



TOWN OF DISCOVERY BAY

A COMMUNITY SERVICES DISTRICT

SDLF Platinum-Level of Governance



President – Michael Callahan • Vice-President – Carolyn Graham • Director – Kevin Graves • Director – Bryon Gutow • Director – Ashley Porter

NOTICE OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE TOWN OF DISCOVERY BAY Wednesday March 20, 2024 7:00 P.M.

TO ATTEND IN PERSON: The meeting will be held at the Community Center located at 1601 Discovery Bay Boulevard.

In addition to physical attendance at the address indicated above, the Town of Discovery Bay Community Services District is offering the following teleconferencing options as an alternative means for the public to participate in this meeting.

TO ATTEND BY ZOOM WEBINAR: <https://us06web.zoom.us/j/85454370841>

TO ATTEND BY PHONE: +1 (669) 444 9171 or +1 (719) 359 4580 **WEBINAR ID:** 854 5437 0841

Download Agenda Packet and Materials at <http://www.todb.ca.gov/>

REGULAR MEETING 7:00 P.M.

A. ROLL CALL AND PLEDGE OF ALLEGIANCE

1. Call business meeting to order 7:00 p.m.
2. Pledge of Allegiance.
3. Roll Call.

B. PUBLIC COMMENTS (Individual Public Comments will be limited to a 3-minute time limit)

During Public Comments, the public may address the Board on any issue within the District's jurisdiction which is not on the Agenda. The public may comment on any item on the Agenda at the time the item is before the Board for consideration. Any person wishing to speak will have 3 minutes to make their comment. There will be no dialog between the Board and the commenter as the law strictly limits the ability of Board members to discuss matters not on the agenda. We ask that you refrain from personal attacks during comment, and that you address all comments to the Board only. Any clarifying questions from the Board must go through the President. Comments from the public do not necessarily reflect the viewpoint of the Directors.

C. CONSENT CALENDAR

All matters listed under the CONSENT CALENDAR are considered by the District to be routine and will be enacted by one motion.

1. Approve Regular Board of Directors DRAFT Meeting minutes from March 6, 2024.
2. Approve Register of District Invoices.

D. PRESENTATIONS

E. DISCUSSION AND POSSIBLE ACTION

1. Discussion and Possible Action to Approve Fiscal Year 2022-2023 Audited Financial Statements.
2. Discussion and Possible Action Regarding the Emergency Replacement of a Failed Retaining Wall at the Community Center and Approving Resolution No. 2024-03, Adopting a CEQA Notice of Exemption, Approving the Project and Directing Filing of the Notice of Exemption.
3. Discussion and Possible Action to Adopt a New Commercial Card Program.

F. MANAGER'S REPORT

G. GENERAL MANAGER'S REPORT

H. DIRECTOR REPORTS

I. DIRECTORS REGIONAL MEETING AND TRAINING REPORT

1. BUSD Board Workshop – February 1, 2024 (Director Kevin Graves).
2. BUSD Board Meeting – February 22, 2024 (Director Kevin Graves).

J. CORRESPONDENCE

K. LEGAL REPORT

L. FUTURE AGENDA ITEMS

M. ADJOURNMENT

1. Adjourn to the next Regular Meeting of the Board of Directors on April 3, 2024 beginning at 7:00 p.m. at the Community Center located at 1601 Discovery Bay Boulevard.

"This agenda shall be made available upon request in alternative formats to persons with a disability, as required by the American with Disabilities Act of 1990 (42 U.S.C. § 12132) and the Ralph M. Brown Act (California Government Code § 54954.2). Persons requesting a disability related modification or accommodation in order to participate in the meeting should contact the Town of Discovery Bay, at (925) 634-1131, during regular business hours, at least forty-eight hours prior to the time of the meeting."

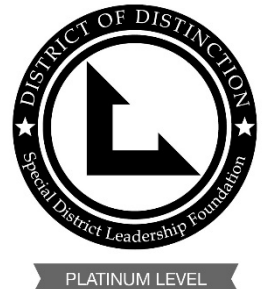
"Materials related to an item on the Agenda submitted to the Town of Discovery Bay after distribution of the agenda packet are available for public inspection in the District Office located at 1800 Willow Lake Road during normal business hours."



TOWN OF DISCOVERY BAY

A COMMUNITY SERVICES DISTRICT

SDLF Platinum-Level of Governance



President – Michael Callahan • Vice-President – Carolyn Graham • Director – Kevin Graves • Director – Bryon Gutow • Director – Ashley Porter

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS
OF THE TOWN OF DISCOVERY BAY
Wednesday March 6, 2024 7:00 P.M.**

REGULAR MEETING 7:00 P.M.

A. ROLL CALL AND PLEDGE OF ALLEGIANCE

1. Called business meeting to order 7:00 p.m.
2. Vice President Graham led the Pledge of Allegiance.
3. Roll Call was taken, and all members were present.

B. PUBLIC COMMENTS (Individual Public Comments will be limited to a 3-minute time limit)

None.

C. CONSENT CALENDAR

All matters listed under the CONSENT CALENDAR are considered by the District to be routine and will be enacted by one motion.

1. Approve Regular Board of Directors DRAFT Meeting minutes from February 21, 2024.
2. Approve Register of District Invoices.

Director Porter made a Motion to Approve the Consent Calendar.

Vice-President Graham seconded.

Vote: Motion carried – AYES: 5, NOES: 0, ABSTAINED: 0, ABSENT: 0.

D. AREA AGENCIES AND LIAISON REPORTS / PRESENTATIONS

1. Supervisor Diane Burgis, District III Report.
None.

2. Sheriff's Office Report.

Presented by Lt. Charlene Jacquez.

- There were 311 calls for service. Of those 311 calls, 49 reports were written, and 12 arrests were made.
- There were robberies at both Safeway and CVS.
- National Prescription Drug Take Back Day will be on Saturday, April 27, 2024.
- Junior Women's Academy is June 11-13, 2024.

3. Contra Costa County Fire Protection District Report.
None.

E. MUNICIPAL ADVISORY COUNCIL

None.

F. PRESENTATIONS

1. Water and Wastewater Rate Study Presentation.

Presented by Alison Lechowicz with Lechowicz and Tseng.

- The last Water & Wastewater Rate Study was done in 2020.
- Inflationary increases are needed for operations.
- Funding is needed for upcoming projects such as: Water Pipeline Replacement, Underwater Crossings, and District Office Building.
- Public Hearing would tentatively be June 5th or June 19th.
- If approved, rates would go into effect July 1, 2024.

G. DISCUSSION AND POSSIBLE ACTION

1. Discussion and Possible Action to Approve the Parks and Recreation 2024 Programs, Activities, and Event Fee Waivers.

Presented by Landscape Manager Monica Gallo.

- Each year the General Manger has waived the fees for Scouts of America Troop 514, the Annual Easter Egg Hunt, and two Summer Jam concerts.
- Staff requests that the Board approve the waivers for 2024.
- Director Gutow recused himself as he is on the Board for the Lions Club.

Vice-President Graham made a motion to accept the 2024 Programs, Activities, and Event Fee Waivers by the General Manager for a total amount of \$2,895.00.

Director Porter seconded.

Vote: Motion carried – AYES: 4 – Callahan, Graham, Graves, Porter, NOES: 0, ABSTAINED: 1 - Gutow, ABSENT: 0.

2. Discussion and Possible Action to Approve the 2024 Parks and Recreation Public Event Calendar.

Presented by Landscape Manager Monica Gallo.

- Annual Events include Easter Egg Hunt, Pickleball Tournament, Car Show, Summer Jam, Movies in the Park, Flick 'n Float, Paws on Parade and Cocoa with Santa/Tree Lighting.
- Director Gutow recused himself as he is on the Board for the Lions Club.

Director Graves made a motion to approve staff recommendation to approve the Parks and Recreation Public Event Calendar for 2024.

Director Porter seconded.

Vote: Motion carried – AYES: 4 – Callahan, Graham, Graves, Porter, NOES: 0, ABSTAINED: 1 - Gutow, ABSENT: 0.

3. Discussion and Possible Action Regarding the Town's participation in the Discovery Bay Yacht Club's Opening Day Parade.

Presented by General Manager Dina Breitstein.

- The Yacht Club is holding their Annual Opening Day Boat Parade on April 13, 2024.
- The Town was invited to participate in the parade.
- Staff has no recommendation. If the Board of Directors wish to participate in the Opening Day Parade, the recommended action would be to authorize the General Manager to coordinate entry and approve related expenses from the appropriate revenue sources up to an amount to be determined by the Board of Directors.
- Vice-President Graham recused herself as she is the parade organizer on behalf of the Yacht Club.
- Legal Counsel Andy Pinasco stated that staff can choose to volunteer but the Town cannot require Staff to participate in the event.

Director Graves made a motion to give the Board permission to participate in the parade with a budget not to exceed \$300 if the Board feels they have the capacity to do it.

Director Gutow seconded.

Vote: Motion Failed – Ayes: 0, NOES: 4 – Porter, Gutow, Graves, Callahan, ABSTAINED: 1 – Graham, ABSENT: 0.

H. MANAGER’S REPORT

None.

I. GENERAL MANAGER’S REPORT

General Manager Dina Breitstein had five updates.

- CSDA Legislative Days is May 21-22, 2024 in Sacramento.
- Town received approval from the SWRCB to abandon and decommission Well 5A.
- The Town had an opening for a maintenance/landscape worker. A current employee will be transitioning into their new position. A former employee will be returning to join town staff.
- The Town received the insurance check for the crane truck accident.
- The Town will be hiring a new Recreation Coordinator. Monica Gallo will transition into the Landscape Manager position.

J. DIRECTOR REPORTS

1. Standing Committee Reports.

a. Communications Committee Meeting (Committee Members Bryon Gutow and Carolyn Graham) March 6, 2024.

- Director Gutow reported the Committee met and discussed whether the Committee should meet “as needed” in the future. Committee could not come to a consensus.

b. Parks & Recreation Committee Meeting (Committee Members Michael Callahan and Bryon Gutow) March 6, 2024.

- Director Gutow reported that the Committee received Park and Landscape updates from Monica Gallo as well as the items that she presented earlier at the Board meeting.

c. Water and Wastewater Committee Meeting (Committee Members Kevin Graves and Ashley Porter) March 6, 2024.

- Director Graves reported that the Committee discussed updating the SCADA system at the Newport Lift Station as well as the new District Office Building.

K. DIRECTORS REGIONAL MEETING AND TRAINING REPORTS

None.

L. CORRESPONDENCE

None.

M. LEGAL REPORT

Legal Counsel Andy Pinasco let the Board know that soon he will be emailing the annual General Manager Evaluation. This item is expected to come to an April Board of Directors meeting.

N. FUTURE AGENDA ITEMS

None.

O. ADJOURNMENT

1. Adjourned at 7:58p.m. to the next Regular Meeting of the Board of Directors on March 20, 2024 beginning at 7:00 p.m. at the Community Center located at 1601 Discovery Bay Boulevard.



Town of Discovery Bay

"A Community Services District"

STAFF REPORT

**AGENDA ITEM:
C2**

Agenda Title: Approve Register of District Invoices.

Meeting Date: March 20, 2024

Prepared By: Margaret Moggia, Finance Manager & Lesley Marable, Accountant

Submitted By: Dina Breitstein, General Manager

RECOMMENDED ACTION:

Staff recommends that the Board approve the listed invoices for payment.

EXECUTIVE SUMMARY:

District invoices are paid on a regular basis and must obtain Board authorization prior to payment. Staff recommends Board authorization in order that the District can continue to pay warrants in a timely manner.

FISCAL IMPACT:

Amount Requested: \$ 285,828.68

Sufficient Budgeted Funds Available?: Yes (If no, see attached fiscal analysis)

Prog/Fund # See listing of invoices. Category: Operating Expenses and Capital Improvements

PREVIOUS RELEVANT BOARD ACTIONS FOR THIS ITEM:

ATTACHMENTS:

1. Request for Authorization to Pay Invoices for the Town of Discovery Bay CSD 2023/2024

Request for Authorization to Pay Invoices
For The Meeting On March 20, 2024
Town of Discovery Bay CSD
Fiscal Year 7/23 - 6/24

Pacific Gas & Electric	\$71,539.69
Syblon Reid	\$70,033.12
Badger Meter	\$35,197.33
Luhdorff & Scalmanini	\$33,431.18
U.S. Bank Corporate Payment System	\$22,468.02
BSK Associates	\$17,474.50
BrightView Landscape Services, Inc.	\$8,770.00
Mt Diablo Resource Recovery	\$8,470.21
Herwit Engineering	\$5,400.00
HASA INC	\$3,257.90
Karina Dugand	\$1,397.25
ULINE	\$1,242.39
Belkorp AG	\$1,110.40
Caselle, Inc.	\$1,000.00
National Aquatic Services, Inc.	\$700.00
Kevin Graves	\$575.00
Michelle Dominge	\$517.50
Carolyn Graham	\$460.00
Ashley Porter	\$345.00
Smearred Paint	\$315.00
Brentwood Ace Hardware	\$312.77
Quadient Leasing USA, Inc.	\$302.26
Bryon Gutow	\$230.00
Michael Callahan	\$230.00
Denalect Alarm Company	\$228.00
Geotab USA, Inc.	\$217.25
ODP Office Solutions, LLC	\$171.40
Core & Main LP	\$107.06
Shred City	\$99.00
Dennis Dean Allen	\$90.00
Discovery Pest Control	\$70.00
UniFirst Corporation	\$41.43
Verizon Wireless	\$25.02

\$285,828.68



Town of Discovery Bay

“A Community Services District”

STAFF REPORT

**AGENDA ITEM:
E1**

Agenda Title: Discussion and Possible Action to Approve Fiscal Year 2022-2023 Audited Financial Statements.

Meeting Date: March 20, 2024

Prepared By: Margaret Moggia, Finance Manager

Submitted By: Dina Breitstein, General Manager

RECOMMENDED ACTION:

Accept and approve the Fiscal Year 2022-2023 Audited Financial Statements.

EXECUTIVE SUMMARY:

Executive Summary

Government Code 53891. (a) States that the officer of each local agency who has charge of the financial records shall furnish to the Controller a report of all the financial transactions of the local agency during the preceding fiscal year. The report shall contain underlying data from audited financial statements prepared in accordance with generally accepted accounting principles if this data is available. The report shall be furnished within seven months after the close of each fiscal year and shall be in the form required by the Controller. A local agency shall submit to the Controller information on annual compensation, as described in subdivision (l) of Section 53892, for the previous calendar year no later than April 30th. The Town of Discovery Bay, CSD, and the Discovery Bay Public Financing Authority complies with this requirement on an annual basis and hires an independent auditing firm to perform the annual financial audit.

On August 2, 2023, the Board of Directors approved contracting with Croce, Sanguinetti and Vander Veen, Inc. to perform the Annual Audit for Fiscal Year 2022-2023 for the Town of Discovery Bay Community Services District and the Discovery Bay Public Financing Authority, and provide the following for Fiscal Year Ending June 30, 2023:

- Annual Audit for the Town of Discovery Bay, Community Services District.
- Preparation and submission of the Town of Discovery Bay, CSD Financial Transaction Reports.
- Preparation and submission of the Discovery Bay Public Financing Authority Financial Transaction Reports.

Croce, Sanguinetti, and Vander Veen conducted the field work for the Annual Audit for Fiscal Year 2022-2023 in December 2023 and have subsequently prepared Audited Financial Statements for review by the Board. In addition, Croce, Sanguinetti and Vander Veen prepared and submitted the Financial Transactions Records on January 31, 2024, as required for both the Town of Discovery Bay Community Services District and the Discovery Bay Public Financing Authority.

Staff has reviewed the financial statements and recommend acceptance and approval by the Board of Directors.

FISCAL IMPACT:

PREVIOUS RELEVANT BOARD ACTIONS FOR THIS ITEM:

August 2, 2023 - Approve Contracting with Croce, Sanguinetti & Vander Veen to Perform the Town of Discovery Bay's Independent Audit for Fiscal Year 2022-23.

ATTACHMENTS:

1. Town of Discovery Bay Community Services District Draft Financial Statements as of June 30, 2023.
 2. Draft SAS No. 114 Letter.
 3. Draft Management Advisory Letter.
 4. Management Representation Letter as of March 7, 2024.
-



**TOWN OF DISCOVERY BAY
COMMUNITY SERVICES DISTRICT**

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT

JUNE 30, 2023

Working Draft



CROCE, SANGUINETTI, & VANDER VEEN

INC.

CERTIFIED PUBLIC ACCOUNTANTS

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Independent Auditor's Report

To the Board of Directors
Town of Discovery Bay Community Services District
Discovery Bay, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the **Town of Discovery Bay Community Services District** (the District) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the **Town of Discovery Bay Community Services District** as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the State Controller's Minimum Audit Requirements for California Special Districts. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of **Town of Discovery Bay Community Services District**, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about **Town of Discovery Bay Community Services District's** ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Required Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 7, 2024, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

CROCE, SANGUINETTI, & VANDER VEEN, INC.
Certified Public Accountants
Stockton, California
March 7, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

Working Draft

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Management's Discussion and Analysis

June 30, 2023

This narrative overview and analysis of the Town of Discovery Bay Community Services District's (District) financial activities for the fiscal year ended June 30, 2023 has been provided by the management of the District. The management's discussion and analysis is intended to serve as an introduction to the District's financial statements which follow this section and is recommended to be reviewed in conjunction with them.

Financial Highlights

- The District's net position decreased by \$(656,641) over the prior year, including a (\$17,507) decrease in net position of governmental activities, and a \$(639,134) decrease in net position of business-type activities. The District's net position is now \$51,372,991.
- Total assets of the District were \$90,416,226 with capital assets at \$58,681,872 net of accumulated depreciation. Current, non-current and other assets were \$31,734,354.
- Total liabilities were \$39,017,299 consisting of long-term liabilities of \$36,477,084 and other current liabilities of \$2,540,215.
- Assets of the District exceeded liabilities at the close of the most recent fiscal year by \$51,372,991 (net position). Of this amount, \$19,500,378 (unrestricted net position) may be used to meet the District's ongoing obligations, \$8,846,741 is restricted for capital projects, and \$23,025,872 is net investment in capital assets.
- On the current financial resources basis, the District's governmental fund expenditures exceeded revenues (including \$230,913 in capital outlay expenditures) by \$(56,307). The proprietary fund expenses exceeded revenues by \$(639,134).
- At year-end, there was \$2,584,562 in cash and investments to fund future governmental activities, and \$28,354,730 in cash and investments to fund future business-type activities.

Overview of the Financial Statements

The District's financial statements are comprised of three components: government-wide financial statements, fund financial statements and notes to financial statements including required supplementary information.

Government-wide and fund financial statements present the results of operations for different functions of the District as follows:

1. **Government-wide financial statements** provide both long-term and short-term information about the District's overall financial position in a manner similar to private-sector business.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Management's Discussion and Analysis

June 30, 2023

Overview of the Financial Statements (Continued)

The **Statement of Net Position** displays all of the District's assets and liabilities, with the difference between the two reported as net position. The **Statement of Activities** provides all current year revenues and expenses on an accrual basis of accounting regardless of when cash is received or paid. These two government-wide statements report the District's net position and how they have changed during the fiscal year. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or weakening.

The government-wide financial statements separately present the District's functions as follows:

- **Governmental activities** include services financed mainly through property taxes. The District's general, lighting and landscaping and community center services comprise its governmental activities.
 - **Business-type activities** include services financed, in whole or in part, by fees paid by those who directly benefit from the service. The District's business-type activities include providing water and wastewater services to the residents of the District.
2. **Fund financial statements** focus on the individual functions of the District, and report the District's operations in more detail than the government-wide statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used by state and local governments to control their resources that are legally restricted or otherwise earmarked for special purposes. The District reports its fund financial statements in the following two categories:
- **Governmental funds** are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on 1) short-term inflows and outflows of expendable resources, and 2) the resources remaining at the end of the fiscal year that are available for future use. Because the focus of governmental funds is narrower than the government-wide financial statements, a reconciliation that explains the relationship (or differences) between them is presented following each of the governmental fund statements.
 - **Proprietary funds** are used to report the same functions presented as business-type activities in the government-wide financial statements in more detail.

Notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the financial statements.

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Management's Discussion and Analysis

June 30, 2023

Financial Analysis of the Government-wide Financial Statements

A review of net position over time may serve as a useful indicator of the District's financial position. Net position represents the difference between the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. As of June 30, 2023, the District's net position was \$51,372,991, a decrease of \$(656,641) from prior year. The following table outlines the District's net position by function for the current and prior fiscal years.

Town of Discovery Bay Community Services District Net Position
(rounded to the nearest dollar)
As of June 30, 2023 and 2022

	Governmental Activities		Business-type Activities		Total		Variance \$
	2023	2022	2023	2022	2023	2022	
Assets							
Current and other assets	\$ 2,637,365	\$ 2,711,347	\$ 29,096,989	\$ 37,767,335	\$ 31,734,354	\$ 40,478,682	\$ (8,744,328)
Non-current assets	-	-	-	41,933	-	41,933	(41,933)
Capital assets, net	<u>2,323,834</u>	<u>2,302,533</u>	<u>56,358,038</u>	<u>50,367,489</u>	<u>58,681,872</u>	<u>52,670,022</u>	<u>6,011,850</u>
Total assets	<u>4,961,199</u>	<u>5,013,880</u>	<u>85,455,027</u>	<u>88,176,757</u>	<u>90,416,226</u>	<u>93,190,637</u>	<u>(2,774,411)</u>
Deferred outflows of resources	-	-	-	-	-	-	-
Liabilities							
Current liabilities	165,893	201,580	2,374,322	3,547,587	2,540,215	3,749,167	(1,208,952)
Non-current liabilities	<u>30,278</u>	<u>29,765</u>	<u>36,446,806</u>	<u>37,382,073</u>	<u>36,477,084</u>	<u>37,411,838</u>	<u>(934,754)</u>
Total liabilities	<u>196,171</u>	<u>231,345</u>	<u>38,821,128</u>	<u>40,929,660</u>	<u>39,017,299</u>	<u>41,161,005</u>	<u>(2,143,706)</u>
Deferred inflows of resources	-	-	25,936	-	25,936	-	25,936
Net Position							
Invested in capital assets	2,323,834	2,302,533	20,702,038	14,127,489	23,025,872	16,430,022	6,595,850
Restricted	-	-	6,843,850	16,491,975	6,843,850	16,491,975	(9,648,125)
Unrestricted	<u>2,441,194</u>	<u>2,480,002</u>	<u>19,062,075</u>	<u>16,627,633</u>	<u>21,503,269</u>	<u>19,107,635</u>	<u>2,395,634</u>
Total net position	<u>\$ 4,765,028</u>	<u>\$ 4,782,535</u>	<u>\$ 46,607,963</u>	<u>\$ 47,247,097</u>	<u>\$ 51,372,991</u>	<u>\$ 52,029,632</u>	<u>\$ (656,641)</u>

By far the largest portion of the District's net position, 44.82%, reflects its net investment in capital assets (e.g., land, buildings and improvements, equipment, etc.); less any related debt used to acquire those assets that are still outstanding. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The second largest portion of the District's net position, 41.86%, reflects its unrestricted net position, which may be used to meet the government's ongoing obligations.

The restricted portion of the District's net position, \$6,843,850, is subject to constraints by bond financing agreements and enabling legislation.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Management's Discussion and Analysis

June 30, 2023

Financial Analysis of the Government-wide Financial Statements (Continued)

The following table displays the change in the District's net position for the year ended June 30, 2023.

Town of Discovery Bay Community Services District Change in Net Position

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenues						
Program revenues						
Charges for services	\$ 155,566	\$ 73,471	\$11,345,674	\$11,027,459	\$11,501,240	\$11,100,930
Operating grants and contributions	-	-	2,970	67,570	2,970	67,570
General revenues						
Property taxes	828,881	763,243	-	-	828,881	763,243
Assessments	158,161	150,634	-	-	158,161	150,634
Investment income	21,435	21	512,429	1,589	533,864	1,610
Other	<u>176,569</u>	<u>212,862</u>	<u>203,076</u>	<u>119,410</u>	<u>379,645</u>	<u>332,272</u>
Total revenues	<u>1,340,612</u>	<u>1,200,231</u>	<u>12,064,151</u>	<u>11,216,028</u>	<u>13,404,761</u>	<u>12,416,259</u>
Expenses						
General government	78,675	65,928	-	-	78,675	65,928
Community center	1,283	1,283	-	-	1,283	1,283
Lighting and landscaping						
Zone 8	1,111,722	959,313	-	-	1,111,722	959,313
Lighting and landscaping						
Zone 9	166,439	132,557	-	-	166,439	132,557
Water	-	-	4,859,577	4,696,931	4,859,577	4,696,931
Sewer	-	-	6,299,502	5,869,983	6,299,502	5,869,983
Financing authority	-	-	1,544,204	1,121,407	1,544,204	1,121,407
Total expenses	<u>1,358,119</u>	<u>1,159,081</u>	<u>12,703,283</u>	<u>11,688,321</u>	<u>14,061,402</u>	<u>12,847,402</u>
Change in net position	(17,507)	41,150	(639,134)	(472,293)	(656,641)	(431,143)
Net position, beginning of year	<u>4,782,535</u>	<u>4,741,385</u>	<u>47,247,097</u>	<u>47,719,390</u>	<u>52,029,632</u>	<u>52,460,775</u>
Net position, end of year	<u>\$ 4,765,028</u>	<u>\$ 4,782,535</u>	<u>\$46,607,963</u>	<u>\$47,247,097</u>	<u>\$51,372,991</u>	<u>\$52,029,632</u>

The \$(656,641) decrease in net position is attributed to each function as follows:

Governmental Activities

- Charges for services increased by \$82,095 due to an increase in Community Center program fees.
- Property tax revenue increased by \$65,638 due to an increase in assessed values of properties during the year.
- Expenses increased \$199,038 due to increases in payroll expenses, utilities and other expenses.

(Continued)

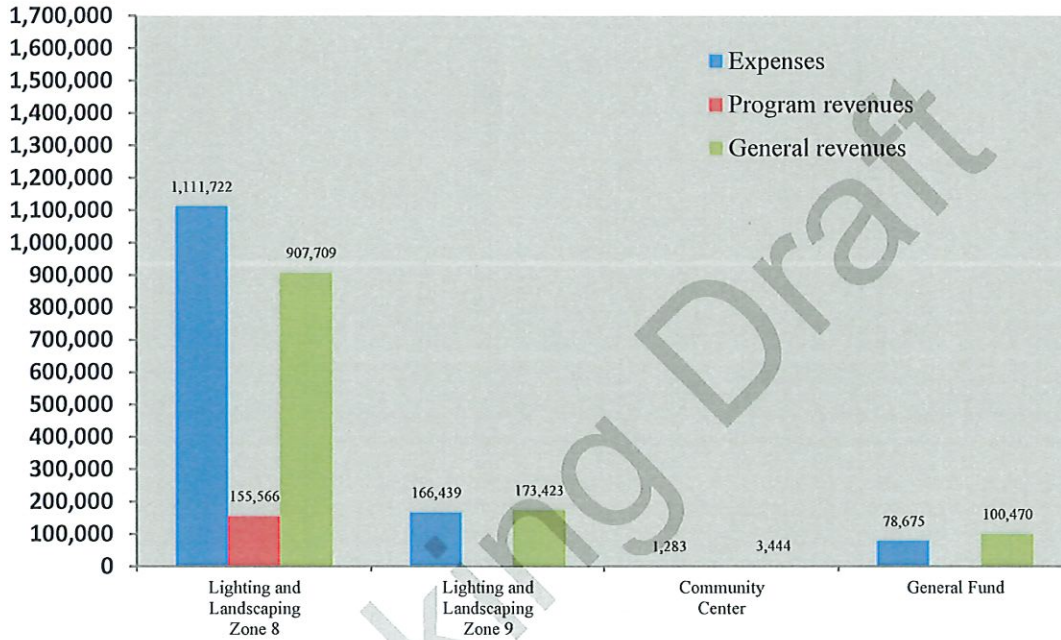
TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Management’s Discussion and Analysis

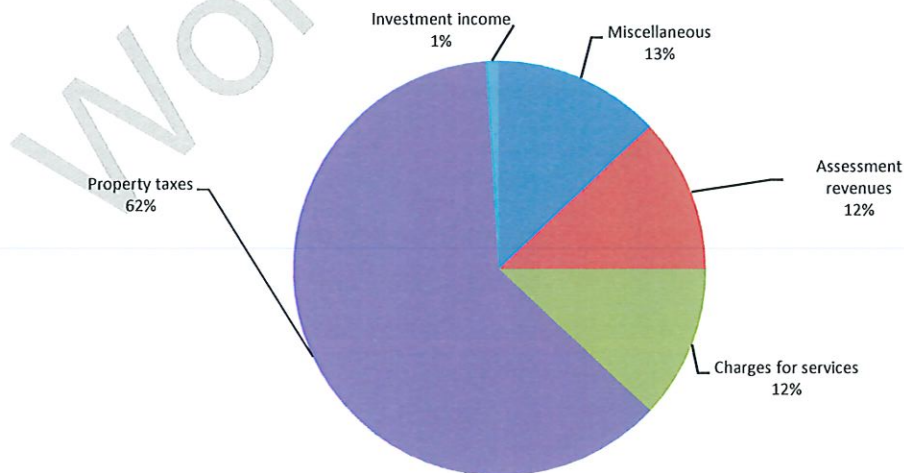
June 30, 2023

Financial Analysis of the Government-wide Financial Statements (Continued)

Expenses and Revenues - Governmental Activities



Revenues by Source - Governmental Activities



(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Management’s Discussion and Analysis

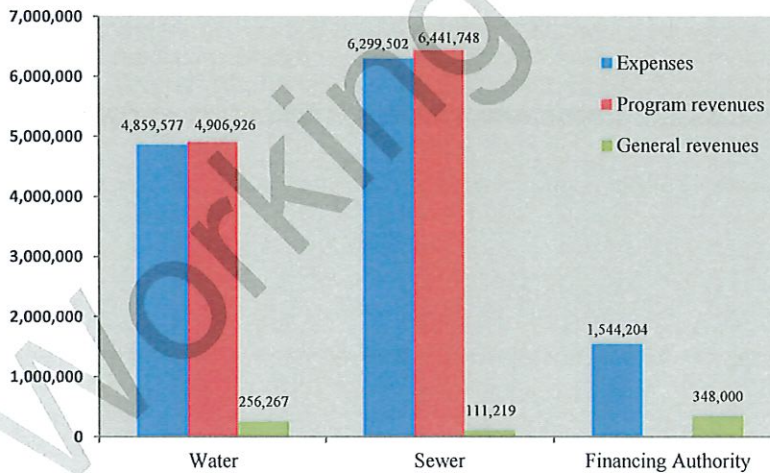
June 30, 2023

Financial Analysis of the Government-wide Financial Statements (Continued)

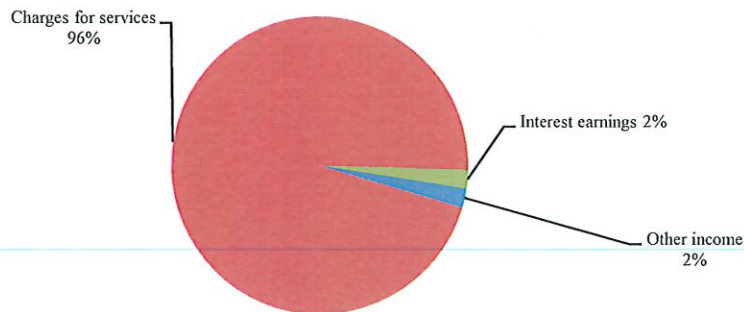
Business-type Activities

- Charges for services increased \$318,215 due to increases in water and sewer capacity fees and connection fees.
- Investment income increased \$510,840 due to the District utilizing commercial bank accounts earning greater interest on funds held during the year. Increased investment earnings were also the result of larger funds held with bond escrow agent earning greater returns.
- Other revenues increased \$83,666 due to an increase in reimbursement revenue.
- Expenses increased \$1,014,963 primarily due to increases in chemicals, contract services, insurance, utilities, and repairs and maintenance.

Expenses and Revenues - Business-type Activities



Revenues by Source - Business-type Activities



TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Management's Discussion and Analysis

June 30, 2023

Financial Analysis of the District's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the District's governmental funds is to provide information on the short-term inflows and outflows and balances of current expendable resources. In particular, the *unassigned fund balance* presented in the balance sheet may serve as a useful measure of the District's resources available for spending at the end of its fiscal year.

As of the end of the current fiscal year, the District's combined governmental fund expenditures exceeded revenues by \$(56,307) primarily due to expenditures exceeding revenues. This resulted in a \$(56,307) decrease in the combined ending fund balance of the District's governmental funds. The fund balance of the Lighting and Landscaping Zone 8 fund decreased by \$(100,848), the fund balance of the Lighting and Landscaping Zone 9 fund increased by \$30,964, the fund balance of the community center fund increased by \$3,445, and the fund balance of the general fund increased by \$10,132. At year-end, the combined fund balance of the governmental funds was \$2,453,460, consisting of committed and unassigned funds.

Proprietary Funds

The District's proprietary fund statements provide the same type of information, in more detail, on the business-type activities presented in the government-wide financial statements.

The net position of the proprietary funds decreased by \$(639,134) from \$47,247,097 to \$46,607,963. The net position included \$19,062,075 in unrestricted net position which has decreased by \$331,592 or 1.71% from the previous year. The decrease in unrestricted net position is primarily due to the increase in expenditures since the prior year.

Capital Asset and Debt Administration

Capital Assets

At the end of fiscal year 2023, the District's investment in capital assets amounted to \$58,681,872 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, equipment, vehicles, structures and improvements, and treatment and collection.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Management’s Discussion and Analysis

June 30, 2023

Capital Asset and Debt Administration (Continued)

The District’s total investment in capital assets before depreciation increased by \$9,058,984 from \$82,501,676 to \$91,560,660. Significant additions to capital assets included:

- Water Treatment Plant - Well #8 \$(122,138)
- Land-Parcel E Subdivision (Well #8) \$(149,896)
- Ford F750 Crane Truck \$(91,508)
- Ford F250 \$(61,443)
- Edgeview Pipeline Replacement \$(157,800)
- Willow Lake Filter Addition \$(204,974)
- Wastewater Distribution Diffuser Improvements \$(27,027)
- Wastewater Denitrification Project \$(7,489,380)
- Wastewater Vacuum Truck \$(492,568)
- L&L #8 Community Center Doors \$(27,594)
- L&L #8 Clipper Landscape \$(156,312)
- L&L #8 Resurfacing of Cornell Park Basketball Courts \$(20,900)

The following table displays the changes in District’s capital assets, net of accumulated depreciation.

Town of Discovery Bay Community Services District’s Capital Assets
(net of depreciation, in rounded dollars)

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	\$ 415,930	\$ 415,930	\$ 456,896	\$ 307,000	\$ 872,826	\$ 722,930
Buildings and improvements	3,923,200	3,695,869	772,294	765,180	4,695,494	4,461,049
Treatment and collection	-	-	56,280,864	56,280,864	56,280,864	56,280,864
Structure and improvements	-	-	9,193,131	9,035,330	9,193,131	9,035,330
Equipment	604,797	601,215	1,041,906	1,031,007	1,646,703	1,632,222
Office furniture and equipment	25,665	25,665	153,009	153,009	178,674	178,674
Vehicles	80,133	80,133	1,112,905	467,384	1,193,038	547,517
Construction in progress	-	-	17,499,936	9,643,090	17,499,936	9,643,090
Total	5,049,725	4,818,812	86,510,941	77,682,864	91,560,666	82,501,676
Less accumulated depreciation	(2,725,891)	(2,516,279)	(30,152,903)	(27,315,375)	(32,878,794)	(29,831,654)
Net capital assets	\$ 2,323,834	\$ 2,302,533	\$56,358,038	\$50,367,489	\$58,681,872	\$ 52,670,022

Additional information on the District’s capital assets can be found in Note E of the “Notes to Financial Statements” section.

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Management's Discussion and Analysis

June 30, 2023

Debt Administration

At June 30, 2023, the District had \$35,656,000 in debt outstanding as compared to \$36,240,000 for the prior year. During fiscal year 2014, the District received Series 2012 Enterprise Revenue Bonds to finance the acquisition and construction of certain improvements to the water and wastewater systems. During fiscal year 2018, the District received series 2017 Enterprise Revenue Bonds to finance the costs of certain improvements to the water and wastewater enterprise systems. During the fiscal year 2022, the District received Series 2022 Enterprise Revenue Bonds to finance the costs of certain improvements to the water and wastewater enterprise system. During the fiscal year 2023, the District issued \$11,650,000 Discovery Bay Public Financing Authority Enterprise Revenue Refunding Bonds, Series 2022B. The bonds were issued to refinance the Series 2012 Enterprise Revenue Bonds. Additional information regarding the District's debt can be found in Note F of this report.

Economic Factors and Next Year's Budgets and Rates

The District has experienced moderate growth which is expected to continue over the next 3-5 years. This growth will further create demand for water and wastewater services and additional capital facilities. These demands have been addressed in the District's capital improvement program. The District is currently in the process of reviewing rates for water and wastewater services to evaluate the District's financial needs and rate structure.

Contacting the District's Financial Management

This financial report is designed to provide a general overview of the District's finances and to demonstrate the District's financial accountability and compliance with applicable laws for all those with an interest in the District's finances. Questions concerning any of the information provided in this report, or requests for additional financial information can be addressed to Town of Discovery Bay Community Services District, Attention: General Manager, 1800 Willow Lake Road, Discovery Bay, California 94505.

BASIC FINANCIAL STATEMENTS

Working Draft

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Statement of Net Position

June 30, 2023

	<u>Governmental activities</u>	<u>Business-type activities</u>	<u>Total</u>
Assets			
Current assets:			
Cash and investments	\$ 2,584,562	\$ 19,507,989	\$ 22,092,551
Cash and investments - restricted	-	8,846,741	8,846,741
Accounts receivable, net of allowance for doubtful accounts	44,381	689,264	733,645
Advances on taxes	8,422	832	9,254
Prepaid expenses	-	52,163	52,163
Non-current assets:			
Capital assets, net of accumulated depreciation	<u>2,323,834</u>	<u>56,358,038</u>	<u>58,681,872</u>
Total assets	<u>4,961,199</u>	<u>85,455,027</u>	<u>90,416,226</u>
Deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
Liabilities			
Current liabilities:			
Accounts payable	165,893	1,368,323	1,534,216
Interest payable	-	125,637	125,637
Other accrued liabilities	-	32,362	32,362
Bonds payable-current	-	848,000	848,000
Non-current liabilities:			
Compensated absences	30,278	62,831	93,109
Bonds payable	-	34,808,000	34,808,000
Unamortized bond premium	<u>-</u>	<u>1,575,975</u>	<u>1,575,975</u>
Total liabilities	<u>196,171</u>	<u>38,821,128</u>	<u>39,017,299</u>
Deferred inflows of resources	<u>-</u>	<u>25,936</u>	<u>25,936</u>
Net Position			
Net investment in capital assets	2,323,834	20,702,038	23,025,872
Restricted for:			
Capital projects	-	6,843,850	6,843,850
Unrestricted	<u>2,441,194</u>	<u>19,062,075</u>	<u>21,503,269</u>
Total net position	<u>\$ 4,765,028</u>	<u>\$ 46,607,963</u>	<u>\$ 51,372,991</u>

The accompanying notes are an integral part of this financial statement.

STATEMENT OF ACTIVITIES

Working Draft

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Statement of Activities

For the year ended June 30, 2023

		Program revenues		
	<u>Expenses</u>	<u>Charges for services</u>	<u>Operating grants and contributions</u>	<u>Capital grants and contributions</u>
Governmental activities				
General government	\$ 78,675	\$ -	\$ -	\$ -
Community center	1,283	-	-	-
Lighting and landscaping Zone 8	1,111,722	155,566	-	-
Lighting and landscaping Zone 9	166,439	-	-	-
Total governmental activities	1,358,119	155,566	-	-
Business-type activities				
Water	4,859,577	4,903,926	2,970	-
Sewer	6,299,502	6,441,748	-	-
Financing Authority	1,544,204	-	-	-
Total business-type activities	12,703,283	11,345,674	2,970	-
Total government	\$ 14,061,402	\$ 11,501,240	\$ 2,970	\$ -

General revenues

Taxes

 Property taxes

 Homeowners property tax relief

Investment income

Other income

Assessments

Total general revenues and transfers

Change in net position

Net position, beginning of year

Net position, end of year

Net (expense) revenue and changes in net position

<u>Governmental</u> <u>activities</u>	<u>Business-type</u> <u>activities</u>	<u>Totals</u>
\$ (78,675)	\$ -	\$ (78,675)
(1,283)	-	(1,283)
(956,156)	-	(956,156)
<u>(166,439)</u>	<u>-</u>	<u>(166,439)</u>
<u>(1,202,553)</u>	<u>-</u>	<u>(1,202,553)</u>
-	47,319	47,319
-	142,246	142,246
<u>-</u>	<u>(1,544,204)</u>	<u>(1,544,204)</u>
<u>-</u>	<u>(1,354,639)</u>	<u>(1,354,639)</u>
<u>(1,202,553)</u>	<u>(1,354,639)</u>	<u>(2,557,192)</u>
825,059	-	825,059
3,822	-	3,822
21,435	512,429	533,864
176,569	203,076	379,645
<u>158,161</u>	<u>-</u>	<u>158,161</u>
<u>1,185,046</u>	<u>715,505</u>	<u>1,900,551</u>
(17,507)	(639,134)	(656,641)
<u>4,782,535</u>	<u>47,247,097</u>	<u>52,029,632</u>
<u>\$ 4,765,028</u>	<u>\$ 46,607,963</u>	<u>\$ 51,372,991</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

**Balance Sheet
Governmental Funds**

June 30, 2023

		Special revenue funds			
	General fund	Community center	Lighting and landscaping Zone 8	Lighting and landscaping Zone 9	Total governmental funds
Assets					
Cash and investments	\$ 140,632	\$ 342,366	\$ 1,740,898	\$ 360,666	\$ 2,584,562
Accounts receivable	15,841	-	8,422	2,106	26,369
Advances on taxes	-	-	8,422	-	8,422
Total assets	<u>\$ 156,473</u>	<u>\$ 342,366</u>	<u>\$ 1,757,742</u>	<u>\$ 362,772</u>	<u>\$ 2,619,353</u>
Liabilities and Fund Balances					
Liabilities					
Accounts payable	\$ 10,776	\$ -	\$ 130,121	\$ 24,996	\$ 165,893
Total liabilities	<u>10,776</u>	<u>-</u>	<u>130,121</u>	<u>24,996</u>	<u>165,893</u>
Fund balances					
Committed to:					
Community center	-	342,366	-	-	342,366
Lighting and landscaping Zone 8	-	-	1,627,621	-	1,627,621
Lighting and landscaping Zone 9	-	-	-	337,776	337,776
Unassigned	<u>145,697</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>145,697</u>
Total fund balances	<u>145,697</u>	<u>342,366</u>	<u>1,627,621</u>	<u>337,776</u>	<u>2,453,460</u>
Total liabilities and fund balances	<u>\$ 156,473</u>	<u>\$ 342,366</u>	<u>\$ 1,757,742</u>	<u>\$ 362,772</u>	<u>\$ 2,619,353</u>
Reconciliation to statement of net position					
Total governmental fund balances					\$ 2,453,460
Amounts reported for governmental activities in the statement of net position are different because:					
Accounts receivable are not available to pay for current period expenditures and, therefore, are not reported in the funds.					18,012
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds					2,323,834
Long-term liabilities are not due and payable in the current period, and, therefore, are not reported in the balance sheet of governmental funds					<u>(30,278)</u>
Net position of governmental activities					<u>\$ 4,765,028</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

**Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds**

For the year ended June 30, 2023

	<u>General fund</u>	<u>Special revenue funds</u>			<u>Total governmental funds</u>
		<u>Community center</u>	<u>Lighting and landscaping Zone 8</u>	<u>Lighting and landscaping Zone 9</u>	
Revenues					
Property taxes	\$ -	\$ -	\$ 825,059	\$ -	\$ 825,059
Other	20,388	-	169,461	-	189,849
Assessment income	-	-	-	158,161	158,161
Reimbursements	67,014	-	45,809	11,452	124,275
Interest income	1,406	3,445	14,045	2,539	21,435
Homeowners property tax relief	-	-	3,822	-	3,822
Total revenues	<u>88,808</u>	<u>3,445</u>	<u>1,058,196</u>	<u>172,152</u>	<u>1,322,601</u>
Expenditures					
Payroll expenses	-	-	457,534	37,610	495,144
Repairs and maintenance	78,676	-	144,033	56,091	278,800
Utilities	-	-	195,334	22,246	217,580
Other	-	-	114,631	17,873	132,504
Insurance	-	-	11,000	3,000	14,000
Professional fees	-	-	5,599	4,368	9,967
Capital outlay	-	-	230,913	-	230,913
Total expenditures	<u>78,676</u>	<u>-</u>	<u>1,159,044</u>	<u>141,188</u>	<u>1,378,908</u>
Net change in fund balances	10,132	3,445	(100,848)	30,964	(56,307)
Fund balances, beginning of year	<u>135,565</u>	<u>338,921</u>	<u>1,728,469</u>	<u>306,812</u>	<u>2,509,767</u>
Fund balances, end of year	<u>\$ 145,697</u>	<u>\$ 342,366</u>	<u>\$ 1,627,621</u>	<u>\$ 337,776</u>	<u>\$ 2,453,460</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

**Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances - Governmental Funds
to the Statement of Activities**

For the year ended June 30, 2023

Net change in fund balances - governmental funds	\$ (56,307)
Amounts reported for governmental activities in the statement of activities are different because of the following:	
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds until such time as they are considered a current financial resource.	18,012
Depreciation expense related to capital assets is recognized in the statement of activities, but is not reported in the funds.	(209,612)
Governmental funds report capital outlays as expenditures, while in the governmental statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense.	230,913
Changes in compensated absences are recorded as an expense in the statement of activities, but are not reported in the funds.	<u>(513)</u>
Change in net position of governmental activities	<u>\$ (17,507)</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

**Statement of Net Position
Proprietary Funds**

June 30, 2023

	<u>Water fund</u>	<u>Sewer fund</u>	<u>Financing Authority fund</u>	<u>Total</u>
<u>Assets and Deferred Outflows of Resources</u>				
Current assets				
Cash and investments	\$ 7,590,589	\$ 11,917,400	\$ -	\$ 19,507,989
Cash and investments - restricted	-	-	8,846,741	8,846,741
Accounts receivable, net	600,592	88,672	-	689,264
Interest receivable	-	-	125,637	125,637
Prepaid expenses	20,865	31,298	-	52,163
Advances on taxes	333	499	-	832
Total current assets	<u>8,212,379</u>	<u>12,037,869</u>	<u>8,972,378</u>	<u>29,222,626</u>
Non-current assets				
Debt service - installment receivable	-	-	35,656,000	35,656,000
Capital assets, net of accumulated depreciation	<u>10,063,373</u>	<u>36,393,511</u>	<u>9,901,154</u>	<u>56,358,038</u>
Total non-current assets	<u>10,063,373</u>	<u>36,393,511</u>	<u>45,557,154</u>	<u>92,014,038</u>
Deferred outflows of resources				
Total assets and deferred outflows of resources	<u>\$ 18,275,752</u>	<u>\$ 48,431,380</u>	<u>\$ 54,529,532</u>	<u>\$ 121,236,664</u>
<u>Liabilities, Deferred Inflows of Resources and Net Position</u>				
Current liabilities				
Accounts payable	\$ 410,555	\$ 556,788	\$ 400,980	\$ 1,368,323
Interest payable	24,867	100,770	125,637	251,274
Bonds payable - current	-	-	848,000	848,000
Total current liabilities	<u>435,422</u>	<u>657,558</u>	<u>1,374,617</u>	<u>2,467,597</u>
Non-current liabilities				
Other accrued liabilities	27,880	4,482	-	32,362
Debt service - installment payable	6,545,000	29,111,000	-	35,656,000
Compensated absences	27,220	35,611	-	62,831
Bonds payable	-	-	34,808,000	34,808,000
Unamortized bond premium	-	-	1,575,975	1,575,975
Total non-current liabilities	<u>6,600,100</u>	<u>29,151,093</u>	<u>36,383,975</u>	<u>72,135,168</u>
Deferred inflows of resources				
Total liabilities, deferred inflows of resources and net position	<u>-</u>	<u>-</u>	<u>25,936</u>	<u>25,936</u>
Net Position				
Net investment in capital assets	10,063,373	36,393,511	(25,754,846)	20,702,038
Restricted for capital projects	(6,545,000)	(29,111,000)	42,499,850	6,843,850
Unrestricted				
Board designated	1,525,000	1,830,600	-	3,355,600
Undesignated	<u>6,196,857</u>	<u>9,509,618</u>	<u>-</u>	<u>15,706,475</u>
Total net position	<u>11,240,230</u>	<u>18,622,729</u>	<u>16,745,004</u>	<u>46,607,963</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 18,275,752</u>	<u>\$ 48,431,380</u>	<u>\$ 54,529,532</u>	<u>\$ 121,236,664</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

**Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds**

For the year ended June 30, 2023

	Water <u>fund</u>	Sewer <u>fund</u>	Financing Authority <u>fund</u>	<u>Total</u>
Operating revenues				
Charges for services	\$ 4,844,038	\$ 6,298,444	\$ -	\$ 11,142,482
Connection fees	59,888	143,304	-	203,192
Other	170,272	32,804	-	203,076
Grants	<u>2,970</u>	<u>-</u>	<u>-</u>	<u>2,970</u>
Total operating revenues	<u>5,077,168</u>	<u>6,474,552</u>	<u>-</u>	<u>11,551,720</u>
Operating expenses				
Depreciation	733,646	2,103,882	-	2,837,528
Contract services	817,720	1,765,322	-	2,583,042
Repairs and maintenance	1,166,155	320,210	-	1,486,365
Payroll expenses	642,690	824,992	-	1,467,682
Utilities	644,125	713,172	-	1,357,297
Insurance	223,709	236,370	-	460,079
Professional fees	252,641	94,755	-	347,396
Miscellaneous	116,948	56,469	-	173,417
Permits and fees	57,636	77,712	-	135,348
Chemicals	59,125	-	-	59,125
Telephone and communications	19,578	33,778	-	53,356
Supplies	19,518	27,747	-	47,265
Contract mailings	45,209	-	-	45,209
Rent	13,200	19,800	-	33,000
Directors' expenses	11,960	17,940	-	29,900
Bank fees and merchant charges	25,557	-	-	25,557
Memberships	<u>10,160</u>	<u>7,353</u>	<u>-</u>	<u>17,513</u>
Total operating expenses	<u>4,859,577</u>	<u>6,299,502</u>	<u>-</u>	<u>11,159,079</u>
Operating income	<u>217,591</u>	<u>175,050</u>	<u>-</u>	<u>392,641</u>
Nonoperating revenues (expenses)				
Investment income	85,994	78,415	348,020	512,429
Interest expense	-	-	(1,391,996)	(1,391,996)
Bond issuance cost	-	-	(152,208)	(152,208)
Total nonoperating revenues (expenses)	<u>85,944</u>	<u>78,415</u>	<u>(1,196,184)</u>	<u>(1,031,775)</u>
Operating transfers in (out)	<u>(3,108,750)</u>	<u>1,379,108</u>	<u>1,729,642</u>	<u>-</u>
Changes in net position	(2,805,165)	1,632,573	533,458	(639,134)
Net position, beginning of year	<u>14,045,395</u>	<u>16,990,156</u>	<u>16,211,546</u>	<u>47,247,097</u>
Net position, end of year	<u>\$ 11,240,230</u>	<u>\$ 18,622,729</u>	<u>\$ 16,745,004</u>	<u>\$ 46,607,963</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

**Statement of Cash Flows
Proprietary Funds**

For the year ended June 30, 2023

	Water fund	Sewer fund	Financing Authority fund	Total
Cash flows from operating activities				
Receipts from customers	\$ 4,870,372	\$ 6,504,978	\$ -	\$ 11,375,350
Payments to vendors and suppliers	(4,103,332)	(3,059,828)	(502,554)	(7,665,714)
Payments to employees and directors	(666,731)	(855,954)	-	(1,522,685)
Net cash provided by (used in) operating activities	<u>100,309</u>	<u>2,589,196</u>	<u>(502,554)</u>	<u>2,186,951</u>
Cash flows from non-capital financing activities				
Transfers in (out)	<u>(540,561)</u>	<u>(1,786,335)</u>	<u>2,326,896</u>	<u>-</u>
Net cash used in non-capital financing activities	<u>(540,561)</u>	<u>(1,786,335)</u>	<u>2,326,896</u>	<u>-</u>
Cash flows from capital and related financing activities				
Proceeds from refunding bonds	-	-	11,650,000	11,650,000
Bond issuance costs	-	-	(152,208)	(152,208)
Principal payments on bonds payable	-	-	(904,000)	(904,000)
Interest payments on bonds payable	-	-	(1,405,250)	(1,405,250)
Premium on bonds	-	-	(286,525)	(286,525)
Payment to refunded bond escrow agent	-	-	(11,330,000)	(11,330,000)
Proceeds from refinanced purchase	-	-	25,936	25,936
Acquisition of capital assets	<u>(679,954)</u>	<u>(732,574)</u>	<u>(7,415,549)</u>	<u>(8,828,077)</u>
Net cash used in capital and related financing activities	<u>(679,954)</u>	<u>(732,574)</u>	<u>(9,817,596)</u>	<u>(11,230,124)</u>
Cash flows from investing activities				
Interest received	<u>85,994</u>	<u>78,415</u>	<u>348,020</u>	<u>512,429</u>
Net cash provided by investing activities	<u>85,994</u>	<u>78,415</u>	<u>348,020</u>	<u>512,429</u>
Net increase (decrease) in cash and investments	<u>(1,034,212)</u>	<u>148,702</u>	<u>(7,645,234)</u>	<u>(8,530,744)</u>
Cash and investments, beginning of year	<u>8,624,801</u>	<u>11,768,698</u>	<u>16,491,975</u>	<u>36,885,474</u>
Cash and investments, end of year (including \$8,846,741 of restricted cash and investments as of June 30, 2023)	<u>\$ 7,590,589</u>	<u>\$ 11,917,400</u>	<u>\$ 8,846,741</u>	<u>\$ 28,354,730</u>
Reconciliation of operating income to net cash provided by (used in) operating activities				
Operating income	\$ 217,591	\$ 175,050	\$ -	\$ 392,641
Adjustments to reconcile operating income to net cash provided by (used in) operating activities				
Depreciation	733,646	2,103,882	-	2,837,528
Change in assets and liabilities				
Accounts receivable	(206,796)	30,426	-	(176,370)
Prepaid expenses	126,389	189,583	-	315,972
Debt issuance costs - prepaid insurance	-	-	41,933	41,933
Accounts payable	(749,958)	98,795	(544,487)	(1,195,650)
Accrued payroll	(16,912)	(21,449)	-	(38,361)
Other accrued liabilities	(8,482)	4,482	-	(4,000)
Compensated absences	4,831	8,427	-	13,258
Net cash provided by (used in) operating activities	<u>\$ 100,309</u>	<u>\$ 2,589,196</u>	<u>\$ (502,554)</u>	<u>\$ 2,186,951</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note A - Summary of Significant Accounting Policies

This summary of significant accounting policies of the Town of Discovery Bay Community Services District (the District) is presented to assist in understanding the District's financial statements.

Description of the reporting entity

The Town of Discovery Bay Community Services District, formerly known as Discovery Bay Community Services District was formed by the residents of Discovery Bay under the authority of the Cortese-Knox Act (Gov. C. Sec. 56000). This special district was formed as a result of a petition of residents to provide services to the residents of Discovery Bay. Effective July 1, 1998, the District assumed the responsibilities, funding, and assets previously held by the dissolved Sanitation District #19. During November 1998, the residents of Discovery Bay voted to activate the latent powers of the District to include recreation; specifically, to acquire, fund, and operate a Community Center.

Effective August 13, 2003, the Local Agency Formation Commission (LAFCO) of Contra Costa County dissolved County Service Area M-8 and annexed the territory to the Town of Discovery Bay Community Services District. The District is responsible for maintaining the lighting, landscaping, and parks within Service Area M-8 of the Town of Discovery Bay.

The Town of Discovery Bay Community Services District formed an assessment district known as Ravenswood Improvement District - Discovery Bay Lighting and landscaping Zone 9 for the purpose of providing for the operation and maintenance of landscaping, parks and open space in the subdivision known as Ravenswood.

The purpose of the Town of Discovery Bay Community Services District, a multipurpose independent district, is to represent the residents of Discovery Bay in any matters covered under the California Government Code relating to a Community Services District. In addition to the purposes listed in the Government Code, the District has been ordered by LAFCO and the Board of Supervisors to perform an advisory role for the residents of Discovery Bay. This role includes, but is not limited to, advising the County in matters of land use planning, zoning, compliance, roads and streets, lighting, landscaping, parks and public safety services. The District also provides water and sewer services to the Town of Discovery Bay.

As required by accounting principles generally accepted in the United States of America and the Governmental Accounting Standards Board, these financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government's operations and so data from these units are combined with data of the primary government.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note A - Summary of Significant Accounting Policies (Continued)

The District's financial reporting entity is composed of the following:

Primary Government:	Town of Discovery Bay Community Services District
Blended Component Unit:	Discovery Bay Public Financing Authority

In determining the financial reporting entity, the District complies with the provisions of Government Accounting Standards Board (GASB) Statements No. 61, *The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34*, and GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units - an amendment of GASB Statement No. 14*.

Blended Component Units

The Town of Discovery Bay Community Services District (the District) and the Byron Bethany Irrigation District entered into a Joint Exercise of Powers Agreement dated July 1, 2012, forming the Discovery Bay Public Financing Authority (the Authority). The Authority is authorized to borrow money for the purpose of assisting the District in financing various public capital improvements and facilities. The Authority issued revenue bonds in order to fund such expenditures. The Authority is controlled by the District and has the same governing body as the District, which also performs all accounting and administrative functions for the Authority. The financial activities of the Authority have been included (termed "blended") in these financial statements in the business-type activities. The Authority does not issue separate financial statements.

Government-wide financial statements

The Statement of Net Position and Statement of Activities display information about the primary government, the District and its blended component unit. These statements include the financial activities of the overall District government, except for fiduciary activities.

Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note A - Summary of Significant Accounting Policies (Continued)

The Statement of Activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the District and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs, (b) grants and contributions that are restricted to meeting the operational needs of a particular program, and (c) fees, grants, and contributions that are restricted to financing the acquisition or construction of capital assets. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund financial statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into two major categories: governmental and proprietary. The District presently has no fiduciary funds. An emphasis is placed on major funds within the governmental and enterprise categories. A fund is considered major if it is the primary operating fund of the District or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type, and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The funds of the financial reporting entity are described below:

Governmental Funds

The General Fund is the primary operating fund of the District and is always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

Special Revenue Funds are used to account for the proceeds of the specific revenue sources that are either legally restricted to expenditures for specified purposes or designated to finance particular functions or activities of the District. The reporting entity includes the following special revenue funds, all of which are reported as major funds:

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note A - Summary of Significant Accounting Policies (Continued)

<u>Fund</u>	<u>Brief description</u>
Community Center	Accounts for revenues and expenditures of acquiring, funding, and operating a community center.
Lighting and landscaping Zone 8	Accounts for revenues and expenditures related to maintenance of street lighting and landscaping facilities and services; local parks and recreation facilities and services; parkway facilities and services; and open space facilities and services Zone 8.
Lighting and landscaping Zone 9	Accounts for revenues and expenditures related to operation and maintenance of landscaping, parks and open space in the subdivision known as Ravenswood.

Proprietary Funds

Enterprise Funds are used to account for business-like activities provided to the general public. These activities are financed primarily by user charges, and the measurement of financial activity focuses on net income measurement similar to the private sector. The reporting entity includes the following enterprise funds, all of which are reported as major funds:

<u>Fund</u>	<u>Brief description</u>
Water Fund	Accounts for the activities of providing water services to the residents of the District. All activities necessary to provide such services are accounted for in this fund, including administration, operations, capital improvements, maintenance, financing and related debt service, and billing and collection.
Sewer Fund	Accounts for the activities associated with operating and maintaining the District's collection and treatment of wastewater. All activities necessary to provide such services are accounted for in this fund, including administration, operations, capital improvements, maintenance, financing and related debt service, and billing and collection.
Financing Authority Fund	Accounts for facilitating the financing of public capital improvements and facilities for the District's water and wastewater system. All activities necessary to provide such services are accounted for in this fund, including administration, operations, capital improvements, maintenance, financing and related debt, and billing and collection.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note A - Summary of Significant Accounting Policies (Continued)

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The District's operating revenues include all revenues derived from water and sewage services. The enterprise funds also recognize as operating revenue, the portion of tap fees, connection fees and impact fees intended to recover the cost of connecting new customers to the system. Operating expenses include all costs related to water and sewage services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses, except for capital contributions, which represent capital contributions collected for the acquisition or construction of capital assets.

As allowed by Governmental Accounting Standards Board (GASB) Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, the District's proprietary funds follow all GASB pronouncements currently in effect as well as Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the AICPA Committee on Accounting Procedures issued on or before November 30, 1989, unless those pronouncements conflict with or contradict with GASB pronouncements.

Measurement focus

In the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-like activities are presented using the economic resources measurement focus as defined in item b below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

- a. All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The proprietary fund utilizes an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note A - Summary of Significant Accounting Policies (Continued)

Basis of accounting

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

All proprietary funds utilize the *accrual basis of accounting*. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

Cash and investments

For the purpose of financial reporting "cash and cash investments" includes all demand and savings accounts and certificates of deposit or short-term investments with an original maturity of three months or less.

Restricted cash and investments include proceeds from the 2022 enterprise revenue bonds and the 2022B enterprise revenue refunding bonds which are restricted for capital projects and repayment of bonds.

Accounts receivable

Accounts receivable are stated at unpaid balances, less an allowance for doubtful accounts. The District provides for losses on accounts receivable using the allowance method. The allowance is based on historical experience and management's evaluation of outstanding accounts receivable.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note A - Summary of Significant Accounting Policies (Continued)

Debt service installment receivable

The District and the Authority have installment sale agreements whereby the District is obligated to pay to the Authority installment payments equal to the debt service requirements of the Authority's long-term debt. The debt service installment receivable represents the amount due from the District to meet the Authority's debt service requirements, which includes principal and accrued interest.

Capital assets

Capital assets are reported in the applicable governmental or business-type activities columns of the government-wide financial statements. All capital assets are valued at historical cost or estimated historical cost. The District's policy is to capitalize all assets with costs exceeding certain minimum thresholds and with useful lives exceeding two years.

Depreciation has been provided on capital assets and is charged as an expense against operations each year. The total amount of depreciation taken over the years is reported on the statement of net position as a reduction in the book value of capital assets.

Depreciation is provided using the straight line method which means the cost of the asset is divided by its expected useful life in years and the result is charged to expense each year until the asset is fully depreciated. The District has assigned the useful lives listed below to capital assets.

Buildings and improvements	7-40 years
Equipment	5-25 years
Structures and improvements	10-50 years
Treatment and collection	5-40 years
Vehicles	5 years

Major outlays for capital assets and improvements are capitalized as projects are constructed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Amortization

The effective interest method is used for the amortization of unamortized bond discounts and bond premiums.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note A - Summary of Significant Accounting Policies (Continued)

Long-lived assets

Long-lived assets to be held and used are reviewed for impairment whenever events or changes in circumstances indicate that the related carrying amount may not be recoverable. When required, impairment losses on assets to be held and used are recognized based on the fair value of the asset. Long-lived assets to be disposed of are reported at the lower of carrying amount or fair value less costs to sell.

Compensated absences

Compensated absences are accrued as earned by employees, and consist of accruals for vacation time. The District's liability for compensated absences is reported in the Statement of Net Position for governmental activities in the government-wide financial statements.

Net position

Equity in the financial statements is classified as net position and displayed in three components as follows:

- a. Net investment in capital assets - Consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any borrowings that are attributable to the acquisition, construction or improvement of those assets.
- b. Restricted - Consists of restricted assets reduced by liabilities and deferred inflows of resources related to these assets.
- c. Unrestricted - Amounts not required to be reported in other components of net position.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Fund balances

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the District is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components: nonspendable, restricted, committed, assigned and unassigned.

Nonspendable - Amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note A - Summary of Significant Accounting Policies (Continued)

Restricted - Amounts constrained regarding use from restrictions externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or by restrictions imposed by law through constitutional provisions or enabling legislation.

Committed - Amounts constrained regarding use for specific purposes pursuant to requirements imposed by formal action of the District's highest level of decision making authority.

Assigned - Amounts constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. The authority for assigning fund balance is expressed by the Board of Directors, District manager or their designee.

Unassigned - Amounts that have not been restricted, committed or assigned to specific purposes within the general fund. The general fund is the only fund that reports a positive unassigned fund balance amount. Other governmental funds besides the general fund can only report a negative unassigned fund balance amount.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources (committed, assigned and unassigned) as they are needed. When unrestricted resources (committed, assigned and unassigned) are available for use it is the District's policy to use committed resources first, then assigned, and then unassigned as they are needed.

Internal and Interfund Balances and Activities

In the process of aggregating the financial information for the government-wide Statement of Net Position and Statement of Activities, some amounts reported as interfund activity and balances in the fund financial statements have been eliminated or reclassified.

Interfund activity, if any, within and among the governmental and proprietary fund categories is reported as follows in the fund financial statements:

1. Interfund loans - Amounts provided with a requirement for repayment are reported as interfund receivables and payables.
2. Interfund services - Sales or purchases of goods and services between funds are reported as revenues and expenditures/expenses.
3. Interfund reimbursements - Repayments from funds responsible for certain expenditures/expenses to the funds that initially paid for them are not reported as reimbursements but as adjustments to expenditures/expenses in the respective funds.
4. Interfund transfers - Flow of assets from one fund to another where repayment is not expected are reported as transfers in and out.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note A - Summary of Significant Accounting Policies (Continued)

Interfund activity and balances, if any, are eliminated or reclassified in the government-wide financial statements as follows:

1. Internal balances - Amounts reported in the fund financial statements as interfund receivables and payables are eliminated in the governmental and business-type activities columns of the Statement of Net Position, except for the net residual amounts due between governmental and business-type activities, which are reported as Internal Balances.
2. Internal activities - Amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of Activities except for the net amount of transfers between governmental and business-type activities, which are reported as Transfers - Internal Activities. The effects of interfund services between funds, if any, are not eliminated in the Statement of Activities.

Property taxes

Property taxes and property assessments were levied January 1, 2022, assessed July 1, 2022 and were payable in two installments on December 10, 2022 and April 10, 2023. The County of Contra Costa bills and collects property taxes on behalf of the District.

Utility sales

Utility sales are billed on a monthly basis. Estimated unbilled utility revenue through June 30 has been accrued at year-end for the enterprise funds.

Contributed capital

Effective August 13, 2003, the District recorded \$947,190 of contributed capital to transfer funds from County Service M-8 to Lighting and landscaping Zone 8. The Lighting and landscaping Zone 8 district became the responsibility of the District on August 13, 2003. The contributed capital represents all capital assets and assets transferred to the District.

The District received \$35,847 of noncash capital contributions from developers consisting of park and open space easement for Lighting & Landscaping Zone 9.

The District has received \$18,757,813 of noncash capital contributions from developers consisting of sewer infrastructure.

Budgetary accounting

The District does not adopt appropriated budgets. However, the District does adopt non-appropriated budgets annually, which are approved by the Board of Directors.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note A - Summary of Significant Accounting Policies (Continued)

Estimates

The preparation of the basic 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 disclosures of contingent assets and liabilities at the date of the basic financial statements and the reported changes in net position during the reporting period. Actual results could differ from those estimates.

Fair value measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels based on the extent to which inputs used in measuring fair value are observable in the market.

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 inputs are inputs other than quoted prices included within Level 1 - that are observable for an asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for an asset or liability.

If the fair value of an asset or liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

New accounting pronouncements

Standards not yet adopted

In June 2022, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. The objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This Statement is effective for fiscal years beginning after December 15, 2023. The District will be required to implement the provisions of this Statement for the year ended June 30, 2025. The District has not determined the effect on the financial statements.

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note B - Cash and Investments

Cash and investments as of June 30, 2023 are classified in the accompanying financial statements as follows:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Cash and investments	\$ 2,584,562	\$ 28,354,730	\$ 30,939,292
Total cash and investments	<u>\$ 2,584,562</u>	<u>\$ 28,354,730</u>	<u>\$ 30,939,292</u>

At June 30, 2023, the District's total cash and investments at fair value were as follows:

Cash:	
Cash on hand	\$ 200
Deposits with financial institutions	21,953,265
Deposits held by bond trustee - deposits with financial institutions	<u>8,846,741</u>
Total cash	<u>30,800,206</u>
Investments:	
Certificate of deposit	6,960
Contra Costa County Treasurer	<u>132,126</u>
Total investments	<u>139,086</u>
Total cash and investments	<u>\$ 30,939,292</u>

Investment policy

The District maintains a cash and investment pool that is available for use by all funds except for the Lighting and landscaping fund whose investments were directed by Contra Costa County. Each fund type's portion of this pool is displayed on the statement of net position and balance sheet as "cash and investments". Cash balances from all participating funds are combined and invested to the extent possible, pursuant to the Board of Directors approved Investment Policy and guidelines, and the California Government Code, Section 53600, Division 2, Chapter 4 - Financial Affairs.

California statutes authorize special districts to invest idle, surplus, or reserve funds in a variety of credit instruments as provided for in the California Government Code, Section 53600. As specified in Government Code 53600.5, when investing, reinvesting, purchasing, acquiring, exchanging, selling or managing the District's funds, the primary objectives, in priority order, of the District's investment activities and of the District's investment policy shall be (1) safety,

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note B - Cash and Investments (Continued)

(2) liquidity, and (3) yield. It is the policy of the District to invest public funds in a manner to obtain the highest return obtainable with the maximum security while meeting the daily cash flow demands of the District as long as investments meet the criteria established by this policy for safety and liquidity and conform to all laws governing the investment of District funds.

The District is provided a broad spectrum of eligible investments under California Government Code Sections 53600-53609 (authorized investments), 53630-53686 (deposits and collateral), and 16429.1 (Local Agency Investment Fund). The District may choose to restrict its permitted investments to a smaller list of securities that more closely fits the District's cash flow needs and requirements for liquidity.

The table below identifies the investment types that are authorized for the District by the California Government Code (or the District's investment policy, where more restrictive) that addresses interest rate risk, credit risk, and concentrations of credit risk.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
Local Agency Bonds	5 years	None	None
U.S. Treasury Bills, Notes, and Bonds	5 years	None	None
U.S. Government Agency obligations	5 years	None	None
California Local Agency debt	5 years	None	None
Repurchase Agreements	1 year	20%	None
State Registered Warrants, Notes or Bonds	5 years	None	None
Bankers Acceptances	180 days	40%	30%
High Grade Commercial Paper	270 days	40%	10%
Negotiable Certificates of Deposit	5 years	30%	10%
Medium Term Corporate Notes	5 years	30%	5%
Mutual Funds	N/A	20%	None
Mortgage Pass-Through Securities	5 years	20%	5%
Collateralized Negotiable Instruments	5 years	15%	5%
Local Agency Investment Fund (LAIF)	N/A	None	None
Local Government Investment Pools	N/A	None	None

The District complied with the provisions of California Government Code (or the District's investment policy, where more restrictive) pertaining to the types of investments held, institutions in which deposits were made and security requirements. The District will continue to monitor compliance with applicable statutes pertaining to public deposits and investments.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note B - Cash and Investments (Continued)

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect 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. One of the ways that the District manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities as necessary to provide the cash flow and liquidity needed for operations. The District's investment policy does not contain any provisions limiting interest rate risk other than what is specified in the California Government Code.

Information about the sensitivity of the fair values of the District's investments (including investments held by bond trustee) to market interest rate fluctuations is provided by the following table that shows the distribution of the District's investments by maturity:

<u>Investment Type</u>	<u>Total</u>	<u>12 months or less</u>	<u>13 - 24 months</u>	<u>25-36 months</u>	<u>37 - 48 months</u>	<u>49 - 60 months</u>	<u>More than 60 months</u>
Certificate of Deposit Contra Costa County Treasurer	\$ 6,960	\$ 6,960	\$ -	\$ -	\$ -	\$ -	\$ -
	<u>132,126</u>	<u>132,126</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	\$ <u>139,086</u>	\$ <u>139,086</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>

Disclosures 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. Presented below is the minimum rating required by (where applicable) the California Government Code, the District's investment policy, or debt agreements, and the actual rating as of fiscal year end for each investment type.

<u>Investment Type</u>	<u>Amount</u>	<u>Minimum Legal Rating</u>	<u>Exempt From Disclosure</u>	<u>AAA</u>	<u>AA</u>	<u>A</u>	<u>Not Rated</u>
Certificate of Deposit Contra Costa County Treasurer	\$ 6,960	N/A	\$ -	\$ -	\$ -	\$ -	\$ 6,960
	<u>132,126</u>	<u>N/A</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>132,126</u>
Total	\$ <u>139,086</u>	<u>N/A</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>139,086</u>

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note B - Cash and Investments (Continued)

Concentration of Credit Risk

The investment policy of the District contains limitations on the amount that can be invested in certain types of investments.

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 deposit or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits. The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the government unit). The fair value of the 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 District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

As of June 30, 2023, the District's bank balance was \$30,653,821 and \$500,000 of that amount was insured by the Federal Deposit Insurance Corporation and collateralized as required by state law and the remaining amount of \$30,153,821 was secured by a pledge of securities by the financial institution.

Investment in Contra Costa County Treasurer

The District's investment in the Contra Costa County investment pool is managed by the Contra Costa County Treasurer and is stated at fair value or amortized cost, which approximates fair value. Cash held by the Contra Costa County Treasury is pooled with other County deposits for investment purposes by the County Treasurer in accordance with the investment policy of the County Treasurer (see County Treasurer's investment policy at <http://www.co.contra-costa.ca.us/>). The Pool has established a treasury oversight committee to monitor and review the management of public funds maintained by the Pool. Participants' equity in the investment pool is determined by the dollar amount of the participant deposits,

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note B - Cash and Investments (Continued)

adjusted for withdrawals and distributed investment income. Investment income is prorated to individual funds based on their average daily cash balances. In accordance with applicable State laws, the Contra Costa County Treasurer may invest in derivative securities. However, at June 30, 2023, the Contra Costa County Treasurer’s pooled investment fund contained no derivatives or other investments with similar risk profiles.

Fair value hierarchy

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure fair value of the assets. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The District’s investment in the certificate of deposit is held with a commercial bank and is classified as Level 1. The District’s investment in the County of Contra Costa Treasury Pool is classified as Level 2 and its value is based on the fair value factor provided by the Treasurer of the County of Contra Costa, which is calculated as the fair value divided by the amortized cost of the investment pool.

Note C - Accounts Receivable, Net

The accounts receivable, net balance consists of the following balances as of June 30, 2023:

	<u>General</u>	Lighting & Landscaping <u>Zone 8</u>	Lighting & Landscaping <u>Zone 9</u>	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Accounts receivable	\$ 27,503	\$ 13,502	\$ 3,376	\$ 666,866	\$ 91,274	\$ 802,521
Allowance for uncollectible	<u>-</u>	<u>-</u>	<u>-</u>	<u>(66,274)</u>	<u>(2,602)</u>	<u>(68,876)</u>
Accounts receivable, net	<u>\$ 27,503</u>	<u>\$ 13,502</u>	<u>\$ 3,376</u>	<u>\$ 600,592</u>	<u>\$ 88,672</u>	<u>\$ 733,645</u>

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note D - Interfund Transactions

Interfund transactions consist of the following:

Transfers between funds

Resources may be transferred from one District fund to another with approval. The purpose of the majority of transfers is to reimburse a fund which has made an expenditure on behalf of another fund. Less often, a transfer may be made to open or close a fund.

Transfers between funds during the year ended June 30, 2023 were as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Major Proprietary Funds		
Water fund	\$ -	\$ 3,108,750
Sewer fund	3,165,443	1,786,335
Financing authority	<u>1,729,642</u>	<u>-</u>
Total interfund transfers	<u>\$ 4,895,085</u>	<u>\$ 4,895,085</u>

In general, the District uses interfund transfers to:

- Transfer unrestricted revenues collected in the water and sewer fund to help finance various programs and capital projects accounted for in other funds
- Fund operations (move revenues from the funds that collect them to the funds that statute or budget requires to expend them)

The effect of the interfund activity has not been eliminated from the government-wide financial statements as the amounts relate to transfers between business-type activities.

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note E - Capital Assets

Capital asset activity for the year ended June 30, 2023, is as follows:

	Balance <u>June 30, 2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	Balance <u>June 30, 2023</u>
Governmental activities					
Nondepreciable capital assets					
Land	\$ 415,930	\$ -	\$ -	\$ -	\$ 415,930
Total nondepreciable capital assets	<u>415,930</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>415,930</u>
Depreciable capital assets					
Equipment	601,215	3,582	-	-	604,797
Buildings and improvements	3,695,869	227,331	-	-	3,923,200
Office furniture and equipment	25,665	-	-	-	25,665
Vehicles	80,133	-	-	-	80,133
Total depreciable capital assets	4,402,882	230,913	-	-	4,633,795
Less accumulated depreciation	<u>(2,516,279)</u>	<u>(209,612)</u>	<u>-</u>	<u>-</u>	<u>(2,725,891)</u>
Net depreciable capital assets	<u>1,886,603</u>	<u>21,301</u>	<u>-</u>	<u>-</u>	<u>1,907,904</u>
Net capital assets	<u>\$ 2,302,533</u>	<u>\$ 21,301</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,323,834</u>
Business-type activities					
Nondepreciable capital assets					
Land	\$ 307,000	\$ 149,896	\$ -	\$ -	\$ 456,896
Construction in progress	<u>9,643,090</u>	<u>7,856,846</u>	<u>-</u>	<u>-</u>	<u>17,499,936</u>
Total nondepreciable capital assets	<u>9,950,090</u>	<u>8,006,742</u>	<u>-</u>	<u>-</u>	<u>17,956,832</u>
Depreciable capital assets					
Buildings and improvements	765,180	7,114	-	-	772,294
Treatment and collection	56,280,864	-	-	-	56,280,864
Structures and improvements	9,035,330	157,801	-	-	9,193,131
Equipment	1,031,007	10,899	-	-	1,041,906
Office equipment	153,009	-	-	-	153,009
Vehicles	467,384	645,521	-	-	1,112,905
Total depreciable capital assets	67,732,774	821,335	-	-	68,554,109
Less accumulated depreciation	<u>(27,315,375)</u>	<u>(2,837,528)</u>	<u>-</u>	<u>-</u>	<u>(30,152,903)</u>
Net depreciable capital assets	<u>40,417,399</u>	<u>(2,016,193)</u>	<u>-</u>	<u>-</u>	<u>38,401,206</u>
Net capital assets	<u>\$ 50,367,489</u>	<u>\$ 5,990,549</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 56,358,038</u>

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note E - Capital Assets (Continued)

Depreciation expense was charged to function and programs based on their usage of the related assets. The amounts allocated to each function or program were as follows:

Governmental activities:

Lighting and landscaping Zone 8	\$	183,247
Lighting and landscaping Zone 9		25,082
Community center		<u>1,283</u>

Total depreciation expense - Governmental activities \$ 209,612

Business-type activities:

Water	\$	733,646
Sewer		<u>2,103,882</u>

Total depreciation expense - Business-type activities \$ 2,837,528

Note F - Long-Term Debt

The District generally incurs long-term debt to finance projects or purchase assets which will have useful lives equal to or greater than the related debt.

Government-Wide Financial Statements

Long-term debt and other financial obligations are reported as liabilities in the appropriate activities. Bond premiums are deferred and amortized over the life of the bonds using the effective interest method.

Fund Financial Statements

The Governmental Fund Financial Statements do not include the long-term debt, as this liability is not payable in the current period. The face amount of debt issued and any premiums received are reported as other financing sources.

Proprietary Fund Financial Statements use the same principles as those used in the Government-Wide Financial Statements.

Bond Issuance Costs and Premiums

For proprietary fund types, bond premiums are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium. With the implementation of Government Accounting Standards Board (GASB) Statement No. 65, the bond issuance costs, other than prepaid insurance, are required to be expensed in the year incurred.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note F - Long-Term Debt (Continued)

Current year business-type transactions and balances

The District's debt issues and transactions are summarized below and discussed in detail thereafter:

	<u>Original Amount</u>	<u>Balance June 30, 2022</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2023</u>	<u>Due within one year</u>
Business-type Activity Debt						
Discovery Bay Public Financing Authority Series 2012 Enterprise Revenue Bonds	\$ 14,150,000	\$ 11,330,000	\$ -	\$ (11,330,000)	\$ -	\$ -
Discovery Bay Public Financing Authority Series 2017 Enterprise Revenue Bonds	8,825,000	8,050,000	-	(200,000)	7,850,000	210,000
Discovery Bay Public Financing Authority Series 2022 Enterprise Revenue Bonds	16,860,000	16,860,000	-	(210,000)	16,650,000	250,000
Discovery Bay Public Financing Authority Series 2022B Enterprise Revenue Refunding Bonds	11,650,000	-	11,650,000	(494,000)	11,156,000	388,000
Unamortized Premiums	<u>2,105,577</u>	<u>1,862,500</u>	<u>-</u>	<u>(286,525)</u>	<u>1,575,975</u>	<u>-</u>
Totals	<u>\$ 53,590,577</u>	<u>\$ 38,102,500</u>	<u>\$ 11,650,000</u>	<u>\$ (12,520,525)</u>	<u>\$ 37,231,975</u>	<u>\$ 848,000</u>

2012 Enterprise Revenue Bonds

In August 2012, the Discovery Bay Public Financing Authority issued \$14,150,000 in enterprise revenue bonds Series 2012 to finance the acquisition and construction of certain improvements to the water and wastewater systems.

Pursuant to an Installment Purchase Agreement between the Authority and the District, the District has pledged the net revenues of the District's municipal water enterprise and wastewater enterprise.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note F - Long-Term Debt (Continued)

The bonds carry coupon interest rates ranging from 1.00%-5.00% and are scheduled to mature in fiscal year 2043. Interest is payable semi-annually on December 1st and June 1st each year, while principal installments ranging from \$290,000 to \$805,000 are payable each year on December 1st.

The bonds were refinanced during the year ended June 30, 2023 with the issuance of the 2022B enterprise revenue refunding bonds.

2017 Enterprise Revenue Bonds

In April 2017, the Discovery Bay Public Financing Authority issued \$8,825,000 in enterprise revenue bonds Series 2017 to finance the costs of certain improvements to the water and wastewater systems.

Pursuant to an Installment Purchase Agreement between the Authority and the District, the District has pledged the net revenues of the District's municipal water enterprise and wastewater enterprise.

The bonds carry coupon interest rates ranging from 2.00%-5.00% and are scheduled to mature in fiscal year 2048. Interest is payable semi-annually on December 1st and June 1st each year, while principal installments ranging from \$30,000 to \$1,075,000 are payable each year on December 1st.

2022 Enterprise Revenue Bonds

In May 2022, the Discovery Bay Public Financing Authority issued \$16,860,000 in enterprise revenue bonds Series 2022 to finance the costs of certain improvements to the water and wastewater systems.

Pursuant to an Installment Purchase Agreement between the Authority and the District, the District has pledged the net revenues of the District's municipal water enterprise and wastewater enterprise.

The bonds carry coupon interest rates ranging from 4.00%-5.00% and are scheduled to mature in fiscal year 2053. Interest is payable semi-annually on December 1st and June 1st each year, while principal installments ranging from \$210,000 to \$1,010,000 are payable each year on December 1st.

2022B Enterprise Revenue Refunding Bonds

In September 2022, the Discovery Bay Public Financing Authority issued \$11,650,000 in enterprise revenue refunding bonds Series 2022B for the purpose of providing funds to enable the District to refinance the acquisition and construction of the 2012 Wastewater Project and the 2012 Water Project.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note F - Long-Term Debt (Continued)

Pursuant to an Installment Purchase Agreement between the Authority and the District, the District has pledged the net revenues of the District's municipal water enterprise and wastewater enterprise.

The bonds carry a coupon interest rate of 3.54% and are scheduled to mature in fiscal year 2043. Interest is payable semi-annually on December 1st and June 1st each year, while principal installments ranging from \$494,000 to \$763,000 are payable each year on December 1st.

Annual debt service requirements for business-type debt are shown below:

<u>For the year ending June 30,</u>	<u>Business-Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2024	\$ 848,000	\$ 1,487,437
2025	886,000	1,450,622
2026	920,000	1,411,377
2027	966,000	1,370,304
2028	1,006,000	1,327,331
2029-2033	4,790,000	6,055,435
2034-2038	5,840,000	4,972,393
2039-2043	7,155,000	3,627,236
2044-2048	8,650,000	2,012,317
2049-2053	4,595,000	577,979
Total	\$ 35,656,000	\$ 24,292,431

Note G - Deferred Compensation Plan and Defined Contribution Plan

Deferred Compensation Plan

The District has established a deferred compensation plan in accordance with Internal Revenue Code Section 457(b), whereby employees may elect to defer portions of their compensation in a self-directed investment plan for retirement. Plan assets are invested in each individual's name with a deferred compensation plan provider. Distributions are made upon the participant's termination, retirement, death or total disability, and in a manner in accordance with the election made by the participant. All full-time employees are eligible for plan participation. Employer and employee contributions to the plan for the year ended June 30, 2023 were \$86,365.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note G - Deferred Compensation Plan and Defined Contribution Plan (Continued)

The District believes it has no liability for losses under than plan but does have the duty of due care that would be required of an ordinary prudent investor. The District has formally established a trust in accordance with Internal Revenue Code 457(g) for its deferred compensation plan to provide protection from the claims of the employer's general creditors. Accordingly, deferred compensation assets placed in the trust are not reflected in these financial statements.

Deferred Contribution Plan

The District has also established a defined contribution plan in accordance with Internal Revenue Code Section 401(a). The employer will match employee contributions up to a maximum of \$5,000 per plan year. Additional employer contributions may be awarded with approval by the Board of Directors. Plan assets are invested in each individual's name with the defined contribution plan provider.

Distributions are made upon the participant's termination, retirement, death or total disability, and in a manner in accordance with the election made by the participant. Employer contributions to the plan for the year ended June 30, 2023 were \$62,443.

The District believes it has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. The District has formally established a trust in accordance with Internal Revenue Code Section 401(f) for its defined contribution plan to provide protection from the claims of the employer's general creditors. Accordingly, defined contribution assets placed in the trust are not reflected in the accompanying financial statements.

Note H - Compensated Absences

Employees accrue vacation leave based on length of service. Accumulated vacation leave is subject to maximum accruals for all employees. As of June 30, 2023, the District's accrued liability for accumulated unused vacation leave is \$93,109. Employees are paid for their accumulated unused vacation leave upon separation from service. The liability is expected to be liquidated with future resources and not with expendable available financial resources.

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note I - Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; risk of loss to employees; and natural disasters. The District is a member of the Special Districts Risk Management Authority (SDRMA), an intergovernmental risk sharing joint powers authority created to provide self-insurance programs for California special districts. The purpose of the SDRMA is to arrange and administer programs for the pooling of self-insured losses to purchase excess insurance or reinsurance and to arrange for group-purchased insurance and administrative expenses. At June 30, 2023, the District participated in the property, general and auto liability, and workers' compensation programs of the SDRMA.

Settled claims have not exceeded any of the coverage amounts in any of the last three fiscal years. There were no reductions in insurance coverage in fiscal years 2023, 2022, and 2021. Liabilities of the District are recorded when it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated net of the respective insurance coverage. The District considers claims insured and reported, as well as claims incurred but not reported, to be immaterial and has not accrued an estimate of such claims payable.

The District is covered by the following types of insurance through the SDRMA as of June 30, 2023:

<u>Coverage</u>	<u>Limits of liability</u>
General liability	\$ 10,000,000
Public officials and employees errors	10,000,000
Elected officials personal liability	500,000
Employment practices liability	10,000,000
Employee benefits liability	10,000,000
Employee and public officials dishonesty coverage	1,000,000
Auto liability	10,000,000
Uninsured/underinsured motorists	1,000,000
Property coverage	1,000,000,000
Boiler and machinery	100,000,000
Statutory workers' compensation	Statutory

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note J - Governing Board

The powers of the District are exercised by a Board of Directors consisting of five directors each elected for a term of four years by the qualified electors within the District.

As of June 30, 2023, the members of the District's Board of Directors were as follows:

<u>Director</u>	<u>Term expires</u>
Ashley Porter	December 2026
Michael Callahan	December 2024
Carolyn Graham	December 2024
Kevin Graves	December 2026
Bryon Gutow	December 2026

Note K - Contingencies and Commitments

The District is involved in litigation arising in the ordinary course of operations that, in the opinion of management, will not have a material effect on the financial condition of the District. In addition, the District has entered into construction and service contracts with various companies. Many of the contracts are considered fixed fee arrangements. However, work under these contracts could be discontinued at the direction of the District. Therefore, it is the opinion of management that a fixed commitment does not exist.

REQUIRED SUPPLEMENTARY INFORMATION

Working Draft

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

**Statement of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual -
Major Special Revenue Fund**

Year ended June 30, 2023

	Lighting and Landscaping Zone 8		
	Budgeted amounts <u>original/final</u>	Actual amounts	Variance with final budget positive/ (negative)
Revenues			
Property taxes	\$ 704,657	\$ 825,059	\$ 120,402
Other	98,000	169,461	71,461
Reimbursements	75,000	45,809	(29,191)
Interest income	-	14,045	14,045
Homeowners property tax relief	-	3,822	3,822
Total revenues	<u>877,657</u>	<u>1,058,196</u>	<u>180,539</u>
Expenditures			
Payroll expenses	449,882	457,534	(7,652)
Utilities	195,840	195,334	506
Repairs and maintenance	104,850	144,033	(39,183)
Other	151,205	114,631	36,574
Insurance	11,000	11,000	-
Professional fees	7,700	5,599	2,101
Capital outlay	510,000	230,913	279,087
Total expenditures	<u>1,430,477</u>	<u>1,159,044</u>	<u>271,433</u>
Net changes in fund balance	(552,820)	(100,848)	451,972
Fund balance, beginning of year	<u>1,728,469</u>	<u>1,728,469</u>	<u>-</u>
Fund balance, end of year	<u>\$ 1,175,649</u>	<u>\$ 1,627,621</u>	<u>\$ 451,972</u>

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Required Supplementary Information

June 30, 2023

The manager of the District prepares an expenditure budget annually which is approved by the Board of Directors setting forth the contemplated fiscal requirements. The District's budgets are maintained on the modified accrual basis of accounting. The results of operations are presented in the budget to actual schedule in accordance with the budgetary basis.

Reported budget amounts reflect the annual budget as originally adopted. There were no amendments to the budget during the year ended June 30, 2023. The budget amounts are based on estimates of the District's expenditures and the proposed means of financing them. Actual expenditures for capital outlay, debt service and contingencies may vary significantly from budget due to timing of such expenditures.

Working Draft

OTHER INDEPENDENT AUDITOR'S REPORT

Working Draft

**Independent Auditor’s 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
Town of Discovery Bay Community
Services District
Discovery Bay, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the **Town of Discovery Bay Community Services District** (the District) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements, and have issued our report thereon dated March 7, 2024.

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) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions 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 entity’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 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 financial statements. 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CROCE, SANGUINETTI, & VANDER VEEN, INC.
Certified Public Accountants
Stockton, California
March 7, 2024

_____, 2024

Board of Directors
Town of Discovery Bay Community
Services District
1800 Willow Lake Road
Discovery Bay, California 94505

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the **Town of Discovery Bay Community Services District** for the year ended June 30, 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards as well as certain information related to the planned scope and timing of our audit. We have communicated such information to you. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the **Town of Discovery Bay Community Services District** are described in Note A to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2023. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was:

- Management's estimate of the allowance for doubtful accounts is based on prior years' experience and management's analysis of accounts receivable. We evaluated the key factors and assumptions used to develop the allowance for doubtful accounts in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to the financial statement users. We did not identify any sensitive financial statement disclosures.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Accordingly, the following material adjustments were identified during the audit and recorded by management:

Water Fund

- Entry to record \$733,646 of depreciation expense as of June 30, 2023

Sewer Fund

- Entry to record \$2,103,882 of depreciation expense as of June 30, 2023

Lighting & Landscaping Zone 8

- Entry to record \$183,247 of depreciation expense as of June 30, 2023

Lighting & Landscaping Zone 9

- Entry to record \$25,082 of depreciation expense as of June 30, 2023

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated March 8, 2024.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the required supplementary information (RSI) that accompanies and supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

With respect to the supplemental information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the use of the Board of Directors and management of **Town of Discovery Bay Community Services District** and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

CROCE, SANGUINETTI, & VANDER VEEN, INC.
Certified Public Accountants

To the Board of Directors
Town of Discovery Bay
Community Services District
Discovery Bay, California

In planning and performing our audit of the financial statements of **Town of Discovery Bay Community Services District** for the year ended June 30, 2023, we considered the District's internal controls in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on internal controls.

However, during our audit we became aware of certain matters that are opportunities for strengthening internal controls and operating efficiency. The memorandum that accompanies this letter summarizes our comments and suggestions regarding these matters. This letter does not affect our report dated March 7, 2024 on the financial statements of **Town of Discovery Bay Community Services District**.

We will review the status of these comments during our next audit engagement. We have already discussed these comments and suggestions with District personnel, and we will be pleased to discuss it in further detail at your convenience.

Sincerely,

CROCE, SANGUINETTI, & VANDER VEEN, INC.
Certified Public Accountants
Stockton, California
March 7, 2024

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

MANAGEMENT ADVISORY LETTER

Current Year Recommendations

Payroll Approval

During our audit procedures, we noted that the general manager or finance manager are not consistently approving the payroll register reports. This control is important to the operation of an internal payroll function. We recommend improving the effectiveness of the control by having the general manager or finance manager initial and date the payroll register before payroll is processed.

Management's Response: The Town's General Manager or Finance Manager does actively review the payroll prior to submission to vendor to process. The General Manager or Finance Manager will actively notate our review of payroll.

Improve Financial Statement Close Process

To improve the financial statement close process, we recommended that the District establish a more efficient and effective responsibilities matrix for its close process to provide timely and accurate completion of financial reporting as well as timely review and approval by the finance manager of all balance sheet reconciliations and account balances, respectively; and assemble an inventory of financial spreadsheets used to support preparation of the financial statements and assign responsibility to review all such spreadsheets for accuracy of calculations and security access limitation.

Management's Response: With the gap of service for a finance manager for several months during the year, there were delays in the monthly close. With the onboarding of a new finance manager in August 2023, the finance manager has documented these procedures and does close within two weeks upon receipt of all information, review of key journals, and posting of each module.

Prior Year Recommendations

Cash Disbursement and Vendor Set-up

During our audit procedures, we noted that the senior accounting associate in charge of entering invoices into the accounting system for payment is also the same individual that adds new vendors to the accounting system. We recommend limiting the access and ability to add/or modify new vendors in the vendor master file in order to strengthen controls over cash disbursements. We recommend an individual who does not have access to perform invoice entry be the responsible party to set-up and maintain the vendor master file. Access to do so may require separate passwords for that individual to maintain the security of the vendor master file.

During our audit procedures, we noted that the senior accounting associate in charge of processing invoices and preparing checks for payments also has access to the signature block for the two authorized board signatures to be added to the checks prior to being presented at the board meeting to authorize and approve the payments. We recommend an individual who does not have access to the check stock be the responsible party to add the electronic signatures to each check in order to have segregation of duties.

Status - Not Implemented

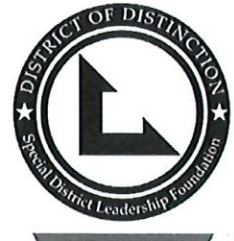
Management's Response: Management has been reviewing the staff person who is best suited for responsibility of vendor set-up due to the small size of the agency so that we can maintain a better separation of duties between finance staff who processed this information and who would be responsible for this role. For the payment processing, the staff is exploring the payment alternatives including ACH and other bank products that will mitigate this access.



TOWN OF DISCOVERY BAY

A COMMUNITY SERVICES DISTRICT

SDLF Platinum-Level of Governance



PLATINUM LEVEL

President – Michael Callahan • Vice President – Carolyn Graham • Director – Kevin Graves • Director – Bryon Gutow • Director – Ashley Porter

March 8, 2024

Croce, Sanguinetti, & Vander Veen, Inc.
3520 Brookside Road, Suite 141
Stockton, California 95219

This representation letter is provided in connection with your audit of the financial statements of **Town of Discovery Bay Community Services District** (the District), which comprise the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows for the year then ended, and the disclosures (collectively, the “financial statements”), for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of March 7, 2024, the following representations made to you during your audit.

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated July 17, 2023 including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for the preparation of the supplementary information in accordance with the applicable criteria.
2. The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.

5. The methods, significant assumptions, and date used in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurements, or disclosure that is reasonable in accordance with U.S. GAAP.
6. Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
7. Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.
8. The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
9. Guarantees, whether written or oral, under which the District is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

10. We have provided you with:
 - a. Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records (including information obtained from outside of the general and subsidiary ledgers), documentation, and other matters and all audit or relevant monitoring reports, if any, received from funding sources.
 - b. Additional information that you have requested from us for the purpose of the audit.
 - c. Unrestricted access to persons within the District from whom you determined it necessary to obtain audit evidence.
 - d. Minutes of the meetings of the Board of Directors or summaries of actions of recent meetings for which minutes have not yet been prepared.
11. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
12. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
13. We have no knowledge of any fraud or suspected fraud that affects the District and involves:
 - a. Management,
 - b. Employees who have significant roles in internal control, or
 - c. Others where fraud could have a material effect on the financial statements.

14. We have no knowledge of any allegations of fraud or suspected fraud affecting the District's financial statements communicated by employees, former employees, regulators, or others.
15. We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or waste or abuse, whose effects should be considered when preparing financial statements.
16. We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
17. We have disclosed to you the names of the District's related parties and all the related party relationships and transactions, including any side agreements.

Government - Specific

18. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
19. We have identified to you any previous audits, attestation engagements, and other studies related to the objectives of the audit and whether related recommendations have been implemented.
20. We have identified to you any investigations or legal proceedings that have been initiated with respect to the period under audit.
21. The District has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.
22. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.
23. We have identified and disclosed to you all instances of identified and suspected fraud and noncompliance with provisions of laws, regulations, contracts and grant agreements, that we believe have a material effect on the financial statements.
24. There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
25. As part of your audit, you assisted with the preparation of the financial statements and disclosures. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and disclosures.

26. The District has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
27. The District has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
28. The financial statements include all component units, appropriately present majority equity interests in legally separate organizations and joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
29. The financial statements properly classify all funds and activities in accordance with GASB Statement No. 34, as amended, and GASB Statement No. 84.
30. All funds that meet the quantitative criteria in GASB Statement Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
31. Components of net position (net investment in capital assets, restricted, and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
32. Investments, derivative instruments, and land and other real estate held by endowments are properly valued.
33. Provisions for uncollectible receivables have been properly identified and recorded.
34. Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
35. Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
36. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
37. Special and extraordinary items are appropriately classified and reported, if applicable.
38. Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.
39. Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated or amortized.
40. We have appropriately disclosed the District's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.

41. We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
42. With respect to the Management's Discussion and Analysis (MD&A) and the Budgetary Comparison Schedule - Major Special Revenue Fund (budget to actual report) -
 - a. We acknowledge our responsibility for presenting the MD&A and the budget to actual report in accordance with U.S. GAAP and we believe that the MD&A and the budget to actual report, including form and content, are fairly presented in accordance with U.S. GAAP. The methods and measurement and presentation of the MD&A and the budget to actual report have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
 - b. If the MD&A and the budget to actual report is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and auditors' report thereon.
43. We are following GASB Statement No. 54, paragraph 18, to determine the fund balance classifications for financial reporting purposes.
44. We have informed you of all claims or assessments made against the District by the California Regional Water Quality Control Board.
45. In regard to preparing the standard, adjusting, or correcting journal entries, assisting in preparing the financial statements and the preparation of the Special Districts Financial Transactions Report by you, we have -
 1. Assumed all management responsibilities.
 2. Designated an individual with suitable skill, knowledge, or experience to oversee the services.
 3. Evaluated the adequacy and results of the services performed.
 4. Accepted responsibility for the results of the services.
46. The adjusting journal entries for the period ended June 30, 2023, which have been proposed by you, are approved by us and will be recorded on the books of the District.

Signed *Margaret Moggia*
District Financial Manager

Signed *Dina Bretstein*
District General Manager



Town of Discovery Bay

“A Community Services District”

STAFF REPORT

Agenda Title: Discussion and Possible Action Regarding the Emergency Replacement of a Failed Retaining Wall at the Community Center and Approving Resolution No. 2024-03, Adopting a CEQA Notice of Exemption, Approving the Project and Directing Filing of the Notice of Exemption.

Meeting Date: March 20, 2024

Prepared By: Mike Yeraka, Projects Manager

Submitted By: Dina Breitstein, General Manager

RECOMMENDED ACTION:

- a. Authorize the General Manager to execute any and all contracts, permits and documents necessary to replace the failed retaining wall and remove any trees that are interfering with the wall in accordance with the emergency provisions of the Town’s Purchasing Policy.
- b. Adopt Resolution 2024-03 approving the project and adopting a CEQA Notice of Exemption.
- c. Authorize Staff to file the attached Notice of Exemption with the County Clerk’s office.

EXECUTIVE SUMMARY:

Staff recently discovered that the retaining wall behind the tennis courts at the Community Center is failing as noted in the attached photo. The wall, shown in red on the aerial, is approximately 200-feet long and varies in height with the highest point being 4-feet above grade. Preliminary engineer’s estimates to replace the wall with a fully engineered pier and beam style wall were in the range of \$300,000 plus the cost of tree removal, and design.

Staff reached out to a several pave stone contractors who build Keystone style stacked block retaining walls. (See attached example photo). Most of them indicated that they do not do government work. One indicated that they wanted the Town to pay them \$3,000 up front for an Architect to develop a drawing for them to prepare a price for the wall. Bayside Pavers was the only contractor who came out to measure up the project and they are developing a cost proposal to remove the interfering trees and install a new retaining wall. Preliminary indications from Bayside are that the cost of the new Keystone type wall will be about one-third the cost of the pier and beam type wall plus the cost of tree removal and permitting expenses.

The County Building Department has indicated that a permit will be required for the project.

In order to satisfy CEQA for the Project, the Board will need to adopt the attached Resolution 2024-03 adopting the attached CEQA exemptions, approving the project and directing filing of the Notice of Exemption. The CEQA exemptions are allowed given that this is an emergency project consisting of replacement or reconstruction of an existing facility.

The final cost for the project have yet to be determined.

Specific Board Action:

It is recommended that the Board take the following Action:

- a. Authorize the General Manager to execute any and all contracts, permits and documents necessary to replace the failed retaining wall and remove any trees that are interfering with the wall in accordance with the emergency provisions of the Town's Purchasing Policy.
- b. Adopt Resolution 2024-03 approving the project and adopting a CEQA Notice of Exemption.
- c. Authorize Staff to file the attached Notice of Exemption with the County Clerk's office.

FISCAL IMPACT:

TBD

PREVIOUS RELEVANT BOARD ACTIONS FOR THIS ITEM:

The project was discussed at the January 17th and March 6th Parks and Recreation Committee meetings.

ATTACHMENTS:

- 1. Resolution 2024 - 03
 - 2. Notice of Exemption
 - 3. Photos
-



**TOWN OF DISCOVERY BAY
COMMUNITY SERVICES DISTRICT**

RESOLUTION 2024 - 03

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE TOWN OF DISCOVERY BAY, ADOPTING STATUTORY AND CATEGORICAL
EXEMPTIONS FOR THE PURPOSES OF SATISFYING THE CALIFORNIA ENVIRONMENTAL
QUALITY ACT, APPROVING THE EMERGENCY REPLACEMENT OF RETAINING WALL AT THE
TOWN'S COMMUNITY CENTER, AND DIRECTING THE GENERAL MANAGER TO FILE A NOTICE
OF EXEMPTION WITH THE CONTRA COSTA COUNTY CLERK.**

WHEREAS, the Town of Discovery Bay Community Services District ("District") is a government agency organized and existing under the laws of the State of California; and

WHEREAS, the District is in need of replacing a failed retaining wall at the Town's Community Center as an emergency replacement; and

WHEREAS, the District is the lead agency under the California Environmental Quality Act ("CEQA") for the Community Center Retaining Wall Emergency Replacement Project ("Project"); and

WHEREAS, the Project consists of replacing an existing failed retaining wall at the Community Center approximately 200-feet long and varies in height from one foot to four feet as well as removing the trees that are pushing on and interfering with the retaining wall; and

WHEREAS, the Project falls within the Statutory Exemption to the California Environmental Quality Act ("CEQA") pursuant to Section 15269(b)&(c) of the Guidelines for CEQA, California Administrative Code of Regulations, Title 14, Chapter 3, Article 18; and

WHEREAS, the Project also falls within the Categorical Exemptions to the California Environmental Quality Act ("CEQA") pursuant to Section 15301 (Class 1 (d)) and Section 15302 (Class 2) of the Guidelines for CEQA, California Administrative Code of Regulations, Title 14, Chapter 3, Article 19; and

WHEREAS, all other legal prerequisites to the adoption of this resolution have been met.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:

Section 1: The above recitals are true and correct.

Section 2: The Notice of Exemption prepared for the Project has been completed in accordance with CEQA Guidelines.

Section 3: The Board hereby approves the Project and adopts the Statutory and Categorical Exemptions for the Project.

Section 4: The Board hereby authorizes the General Manager to take all actions necessary to replace the failed retaining wall under the emergency provisions of the Town's Purchasing Policy.

Section 5: The Board hereby directs the General Manager to prepare and file with the County Clerk of Contra Costa County for posting, a "Notice of Exemption" pursuant to California Administrative Code, Title 14, Chapter 3, Section 15062.

Section 6: This Resolution shall take effect immediately upon its adoption.

Section 7: The Board Secretary shall certify the adoption of this Resolution.

PASSED, APPROVED AND ADOPTED THIS 20th DAY OF March 2024.

Michael Callahan
Board President

I hereby certify that the foregoing Resolution was duly adopted by the Board of Directors of the Town of Discovery Bay Community Services District at a regularly scheduled meeting, held on March 20, 2024, by the following vote of the Board:

AYES:
NOES:
ABSENT:
ABSTAIN:

Attest:

Dina Breitstein
Board Secretary

Notice of Exemption

TO: Contra Costa County
Clerk's Office
555 Escobar Street
Martinez, CA 94553

From: Town of Discovery Bay CSD
1800 Willow Lake Rd.
Discovery Bay, CA 94505

Project Title: Community Center Failed Retaining Wall Emergency Replacement Project.

Project Applicant: Town of Discovery Bay Community Services District (CSD), 1800 Willow Lake Road, Discovery Bay, CA 94505

Project Location: 1601 Discovery Bay Blvd., Discovery Bay, CA 94505

Project Location – City: Town of Discovery Bay Project Location – County: Contra Costa

Description of Nature, Purpose and Beneficiaries of Project:

Emergency replacement of an existing retaining wall at the Community Center, approximately 200-foot long and varies in height from one foot to four feet as well as removing the trees that are pushing on and interfering with the retaining wall. The project is necessary in order to prevent damage to adjacent property and protect the existing tennis courts that serve the residents of Discovery Bay.

Name of Public Agency Approving the Project: Town of Discovery Bay Community Services District

Name of Lead Agency Carrying Out the Project: Town of Discovery Bay Community Services District
Phone: 925-634-1131, 1800 Willow Lake Rd. Discovery Bay, CA 94505

Exempt Status: (check one)

Ministerial (Sec. 21080(b)(1); 15268);

Declared Emergency (Sec. 21080(b)(3); 15269(a));

Emergency Project (Sec. 21080(b)(4); 15269(b)(c));

Categorical Exemption. State type and section number: Replacement of Existing Facilities, pursuant to Guidelines for CEQA, Regulation Sec. 15301(d); 15302.

Reasons why project is exempt:

15269(b) – Emergency repairs to publicly owned service facilities necessary to maintain service essential to the public health, safety, or welfare.

15269(c) – Specific actions necessary to prevent or mitigate an emergency.

15301(d) – Restoration or rehabilitation of deteriorated or damaged structures or facilities to meet current standards of public health and safety.

15302 – Replacement or reconstruction of existing structures where the new structure will be located on the same site as the structure replaced and will have substantially the same purpose as the structure being replaced.

Lead Agency

Contact Person: Mike Yeraka, Projects Manager Telephone: 925-634-1131

Attached is the certified document of exemption finding.

Signature: _____ Date: _____ Title: Projects Manager

Signed by Lead Agency

Signed by Applicant

Attached:

Resolution 2024-03



Failed Retaining Wall



Area in Red Showing Approximate Location
of Failed Retaining Wall



Example Keystone Style Stacked Block
Retaining Wall



Town of Discovery Bay

"A Community Services District"

STAFF REPORT

**AGENDA ITEM:
E3**

Agenda Title: Discussion and Possible Action to Adopt a New Commercial Card Program.

Meeting Date: March 20, 2024

Prepared By: Margaret Moggia, Finance Manager

Submitted By: Dina Breitstein, General Manager

RECOMMENDED ACTION:

Approve Resolution 2024-02 for the proposed adoption of a new Commercial Card Program.

EXECUTIVE SUMMARY:

Currently, the Town of Discovery Bay has approximately 12-14 commercial cards that are available to use for field supplies, travel, and minor administrative costs, and has allowed staff to make the necessary purchases to keep operations moving forward for the water/wastewater department, landscape, and community center.

Staff are evaluating its Commercial Card Program to find an efficient and cost-effective program and recently met with Umpqua Bank, a CSDA sponsored affiliate, to learn more about their program. To highlight the program for which we can use and scale the program as we chose:

1. Administration – District can set up multiple users who can have different functions (all services – new, cancel, change limits to those that only have reporting role.);
2. Virtual Cards – we can setup virtual cards that we can use at specific vendors or recurring charges and there is also cards that can be assigned for a particular person with limited dollars or time to use (similar to a prepaid card);
3. Third-Party Integration – depending on how sophisticated we want to get, we could use for expense management.
4. VISA protection – we receive the benefits from VISA should there be an unauthorized charge or need during travel;
5. Annual Rebate – they offer a 1% rebate on annual spending that can be applied to payment or received as a check; and
6. Growth in program – we can work with the bank on identifying other vendors that we use that could be paid by credit card versus check – this allows us to manage cash flow, adds protection, and also increase our rebate.

Upon approval, Umpqua would complete an underwriting to establish the credit limit, build out the program and then the program can be rolled out to staff. It is anticipated the process would be about 4-6 weeks to implement.

FISCAL IMPACT:

PREVIOUS RELEVANT BOARD ACTIONS FOR THIS ITEM:

None.

ATTACHMENTS:

1. Draft Resolution 2024-02.
 2. Umpqua Presentation.
-



**TOWN OF DISCOVERY BAY
COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2024-02**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
TOWN OF DISCOVERY BAY AUTHORIZING AGREEMENT WITH
UMPQUA BANK COMMERCIAL CARD PROGRAM**

WHEREAS, Credit cards and purchasing cards are mechanisms for purchasing goods and services for the convenience of the TOWN OF DISCOVERY BAY; and

WHEREAS, the UMPQUA BANK has negotiated with TOWN OF DISCOVERY BAY to provide a Purchasing Card Program for vendor payments, purchasing, travel or fleet transactions; and

WHEREAS, UMPQUA BANK requires an application for credit approval, a resolution by the TOWN OF DISCOVERY BAY Governing Board, and TOWN OF DISCOVERY BAY policy and procedures regarding the use of the credit cards; and

WHEREAS, the TOWN OF DISCOVERY BAY has a Standard Practice of procedures for using credit cards as required by the Program,

NOW THEREFORE, THE BOARD OF DIRECTORS OF THE TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT HEREBY RESOLVES THE FOLLOWING ACTIONS:

1. Authorize participation with Umpqua Bank in the Purchasing Card program;
2. Authorize the application to the Program for credit cards or purchasing cards;
3. Authorize the General Manager to execute any necessary Program agreements;
4. Authorize Finance Manager or General Manager to add new participants or cancel former participants; and
5. The Board Secretary shall certify the adoption of this Resolution.

PASSED AND ADOPTED THIS 20 day of March 2024.

Michael Callahan
Board President

I hereby certify that the foregoing Resolution was duly adopted by the Board of Directors of the Town of Discovery Bay Community Services District at a meeting, held March 20, 2024, by the following vote of the Board:

AYES:
NOES:
ABSENT:
ABSTAIN:

Attest:

Dina Breitstein
Board Secretary

UMPQ-PRIVATE



California Special Districts Association

Commercial Card Proposal

Umpqua Bank | Member FDIC  Equal Housing Lender | NMLS 401867 | SBA Preferred Lender

Our One-Card Solution

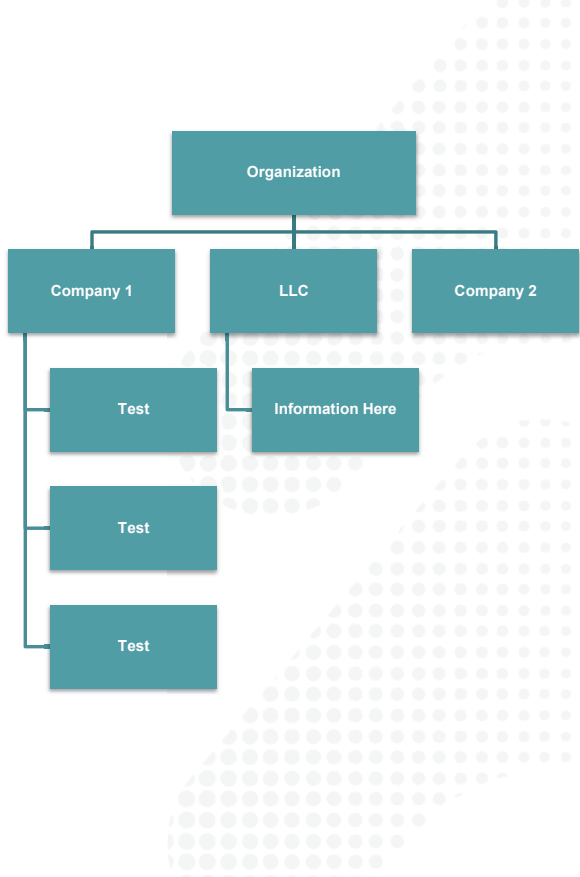
Umpqua Bank Cards can be configured to meet any and all needs in a one card.

Customize Your Company Set-Up

- Travel & Expense Cards (merchant categories can be customized)
- Purchasing Cards (including Virtual Cards if needed)
- Fleet Cards (restricted to only fuel purchases)
- Automated payables & Integrated payment

A direct data feed to most third-party expense solutions is available

Concur, Expensify, Chrome River, and more.



How We Protect You

Visa Liability Waiver

Protect your company against unauthorized use and charges by employees

Up to \$100,000 per cardholder

Our commercial card consolidates the specialized features and benefits of purchasing, travel and fleet cards into one powerful and flexible business tool.

Visa Travel & Emergency Services

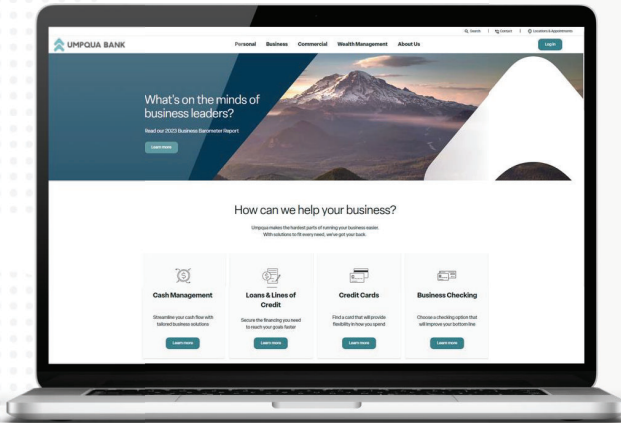
- Emergency card replacement
- Lost luggage assistance
- Auto rental collision waiver
- Travel accident insurance
- Medical & legal referral
- Emergency messaging

Visa Fraud Protection

- Protection against unauthorized charges
- Ability to review and dispute transactions that may be fraudulent or authorized

“It’s no joke that the loss of trust is far more damaging than the loss of money.”
Kelly Paxton, Author

Custom Controls Made for Your Team



With unlimited administrator access, make changes, get updates, and manage data in real-time, whenever and wherever you need it most.

What you can do:

- Manage cardholder limits (temporary or permanent)
- Order new cards
- Dispute transactions (if needed)
- Establish card blocks or close cards
- View statements and transaction details
- View authorizations and pending transactions
- View, sort, customize, and download transaction reports with detail
- Apply Merchant Category Code (MCC) restrictions at company or card level

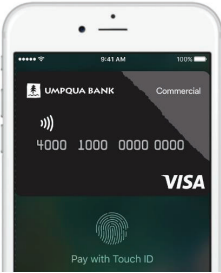
Customize Your Company Set-Up

- Travel and expense cards — merchant categories can be customized.
- Purchasing Cards — including Virtual Cards.
- Fleet Cards —restricted to only fuel purchases.
- Automated payables & integrated payment.



Contactless Card

It's fast and easy to use—just tap and go on applicable card readers. One-time codes ensure each unique transaction is secure. Reduce your contact with people and surfaces.



Mobile Wallet

Easy to shop online and in store with instant approvals and tap-to-go technology. Lighten your pockets! With the mobile wallet, you reduce the need to carry physical cards.



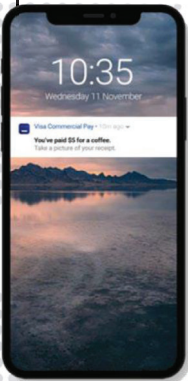
Visa Commercial Pay

Request and deploy virtual cards on-demand. Digitally issue virtual cards to employee and contractor's mobile devices. Centrally manage business travel spend.

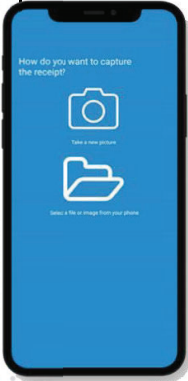
Instant Issue

Virtual cards for vendors, travelers and contractors

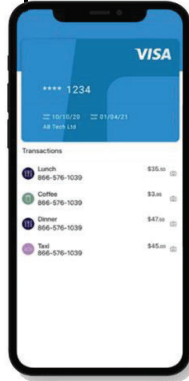
Real-time notifications to remind users to take pictures or their receipts as they spend.



Add a receipt with a picture or forward it from an email.



Review transactions for each card.



Flexibility and Control

- Users can request cards from their phones
- Approvals by default, hierarchy, or combination
- Unique virtual cards sent for single or multi use
- Spend limitations can be set to include transaction, time frame, merchant types
- Capture required coding and receipts via the app
- Control centrally or distribute “pools” of funds to project, department, or task managers
- Company level controls and reporting via web portal

Digital

- Mobile Wallets-Apple Pay, Google Pay, Samsung Pay
- Instant issuance of card to the app
- Push the card to phone wallet for tap to pay functionality (q1 2022)

Single Use & Adjustable Limit Options

Single Use Accounts (SUA)

- Revolving pool of accounts
- Minimum dormancy 90 days
- One to one reconciliation
- Industry best practice

Adjustable Limit Accounts (Lodged Cards)

- Dedicated vendor card number
- Demanded by some vendors

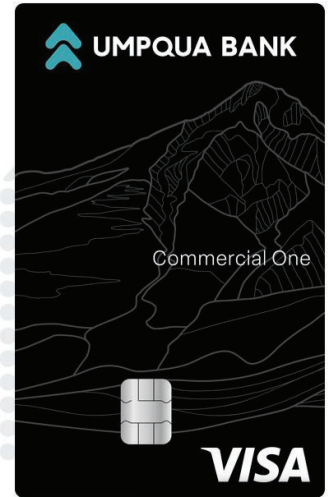
Customized to Your Brand

Create a unique expression of your company and brand by designing your own card from edge to edge.



Benefits

- Excite your teams and create a thoughtful employee experience with branded employee credit cards
- Create brand recognition outside of your organization whenever your team uses the credit card
- Easy to recognize so your employees know they're using the right payment methods at the right time



Revenue Share Opportunity

Umpqua bank offers CSDA members competitive revenue share designed to reward your current activity and achieve your company's growth and implementation goals.

1.00%
Combined annual spend


The revenue is paid annually. Deposited to an Umpqua Bank checking account or credited to commercial card billing account.

UMPQ-PRIVATE



Thank
you.



Umpqua Bank | Member FDIC  Equal Housing Lender | NMLS 401867 | SBA Preferred Lender



**Thursday, February 1, 2024
BOARD WORKSHOP**

**Byron Union School District
14301 Byron Hwy
Byron, CA 94514**

A. CALL THE MEETING TO ORDER @ 5:30 PM

1. Call to Order the Regular Meeting of the Board of Trustees
2. Roll Call & Pledge of Allegiance
3. Approval of Meeting Agenda

B. PUBLIC PARTICIPATION

1. Public Comment: The public may address the Board regarding any item within the jurisdiction of the Board of Trustees of the Byron Union School District that is or is not on this agenda.

C. BOARD WORKSHOP

1. Board Governance Handbook Review and Update
2. Board Governance Calendar
3. Update on Possible Parcel Tax and/or Bond Process

*DECENT PUBLIC TURNOUT. - HEAVY TO
SEE CHANGES
TO POLICY*

D. FUTURE MEETINGS

1. February 22, 2024 - Regular Board Meeting

E. ADJOURNMENT



**Thursday, February 22, 2024
Regular Board of Trustees Meeting**

**Byron Union School District
14301 Byron Hwy
Byron, CA 94514
<https://us02web.zoom.us/j/88171619368>**

A. CALL MEETING TO ORDER @ 5:30 PM- IN PERSON AND VIA ZOOM

1. Closed Session- Roll Call

B. ADJOURN TO CLOSED SESSION

1. Employee Discipline/Dismissal/Release (Government Code Section 54957)
2. Conference with Labor Negotiators (Government Code Section 54957.6)

C. RECONVENE TO PUBLIC SESSION @6:30 PM- IN PERSON AND VIA ZOOM

1. Call to Order the Regular Meeting of the Board of Trustees
2. Pledge of Allegiance & Roll Call
3. Approval of Meeting Agenda
4. Report Out From Closed Session

NO ACTIONABLE ITEMS

D. PUBLIC PARTICIPATION

1. Public Comment: The public may address the Board regarding any item within the jurisdiction of the Board of Trustees of the Byron Union School District.

SEVERAL COMMENTS

E. STAFF REPORTS/INFORMATION

1. Discovery Bay Elementary School Presentation
2. Board Policy Revisions - First Reading of October Updates
3. Board Policy Revisions - First Reading of Updates to Board Bylaw 9100: Organization

F. CONSENT AGENDA

1. Warrants and Checks
2. Personnel Report
3. A.Scott Educational Psychological Services for a School Psychologist
4. Internship Memorandum of Understanding with University of Phoenix
5. Updated Mentorship MOU with OUESD
6. School Site Safety Plans

7. Approval of Board Minutes for January 11, 2024 Regular Meeting
8. Approval of Board Minutes for February 1, 2024 Board Workshop
9. Resolution Number Correction

G. FINANCE/FACILITIES

1. Bond and Parcel Tax Review Presentation *could be more tables*
2. Feasibility Survey Proposals

H. ACTION

1. Transportation Plan Update 2023-24
2. Nomination for three vacancies for the 2023 CSBA Delegate Assembly Ballot for Subregion 7A
3. Ratification of Tentative Agreement with California School Employees Association
4. CSEA Collective Bargaining Disclosure Agreement
5. Updated CSEA Job Descriptions
6. Updated BTA Job Descriptions

I. GOVERNING BOARD COMMUNICATIONS

1. Communications and Comments from the Board

J. SUPERINTENDENT COMMUNICATIONS

1. Communications and Comments from the Superintendent

K. FUTURE MEETINGS

1. March 14, 2024 - Regular Board Meeting

L. UPCOMING SCHOOL EVENTS

1. Discovery Bay Elementary
2. Excelsior Middle School
3. Timber Point Elementary

TBA

M. ADJOURNMENT
