financing activities	(485,672)	-	-	36,738	(448,934)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest and dividends	2,043	-	-	-	2,043
Net cash provided by investing activities	2,043	-	-	-	2,043
Net increase (decrease) in cash and cash equivalents	(378,329)	10,525	3,640	(12,914)	(377,078)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	1,499,360	265,795	(12,449)	152,642	1,905,348
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 1,121,031	\$ 276,320	\$ (8,809)	\$ 139,728	\$ 1,528,270
RECONCILIATION OF CASH AND CASH EQUIVALENTS AND RESTRICTED CASH TO STATEMENT OF NET POSITION					
Cash and cash equivalents	\$ 815,127	\$ -	\$ -	\$ 139,728	\$ 954,855
Cash overdraft	-	(23,097)	(8,809)	-	(31,906)
Restricted cash - street maintenance	-	299,417	-	-	299,417
Restricted cash - bond reserve fund	305,904	-	-	-	305,904
TOTAL CASH AND CASH EQUIVALENTS AND RESTRICTED CASH	\$ 1,121,031	\$ 276,320	\$ (8,809)	\$ 139,728	\$ 1,528,270

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, 2021

	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)	\$ (4,796)	\$ 12,273	\$ 6,274	\$ (287,392)	\$ (273,641)
Adjustments to reconcile increase (decrease) in net position to net cash provided by (used in) operating activities:					
Depreciation and amortization	437,298	-	-	237,315	674,613
(Gain) loss on disposition of fixed assets	-	-	-	-	-
Increase (Decrease) in due from other funds	-	-	-	-	-
Decrease (increase) in receivables	10,836	(1,789)	(633)	-	8,414
(Increase) decrease in accounts payable and accruals	(340,865)	41	(2,001)	425	(342,400)
Decrease in deposits	2,827	-	-	-	2,827
Net cash provided by (used in) operating activities	\$ 105,300	\$ 10,525	\$ 3,640	\$ (49,652)	\$ 69,813
SUPPLEMENTARY NONCASH INVESTING AND FINANCING TRANSACTIONS					
Equipment acquired with debt	\$ 77,731	\$ -	\$ -	\$ -	\$ 77,731

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

PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

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, 2021

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, 2021

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 \$8,690 has been recorded by management at June 30, 2021. 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, 2021

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, 2021

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 calendar 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, 2021

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 **November 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, 2021

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	\$ 815,127	\$ (23,096)	\$ (8,809)	\$ 139,728	\$ 922,950
Restricted cash, current	-	299,417	-	-	299,417
Restricted cash, non-current (bond fund)	<u>305,904</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>305,904</u>
	<u>\$ 1,121,031</u>	<u>\$ 276,321</u>	<u>\$ (8,809)</u>	<u>\$ 139,728</u>	<u>\$ 1,528,271</u>

Cash and cash equivalent and restricted cash as of June 30, 2021, consisted of the following:

	<u>Amount</u>
Cash on hand	\$ 400
Cash in the bank - checking	871,612
Cash in County Treasury	350,355
Cash held in trust account	<u>305,904</u>
Total cash and cash equivalents	<u>\$ 1,528,271</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, 2021, 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, 2021

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, 2021, the weighted average maturity of the Monterey County investment portfolio is 604 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 84.2% 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 (13.1%) 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, 2021

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, 2021, the District has \$892,092 on deposit with one bank. The District also has on deposit \$305,905 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, 2021.

3. RECEIVABLES

Receivables consisted of the following at June 30, 2021:

	<u>Water Enterprise</u>	<u>Street Maintenance Enterprise</u>	<u>Lighting Enterprise</u>	<u>Parks Enterprise</u>	<u>Total</u>
Service charge receivables	\$ 242,616	\$ 688	\$ -	\$ -	\$ 243,304
Uncollectible allowance	(8,690)	-	-	-	(8,690)
Assessment receivables	-	4,691	2,540	-	7,231
Other receivables	<u>257</u>	<u>-</u>	<u>860</u>	<u>-</u>	<u>1,117</u>
	<u>\$ 234,183</u>	<u>\$ 5,379</u>	<u>\$ 3,400</u>	<u>\$ -</u>	<u>\$ 240,541</u>

PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

4. BOND REPAYMENT ASSESSMENT RECEIVABLES

Bond repayment assessment receivables consisted of the following at June 30, 2021:

Water bond receivables	\$ 176,946
Vega bond receivables	<u>3,502,868</u>
	3,679,814
Less current portion	<u>(180,508)</u>
Bond repayment assessment receivables, net of current portion	<u>\$ 3,499,306</u>

5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2021, consisted of the following:

	<u>July 1, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2021</u>
<u>Capital Assets</u>				
<u>Not Depreciated:</u>				
Land	\$ 1,646,453	\$ -	\$ -	\$ 1,646,453
Construction in process	<u>2,189,043</u>	<u>619,608</u>	<u>(198,117)</u>	<u>2,610,534</u>
	<u>3,835,496</u>	<u>619,608</u>	<u>(198,117)</u>	<u>4,256,987</u>
<u>Capital Assets Being</u>				
<u>Depreciated:</u>				
Utility plant	2,406,273	81,704	-	2,487,997
Buildings and improvements	520,676	11,125	-	531,801
Machinery and equipment	826,354	12,767	-	839,121
Vega plant improvements	4,620,002	-	-	4,620,002
Normco tank	296,975	34,991	-	331,966
Langley/VP	240,497	7,047	-	247,544
Vierra Estate	175,238	-	-	175,238
Moss Landing Water	301,793	-	-	301,793
Pajaro Park buildings and improvements	<u>5,513,510</u>	<u>-</u>	<u>-</u>	<u>5,513,510</u>
	<u>14,901,318</u>	<u>147,634</u>	<u>-</u>	<u>15,048,952</u>
Total Capital Assets	18,736,814	767,242	(198,117)	19,305,939
Less accumulated depreciation	<u>(6,879,466)</u>	<u>(663,994)</u>	<u>-</u>	<u>(7,543,460)</u>
	<u>\$ 11,857,348</u>	<u>\$ 103,248</u>	<u>\$ (198,117)</u>	<u>\$ 11,762,479</u>

PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

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, 2021. The maturity date of the agreement is March 28, 2021. The line of credit balance was \$294,118 as of June 30, 2021.

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, 2021

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, 2021, was \$147,827 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, 2021, unpaid assessments receivable amounted to \$3,502,868 of which \$145,000 is current and \$3,357,868 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, 2021

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, 2021

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, 2021, unpaid assessments receivable amounted to \$207,352 of which \$35,508 is current and \$141,438 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, 2021

7. LONG-TERM DEBT (Continued)

Generator Loan

The District obtained a \$77,731 loan from a financial institution on March 30, 2021, for the purchase of a generator. The loan matures on April 12, 2026, and requires 59 monthly payments of \$1,395, and the last payment is \$1,496. Interest on this loan accrues at 2.99% per annum.

Changes in long-term debt amounts for 2021 were as follows:

	<u>Balance 2020</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 2021</u>	<u>Due Within One Year</u>
<u>Long-term debt:</u>					
2015 Water Revenue Refunding Bonds	\$ 1,945,000	\$ -	\$ (70,000)	\$ 1,875,000	\$ 70,000
2015 Vega Refunding Bonds	3,637,900	-	(135,000)	3,502,900	145,000
Water Improvement Bond	224,000	-	(31,000)	193,000	34,000
Reorganization loan	245,000	-	(30,000)	215,000	30,000
Vehicle loan	58,544	-	(10,794)	47,750	12,134
Generator loan	-	77,731	(3,676)	74,055	14,696
Unamortized discount	(43,610)	-	2,290	(41,320)	-
Total long-term debt	6,066,834	<u>\$ 77,731</u>	<u>\$ (278,180)</u>	5,866,385	<u>\$ 305,830</u>
Less current portion	(276,281)			(305,830)	
Total long-term debt, net of current portion	<u>\$ 5,790,553</u>			<u>\$ 5,560,555</u>	

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

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Current	\$ 305,830	\$ 242,183	\$ 548,013
2023	318,873	229,311	548,184
2024	346,983	215,434	562,417
2025-2028	1,288,119	719,495	2,007,614
2029-2033	1,550,000	632,764	2,182,764
2034-2038	1,822,900	282,566	2,105,466
Thereafter	233,680	18,260	251,940
	<u>\$ 5,866,385</u>	<u>\$ 2,240,013</u>	<u>\$ 8,206,398</u>

PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

8. RESTRICTED NET POSITION

Restricted assets consisted of the following at June 30, 2021:

	<u>Amount</u>
Water bond fund	\$ 305,904
Street maintenance reserve fund	<u>218,707</u>
	<u>\$ 524,611</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.

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.

PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

9. POOLED ARRANGEMENTS (Continued)

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 (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 \$115,385 for the year ended June 30, 2021. 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.

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.

PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

12. COMMITMENTS AND CONTINGENCIES (Continued)**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. Per grant conditions, the District is not allowed to charge a gate fee, or use fee for the general public. Reservation fees for special events are paid directly to a third party operator. The District does not generate revenue from the Pajaro Park.

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, 2021

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, 2021

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. During fiscal year ended June 30, 2021, the project was completed and placed into service.

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%

16. SUBSEQUENT EVENTS

During August 2021, the District sold, executed and delivered the 2021 Water Revenue Bonds (revenue bonds) totaling \$1,660,000 in the denomination of \$5,000 or any integral multiples thereof. The revenue bonds are dated and bear interest from August 1, 2021 ranging from 2.0% to 4.0% paid semiannually through fiscal year 2047. Repayment of the revenue bonds begins September 2022.

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, 2021

	Original Budget	Actual	Variance Favorable (Unfavorable)
OPERATING REVENUES			
User service charges	\$ 2,052,600	\$ 2,039,899	\$ (12,701)
Reimbursements	27,500	97,050	69,550
Connection fees	21,800	72,013	50,213
Miscellaneous	1,950	68	(1,882)
TOTAL OPERATING REVENUES	<u>2,103,850</u>	<u>2,209,030</u>	<u>105,180</u>
OPERATING EXPENSES			
Salaries and employee benefits	1,066,800	1,066,738	62
Water system repairs and maintenance	225,000	263,495	(38,495)
Utilities - well site	170,000	139,127	30,873
Legal expenses	27,000	17,185	9,815
Other expenses	106,800	44,679	62,121
Accounting and bookkeeping	37,000	36,665	335
Office expenses	42,000	37,184	4,816
Soil and water tests	32,000	23,775	8,225
Casualty insurance	31,000	30,101	899
Fuel	25,500	28,210	(2,710)
Licenses and permits	25,000	28,067	(3,067)
Membership fees and dues	20,000	18,966	1,034
Telephone	17,000	15,988	1,012
Postage	5,500	11,066	(5,566)
Utilities - office	4,000	3,488	512
Bond administrative costs	3,500	11,794	(8,294)
Engineering expense	43,000	-	43,000
TOTAL OPERATING EXPENSES	<u>1,881,100</u>	<u>1,776,528</u>	<u>104,572</u>
OPERATING INCOME	<u>222,750</u>	<u>432,502</u>	<u>209,752</u>
NON-OPERATING REVENUES (EXPENSES)			
Assessments	318,500	169,826	(148,674)
Grant revenue	-	454,854	454,854
Income from investment	5,700	2,043	(3,657)
Other income	1,500	54	(1,446)
Bond principal payments and interest expense	(528,000)	(562,512)	(34,512)
Grant reimbursement expenses	-	(145,184)	(145,184)
NON-OPERATING REVENUES (EXPENSES) - NET	<u>(202,300)</u>	<u>(80,919)</u>	<u>121,381</u>
INCREASE IN NET POSITION - BUDGETARY BASIS	<u>\$ 20,450</u>	<u>351,583</u>	<u>\$ 331,133</u>
DIFFERENCES BETWEEN BUDGETARY AND GAAP EXPENDITURES:			
Depreciation and amortization expense		(437,298)	
Debt principal payments		280,470	
TOTAL CHANGE IN NET POSITION REPORTED ON THE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION		<u>\$ 194,755</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 - STREET MAINTENANCE ENTERPRISE

FOR THE YEAR ENDED JUNE 30, 2021

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
OPERATING REVENUES			
Street maintenance reimbursements	\$ 63,800	\$ 65,366	\$ 1,566
TOTAL OPERATING REVENUES	<u>63,800</u>	<u>65,366</u>	<u>1,566</u>
OPERATING EXPENSES			
Salaries and employee benefits	31,150	24,600	6,550
General, administrative and operating expenses	<u>32,650</u>	<u>28,493</u>	<u>4,157</u>
TOTAL OPERATING EXPENSES	<u>63,800</u>	<u>53,093</u>	<u>10,707</u>
OPERATING INCOME	<u>-</u>	<u>12,273</u>	<u>12,273</u>
INCREASE IN NET POSITION - BUDGETARY BASIS	<u>\$ -</u>	<u>12,273</u>	<u>\$ 12,273</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>\$ 12,273</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, 2021

	Budget	Actual	Variance Favorable (Unfavorable)
OPERATING REVENUES			
Street lights service charges	\$ 41,100	\$ 41,125	\$ 25
TOTAL OPERATING REVENUES	<u>41,100</u>	<u>41,125</u>	<u>25</u>
OPERATING EXPENSES			
Salaries and employee benefits	12,000	8,386	3,614
General, administrative and operating expenses	29,100	26,465	2,635
TOTAL OPERATING EXPENSES	<u>41,100</u>	<u>34,851</u>	<u>6,249</u>
OPERATING INCOME	<u>-</u>	<u>6,274</u>	<u>6,274</u>
INCREASE IN NET POSITION - BUDGETARY BASIS	<u>\$ -</u>	<u>6,274</u>	<u>\$ 6,274</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>\$ 6,274</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, 2021

	Budget	Actual	Variance Favorable (Unfavorable)
OPERATING REVENUES			
Pajaro Park revenue	\$ -	\$ 26,500	\$ 26,500
TOTAL OPERATING REVENUES	<u>-</u>	<u>26,500</u>	<u>26,500</u>
OPERATING EXPENSES			
Salaries and employee benefits	55,650	48,107	7,543
General, administrative and operating expenses	23,770	28,470	(4,700)
TOTAL OPERATING EXPENSES	<u>79,420</u>	<u>76,577</u>	<u>2,843</u>
OPERATING LOSS	<u>(79,420)</u>	<u>(50,077)</u>	<u>29,343</u>
NON-OPERATING REVENUES (EXPENSES)			
Property tax	25,000	24,738	(262)
Other income (expense)	-	12,000	12,000
NON-OPERATING REVENUES (EXPENSES)	<u>25,000</u>	<u>36,738</u>	<u>11,738</u>
DECREASE IN NET POSITION - BUDGETARY BASIS	<u>\$ (54,420)</u>	<u>(13,339)</u>	<u>\$ 41,081</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>\$ (250,654)</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, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated **November xx, 2021**.

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
November xx, 2021

FINANCIAL NOTES - October 2021

Account No:	Account Name:	Increase / Decrease	Description
Income:			
4001-4015	Total Income	-	Water sales slightly under budget by 4%
Expenses: Indirect			
5120	Property Taxes	+	Annual taxes for District owned parcels (special taxes & assessments)
5165	Computer Software	+	Purchase of Dell laptop computer for continued streaming of virtual Board Meetings
5180	Casualty/Liability Insurance	+	Annual premium for auto & general liability program
5260	Accounting & Bookkeeping	+	Progress billing payment #2 for 2021 Audit: Bianchi, Kasavan & Pope
Expenses: Direct			
5426	Vega Assmnt Bond Expense	+	Agency Admin Costs: Annual fees due to District from FY 2016-2021, 6 years in arrears. Moving forward this expense will occur annually for \$5,250
Other Income:			
4140	Connection Fees	+	Two new 1" connections to Sunny Mesa Water System
4339	Agency Admin Costs- Vega Bond	+	District collection of annual Admin Costs for FY 2016-2021

November 12, 2021

Balance Sheet

Accrual Basis

As of October 31, 2021

	<u>Oct 31, 21</u>
ASSETS	
Current Assets	
Checking/Savings	
1001 · SCCB - Operating Account	303,810.94
1002 · SCCB Reserve Account	236,911.42
1003 · SCCB - Sick Leave Account	14,451.84
1004 · SCCB - Street Maint Acct	230,615.67
1006 · SCCB-GF 633	927.63
1007 · SCCB - Debt Service Reserve	87,530.25
1032 · SCCB-COP Acct (aka Const. Acct)	2.00
1036 · PSM Pajaro Park Acct	62,282.21
1050 · Cash in County Treasury - DS	22,229.95
1051 · Cash in County Treasury - GF	96,893.53
1053 · US Bank 2021 Gen. Bond -8001	2,004.37
1054 · US Bank 2021 Gen. Bond -8002	1,481,467.91
1057 · US Bank 2021 Gen. Bond -8005	93,750.65
1066 · Union Bank Vega 2303	147,531.26
1068 · Union Bank Vega 2301	0.68
1069 · Union Bank Vega-2302	10,533.49
1095 · Union Bank Wtr Bond-Res 2204	147,820.00
2201 · Union Bank-2015 Wtr Rfd Bd 2201	10.14
2202 · Union Bank 2015 Wtr Rfd Bd-2202	37,697.50
	<hr/>
Total Checking/Savings	2,976,471.44
Accounts Receivable	
1110 · Invoice Accounts Recv	6,350.18
1231 · Grants Receivable-A/R	1,541,612.84
	<hr/>
Total Accounts Receivable	1,547,963.02
Other Current Assets	
1080 · Petty Cash	400.00
1100 · Water Customer Accounts Recv	222,618.73
1101 · Allowance for Doubtful Accounts	-9,135.09
1115 · Prepaid Expenses	1.31
1153 · Receivable from Monterey County	860.00
1251 · Assess. Rec. - Lighting	1,907.14
1252 · Assessments Rec. - Street Maint	2,903.00
1253 · Assessments Rec. - Water bond	223,000.00
1253.1 · Assess Rec - Water Bond - Count	914.43
1254 · Advanced Pay - Spec. Asses - WB	-16,561.65
	<hr/>
Total Other Current Assets	426,907.87
	<hr/>
Total Current Assets	4,951,342.33
Fixed Assets	
1084 · CIP-Springfield/Struve	18,967.36
1500 · Land	139,676.30
1510 · Land Improve (Non-office)	314,656.67
1520 · Land Improve (Office)	66,721.46
1521 · A/D - Land Impr (Off)	-51,675.40
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	163,247.47
1551 · A/D - District Office Building	-125,704.73
1555 · Office Equipment/Furniture	30,573.05
1556 · A/D - Office Equip/Furniture	-30,572.90
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	510,984.21
1571 · A/D - Equipment - Pumping Plant	-443,661.87
1580 · Distribution Mains [P]	1,487,948.01

November 12, 2021

Balance Sheet

Accrual Basis

As of October 31, 2021

	<u>Oct 31, 21</u>
1581 · A/D - Distribution Mains	-1,090,371.68
1590 · Meters	86,141.13
1591 · A/D - Meters	-85,271.11
1600 · Hydrants	7,422.43
1601 · A/D - Hydrants	-4,704.72
1610 · Automotive Equipment	221,662.12
1611 · A/D - Automotive Equipment	-156,041.31
1620 · Utility Trans/Distr Plant	115,702.65
1621 · A/D - Utility T&D Plant	-93,257.77
1622 · A/D - Moss Landing	-169,582.31
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	-17,732.73
1650 · Trans & Distr Plant	139,408.08
1651 · A/D - Trans & Distr Plant	-72,965.30
1670 · Small Tools/Equipment	10,773.67
1671 · A/D - Small Tools/Equipment	-8,794.51
1680 · ALCO Water Project	155,809.38
1681 · A/D - ALCO Water Project	-101,276.45
1804 · CIP-Springfield	393,244.44
1805 · CIP-Vega Imprvtmnt Project	4,620,002.33
1805.1 · A/D - Vega	-2,186,481.90
1806 · Moss Landing Bridge Project	251,233.09
1807 · CIP-Langley/VP	247,543.58
1807.1 · A/D - Langley/VP	-78,160.74
1808 · CIP-Normco	331,965.74
1808.1 · A/D - Normco Tank	-127,796.73
1811 · CIP-Vierra Estate	175,238.16
1811.1 · A/D - Vierra Estates	-50,658.72
1812 · CIP-Moss Landing Water System	301,793.12
1812.1 · A/D - Moss Landing Water	-79,020.55
1813 · CIP-Normco Water System	4,520.00
1814 · CIP-Pajaro	2,280,702.42
1816 · Land - Pajaro Park	781,632.00
1817 · Improvements - Pajaro Park	4,717,110.00
1817.1 · A/D - Improvements -Pajaro Park	-1,296,951.63
1818 · Buildings - Pajaro Park	796,400.00
1818.1 · A/D - Buildings-Pajaro Park	-178,569.26
1819 · Equipment - Pajaro Park	43,381.00
1819.1 · A/D - Equipment-Pajaro Park	-27,474.89
1820 · Normco Treatment Facility	127,374.00
1820.1 · A/D-Normco Treatment Facility	-92,120.85
1821 · CIP-Sunny Mesa	-0.39
1822 · CIP-Vega	-0.19
1823 · CIP-Blackie	0.04
Total Fixed Assets	12,438,090.07
Other Assets	
1120 · Due From Gen Fund	0.66
1141 · Due From SC Grant Acct	100.00
1151 · Due from Maint Account	157.19
1220 · Spl Asmnt Revc-Long Term	3,636,801.72
1900 · Due From Other Funds	159,690.92
1950 · Deferred amount on refunding	66,557.60
1951 · Deferred Amt of Ref-Vega Bds15	85,015.09
Total Other Assets	3,948,323.18
TOTAL ASSETS	21,337,755.58
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 · Accounts Payable	27,214.41

November 12, 2021

Balance Sheet

Accrual Basis

As of October 31, 2021

	<u>Oct 31, 21</u>
2500 · Due to Other Funds	159,693.06
Total Accounts Payable	186,907.47
Credit Cards	
2900 · Wells Fargo- 6120	270.80
2910 · Elan	265.50
Total Credit Cards	536.30
Other Current Liabilities	
2005 · Accrued Liabilities	62,567.00
2050 · Accrued Payroll	22,171.55
2100 · Payroll Tax Liabilities	1,832.41
2121 · Customer Security Deposits	19,078.70
2122 · Future Water Conn. Deposits	36,600.00
2123 · Hydrant Meter Deposits	27,550.00
2225 · Accrued Vacation Liability	20,961.63
2230 · Accrued Sick Leave Liability	40,923.54
2263 · 457b EE Plan Payable	4,905.53
2264 · Employee Insurance Payable	-106.58
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.	-3,975.23
Total Other Current Liabilities	264,861.31
Total Current Liabilities	452,305.08
Long Term Liabilities	
2256 · Vehicle Loan Payable	43,770.18
2257 · Reorganization Loan	215,000.00
2267 · Pajaro Tank Loan-0190	292,236.61
2268 · Generator Loan Payable	69,200.07
2350 · Bonds Payable - Water Bond	159,000.00
2355 · Bonds Payable- 2021 Gen. Bond	1,660,000.00
2360 · Bonds Payable-2015 COP Wtr Rf	1,875,000.00
2361 · Bonds Payable-2015 Vga Wtr Rf	3,357,899.67
2400 · Unamortized Discount on 2015	-31,095.01
2401 · Unamortized Discount-2015 Vega	-12,514.72
2402 · 2021 Gen. Bond Premium	42,391.80
Total Long Term Liabilities	7,670,888.60
Total Liabilities	8,123,193.68
Equity	
3000 · Fund Balance	219,540.85
3001 · Restricted-Street Maintenance	192,425.80
3040 · Contributed Capital	248,000.00
3045 · Restricted for Debt Service	4,575,060.23
3050 · Retained Earnings	7,981,356.98
3999 · Suspense	13,037.78
Net Income	-14,859.74
Total Equity	13,214,561.90
TOTAL LIABILITIES & EQUITY	21,337,755.58

November 12, 2021

Profit & Loss

Accrual Basis

October 2021

	Oct 21
Ordinary Income/Expense	
Income	
4001 · Route 1 - Pajaro	24,604.59
4002 · Route 2 - Pajaro	22,880.71
4003 · Route 3 - Commercial	23,170.85
4004 · Route 4 - Trailer Park	1,267.24
4005 · Route 5 - San Juan Rd Apts	1,065.68
4006 · Route 6 - Sunny Mesa	12,633.01
4007 · Route 7 - CSA 73	14,439.79
4008 · Route 8 - Vega	15,094.74
4010 · Route 10 -Springfield	850.00
4011 · Route 11 - Moss Landing	24,121.32
4012 · Route 12 - Blackie Road	3,500.97
4013 · Route 13 - Normco	32,864.11
4014 · Route 14 - Vierra	5,557.45
4015 · Route 15 - Langley/VP	3,283.94
Total Income	185,334.40
Gross Profit	185,334.40
Expense	
INDIRECT	
5000 · Salaries and Wages	60,521.41
5005 · Administrative Fees	502.23
5030 · Payroll Tax Expense	874.73
5040 · Worker's Comp Insurance	2,616.16
5050 · Employee Health Insurance	15,651.11
5070 · Employee Retirement	8,862.01
5090 · Other Employee Expense	76.28
5120 · Property Taxes	1,585.00
5130 · Utilities - Office	300.11
5140 · Building Repair & Maint	332.07
5145 · District Wide Repair & Maint	1,221.20
5150 · Garbage Service	348.96
5160 · Office Equip Rental	685.16
5165 · Computer Software	1,278.80
5170 · Office Equipment Repair & Maint	195.73
5180 · Casualty Ins/Liability Ins	23,461.00
5240 · Office Supplies	148.79
5245 · Postage	1,000.00
5256 · Interest Exp-Financed Items	364.05
5260 · Accounting & Bookkeeping	18,700.00
5270 · Automotive - Repair & Maint	23.47
5280 · Conferences, Meetings, Seminars	14.99
5305 · Water Conservation Program	490.00
5330 · Telephone	1,399.35
5370 · Fuel - Trucks	3,010.55
5390 · Bank Charges	9.00
5391 · Credit Card Transaction Fees	1,033.11
5400 · Miscellaneous Expense	163.80
5XXX · Indirect Allocation	0.00
6577 · COP Debt Service - Interest	0.00
Total INDIRECT	144,869.07
5190 · Soil and Water Tests	2,087.30
5220 · Water System - Repair & Maint	5,413.61
5225 · Street Maintenance	1,200.06
5231 · Pajaro Park Expense	4,431.04
5310 · Utilities - Well Site	14,390.94
5315 · Utilities - Street Lighting	2,164.68
5325 · Permits	1,327.00
5426 · Vega Assmnt Bond Expense	31,500.00
5427 · Improvement Project-Springfield	0.00
Total Expense	207,383.70

November 12, 2021

Profit & Loss

Accrual Basis

October 2021

	<u>Oct 21</u>
Net Ordinary Income	-22,049.30
Other Income/Expense	
Other Income	
4100 · Late Payment Penalties	373.51
4110 · Hydrant Sales	2,927.82
4115 · Testing Fees	480.00
4140 · Connection Fees	10,760.00
4141 · Application Fees	605.00
4285 · P.V.W.M.A. Collection Fee	2,302.83
4305 · Miscellaneous Revenue	0.04
4307 · Returned Check Charges	0.00
4311 · Interest on Pooled Investments	238.93
4339 · Agency Admin Costs-Vega Bond	31,500.00
4345 · Customer Order Reimbursements	425.00
4350 · Interest Revenue	9.16
5406 · Generator Project Reimb.	2,542.52
5424 · Springfld Bottled Wtr Gr Reimb	371.07
Total Other Income	<u>52,535.88</u>
Other Expense	
5438 · LHMP Project- Dist. Wide	930.00
5444 · OGALS Per Capita Grant	77.50
Total Other Expense	<u>1,007.50</u>
Net Other Income	<u>51,528.38</u>
Net Income	<u><u>29,479.08</u></u>

Pajaro/Sunny Mesa Community Services District
Profit & Loss Budget vs. Actual
October 2021

	Oct 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4001 · Route 1 - Pajaro	24,604.59	26,750.00	-2,145.41	91.98%
4002 · Route 2 - Pajaro	22,880.71	26,250.00	-3,369.29	87.17%
4003 · Route 3 - Commercial	23,170.85	24,333.33	-1,162.48	95.22%
4004 · Route 4 - Trailer Park	1,267.24	1,333.33	-66.09	95.04%
4005 · Route 5 - San Juan Rd Apts	1,065.68	1,125.00	-59.32	94.73%
4006 · Route 6 - Sunny Mesa	12,633.01	13,333.33	-700.32	94.75%
4007 · Route 7 - CSA 73	14,439.79	14,416.66	23.13	100.16%
4008 · Route 8 - Vega	15,094.74	15,166.66	-71.92	99.53%
4010 · Route 10 - Springfield	850.00	850.00	0.00	100.0%
4011 · Route 11 - Moss Landing	24,121.32	25,833.33	-1,712.01	93.37%
4012 · Route 12 - Blackie Road	3,500.97	3,350.00	150.97	104.51%
4013 · Route 13 - Normco	32,864.11	32,583.33	280.78	100.86%
4014 · Route 14 - Vierra	5,557.45	5,058.33	499.12	109.87%
4015 · Route 15 - Langley/VP	3,283.94	3,125.00	158.94	105.09%
Total Income	185,334.40	193,508.30	-8,173.90	95.78%
Gross Profit	185,334.40	193,508.30	-8,173.90	95.78%
Expense				
INDIRECT				
5000 · Salaries and Wages	60,521.41	69,166.66	-8,645.25	87.5%
5005 · Administrative Fees	502.23	500.00	2.23	100.45%
5010 · Contract Labor	0.00	0.00	0.00	0.0%
5030 · Payroll Tax Expense	874.73	1,333.33	-458.60	65.61%
5040 · Worker's Comp Insurance	2,616.16	1,666.66	949.50	156.97%
5050 · Employee Health Insurance	15,651.11	15,833.33	-182.22	98.85%
5070 · Employee Retirement	8,862.01	10,000.00	-1,137.99	88.62%
5090 · Other Employee Expense	76.28	250.00	-173.72	30.51%
5120 · Property Taxes	1,585.00	125.00	1,460.00	1,268.0%
5130 · Utilities - Office	300.11	333.33	-33.22	90.03%

Pajaro/Sunny Mesa Community Services District
Profit & Loss Budget vs. Actual
October 2021

	Oct 21	Budget	\$ Over Budget	% of Budget
5140 · Building Repair & Maint	332.07	625.00	-292.93	53.13%
5145 · District Wide Repair & Maint	1,221.20	1,000.00	221.20	122.12%
5150 · Garbage Service	348.96	350.00	-1.04	99.7%
5160 · Office Equip Rental	685.16	833.33	-148.17	82.22%
5165 · Computer Software	1,278.80	833.33	445.47	153.46%
5170 · Office Equipment Repair & Maint	195.73	300.00	-104.27	65.24%
5175 · Small Tools - Repair & Maint.	0.00	83.33	-83.33	0.0%
5180 · Casualty Ins/Liability Ins	23,461.00	2,750.00	20,711.00	853.13%
5200 · Billing Supplies	0.00	308.33	-308.33	0.0%
5240 · Office Supplies	148.79	316.66	-167.87	46.99%
5245 · Postage	1,000.00	708.33	291.67	141.18%
5250 · Legal Expenses	0.00	1,666.66	-1,666.66	0.0%
5255 · Interest Expense	0.00	941.66	-941.66	0.0%
5256 · Interest Exp-Financed Items	364.05	333.33	30.72	109.22%
5260 · Accounting & Bookkeeping	18,700.00	3,208.33	15,491.67	582.86%
5266 · Engineering Svcs-Dist Wide	0.00	3,208.33	-3,208.33	0.0%
5270 · Automotive - Repair & Maint	23.47	833.33	-809.86	2.82%
5280 · Conferences, Meetings, Seminars	14.99	41.66	-26.67	35.98%
5290 · Travel Expenses	0.00	41.66	-41.66	0.0%
5300 · Books & Subscriptions	0.00	125.00	-125.00	0.0%
5305 · Water Conservation Program	490.00	250.00	240.00	196.0%
5320 · Membership Fees and Dues	0.00	1,666.66	-1,666.66	0.0%
5326 · Licenses and Certifications	0.00	166.66	-166.66	0.0%
5330 · Telephone	1,399.35	1,416.66	-17.31	98.78%
5340 · Burglar Alarm Monitoring	0.00	66.66	-66.66	0.0%
5370 · Fuel - Trucks	3,010.55	2,166.66	843.89	138.95%
5390 · Bank Charges	9.00	25.00	-16.00	36.0%
5391 · Credit Card Transaction Fees	1,033.11	666.66	366.45	154.97%
5400 · Miscellaneous Expense	163.80	16.66	147.14	983.19%
5XXX · Indirect Allocation	0.00	0.00	0.00	0.0%
6560 · Payroll Processing Expenses	0.00	0.00	0.00	0.0%
6565 · 2021 Generator Bond- Fees	0.00	0.00	0.00	0.0%

Pajaro/Sunny Mesa Community Services District
Profit & Loss Budget vs. Actual
October 2021

	Oct 21	Budget	\$ Over Budget	% of Budget
6577 · COP Debt Service - Interest	0.00	6,283.33	-6,283.33	0.0%
Total INDIRECT	144,869.07	130,441.53	14,427.54	111.06%
5190 · Soil and Water Tests	2,087.30	3,125.00	-1,037.70	66.79%
5220 · Water System - Repair & Maint	5,413.61	18,750.00	-13,336.39	28.87%
5225 · Street Maintenance	1,200.06	2,720.83	-1,520.77	44.11%
5230 · Park - Repair & Maint	0.00	83.33	-83.33	0.0%
5231 · Pajaro Park Expense	4,431.04	0.00	4,431.04	100.0%
5265 · Engineering Expenses	0.00	83.33	-83.33	0.0%
5310 · Utilities - Well Site	14,390.94	14,166.66	224.28	101.58%
5315 · Utilities - Street Lighting	2,164.68	2,333.33	-168.65	92.77%
5325 · Permits	1,327.00	2,500.00	-1,173.00	53.08%
5360 · Fuel - Generator	0.00	250.00	-250.00	0.0%
5426 · Vega Assmnt Bond Expense	31,500.00	500.00	31,000.00	6,300.0%
5427 · Improvement Project-Springfield	0.00	0.00	0.00	0.0%
5428 · COP Bond Expense	0.00	291.66	-291.66	0.0%
5433 · Pajaro Water Bond Interest Exp	0.00	883.33	-883.33	0.0%
6575 · Vega Debt Service-Interest	0.00	11,416.66	-11,416.66	0.0%
6600 · Costs of Issuance- 2021 Bond	0.00	0.00	0.00	0.0%
Total Expense	207,383.70	187,545.66	19,838.04	110.58%
Net Ordinary Income	-22,049.30	5,962.64	-28,011.94	-369.79%
Other Income/Expense				
Other Income				
4100 · Late Payment Penalties	373.51	416.66	-43.15	89.64%
4101 · Billing Adjustments	0.00	16.66	-16.66	0.0%
4110 · Hydrant Sales	2,927.82	833.33	2,094.49	351.34%
4115 · Testing Fees	480.00	625.00	-145.00	76.8%
4140 · Connection Fees	10,760.00	616.66	10,143.34	1,744.88%
4141 · Application Fees	605.00	45.83	559.17	1,320.1%
4146 · Other Fees	0.00	33.33	-33.33	0.0%
4200 · Street Maintenance-Reimb	0.00	5,316.66	-5,316.66	0.0%

Pajaro/Sunny Mesa Community Services District
Profit & Loss Budget vs. Actual
October 2021

	Oct 21	Budget	\$ Over Budget	% of Budget
4210 · Vega Bond Assessments	0.00	24,083.33	-24,083.33	0.0%
4280 · Pro-Rata Tax Collection Share	0.00	2,083.33	-2,083.33	0.0%
4285 · P.V.W.M.A. Collection Fee	2,302.83	2,416.66	-113.83	95.29%
4300 · Collection of Previous W/O Acct	0.00	20.83	-20.83	0.0%
4305 · Miscellaneous Revenue	0.04	83.33	-83.29	0.05%
4307 · Returned Check Charges	0.00	0.00	0.00	0.0%
4311 · Interest on Pooled Investments	238.93	0.00	238.93	100.0%
4339 · Agency Admin Costs-Vega Bond	31,500.00	0.00	31,500.00	100.0%
4340 · Utility Reimbursements	0.00	2,333.33	-2,333.33	0.0%
4341 · Lighting Admin Reimbursements	0.00	1,000.00	-1,000.00	0.0%
4345 · Customer Order Reimbursements	425.00	0.00	425.00	100.0%
4346 · District 25% Overhead Fee	0.00	41.66	-41.66	0.0%
4350 · Interest Revenue	9.16	12.50	-3.34	73.28%
4355 · Audit/Bookkeeping Reimbursement	0.00	58.33	-58.33	0.0%
4360 · Legal Counsel Reimbursement	0.00	33.33	-33.33	0.0%
5406 · Generator Project Reimb.	2,542.52	0.00	2,542.52	100.0%
5407 · LHMP Project- Grant Reimb	0.00	0.00	0.00	0.0%
5408 · Springfield Project-Grant Reimb	0.00	0.00	0.00	0.0%
5409 · Pajaro Improve Proj-Grant Reimb	0.00	0.00	0.00	0.0%
5411 · OGALS Grant Paj. Park- Reimb	0.00	0.00	0.00	0.0%
5424 · Springfld Bottled Wtr Gr Reimb	371.07	0.00	371.07	100.0%
5510 · Board Designated Donation	0.00	0.00	0.00	0.0%
5794 · Water Bond Assessments	0.00	3,375.00	-3,375.00	0.0%
5796 · Pajaro Park Revenue	0.00	0.00	0.00	0.0%
Total Other Income	52,535.88	43,445.76	9,090.12	120.92%
Other Expense				
5435 · Improvement Project-Pajaro	0.00	0.00	0.00	0.0%
5438 · LHMP Project-Dist. Wide	930.00	0.00	930.00	100.0%
5444 · OGALS Per Capita Grant	77.50	0.00	77.50	100.0%
6260 · Lighting Expenses	0.00	0.00	0.00	0.0%
Total Other Expense	1,007.50	0.00	1,007.50	100.0%

Pajaro/Sunny Mesa Community Services District
Profit & Loss Budget vs. Actual
 October 2021

Oct 21	Budget	\$ Over Budget	% of Budget
51,528.38	43,445.76	8,082.62	118.6%
29,479.08	49,408.40	-19,929.32	59.66%

Net Other Income
 Net Income

Total Income	Total Expense	Difference
\$259,919.58	\$208,391.20	\$51,528.38
September Cash	October Cash	Difference
\$516,995.12	\$540,722.36	\$23,727.24

Pajaro/Sunny Mesa Community Services District
Check Detail - Operating Account
November 1 - 12, 2021

Type	Num	Date	Name	Account	Paid Amount	Original Amount
Check	AP	11/02/2021	Total Merchant Services	1001 · SCCB - Operating Account		-1,320.09
				5391 · Credit Card Transaction Fees	-1,320.09	1,320.09
TOTAL					-1,320.09	1,320.09
Bill Pmt -Check	AP	11/10/2021	Thomas E Yeager, P.E.- ACH	1001 · SCCB - Operating Account		-84.56
Bill	Invoic...	11/02/2021	CA Office of Emergency Services OGALS	5438 · LHMP Project- Dist. Wide 5444 · OGALS Per Capita Grant 5266 · Engineering Svcs-Dist Wide	-14.73 -65.24 -4.59	271.25 1,201.25 84.56
TOTAL					-84.56	1,557.06
Bill Pmt -Check	AP	11/10/2021	Ace Hardware Prunedale- ACH	1001 · SCCB - Operating Account		-127.11
Bill	0530...	10/12/2021		5220 · Water System - Repair & Maint	-37.25	37.25
Bill	0530...	10/14/2021		5220 · Water System - Repair & Maint	-51.54	51.54
Bill	0531...	10/26/2021		5220 · Water System - Repair & Maint	-34.03	34.03
Bill	0532...	10/28/2021		5220 · Water System - Repair & Maint	-4.29	4.29
TOTAL					-127.11	127.11
Bill Pmt -Check	AP	11/10/2021	Ace Hardware Watsonville- ACH	1001 · SCCB - Operating Account		-68.82
Bill	209899	10/27/2021		5220 · Water System - Repair & Maint	-68.82	68.82
TOTAL					-68.82	68.82
Bill Pmt -Check	AP	11/10/2021	ACWA-JPIA (med ins)-ACH	1001 · SCCB - Operating Account		-17,046.13
Bill	0676...	11/02/2021		5050 · Employee Health Insurance 2264 · Employee Insurance Payable	-15,651.11 -1,395.02	15,651.11 1,395.02
TOTAL					-17,046.13	17,046.13
Bill Pmt -Check	AP	11/10/2021	Aramark- ACH	1001 · SCCB - Operating Account		-163.15
Bill	5110...	10/01/2021		5140 · Building Repair & Maint	-32.63	32.63
Bill	5110...	10/08/2021		5140 · Building Repair & Maint	-32.63	32.63
Bill	5110...	10/15/2021		5140 · Building Repair & Maint	-32.63	32.63
Bill	5110...	10/22/2021		5140 · Building Repair & Maint	-32.63	32.63
Bill	5110...	10/29/2021		5140 · Building Repair & Maint	-32.63	32.63
TOTAL					-163.15	163.15
Bill Pmt -Check	AP	11/10/2021	AT&T 2043-Online	1001 · SCCB - Operating Account		-434.13
Bill	OCT ...	10/26/2021		5330 · Telephone	-434.13	434.13
TOTAL					-434.13	434.13
Bill Pmt -Check	AP	11/10/2021	AT&T 2486-Online	1001 · SCCB - Operating Account		-199.26
Bill	OCT ...	10/26/2021		5310 · Utilities - Well Site	-199.26	199.26
TOTAL					-199.26	199.26
Bill Pmt -Check	AP	11/10/2021	AT&T 3439-Online	1001 · SCCB - Operating Account		-33.34
Bill	11/1/...	11/01/2021		5310 · Utilities - Well Site	-33.34	33.34
TOTAL					-33.34	33.34
Bill Pmt -Check	AP	11/10/2021	AT&T 3912-Online	1001 · SCCB - Operating Account		-498.22
Bill	11/1/...	11/01/2021		5330 · Telephone	-498.22	498.22
TOTAL					-498.22	498.22
Bill Pmt -Check	AP	11/10/2021	Bianchi Alarm Systems-Online	1001 · SCCB - Operating Account		-78.00

Pajaro/Sunny Mesa Community Services District
Check Detail - Operating Account
November 1 - 12, 2021

Type	Num	Date	Name	Account	Paid Amount	Original Amount
Bill	Inv. 2...	11/03/2021		5340 · Burglar Alarm Monitoring	-78.00	78.00
TOTAL					-78.00	78.00
Bill Pmt -Check	AP	11/10/2021	Coastal Paving & Excavating- ACH	1001 · SCCB - Operating Account		-2,998.75
Bill	Inv. 2...	10/25/2021		5220 · Water System - Repair & Maint	-2,998.75	2,998.75
TOTAL					-2,998.75	2,998.75
Bill Pmt -Check	AP	11/10/2021	Corbin Willits Systems-Online	1001 · SCCB - Operating Account		-242.17
Bill	000C...	10/15/2021		5165 · Computer Software	-242.17	242.17
TOTAL					-242.17	242.17
Bill Pmt -Check	AP	11/10/2021	Data Flow Business Systems-Online	1001 · SCCB - Operating Account		-195.73
Bill	320616	10/26/2021		5170 · Office Equipment Repair & Ma...	-195.73	195.73
TOTAL					-195.73	195.73
Bill Pmt -Check	AP	11/10/2021	GreatAmerica Financial-Online	1001 · SCCB - Operating Account		-470.76
Bill	3036...	10/28/2021		5160 · Office Equip Rental	-470.76	470.76
TOTAL					-470.76	470.76
Bill Pmt -Check	AP	11/10/2021	Green Rubber Kennedy Ag- ACH	1001 · SCCB - Operating Account		-136.60
Bill	W-56...	10/18/2021		5145 · District Wide Repair & Maint	-68.32	68.32
Bill	W-56...	10/26/2021		5090 · Other Employee Expense	-68.28	68.28
TOTAL					-136.60	136.60
Bill Pmt -Check	AP	11/10/2021	ICONIX Waterworks (US), Inc- ACH	1001 · SCCB - Operating Account		-1,191.55
Bill	U211...	10/13/2021		5220 · Water System - Repair & Maint	-62.39	62.39
Bill	U211...	10/15/2021		5145 · District Wide Repair & Maint	-721.05	721.05
Bill	U211...	10/27/2021	Alex Tree c/o Alejandro Quezada-Ba...	5220 · Water System - Repair & Maint	-15.07	15.07
Bill	U211...	11/02/2021	Alex Tree c/o Alejandro Quezada-Ba...	5220 · Water System - Repair & Maint	-393.04	393.04
TOTAL					-1,191.55	1,191.55
Bill Pmt -Check	AP	11/10/2021	Linde Gas & Equipment Inc.	1001 · SCCB - Operating Account		-28.93
Bill	6681...	10/26/2021		5220 · Water System - Repair & Maint	-28.93	28.93
TOTAL					-28.93	28.93
Bill Pmt -Check	AP	11/10/2021	MBAS- ACH	1001 · SCCB - Operating Account		-91.80
Bill	2110...	10/26/2021		5190 · Soil and Water Tests	-46.80	46.80
Bill	2110...	10/28/2021		5190 · Soil and Water Tests	-45.00	45.00
TOTAL					-91.80	91.80
Bill Pmt -Check	AP	11/10/2021	Mid Valley Supply- ACH	1001 · SCCB - Operating Account		-568.65
Bill	I2557...	10/27/2021		5220 · Water System - Repair & Maint	-151.64	151.64
				5220 · Water System - Repair & Maint	-75.82	75.82
				5220 · Water System - Repair & Maint	-37.91	37.91
				5220 · Water System - Repair & Maint	-37.91	37.91
				5220 · Water System - Repair & Maint	-37.91	37.91
				5220 · Water System - Repair & Maint	-37.91	37.91
				5220 · Water System - Repair & Maint	-37.91	37.91
Bill	I2558...	11/05/2021		5220 · Water System - Repair & Maint	-75.82	75.82
				5220 · Water System - Repair & Maint	-37.91	37.91
				5220 · Water System - Repair & Maint	-37.91	37.91
				5220 · Water System - Repair & Maint	-37.91	37.91
TOTAL					-568.65	568.65

Pajaro/Sunny Mesa Community Services District
Check Detail - Operating Account
November 1 - 12, 2021

Type	Num	Date	Name	Account	Paid Amount	Original Amount
Bill Pmt -Check	AP	11/10/2021	Mission Uniform Service-Online	1001 · SCCB - Operating Account		-168.92
Bill	5156...	10/04/2021		5140 · Building Repair & Maint	-42.23	42.23
Bill	5156...	10/11/2021		5140 · Building Repair & Maint	-42.23	42.23
Bill	5157...	10/18/2021		5140 · Building Repair & Maint	-42.23	42.23
Bill	5157...	10/25/2021		5140 · Building Repair & Maint	-42.23	42.23
TOTAL					-168.92	168.92
Bill Pmt -Check	AP	11/10/2021	Monterey One Water- Online	1001 · SCCB - Operating Account		-25.73
Bill	NOV ...	10/31/2021		5130 · Utilities - Office	-25.73	25.73
TOTAL					-25.73	25.73
Bill Pmt -Check	AP	11/10/2021	PARS- ACH	1001 · SCCB - Operating Account		-502.23
Bill	49017	10/11/2021		5005 · Administrative Fees	-502.23	502.23
TOTAL					-502.23	502.23
Bill Pmt -Check	AP	11/10/2021	PG&E 1438-Online	1001 · SCCB - Operating Account		-1,638.37
Bill	9/27/...	10/26/2021		5310 · Utilities - Well Site	-1,638.37	1,638.37
TOTAL					-1,638.37	1,638.37
Bill Pmt -Check	AP	11/10/2021	PG&E 1826-Online	1001 · SCCB - Operating Account		-27.43
Bill	9/20/...	10/19/2021		5310 · Utilities - Well Site	-27.43	27.43
TOTAL					-27.43	27.43
Bill Pmt -Check	AP	11/10/2021	PG&E 6022-Online	1001 · SCCB - Operating Account		-14.56
Bill	9/22/...	10/20/2021		5315 · Utilities - Street Lighting	-14.56	14.56
TOTAL					-14.56	14.56
Bill Pmt -Check	AP	11/10/2021	PG&E 6857-Online	1001 · SCCB - Operating Account		-4,679.21
Bill	9/28/...	10/27/2021		5310 · Utilities - Well Site	-1,410.70	1,410.70
				5310 · Utilities - Well Site	-953.37	953.37
				5130 · Utilities - Office	-192.39	192.39
				5310 · Utilities - Well Site	-61.65	61.65
				5315 · Utilities - Street Lighting	-2,061.10	2,061.10
TOTAL					-4,679.21	4,679.21
Bill Pmt -Check	AP	11/10/2021	Pure Water- ACH	1001 · SCCB - Operating Account		-8,849.95
Bill	387130	11/01/2021	State Water Resources Control Board	5427 · Improvement Project-Springfield	-7,005.55	7,005.55
Bill	387129	11/01/2021	State Water Resources Control Board	5427 · Improvement Project-Springfield	-1,844.40	1,844.40
TOTAL					-8,849.95	8,849.95
Bill Pmt -Check	AP	11/10/2021	Quinn Company- ACH	1001 · SCCB - Operating Account		-586.65
Bill	WON...	10/27/2021		5220 · Water System - Repair & Maint	-586.65	586.65
TOTAL					-586.65	586.65
Bill Pmt -Check	AP	11/10/2021	Santa Cruz Answering Service-ACH	1001 · SCCB - Operating Account		-71.45
Bill	1009 ...	10/22/2021		5330 · Telephone	-71.45	71.45
TOTAL					-71.45	71.45
Bill Pmt -Check	AP	11/10/2021	Singh Computech- ACH	1001 · SCCB - Operating Account		-425.00
Bill	8989	10/26/2021		5165 · Computer Software	-255.00	255.00

Pajaro/Sunny Mesa Community Services District
Check Detail - Operating Account
November 1 - 12, 2021

Type	Num	Date	Name	Account	Paid Amount	Original Amount
Bill	9005	11/08/2021		5165 · Computer Software	-170.00	170.00
TOTAL					-425.00	425.00
Bill Pmt -Check	AP	11/10/2021	Soil Control Lab- ACH	1001 · SCCB - Operating Account		-1,000.00
Bill	1100...	10/11/2021		5190 · Soil and Water Tests	-50.00	50.00
Bill	1100...	10/11/2021		5190 · Soil and Water Tests	-25.00	25.00
Bill	1100...	10/11/2021		5190 · Soil and Water Tests	-25.00	25.00
Bill	1100...	10/11/2021		5190 · Soil and Water Tests	-25.00	25.00
Bill	1100...	10/11/2021		5190 · Soil and Water Tests	-75.00	75.00
Bill	1100...	10/11/2021		5190 · Soil and Water Tests	-75.00	75.00
Bill	1100...	10/11/2021		5190 · Soil and Water Tests	-25.00	25.00
Bill	1100...	10/11/2021		5190 · Soil and Water Tests	-50.00	50.00
Bill	1100...	10/14/2021		5190 · Soil and Water Tests	-25.00	25.00
Bill	1100...	10/14/2021		5190 · Soil and Water Tests	-50.00	50.00
Bill	1100...	10/14/2021		5190 · Soil and Water Tests	-25.00	25.00
Bill	1100...	10/14/2021		5190 · Soil and Water Tests	-25.00	25.00
Bill	1100...	10/14/2021		5190 · Soil and Water Tests	-75.00	75.00
Bill	1100...	10/14/2021		5190 · Soil and Water Tests	-25.00	25.00
Bill	1100...	10/21/2021		5190 · Soil and Water Tests	-75.00	75.00
Bill	1100...	10/21/2021		5190 · Soil and Water Tests	-25.00	25.00
Bill	1100...	10/21/2021		5190 · Soil and Water Tests	-50.00	50.00
Bill	1100...	10/21/2021		5190 · Soil and Water Tests	-25.00	25.00
Bill	1100...	10/21/2021		5190 · Soil and Water Tests	-75.00	75.00
Bill	1100...	10/21/2021		5190 · Soil and Water Tests	-50.00	50.00
Bill	1100...	10/28/2021		5190 · Soil and Water Tests	-50.00	50.00
Bill	1100...	10/28/2021		5190 · Soil and Water Tests	-75.00	75.00
TOTAL					-1,000.00	1,000.00
Bill Pmt -Check	AP	11/10/2021	Sturdy Oil Company- ACH	1001 · SCCB - Operating Account		-2,772.70
Bill	CL70...	10/15/2021		5370 · Fuel - Trucks	-1,370.76	1,370.76
Bill	CL71...	10/31/2021		5370 · Fuel - Trucks	-1,401.94	1,401.94
TOTAL					-2,772.70	2,772.70
Bill Pmt -Check	AP	11/10/2021	Tom's Site Service- ACH	1001 · SCCB - Operating Account		-203.49
Bill	62720	11/07/2021		5145 · District Wide Repair & Maint	-203.49	203.49
TOTAL					-203.49	203.49
Bill Pmt -Check	AP	11/10/2021	Townsend's Auto Parts- Online	1001 · SCCB - Operating Account		-10.52
Bill	TAP...	11/03/2021		5270 · Automotive - Repair & Maint	-10.52	10.52
TOTAL					-10.52	10.52
Bill Pmt -Check	AP	11/10/2021	Tri-County Landscape Supply-Online	1001 · SCCB - Operating Account		-47.40
Bill	54096	10/28/2021	Alex Tree c/o Alejandro Quezada-Ba...	5220 · Water System - Repair & Maint	-47.40	47.40
TOTAL					-47.40	47.40
Bill Pmt -Check	AP	11/10/2021	Valvoline	1001 · SCCB - Operating Account		-105.92
Bill	33945	11/03/2021		5270 · Automotive - Repair & Maint	-105.92	105.92
TOTAL					-105.92	105.92
Bill Pmt -Check	AP	11/10/2021	WM / Carmel Marina - Office-Online	1001 · SCCB - Operating Account		-348.96
Bill	9652...	11/01/2021		5150 · Garbage Service	-348.96	348.96
TOTAL					-348.96	348.96
Check	PARS	11/03/2021	US Bank - PARS #6746022400	1001 · SCCB - Operating Account		-4,504.37
				5070 · Employee Retirement	-4,504.37	4,504.37

Pajaro/Sunny Mesa Community Services District
Check Detail - Operating Account
November 1 - 12, 2021

Type	Num	Date	Name	Account	Paid Amount	Original Amount
TOTAL					-4,504.37	4,504.37
Bill Pmt -Check	24895	11/02/2021	Don Rosa	1001 · SCCB - Operating Account		-667.00
Bill	Amaz...	10/01/2021		5165 · Computer Software 5240 · Office Supplies	-634.65 -32.35	634.65 32.35
TOTAL					-667.00	667.00
Bill Pmt -Check	24896	11/10/2021	Monterey Bay Air Resources District	1001 · SCCB - Operating Account		-1,327.00
Bill	2824-...	10/01/2021		5325 · Permits 5325 · Permits 5325 · Permits	-361.00 -483.00 -483.00	361.00 483.00 483.00
TOTAL					-1,327.00	1,327.00
Bill Pmt -Check	24897	11/10/2021	Monterey County Tax Collector	1001 · SCCB - Operating Account		-1,585.00
Bill	117-3...	10/01/2021		5120 · Property Taxes	-127.64	127.64
Bill	117-2...	10/01/2021		5120 · Property Taxes	-69.74	69.74
Bill	413-0...	10/01/2021		5120 · Property Taxes	-78.38	78.38
Bill	117-1...	10/01/2021		5120 · Property Taxes	-22.78	22.78
Bill	117-1...	10/01/2021		5120 · Property Taxes	-45.02	45.02
Bill	117-1...	10/01/2021		5120 · Property Taxes	-60.40	60.40
Bill	117-2...	10/01/2021		5120 · Property Taxes	-82.96	82.96
Bill	117-1...	10/01/2021		5120 · Property Taxes	-50.34	50.34
Bill	125-1...	10/01/2021		5120 · Property Taxes	-40.84	40.84
Bill	125-1...	10/01/2021		5120 · Property Taxes	-50.60	50.60
Bill	131-0...	10/01/2021		5120 · Property Taxes	-118.56	118.56
Bill	133-2...	10/01/2021		5120 · Property Taxes	-33.38	33.38
Bill	117-2...	10/01/2021		5120 · Property Taxes	-213.60	213.60
Bill	117-2...	10/01/2021		5120 · Property Taxes	-372.36	372.36
Bill	117-3...	10/01/2021		5120 · Property Taxes	-218.40	218.40
TOTAL					-1,585.00	1,585.00
Bill Pmt -Check	24898	11/10/2021	Phil Vanderhorst	1001 · SCCB - Operating Account		-84.11
Bill	Empl...	11/05/2021		5220 · Water System - Repair & Maint	-84.11	84.11
TOTAL					-84.11	84.11
Bill Pmt -Check	24899	11/10/2021	Santa Cruz County Bank	1001 · SCCB - Operating Account		-566.04
Bill	ACC...	10/24/2021		2256 · Vehicle Loan Payable 5256 · Interest Exp-Financed Items	-464.02 -102.02	464.02 102.02
TOTAL					-566.04	566.04

Pajaro/Sunny Mesa Community Services District
Check Detail - Reserve Account
November 1 - 12, 2021

Type	Num	Date	Name	Account	Paid Amount	Original Amount
Bill Pmt -Check	AP	11/10/2021	Thomas E Yeager, P.E.- ACH	1002 · SCCB Reserve Account		-1,472.50
Bill	Invoic...	11/02/2021	CA Office of Emergency Services OGALS	5438 · LHMP Project- Dist. Wide 5444 · OGALS Per Capita Grant 5266 · Engineering Svcs-Dist Wide	-256.52 -1,136.01 -79.97	271.25 1,201.25 84.56
TOTAL					-1,472.50	1,557.06
Bill Pmt -Check	AP	11/10/2021	Caterpillar Financial Services	1002 · SCCB Reserve Account		-1,394.82
Bill	3157...	10/18/2021		2268 · Generator Loan Payable 5256 · Interest Exp-Financed Items	-1,218.16 -176.66	1,218.16 176.66
TOTAL					-1,394.82	1,394.82
Bill Pmt -Check	AP	11/10/2021	Maggiora Bros. Drilling, Inc.- ACH	1002 · SCCB Reserve Account		-8,754.35
Bill	107123	11/05/2021		1812 · CIP-Moss Landing Water Syst...	-8,754.35	8,754.35
TOTAL					-8,754.35	8,754.35

Pajaro/Sunny Mesa Community Services District
Check Detail - Pajaro Park Account
November 1 - 12, 2021

Type	Num	Date	Name	Account	Paid Amount	Original Amount
Bill Pmt -Check	AP	11/10/2021	Mission Uniform Service-Online	1036 · PSM Pajaro Park Acct		-115.44
Bill	5156...	10/05/2021		5231 · Pajaro Park Expense	-115.44	115.44
TOTAL					-115.44	115.44
Bill Pmt -Check	AP	11/10/2021	Panther Protective Services- ACH	1036 · PSM Pajaro Park Acct		-450.00
Bill	010-2...	10/27/2021		5231 · Pajaro Park Expense	-450.00	450.00
TOTAL					-450.00	450.00
Bill Pmt -Check	AP	11/10/2021	PG&E 3540 Pajaro Park-Online	1036 · PSM Pajaro Park Acct		-142.93
Bill	9/21/...	10/20/2021		5231 · Pajaro Park Expense	-142.93	142.93
TOTAL					-142.93	142.93
Bill Pmt -Check	AP	11/10/2021	WM / Carmel Marina - Pajaro Park-...	1036 · PSM Pajaro Park Acct		-348.96
Bill	9653...	11/01/2021		5231 · Pajaro Park Expense	-348.96	348.96
TOTAL					-348.96	348.96
Bill Pmt -Check	849	11/10/2021	Monterey County Tax Collector	1036 · PSM Pajaro Park Acct		-2,810.24
Bill	117-3...	10/01/2021		5231 · Pajaro Park Expense	-1,070.10	1,070.10
Bill	117-3...	10/01/2021		5231 · Pajaro Park Expense	-1,612.52	1,612.52
Bill	117-3...	10/01/2021		5231 · Pajaro Park Expense	-127.62	127.62
TOTAL					-2,810.24	2,810.24

Pajaro/Sunny Mesa Community Services District
Check Detail - Street Maintenance Account
 November 1 - 12, 2021

Type	Num	Date	Name	Account	Paid Amount	Original Amount
Bill Pmt -Check	AP	11/10/2021	AT&T 5203 Street Maint-Online	1004 · SCCB - Street Maint Acct		-209.11
Bill	11/1/...	11/01/2021		5225 · Street Maintenance	-209.11	209.11
TOTAL					-209.11	209.11
Bill Pmt -Check	AP	11/10/2021	PG&E 9545 Street Maint-Online	1004 · SCCB - Street Maint Acct		-31.47
Bill	9/21/...	10/20/2021		5225 · Street Maintenance	-31.47	33.03
TOTAL					-31.47	33.03
Bill Pmt -Check	546	11/10/2021	Pajaro/Sunny Mesa Comm Svcs Dist	1004 · SCCB - Street Maint Acct		-181.06
Bill	OCT ...	11/01/2021		5225 · Street Maintenance	-181.06	181.06
TOTAL					-181.06	181.06

DISTRICT OPERATIONS REPORT

November 18, 2021

TOPIC	STATUS	DATE OF PLANNED RESPONSE
Grants & Loans Active	<p>IRWMP Grant Pajaro & SRF Planning Grant Springfield.</p> <ul style="list-style-type: none"> Pajaro Grant – Notice of project completion was recorded at Monterey County on May 27, 2021. Recordation confirmed July 16, 2021. Springfield Planning Grant – Contract with MNS Engineers has been finalized. Contract was uploaded to the Construction Application. <p>Board and Staff are considering Operations funding.</p> <p>Staff is currently working with Quinn Caterpillar on approval process with Monterey Bay Air Resources District. 4 Generac generators have been installed in (3) Vega and Vierra, currently awaiting fuel.</p>	No Report No Report No Report November 2021
Hazard Mitigation Plan	<p>Generate a Disaster Mitigation Plan for submission to Monterey County and FEMA. The Rincon and PSMCSD teams will be meeting November 16, 2021, to document the planning process. Communication was sent out to stakeholders in a request to join the District as part of the Planning Committee for the preparation of the Local Hazard Mitigation Plan.</p>	November 2021
Multi Community Bottled Water Project	<p>Springfield Water System, Moss Landing Mobile Home Park, Springfield/Bluff/Jensen/Giberson Roads.</p> <p>One sign-up, totaling 202 homes currently receiving bottled water.</p>	No Report
Sunny Mesa Sewer	<p>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.</p>	No Report
Arrowhead Tank Replacement Project	<p>Bid docs prepared by Wy'east Engineering. Documents 100% complete. Project is ready to go out for bid, will need updating.</p> <p>Board has given direction to monitor the integrity of the tanks and report as needed.</p>	No Report
.71 acres Surplus Property	<p>Board of Supervisors approved \$5,000 payment to District from surplus property sale proceeds.</p>	No Report
21-22 Work Plan-Sunny Mesa Well 1 Repair	<p>Contractor completed repair November 11, 2021. Well is being flushed and tested by District Staff.</p>	November 2021
21-22 Work Plan-Vega Marlin Lane Generator	<p>MBARD is not allowing generator to be in use. New generator has been ordered June 2021, expected to be delivered in about 4 months.</p>	No Report
21-22 Work Plan-Normco Berta Tank #1	<p>Tank interior rehabilitation completed on June 24, 2021, tank was disinfected per AWWA standards and now online.</p>	Completed in July
21-22 Work Plan-Vierra Celeste Tanks	<p>The Tanks have been offline for over 17 years, property owner is requesting removal. Removal was completed on July 15, 2021.</p>	Completed in July

Usage Comparison in Gallons
2020-2021

Water Systems	Oct-18	Oct-19	Oct-20	Oct-21
Pajaro	8,069,424	7,147,888	6,957,896	6,533,780
Normco	3,116,916	2,894,012	2,830,432	2,549,932
Sunny Mesa	2,478,124	3,085,500	2,282,148	2,244,000
Moss Landing	2,210,340	2,003,144	2,078,692	2,077,196
Vega	1,208,020	1,365,100	1,568,556	1,184,832
Vierra Estates	409,156	378,488	320,892	343,332
Springfield (pumped)	587,180	455,158	699,455	598,400
Langley/Valle Pacifico	270,028	326,876	234,872	263,296
Blackie	200,464	207,196	233,376	174,284
District Total	18,549,652	17,863,362	17,206,319	15,969,052

Water Systems	Oct-20	Oct-21	Percentage
Pajaro	6,957,896	6,533,780	↓ -6.1%
Normco	2,830,432	2,549,932	↓ -9.9%
Sunny Mesa	2,282,148	2,244,000	↓ -1.7%
Moss Landing	2,078,692	2,077,196	↓ -0.1%
Vega	1,568,556	1,184,832	↓ -24.5%
Vierra Estates	320,892	343,332	↑ 7.0%
Springfield (pumped)	699,455	598,400	↓ -14.4%
Langley/Valle Pacifico	234,872	263,296	↑ 12.1%
Blackie	233,376	174,284	↓ -25.3%
District Total	17,206,319	15,969,052	↓ -7.2%