



# TOWN OF DISCOVERY BAY

A COMMUNITY SERVICES DISTRICT

SDLF Platinum-Level of Governance



PLATINUM LEVEL

President – Bill Pease • Vice-President – Bryon Gutow • Director – Kevin Graves • Director – Bill Mayer • Director- Ashley Porter

**NOTICE OF THE MEETING  
OF THE SPECIAL FINANCE COMMITTEE  
OF THE TOWN OF DISCOVERY BAY  
Wednesday, November 18, 2020  
SPECIAL FINANCE COMMITTEE MEETING  
6:00 P.M. – 7:00 P.M.**

## NOTICE Coronavirus COVID-19

In accordance with the Governor's Executive Order N-33-20, and for the period in which the Order remains in effect, the Town of Discovery Bay Community Services District Committee Chambers will be closed to the public.

To accommodate the public during this period of time that the Committee's Chambers are closed to the public, the Town of Discovery Bay Community Services District Committee Members have arranged for members of the public to observe and address the meeting telephonically.

**TO ATTEND BY TELECONFERENCE:**  
Toll-Free Dial-In Number: (866) 848-2216  
CONFERENCE ID **5193676302#**

Download Agenda Packet and Materials at [www.todb.ca.gov/](http://www.todb.ca.gov/)

### Finance Committee Members

*Chair Bill Mayer*

*Vice-Chair Ashley Porter*

#### **A. ROLL CALL**

1. Call business meeting to order 6:00p.m.
2. 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 Committee 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 Committee for consideration by filling out a comment form. The public will be called to comment in the order the comment forms are received. Any person wishing to speak will have 3 minutes to make their comment. There will be no dialog between the Committee and the commenter as the law strictly limits the ability of Committee 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 Committee only. Any clarifying questions from the Committee must go through the Chair. Comments from the public do not necessarily reflect the viewpoint of the Committee members.

#### **C. DRAFT MINUTES TO BE APPROVED**

1. Approve October 7, 2020 DRAFT Regular Finance Committee Meeting Minutes.

#### **D. PRESENTATIONS**

1. Finance Update.

**E. DISCUSSION ITEMS**

1. Discussion Regarding Contracting with Croce, Sanguinetti & Vander Veen to Perform the Town of Discovery Bay's Independent Audit for Fiscal Year 2019-20.

**F. FUTURE DISCUSSION/AGENDA ITEMS****G. ADJOURNMENT**

1. Adjourn to the next Standing Finance Committee meeting 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

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SDLF Platinum-Level of Governance



President – Bill Pease • Vice-President – Bryon Gutow • Director – Kevin Graves • Director – Bill Mayer • Director- Ashley Porter

**MINUTES OF THE MEETING  
OF THE STANDING FINANCE COMMITTEE  
OF THE TOWN OF DISCOVERY BAY  
Wednesday, October 7, 2020  
STANDING FINANCE COMMITTEE MEETING  
3:30 P.M. - 4:30 P.M.**

## NOTICE Coronavirus COVID-19

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**Finance Committee Members**  
*Chair Bill Mayer  
Vice-Chair Ashley Porter*

**A. ROLL CALL**

1. Call business meeting to order 3:30p.m. by Chair Bill Mayer
2. Roll Call- All present except Assistant General Manager Dina Breitstein.

**B. PUBLIC COMMENTS (Individual Public Comments will be limited to a 3-minute time limit)**  
None.

**C. DRAFT MINUTES TO BE APPROVED**

1. Approve August 5, 2020 DRAFT Regular Finance Committee Meeting Minutes.  
Motion made by Chair Bill Mayer to approve minutes as noted.  
Second by Vice Chair Ashley Porter.

**D. PRESENTATIONS**

1. Finance Update.  
Finance Manager Julie Carter provided the committee the Preliminary August 2020 Financial Statement. An update was given regarding Water and Wastewater budgets. Zone 8 financial update was also given. Chair Bill Mayer asked if the Town rents out water meters to construction staff to allow them to use Town water. General Manager Mike Davies confirmed that renting out the water meters to construction personnel is done to charge for the use of Town water.  
Finance Manager Julie Carter provided explanation regarding Water and Wastewater expenses. Chair Bill Mayer inquired about a few accounts that had a budget of 40% or more used.  
Finance Manager Julie Carter advised the committee that \$75k has been spent on the Denitrification Project, \$30k has been spent on the design of Plant No. 1, and \$8k has been spent on an influent pump.  
Chair Bill Mayer asked if Plant No. 1 is still operational and if so, what is the anticipated cost to keep it functional.

He requested to have this information presented at the next Water & Wastewater Committee Meeting.

General Manager Mike Davies advised that Assistant General Manager Dina Breitstein has a better understanding of this information. He also advised the committee that the Town has a contract with Veolia which includes maintaining Plant No. 1 in an operational state.

Finance Manager Julie Carter continued with the discussion of budget expenses. She mentioned a refund was given to the Town from its Worker's Comp policy.

General Manager Mike Davies advised that if any Town employee contracts COVID-19, it creates a rebuttable presumption it is a Worker's Comp claim.

Finance Manager Julie Carter advised the committee that there will be a conversation at tonight's Board of Director's Meeting regarding bond payment.

Chair Bill Mayer asked if the county has allowed any changes that may affect the Community Center.

General Manager Mike Davies replied that Contra Costa County has begun to allow a maximum capacity of 10% for indoor recreational programs. He indicated that the intention is to get the public back into the Community Center as soon as it is safe to do so.

Vice-Chair Ashley Porter asked if virtual programming has been mentioned as an option.

Recreation Program Supervisor Monica Gallo advised it was an option the Town looked into this in June. However, the county changed its restrictions and then COVID-19 Shelter-In-Place constraints were established.

The Finance Statement continued to be discussed with Finance Manager Julie Carter. She advised that the Ravenswood play structure has already been included in the budget. The finance audit will start the second or third week of December 2020.

#### **E. DISCUSSION ITEMS**

##### **1. Discuss Cancellation of the December 2, 2020 Finance Committee Meeting.**

General Manager Mike Davies discussed the next Finance Committee Meeting scheduled on December 2, 2020. Town staff will be off due to the Thanksgiving Holiday in the week preceding the next scheduled Finance Committee Meeting. General Manager Mike Davies asked for approval to cancel the Finance Committee Meeting. General Manager Mike Davies advised that if a meeting was deemed necessary prior to January 6, 2021, a Special Finance Committee Meeting can be held.

Chair Mayer recommended having a Special Finance Meeting prior to January 6, 2020 to allow Vice Chair Porter the opportunity to further familiarize herself with the process. He requested a presentation be done at a Special Finance Committee Meeting on November 18, 2020 at 6:00 p.m.

General Manager Mike Davies provided a summary of the aforementioned. Town staff will cancel the December 2, 2020 Finance Committee Meeting and a Special Finance Committee Meeting will be held on November 18, 2020 at 6:00 p.m.

##### **2. Discussion Regarding Proposition 68 Funds.**

Parks and Landscape Manager Bill Engelman discussed funds available to Town of Discovery Bay through Proposition 68, Parks and Water Bond Act of 2018. The total funds accessible to the Town are \$187,441.00 which require a 20% match from Town funds. These funds are per capita funds and they are non-competitive. The application requirements for the funds include completion of a mandatory workshop which has already been completed. A resolution will need to be passed acknowledging the application for these funds to be submitted at the November 18, 2020 Board meeting. Project will need to be completed by December 2023.

Chair Ashley Porter asked for the requirements to obtain the funds.

Parks and Landscape Manager Bill Engelman advised funds are available for Park Capital Improvement Projects. A resolution will be presented for approval at the November 18, 2020 Board of Director's Meeting which will advise that the Town has applied for the funds.

#### **F. FUTURE DISCUSSION/AGENDA ITEMS**

#### **G. ADJOURNMENT**

##### **1. Adjourn at 4:06 p.m. to the next Standing Finance Committee meeting at the Community Center located at 1601 Discovery Bay Boulevard.**

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**PRELIMINARY**  
TOWN OF DISCOVERY BAY  
COMBINED CASH INVESTMENT  
SEPTEMBER 30, 2020

COMBINED CASH ACCOUNTS

01-1009	XPRESS DEPOSIT ACCOUNT	115,643.57
01-1010	ECC BANK TOWN CHECKING ACCOUNT	1,144,071.49
01-1011	ECC BANK TOWN GENERAL ACCOUNT	131,958.35
01-1012	ECC BANK COMMUNITY CTR ACCT	331,973.61
01-1013	CCC FUNDS TOWN FUND 8058	15,885,672.61
01-1014	CCC ZONE 8 FUND 8059	1,332,965.97
01-1015	CCC ZONE 9 FUND 8061	343,676.76
01-1018	DEVELOPMENT ACCOUNT	4,786,996.30
01-1020	US BANK - BOND	987.31
01-1022	ECC RECREATION ACCOUNT	85,523.73
01-1075	UTILITY CASH CLEARING	353.54
01-1077	ACCOUNTS RECEIVABLE CASH CLEAR	855.00
01-2000	AP LIABILITY ACCOUNT FUND 01	( 231.77)
	TOTAL COMBINED CASH	24,160,446.47
01-1000	CASH ALLOCATED TO OTHER FUNDS	( 24,160,446.47)
	TOTAL UNALLOCATED CASH	.00

CASH ALLOCATION RECONCILIATION

10	ALLOCATION TO ADMINISTRATION	( 26,264.31)
20	ALLOCATION TO WATER	7,850,955.78
21	ALLOCATION TO WASTEWATER	14,408,586.24
40	ALLOCATION TO L&L 8	549,301.95
41	ALLOCATION TO L&L 9	229,528.00
50	ALLOCATION TO FINANCING AUTHORITY	724,170.20
60	ALLOCATION TO COMMUNITY CENTER	424,168.61
	TOTAL ALLOCATIONS TO OTHER FUNDS	24,160,446.47
	ALLOCATION FROM COMBINED CASH FUND - 01-1000	( 24,160,446.47)
	ZERO PROOF IF ALLOCATIONS BALANCE	.00

PRELIMINARY  
TOWN OF DISCOVERY BAY  
BALANCE SHEET  
SEPTEMBER 30, 2020

ADMINISTRATION

<u>ASSETS</u>			
10-1000	CASH IN COMBINED FUND	(	26,264.31)
10-1010	PETTY CASH	(	94.35)
10-1030	ACCOUNTS RECEIVABLES	(	2,532.51)
10-1052	DUE FROM OTHER FUNDS		144,586.70
			<u>115,695.53</u>
	TOTAL ASSETS		<u><u>115,695.53</u></u>
<u>LIABILITIES AND EQUITY</u>			
<u>LIABILITIES</u>			
10-2000	ACCOUNTS PAYABLES		2,350.53
			<u>2,350.53</u>
	TOTAL LIABILITIES		2,350.53
<u>FUND EQUITY</u>			
	UNAPPROPRIATED FUND BALANCE:		
10-2910	NET ASSETS - UNRESTRICTED		286,592.82
10-2915	NET ASSETS - UNRESTRICTED CCC		6,153.17
10-2980	RETAINED EARNINGS	(	173,380.15)
10-2981	COUNTY RECONCILIATION		200.00
	REVENUE OVER EXPENDITURES - YTD	(	6,220.84)
			<u>113,345.00</u>
	BALANCE - CURRENT DATE		<u>113,345.00</u>
	TOTAL FUND EQUITY		<u>113,345.00</u>
	TOTAL LIABILITIES AND EQUITY		<u><u>115,695.53</u></u>

**PRELIMINARY**  
TOWN OF DISCOVERY BAY  
REVENUES WITH COMPARISON TO BUDGET  
FOR THE 3 MONTHS ENDING SEPTEMBER 30, 2020

		ADMINISTRATION				
		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
		<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<u>ADMINISTRATION REVENUE</u>						
10-31-5226	LANDSCAPE REIMBURSABLE	22,209.06	28,427.36	35,000.00	6,572.64	81.2
	TOTAL ADMINISTRATION REVENUE	<u>22,209.06</u>	<u>28,427.36</u>	<u>35,000.00</u>	<u>6,572.64</u>	<u>81.2</u>
	TOTAL FUND REVENUE	<u>22,209.06</u>	<u>28,427.36</u>	<u>35,000.00</u>	<u>6,572.64</u>	<u>81.2</u>

**PRELIMINARY**  
TOWN OF DISCOVERY BAY  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 3 MONTHS ENDING SEPTEMBER 30, 2020

		ADMINISTRATION				
		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>ADMINISTRATION EXPENDITURES</u>						
10-41-7529	LANDSCAPE RELATED REIMBURSABLE	2,763.47	34,648.20	35,000.00	351.80	99.0
	TOTAL ADMINISTRATION EXPENDITURES	2,763.47	34,648.20	35,000.00	351.80	99.0
	TOTAL FUND EXPENDITURES	2,763.47	34,648.20	35,000.00	351.80	99.0
	NET REVENUE OVER EXPENDITURES	19,445.59	( 6,220.84)	.00	6,220.84	.0



PRELIMINARY  
TOWN OF DISCOVERY BAY  
BALANCE SHEET  
SEPTEMBER 30, 2020

WATER

<u>ASSETS</u>			
20-1000	CASH IN COMBINED FUND		7,850,955.78
20-1010	PETTY CASH		237.74
20-1030	ACCOUNTS RECEIVABLES- UTILITY		437,157.05
20-1031	AR- NON UTILITY		47,874.17
20-1033	ACCOUNTS RECEIVABLE METER INST		41,216.46
20-1035	ACCOUNTS RECEIVABLES-MISC		193.58
20-1040	ALLOWANCE FOR DOUBTFUL ACCOUNT	(	56,415.22)
20-1045	ADV ON SUPPLEMENTAL TAX		332.98
20-1100	EQUIPMENT		216,125.26
20-1105	LAND		108,000.00
20-1110	OFFICE FURNITURE & EQUIP		52,427.55
20-1120	VEHICLES		77,434.31
20-1130	ACCUMULATED DEPRECIATION	(	3,690,923.42)
20-1135	BUILDING & IMPROV		235,670.83
20-1150	CIP-BUILDINGS & IMPROV		4,735.11
20-1160	CIP - WATER		458,214.87
20-1170	STRUCTURES & IMPROV-WATER		2,404,864.48
20-1171	TREATMENT & COLLECTION		10,472,335.37
			<hr/>
	TOTAL ASSETS		18,660,436.90
			<hr/> <hr/>
<u>LIABILITIES AND EQUITY</u>			
<u>LIABILITIES</u>			
20-2000	ACCOUNTS PAYABLES		374,277.83
20-2010	ACCRUED INTEREST PAYABLES		7,827.70
20-2101	ACCRUED VACATION LIABILITY		16,577.89
20-2102	DEPOSIT LIABILITY		7,513.00
20-2280	DEBIT SERVICE INSTALLMENT PMT		2,303,950.00
			<hr/>
	TOTAL LIABILITIES		2,710,146.42
<u>FUND EQUITY</u>			
20-2500	INVESTED IN CAPITAL ASSETS		5,858,051.53
	UNAPPROPRIATED FUND BALANCE:		
20-2910	NET ASSETS - UNRESTRICTED	2,313,113.86	
20-2980	RETAINED EARNINGS	7,736,553.22	
	REVENUE OVER EXPENDITURES - YTD	42,571.87	
			<hr/>
	BALANCE - CURRENT DATE		10,092,238.95
			<hr/>
	TOTAL FUND EQUITY		15,950,290.48
			<hr/> <hr/>
	TOTAL LIABILITIES AND EQUITY		18,660,436.90
			<hr/> <hr/>

**PRELIMINARY**  
TOWN OF DISCOVERY BAY  
REVENUES WITH COMPARISON TO BUDGET  
FOR THE 3 MONTHS ENDING SEPTEMBER 30, 2020

WATER

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
<u>WATER REVENUE</u>					
20-31-5102 SEC COLLECTIONS ACCOUNT CHARGE	.00	.00	1,440,000.00	1,440,000.00	.0
20-31-5145 METER INSTALLATION FEE	27,958.05	83,062.95	335,218.11	252,155.16	24.8
20-31-5179 MISC-WATER SERVICE FEES	146.65	633.92	10,000.00	9,366.08	6.3
20-31-5226 WATER METER RENTAL	50.00	200.00	.00	( 200.00)	.0
20-31-5243 OTHER	2,919.64	3,573.75	2,000.00	( 1,573.75)	178.7
20-31-6000 WATER CHARGES	310,538.06	1,026,628.00	2,775,000.00	1,748,372.00	37.0
20-31-6030 CONNECTION FEES CIP	.00	100.00	6,000.00	5,900.00	1.7
20-31-6045 CAPACITY FEE CIP	.00	4,850.00	15,000.00	10,150.00	32.3
20-31-6046 PERMIT FEE	.00	50.00	5,000.00	4,950.00	1.0
20-31-6047 INSPECTION FEE	.00	160.00	5,000.00	4,840.00	3.2
20-31-6086 METER CHARGE-COMMERCIAL	7,284.69	21,854.07	69,000.00	47,145.93	31.7
<b>TOTAL WATER REVENUE</b>	<b>348,897.09</b>	<b>1,141,112.69</b>	<b>4,662,218.11</b>	<b>3,521,105.42</b>	<b>24.5</b>
<b>TOTAL FUND REVENUE</b>	<b>348,897.09</b>	<b>1,141,112.69</b>	<b>4,662,218.11</b>	<b>3,521,105.42</b>	<b>24.5</b>

**PRELIMINARY**  
**TOWN OF DISCOVERY BAY**  
**EXPENDITURES WITH COMPARISON TO BUDGET**  
**FOR THE 3 MONTHS ENDING SEPTEMBER 30, 2020**

WATER

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>WATER EXPENDITURES</u>					
20-41-7000 SALARY & WAGES	30,513.13	95,303.17	540,000.00	444,696.83	17.7
20-41-7001 OVERTIME	.00	.00	2,000.00	2,000.00	.0
20-41-7030 GROUP INSURANCE	9,120.83	26,629.51	121,000.00	94,370.49	22.0
20-41-7045 WORKERS COMP	.00	5,105.38	25,000.00	19,894.62	20.4
20-41-7060 457 B PLAN	2,219.06	6,657.18	27,925.00	21,267.82	23.8
20-41-7150 TEMPORARY EMPLOYEES	.00	.00	3,000.00	3,000.00	.0
20-41-7165 BOARD OF DIRECTORS COMPENSATIO	1,564.00	2,622.00	14,400.00	11,778.00	18.2
20-41-7180 TRAINING CONFERENCES TRAVEL	( 1,733.21)	152.47	31,000.00	30,847.53	.5
20-41-7210 DUES & SUBSCRIPTIONS	59.25	177.75	2,200.00	2,022.25	8.1
20-41-7225 MEMBERSHIPS	.00	457.00	8,000.00	7,543.00	5.7
20-41-7255 TODB SPONSORED EVENTS	.00	.00	2,400.00	2,400.00	.0
20-41-7271 CONSULTING SERVICES	130,892.93	172,882.71	192,000.00	19,117.29	90.0
20-41-7272 WATER SERVICE CONTRACT	56,530.52	172,054.06	680,180.78	508,126.72	25.3
20-41-7275 PREVENTATIVE & CORRECTIVE-V	1,216.19	3,391.90	30,000.00	26,608.10	11.3
20-41-7276 CONTRACT MAILING	2,893.40	8,636.55	41,000.00	32,363.45	21.1
20-41-7277 VEOLIA W LARGE REPLACEMENT	.00	6,497.27	25,000.00	18,502.73	26.0
20-41-7286 LEGAL - GENERAL	.00	( 683.00)	51,700.00	52,383.00	( 1.3)
20-41-7288 LEGAL - LITIGATION	.00	.00	18,800.00	18,800.00	.0
20-41-7301 ANNUAL AUDIT SERVICES	.00	.00	25,000.00	25,000.00	.0
20-41-7316 ELECTION EXPENSE	.00	.00	5,000.00	5,000.00	.0
20-41-7317 ADVERTISING	.00	.00	2,000.00	2,000.00	.0
20-41-7318 PUBLIC RELATIONS	.00	.00	6,000.00	6,000.00	.0
20-41-7319 INTERNET WEBSITE	.00	.00	4,800.00	4,800.00	.0
20-41-7345 PUBLIC COMMUNICATIONS AND NOTI	.00	.00	2,400.00	2,400.00	.0
20-41-7361 TELEPHONE - GENERAL	347.08	849.37	5,500.00	4,650.63	15.4
20-41-7362 TELECOM - NETWORKING	450.19	1,337.19	5,000.00	3,662.81	26.7
20-41-7363 TELEPHONE - CELLULAR	282.44	863.11	6,000.00	5,136.89	14.4
20-41-7376 ROAD/CONSTRUCTION MATERIALS	9,820.47	27,615.48	50,000.00	22,384.52	55.2
20-41-7392 VEHICLE & EQUIPMENT - FUEL	638.08	1,860.17	6,500.00	4,639.83	28.6
20-41-7393 VEHICLE & EQUIPMENT SUP & REP	363.38	1,738.12	4,400.00	2,661.88	39.5
20-41-7404 WATER METER AND REGISTERS	12,987.81	24,132.39	50,000.00	25,867.61	48.3
20-41-7405 GENERAL REPAIRS - PUMPS-V	.00	.00	30,000.00	30,000.00	.0
20-41-7406 GENERAL REPAIRS	47,110.16	129,412.48	300,000.00	170,587.52	43.1
20-41-7408 SPECIAL EQUIPMENT	.00	.00	1,200.00	1,200.00	.0
20-41-7409 INFO SYSTEM - MAINTENANCE	181.04	3,596.16	10,000.00	6,403.84	36.0
20-41-7410 EQUIPMENT MAINTENANCE	273.00	273.00	3,600.00	3,327.00	7.6
20-41-7411 SOFTWARE HOSTING	1,872.30	11,862.70	33,000.00	21,137.30	36.0
20-41-7412 COMPUTER EQUIPMENT & SUPPLIES	138.08	236.36	3,500.00	3,263.64	6.8
20-41-7413 MISCELLANEOUS SMALL TOOLS	436.04	913.38	3,000.00	2,086.62	30.5
20-41-7414 EQUIPMENT REPAIR	284.26	377.50	400.00	22.50	94.4
20-41-7415 COMPUTER SOFTWARE	347.41	347.41	4,000.00	3,652.59	8.7
20-41-7417 INSTRUMENT & CONTROLS-V	.00	1,080.00	12,500.00	11,420.00	8.6
20-41-7422 MINOR EQUIPMENT/FURNITURE	.00	.00	2,000.00	2,000.00	.0
20-41-7424 POSTAGE	.00	120.00	1,000.00	880.00	12.0
20-41-7425 OFFICE SUPPLIES	379.25	1,346.85	10,000.00	8,653.15	13.5
20-41-7437 RENT PUBLIC MEETINGS	.00	.00	200.00	200.00	.0
20-41-7438 BUILDING RENT	.00	.00	13,200.00	13,200.00	.0
20-41-7439 EQUIPMENT RENTAL/LEASING	85.83	85.83	2,000.00	1,914.17	4.3
20-41-7440 FACILITY MAINTENANCE - LANDSCA	.00	.00	1,600.00	1,600.00	.0
20-41-7441 BUILDING MAINTENANCE	3,042.79	6,970.76	6,000.00	( 970.76)	116.2
20-41-7451 INSURANCE LIABILITY & PROPERTY	.00	67,449.54	65,774.80	( 1,674.74)	102.6
20-41-7466 PERMITS & FEES	.00	1,764.00	45,000.00	43,236.00	3.9

**PRELIMINARY**  
**TOWN OF DISCOVERY BAY**  
**EXPENDITURES WITH COMPARISON TO BUDGET**  
**FOR THE 3 MONTHS ENDING SEPTEMBER 30, 2020**

WATER

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
20-41-7469 PERSONAL PROTECTIVE EQUIPMENT	652.00	652.00	3,000.00	2,348.00	21.7
20-41-7470 SAFETY EQUIPMENT & SUPPLIES	( 500.00)	( 393.06)	1,400.00	1,793.06	( 28.1)
20-41-7481 UTILITIES/ELECTRICAL COST	62,598.97	191,489.45	460,000.00	268,510.55	41.6
20-41-7483 UTILITIES/WASTE COST	1,434.00	3,528.28	.00	( 3,528.28)	.0
20-41-7495 CHEMICALS	3,228.20	11,368.10	32,000.00	20,631.90	35.5
20-41-7510 FREIGHT	.00	.00	800.00	800.00	.0
20-41-7511 UPS/COURIER	.00	.00	320.00	320.00	.0
20-41-7526 MISCELLANEOUS BANK CHARGES	2,053.02	6,124.24	25,000.00	18,875.76	24.5
20-41-7527 MISCELLANEOUS SERVICES & SUPPL	56.90	404.65	1,200.00	795.35	33.7
20-41-7528 MISCELLANEOUS REIMBURSABLE	.00	.00	400.00	400.00	.0
20-41-7530 UNRECOVERABLE CHARGES	.00	.00	1,000.00	1,000.00	.0
20-41-7532 MISCELLANEOUS	.00	.00	2,000.00	2,000.00	.0
20-41-7533 BAD DEBT	.00	.00	5,000.00	5,000.00	.0
20-41-7534 SPECIAL EXPENSE	.00	83.12	2,000.00	1,916.88	4.2
20-41-7535 CREDIT MEMO	.00	.00	5,000.00	5,000.00	.0
20-41-7537 DEBT SERVICE	100,020.49	100,636.49	260,000.00	159,363.51	38.7
20-41-7542 TAXES & ASSESSMENTS	.00	.00	400.00	400.00	.0
20-41-7545 REVENUE COLLECTION	.00	.00	2,400.00	2,400.00	.0
20-41-7547 PAYROLL WIRE TRANSFER FEE	.00	.00	1,040.00	1,040.00	.0
20-41-7548 ACCOUNTING (A/P, A/R, GL)	.00	.00	800.00	800.00	.0
20-41-7549 PUBLIC WORKS - PERMITS	.00	.00	20,000.00	20,000.00	.0
20-41-7550 PROPERTY TAXES	.00	.00	1,200.00	1,200.00	.0
20-41-7587 DEVELOPER DEPOSIT REIMBURSEMEN	.00	531.80	.00	( 531.80)	.0
<b>TOTAL WATER EXPENDITURES</b>	<b>481,859.29</b>	<b>1,098,540.82</b>	<b>3,361,140.58</b>	<b>2,262,599.76</b>	<b>32.7</b>
<b>TOTAL FUND EXPENDITURES</b>	<b>481,859.29</b>	<b>1,098,540.82</b>	<b>3,361,140.58</b>	<b>2,262,599.76</b>	<b>32.7</b>
<b>NET REVENUE OVER EXPENDITURES</b>	<b>( 132,962.20)</b>	<b>42,571.87</b>	<b>1,301,077.53</b>	<b>1,258,505.66</b>	<b>3.3</b>

PRELIMINARY  
TOWN OF DISCOVERY BAY  
BALANCE SHEET  
SEPTEMBER 30, 2020

WASTEWATER

ASSETS

21-1000	CASH IN COMBINED FUND	14,408,586.24	
21-1010	PETTY CASH	356.61	
21-1030	ACCOUNTS RECEIVABLES-UTILITY	16,158.74	
21-1031	AR - NON UTILITY	13,040.00	
21-1033	AR PAYROLL	38,222.07	
21-1035	ACCOUNTS RECEIVABLES-MISC	( 750.00)	
21-1040	ALLOWANCE FOR DOUBTFUL ACCOUNT	( 2,113.27)	
21-1045	ADV ON SUPPLEMENTAL TAX	499.46	
21-1060	PREPAID EXPENSES	15,120.00	
21-1100	EQUIPMENT	667,207.64	
21-1105	LAND	199,000.00	
21-1110	OFFICE FURNITURE & EQUIP	76,240.88	
21-1120	VEHICLES	389,950.12	
21-1130	ACCUMULATED DEPRECIATION	( 15,420,941.08)	
21-1135	BUILDING & IMPROV	464,769.63	
21-1150	CIP-BUILDINGS & IMPROV	26,412.51	
21-1155	CIP - WASTEWATER	528,000.59	
21-1156	TREATMENT & COLLECTION	43,520,182.55	
21-1170	STRUCTURES & IMPROV-SEWER	6,737,052.47	
	TOTAL ASSETS		<u>51,676,995.16</u>

LIABILITIES AND EQUITY

LIABILITIES

21-2000	ACCOUNTS PAYABLES	922,659.68	
21-2010	ACCRUED INTEREST PAYABLES	63,333.24	
21-2101	ACCRUED VACATION LIABILITY	23,666.27	
21-2205	CAL CARD	161.80	
21-2280	DEBIT SERVICE INSTALLMENT PMT	18,641,050.00	
	TOTAL LIABILITIES		19,650,870.99

FUND EQUITY

21-2500	INVESTED IN CAPITAL ASSETS	11,316,645.49	
	UNAPPROPRIATED FUND BALANCE:		
21-2905	CONTRIBUTED CAPITAL	18,757,813.00	
21-2910	NET ASSETS - UNRESTRICTED	( 1,260,367.65)	
21-2980	RETAINED EARNINGS	4,796,587.56	
	REVENUE OVER EXPENDITURES - YTD	( 1,584,554.23)	
	BALANCE - CURRENT DATE	20,709,478.68	
	TOTAL FUND EQUITY		<u>32,026,124.17</u>
	TOTAL LIABILITIES AND EQUITY		<u>51,676,995.16</u>

**PRELIMINARY**  
TOWN OF DISCOVERY BAY  
REVENUES WITH COMPARISON TO BUDGET  
FOR THE 3 MONTHS ENDING SEPTEMBER 30, 2020

		WASTEWATER				
		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
<u>WASTEWATER REVENUE</u>						
21-31-5101	SEC COLLECTIONS WASTEWATER	.00	.00	5,965,127.12	5,965,127.12	.0
21-31-5177	REIMBURSEMENTS	.00	.00	6,300.00	6,300.00	.0
21-31-5243	OTHER	.00	.00	1,000.00	1,000.00	.0
21-31-6015	SEWER CHARGES	11,361.90	31,315.80	157,000.00	125,684.20	20.0
21-31-6030	CONNECTION FEES CIP	.00	100.00	10,000.00	9,900.00	1.0
21-31-6045	CAPACITY FEE CIP	.00	12,030.00	65,000.00	52,970.00	18.5
21-31-6046	PERMIT FEE	.00	.00	5,000.00	5,000.00	.0
21-31-6047	INSPECTION FEE	.00	160.00	5,000.00	4,840.00	3.2
21-31-6086	CO ZONES VEHICLE REIMBURSABLE	10,067.40	20,595.40	81,000.00	60,404.60	25.4
21-31-6087	CO ZONES PAYROLL REIMBURSABLE	14,395.60	131,112.51	162,000.00	30,887.49	80.9
	<b>TOTAL WASTEWATER REVENUE</b>	<b>35,824.90</b>	<b>195,313.71</b>	<b>6,457,427.12</b>	<b>6,262,113.41</b>	<b>3.0</b>
	<b>TOTAL FUND REVENUE</b>	<b>35,824.90</b>	<b>195,313.71</b>	<b>6,457,427.12</b>	<b>6,262,113.41</b>	<b>3.0</b>

**PRELIMINARY**  
**TOWN OF DISCOVERY BAY**  
**EXPENDITURES WITH COMPARISON TO BUDGET**  
**FOR THE 3 MONTHS ENDING SEPTEMBER 30, 2020**

WASTEWATER

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>WASTEWATER EXPENDITURES</u>					
21-41-7000 SALARY & WAGES	33,975.40	98,781.13	610,000.00	511,218.87	16.2
21-41-7001 OVERTIME	.00	.00	2,000.00	2,000.00	.0
21-41-7030 GROUP INSURANCE	13,681.24	39,944.26	180,000.00	140,055.74	22.2
21-41-7045 WORKERS COMP	.00	7,658.06	33,000.00	25,341.94	23.2
21-41-7060 457 B PLAN	3,328.60	9,985.80	14,125.00	4,139.20	70.7
21-41-7150 TEMPORARY EMPLOYEES	.00	.00	5,000.00	5,000.00	.0
21-41-7165 BOARD OF DIRECTORS COMPENSATIO	2,346.00	3,933.00	22,000.00	18,067.00	17.9
21-41-7180 TRAINING CONFERENCES TRAVEL	100.19	228.72	30,000.00	29,771.28	.8
21-41-7181 TRAVEL & MEETINGS - BOD	( 43.01)	( 43.01)	.00	43.01	.0
21-41-7210 DUES & SUBSCRIPTIONS	19.75	59.25	2,600.00	2,540.75	2.3
21-41-7225 MEMBERSHIPS	.00	2,873.00	12,000.00	9,127.00	23.9
21-41-7255 TODB SPONSORED EVENTS	.00	.00	3,600.00	3,600.00	.0
21-41-7270 ENVIRONMENTAL STUDIES	.00	4,791.00	.00	( 4,791.00)	.0
21-41-7271 CONSULTING SERVICES	38,852.66	176,138.56	180,000.00	3,861.44	97.9
21-41-7272 WASTEWATER SERVICE CONTRACT	84,795.77	258,081.10	1,020,271.35	762,190.25	25.3
21-41-7275 PREVENTATIVE & CORRECTIVE-V	6,145.39	14,649.92	70,000.00	55,350.08	20.9
21-41-7277 VEOLIA WW LARGE REPLACEMENT	.00	4,102.83	110,000.00	105,897.17	3.7
21-41-7286 LEGAL - GENERAL	.00	1,220.50	106,000.00	104,779.50	1.2
21-41-7288 LEGAL - LITIGATION	.00	.00	25,000.00	25,000.00	.0
21-41-7301 ANNUAL AUDIT SERVICES	.00	.00	30,000.00	30,000.00	.0
21-41-7316 ELECTION EXPENSE	.00	.00	10,000.00	10,000.00	.0
21-41-7317 ADVERTISING	.00	.00	3,000.00	3,000.00	.0
21-41-7319 INTERNET WEBSITE	.00	.00	600.00	600.00	.0
21-41-7345 PUBLIC COMMUNICATIONS AND NOTI	.00	.00	3,600.00	3,600.00	.0
21-41-7361 TELEPHONE - GENERAL	699.09	1,745.40	15,000.00	13,254.60	11.6
21-41-7362 TELECOM - NETWORKING	900.11	2,680.23	15,000.00	12,319.77	17.9
21-41-7363 TELEPHONE - CELLULAR	241.75	736.87	6,000.00	5,263.13	12.3
21-41-7376 ROAD/CONSTRUCTION MATERIALS	.00	.00	3,000.00	3,000.00	.0
21-41-7392 VEHICLE & EQUIPMENT - FUEL	45.69	175.87	6,000.00	5,824.13	2.9
21-41-7393 VEHICLE & EQUIPMENT SUP & REP	434.25	2,820.72	30,000.00	27,179.28	9.4
21-41-7405 GENERAL REPAIRS - PUMPS-V	.00	.00	30,000.00	30,000.00	.0
21-41-7406 GENERAL REPAIRS-V	.00	.00	100,000.00	100,000.00	.0
21-41-7407 NTR/SIP TESTING - RWQCB	.00	.00	5,000.00	5,000.00	.0
21-41-7408 SPECIAL EQUIPMENT	.00	.00	3,000.00	3,000.00	.0
21-41-7409 INFO SYSTEM - MAINTENANCE	271.55	5,394.21	15,000.00	9,605.79	36.0
21-41-7410 EQUIPMENT MAINTENANCE	409.49	409.49	5,400.00	4,990.51	7.6
21-41-7411 SOFTWARE HOSTING	295.65	10,170.39	15,000.00	4,829.61	67.8
21-41-7412 COMPUTER EQUIPMENT & SUPPLIES	207.13	354.56	6,000.00	5,645.44	5.9
21-41-7413 MISCELLANEOUS SMALL TOOLS	.00	.00	3,000.00	3,000.00	.0
21-41-7414 EQUIPMENT REPAIR	.00	.00	600.00	600.00	.0
21-41-7415 COMPUTER SOFTWARE	416.13	416.13	1,500.00	1,083.87	27.7
21-41-7416 UV PARTS	.00	11,049.62	50,000.00	38,950.38	22.1
21-41-7417 INSTRUMENT & CONTROLS-V	.00	13,096.80	47,000.00	33,903.20	27.9
21-41-7424 POSTAGE	.00	180.00	1,500.00	1,320.00	12.0
21-41-7425 OFFICE SUPPLIES	262.72	1,236.86	10,000.00	8,763.14	12.4
21-41-7438 BUILDING RENT	.00	.00	19,800.00	19,800.00	.0
21-41-7439 EQUIPMENT RENTAL/LEASING	128.75	128.75	3,000.00	2,871.25	4.3
21-41-7440 FACILITY MAINTENANCE - LANDSCA	.00	.00	2,400.00	2,400.00	.0
21-41-7441 BUILDING MAINTENANCE	1,045.55	1,233.80	12,000.00	10,766.20	10.3
21-41-7451 INSURANCE LIABILITY & PROPERTY	.00	101,174.30	98,662.23	( 2,512.07)	102.6
21-41-7466 PERMITS & FEES	.00	1,209.00	55,000.00	53,791.00	2.2
21-41-7468 NPDES PERMITS & FINES	.00	.00	70,000.00	70,000.00	.0

**PRELIMINARY**  
TOWN OF DISCOVERY BAY  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 3 MONTHS ENDING SEPTEMBER 30, 2020

WASTEWATER

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
21-41-7469 PERSONAL PROTECTIVE EQUIPMENT	.00	.00	1,020.00	1,020.00	.0
21-41-7470 SAFETY EQUIPMENT & SUPPLIES	( 500.00)	( 412.63)	3,000.00	3,412.63	( 13.8)
21-41-7481 UTILITIES/ELECTRICAL COST	49,402.12	152,541.64	575,000.00	422,458.36	26.5
21-41-7483 UTILITIES/WASTE COST	.00	.00	2,000.00	2,000.00	.0
21-41-7495 CHEMICALS	.00	8,939.16	33,000.00	24,060.84	27.1
21-41-7510 FREIGHT	.00	.00	1,000.00	1,000.00	.0
21-41-7526 MISCELLANEOUS BANK CHARGES	.00	.00	1,000.00	1,000.00	.0
21-41-7527 MISCELLANEOUS SERVICES & SUPPL	130.46	254.44	4,500.00	4,245.56	5.7
21-41-7528 MISCELLANEOUS REIMBURSABLE	.00	.00	600.00	600.00	.0
21-41-7530 UNRECOVERABLE CHARGES	.00	.00	1,000.00	1,000.00	.0
21-41-7532 MISCELLANEOUS	.00	.00	2,000.00	2,000.00	.0
21-41-7533 BAD DEBT	.00	.00	5,000.00	5,000.00	.0
21-41-7534 SPECIAL EXPENSE	.00	182.05	3,000.00	2,817.95	6.1
21-41-7535 CREDIT MEMO	.00	.00	2,000.00	2,000.00	.0
21-41-7537 DEBT SERVICE	840,024.46	840,948.46	1,102,000.00	261,051.54	76.3
21-41-7542 TAXES & ASSESSMENTS	.00	.00	1,000.00	1,000.00	.0
21-41-7545 REVENUE COLLECTION	.00	.00	6,500.00	6,500.00	.0
21-41-7547 PAYROLL WIRE TRANSFER FEE	.00	.00	1,560.00	1,560.00	.0
21-41-7548 ACCOUNTING (A/P, A/R, GL)	.00	.00	1,200.00	1,200.00	.0
21-41-7549 PUBLIC WORKS - PERMITS	.00	.00	3,500.00	3,500.00	.0
21-41-7550 PROPERTY TAXES	.00	.00	17,000.00	17,000.00	.0
21-41-7587 DEVELOPER DEPOSIT REIMBURSEMEN	.00	797.70	.00	( 797.70)	.0
<b>TOTAL WASTEWATER EXPENDITURES</b>	<b>1,077,616.89</b>	<b>1,779,867.94</b>	<b>4,868,538.58</b>	<b>3,088,670.64</b>	<b>36.6</b>
<b>TOTAL FUND EXPENDITURES</b>	<b>1,077,616.89</b>	<b>1,779,867.94</b>	<b>4,868,538.58</b>	<b>3,088,670.64</b>	<b>36.6</b>
<b>NET REVENUE OVER EXPENDITURES</b>	<b>( 1,041,791.99)</b>	<b>( 1,584,554.23)</b>	<b>1,588,888.54</b>	<b>3,173,442.77</b>	<b>( 99.7)</b>



PRELIMINARY  
TOWN OF DISCOVERY BAY  
BALANCE SHEET  
SEPTEMBER 30, 2020

L&L 8

<u>ASSETS</u>		
40-1000	CASH IN COMBINED FUND	549,301.95
40-1045	ADV ON SUPPLEMENTAL TAX	3,871.62
40-1052	DUE FROM OTHER FUNDS	463,746.95
40-1070	NOTE RECEIVABLE	525,102.40
40-1100	EQUIPMENT	304,795.45
40-1105	LAND	380,083.00
40-1110	OFFICE FURNITURE & EQUIP	19,202.46
40-1120	VEHICLES	80,133.48
40-1130	ACCUMULATED DEPRECIATION	( 1,881,468.20)
40-1134	COMMUNITY CENTER & REC CIP	62,416.90
40-1135	BUILDING & IMPROV	2,850,944.77
40-1150	CIP-BUILDINGS & IMPROV	125,508.80
40-1155	CIP - PARKS	52,842.90
40-1160	CIP - STREETSCAPE	15,110.23
		3,551,592.71
	TOTAL ASSETS	3,551,592.71
<u>LIABILITIES AND EQUITY</u>		
<u>LIABILITIES</u>		
40-2000	ACCOUNTS PAYABLES	192,715.08
40-2101	ACCRUED VACATION LIABILITY	12,488.97
		205,204.05
	TOTAL LIABILITIES	205,204.05
<u>FUND EQUITY</u>		
40-2500	INVESTED IN CAPITAL ASSETS	1,348,359.35
	UNAPPROPRIATED FUND BALANCE:	
40-2905	CONTRIBUTED CAPITAL	947,190.37
40-2910	NET ASSETS - UNRESTRICTED	1,426,948.56
40-2980	RETAINED EARNINGS	( 191,575.11)
	REVENUE OVER EXPENDITURES - YTD	( 184,534.51)
		1,998,029.31
	BALANCE - CURRENT DATE	1,998,029.31
	TOTAL FUND EQUITY	3,346,388.66
	TOTAL LIABILITIES AND EQUITY	3,551,592.71

**PRELIMINARY**  
TOWN OF DISCOVERY BAY  
REVENUES WITH COMPARISON TO BUDGET  
FOR THE 3 MONTHS ENDING SEPTEMBER 30, 2020

## L&amp;L 8

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT	
<u>L&amp;L 8 REVENUE</u>						
40-31-5106	CURRENT SECURED PROPERTY TAX	.00	26.37	684,000.00	683,973.63	.0
40-31-5149	COMMUNITY CENTER PROGRAM FEES	.00	.00	40,000.00	40,000.00	.0
40-31-5150	COMMUNITY CENTER EVENTS	.00	.00	3,000.00	3,000.00	.0
40-31-5151	LANDSCAPE RELATED REIMBURSABLE	.00	.00	6,000.00	6,000.00	.0
40-31-5195	INTEREST INCOME	.00	.00	26,255.00	26,255.00	.0
40-31-5226	CCC VEHICLE REIMBURSEMENT	.00	.00	14,200.00	14,200.00	.0
40-31-5243	OTHER	6,000.00	6,000.00	6,000.00	.00	100.0
40-31-6000	RECREATION REVENUE	145.00	( 1,275.00)	.00	1,275.00	.0
40-31-6695	RENTALS	.00	.00	38,000.00	38,000.00	.0
40-31-6996	COMMUNITY CENTER APPAREL	.00	.00	300.00	300.00	.0
40-31-6997	COMMUNITY CENTER FOOD	.00	.00	100.00	100.00	.0
40-31-6998	COMMUNITY CENTER BEVERAGE	.00	.00	500.00	500.00	.0
40-31-6999	COMMUNITY CENTER POOL FEE	.00	.00	1,000.00	1,000.00	.0
	<b>TOTAL L&amp;L 8 REVENUE</b>	<b>6,145.00</b>	<b>4,751.37</b>	<b>819,355.00</b>	<b>814,603.63</b>	<b>.6</b>
	<b>TOTAL FUND REVENUE</b>	<b>6,145.00</b>	<b>4,751.37</b>	<b>819,355.00</b>	<b>814,603.63</b>	<b>.6</b>

**PRELIMINARY**  
**TOWN OF DISCOVERY BAY**  
**EXPENDITURES WITH COMPARISON TO BUDGET**  
**FOR THE 3 MONTHS ENDING SEPTEMBER 30, 2020**

## L&amp;L 8

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>L&amp;L 8 EXPENDITURE</u>					
40-41-7000 SALARY & WAGES	18,367.00	50,269.80	175,000.00	124,730.20	28.7
40-41-7180 TRAINING CONFERENCES TRAVEL	.00	11.72	1,500.00	1,488.28	.8
40-41-7210 DUES & SUBSCRIPTIONS	79.00	237.00	200.00	( 37.00)	118.5
40-41-7225 MEMBERSHIPS	.00	.00	525.00	525.00	.0
40-41-7286 LEGAL - GENERAL	.00	.00	1,000.00	1,000.00	.0
40-41-7301 ANNUAL AUDIT SERVICES	.00	.00	2,200.00	2,200.00	.0
40-41-7317 ADVERTISING	48.50	69.99	50.00	( 19.99)	140.0
40-41-7361 TELEPHONE - GENERAL	.00	.00	1,125.00	1,125.00	.0
40-41-7362 TELECOM - NETWORKING	171.12	512.18	900.00	387.82	56.9
40-41-7363 TELEPHONE - CELLULAR	181.80	467.33	2,000.00	1,532.67	23.4
40-41-7376 ROAD/CONSTRUCTION MATERIALS	.00	.00	500.00	500.00	.0
40-41-7392 VEHICLE & EQUIPMENT - FUEL	1,037.89	2,702.53	6,500.00	3,797.47	41.6
40-41-7393 VEHICLE & EQUIPMENT SUP & REP	.00	.00	3,500.00	3,500.00	.0
40-41-7409 INFO SYSTEM - MAINTENANCE	.00	.00	800.00	800.00	.0
40-41-7410 EQUIPMENT MAINTENANCE	26.85	163.76	500.00	336.24	32.8
40-41-7412 COMPUTER EQUIPMENT & SUPPLIES	.00	.00	150.00	150.00	.0
40-41-7413 MISCELLANEOUS SMALL TOOLS	6.02	929.32	1,000.00	70.68	92.9
40-41-7414 EQUIPMENT REPAIR	.00	704.59	1,000.00	295.41	70.5
40-41-7421 CLEANING SUPPLIES	.00	59.22	500.00	440.78	11.8
40-41-7424 POSTAGE	.00	.00	150.00	150.00	.0
40-41-7425 OFFICE SUPPLIES	92.19	92.19	1,000.00	907.81	9.2
40-41-7438 BUILDING RENT	.00	.00	9,000.00	9,000.00	.0
40-41-7439 EQUIPMENT RENTAL/LEASING	.00	60.00	1,500.00	1,440.00	4.0
40-41-7440 FACILITY MAINTENANCE - LANDSCA	10,189.78	30,860.71	30,000.00	( 860.71)	102.9
40-41-7441 BUILDING MAINTENANCE	.00	90.00	10,000.00	9,910.00	.9
40-41-7451 INSURANCE LIABILITY & PROPERTY	.00	1,680.00	2,610.65	930.65	64.4
40-41-7469 PERSONAL PROTECTIVE EQUIPMENT	70.44	878.76	3,000.00	2,121.24	29.3
40-41-7481 UTILITIES/ELECTRICAL COST	6,953.65	20,717.05	92,000.00	71,282.95	22.5
40-41-7482 UTILITIES/WATER COST	6,719.67	21,856.26	50,000.00	28,143.74	43.7
40-41-7483 UTILITIES/WASTE COST	344.42	1,923.54	5,000.00	3,076.46	38.5
40-41-7526 MISCELLANEOUS BANK CHARGES	142.49	142.49	.00	( 142.49)	.0
40-41-7527 MISCELLANEOUS SERVICES & SUPPL	31.46	31.46	2,000.00	1,968.54	1.6
40-41-7534 SPECIAL EXPENSE	.00	.00	1,000.00	1,000.00	.0
40-41-7542 TAXES & ASSESSMENTS	.00	.00	2,000.00	2,000.00	.0
40-41-7543 INTERFUND INVESTMENT PROP TAX	.00	.00	300.00	300.00	.0
40-41-7544 REIMBURSEMENT FOR COUNTY ADMIN	.00	.00	500.00	500.00	.0
40-41-7545 REVENUE COLLECTION	.00	.00	5,500.00	5,500.00	.0
40-41-7549 PUBLIC WORKS - PERMITS	.00	.00	500.00	500.00	.0
40-41-7550 PROPERTY TAXES	.00	.00	3,000.00	3,000.00	.0
40-41-7551 CCC DB SIGN REPLACEMENT	.00	.00	2,000.00	2,000.00	.0
40-41-8000 SALARY & WAGES	9,983.12	30,778.24	204,393.80	173,615.56	15.1
40-41-8180 TRAINING CONFERENCES TRAVEL	.00	.00	1,000.00	1,000.00	.0
40-41-8225 MEMBERSHIPS	550.00	725.00	500.00	( 225.00)	145.0
40-41-8255 DONATION EXPENDITURES	.00	.00	6,000.00	6,000.00	.0
40-41-8256 EVENTS	.00	.00	1,500.00	1,500.00	.0
40-41-8286 LEGAL - GENERAL	.00	.00	10,000.00	10,000.00	.0
40-41-8301 ANNUAL AUDIT SERVICES	.00	.00	1,000.00	1,000.00	.0
40-41-8317 ADVERTISING	.00	4,688.00	15,000.00	10,312.00	31.3
40-41-8361 TELEPHONE - GENERAL	163.16	296.34	4,000.00	3,703.66	7.4
40-41-8362 TELECOM - NETWORKING	231.23	692.49	2,500.00	1,807.51	27.7
40-41-8363 TELEPHONE - CELLULAR	50.64	155.94	1,000.00	844.06	15.6
40-41-8406 GENERAL REPAIRS	.00	.00	5,000.00	5,000.00	.0

**PRELIMINARY**  
**TOWN OF DISCOVERY BAY**  
**EXPENDITURES WITH COMPARISON TO BUDGET**  
**FOR THE 3 MONTHS ENDING SEPTEMBER 30, 2020**

## L&amp;L 8

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
40-41-8408 SPECIAL EQUIPMENT	.00	.00	100.00	100.00	.0
40-41-8409 INFO SYSTEM - MAINTENANCE	.00	.00	2,000.00	2,000.00	.0
40-41-8410 EQUIPMENT MAINTENANCE	.00	.00	800.00	800.00	.0
40-41-8411 SOFTWARE HOSTING	393.03	1,179.09	5,000.00	3,820.91	23.6
40-41-8412 COMPUTER EQUIPMENT & SUPPLIES	.00	.00	500.00	500.00	.0
40-41-8413 MISCELLANEOUS SMALL TOOLS	.00	.00	500.00	500.00	.0
40-41-8424 POSTAGE	.00	1,063.00	3,500.00	2,437.00	30.4
40-41-8425 OFFICE SUPPLIES	204.47	393.62	4,000.00	3,606.38	9.8
40-41-8440 FACILITY MAINTENANCE - LANDSCA	255.00	4,053.39	12,000.00	7,946.61	33.8
40-41-8441 BUILDING MAINTENANCE	204.08	763.01	13,000.00	12,236.99	5.9
40-41-8442 POOL MAINTENANCE	.00	766.80	2,500.00	1,733.20	30.7
40-41-8451 INSURANCE LIABILITY & PROPERTY	.00	.00	10,439.22	10,439.22	.0
40-41-8466 PERMITS & FEES	.00	1,465.00	2,000.00	535.00	73.3
40-41-8469 PERSONAL PROTECTIVE EQUIPMENT	.00	.00	600.00	600.00	.0
40-41-8470 SAFETY EQUIPMENT & SUPPLIES	.00	.00	1,000.00	1,000.00	.0
40-41-8481 UTILITIES/ELECTRICAL COST	638.30	1,732.48	13,000.00	11,267.52	13.3
40-41-8482 UTILITIES/WATER COST	974.87	4,896.02	14,000.00	9,103.98	35.0
40-41-8483 UTILITIES/WASTE COST	481.07	481.07	6,000.00	5,518.93	8.0
40-41-8495 CHEMICALS	.00	.00	1,000.00	1,000.00	.0
40-41-8526 MISCELLANEOUS BANK CHARGES	.00	284.49	2,500.00	2,215.51	11.4
40-41-8527 MISCELLANEOUS SERVICES & SUPPL	.00	.00	500.00	500.00	.0
40-41-8535 CREDIT MEMO	.00	.00	2,500.00	2,500.00	.0
40-41-8539 COGS - COMMUNITY CENTER	.00	.00	600.00	600.00	.0
40-41-8541 FOOD EXP	.00	.00	100.00	100.00	.0
40-41-8542 BEVERAGE EXP	.00	.00	100.00	100.00	.0
40-41-8543 PROGRAM FEES	.00	412.00	30,000.00	29,588.00	1.4
40-41-8548 INTER-GOVERNMENTAL CHARGES	.00	.00	200.00	200.00	.0
40-41-8550 PROPERTY TAXES	.00	.00	500.00	500.00	.0
<b>TOTAL L&amp;L 8 EXPENDITURE</b>	<b>58,591.25</b>	<b>189,285.88</b>	<b>800,843.67</b>	<b>611,557.79</b>	<b>23.6</b>
<b>TOTAL FUND EXPENDITURES</b>	<b>58,591.25</b>	<b>189,285.88</b>	<b>800,843.67</b>	<b>611,557.79</b>	<b>23.6</b>
<b>NET REVENUE OVER EXPENDITURES</b>	<b>( 52,446.25)</b>	<b>( 184,534.51)</b>	<b>18,511.33</b>	<b>203,045.84</b>	<b>(996.9)</b>

PRELIMINARY  
TOWN OF DISCOVERY BAY  
BALANCE SHEET  
SEPTEMBER 30, 2020

L&L 9

<u>ASSETS</u>			
41-1000	CASH IN COMBINED FUND	229,528.00	
41-1052	DUE FROM OTHER FUNDS	61,958.04	
41-1100	EQUIPMENT	29,476.20	
41-1105	LAND	35,847.00	
41-1130	ACCUMULATED DEPRECIATION	( 99,827.80)	
41-1135	BUILDING & IMPROV	166,257.46	
	TOTAL ASSETS		423,238.90
<u>LIABILITIES AND EQUITY</u>			
<u>LIABILITIES</u>			
41-2000	ACCOUNTS PAYABLES	28,574.23	
41-2101	ACCRUED VACTION LIAB	1,480.90	
	TOTAL LIABILITIES		30,055.13
<u>FUND EQUITY</u>			
41-2500	INVESTED IN CAPITAL ASSETS	127,623.64	
UNAPPROPRIATED FUND BALANCE:			
41-2905	CONTRIBUTED CAPITAL	35,847.00	
41-2910	NET ASSETS - UNRESTRICTED	151,169.98	
41-2980	RETAINED EARNINGS	125,376.26	
	REVENUE OVER EXPENDITURES - YTD	( 46,833.11)	
	BALANCE - CURRENT DATE	265,560.13	
	TOTAL FUND EQUITY		393,183.77
	TOTAL LIABILITIES AND EQUITY		423,238.90

**PRELIMINARY**  
TOWN OF DISCOVERY BAY  
REVENUES WITH COMPARISON TO BUDGET  
FOR THE 3 MONTHS ENDING SEPTEMBER 30, 2020

L&L 9

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
<u>L&amp;L 9 REVENUE</u>					
41-31-5120 ASSESSMENT INCOME	.00	.00	146,391.42	146,391.42	.0
41-31-5226 CCC VEHICLE REIMBURSEMENT	.00	.00	13,000.00	13,000.00	.0
TOTAL L&L 9 REVENUE	.00	.00	159,391.42	159,391.42	.0
TOTAL FUND REVENUE	.00	.00	159,391.42	159,391.42	.0

**PRELIMINARY**  
**TOWN OF DISCOVERY BAY**  
**EXPENDITURES WITH COMPARISON TO BUDGET**  
**FOR THE 3 MONTHS ENDING SEPTEMBER 30, 2020**

## L&amp;L 9

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>L&amp;L 9 EXPENDITURE</u>					
41-41-7000 SALARY & WAGES	675.49	15,494.56	42,000.00	26,505.44	36.9
41-41-7180 TRAINING CONFERENCES TRAVEL	.00	11.50	1,000.00	988.50	1.2
41-41-7210 DUES & SUBSCRIPTIONS	19.75	59.25	200.00	140.75	29.6
41-41-7225 MEMBERSHIPS	.00	.00	400.00	400.00	.0
41-41-7271 CONSULTING SERVICES	.00	1,425.00	3,900.00	2,475.00	36.5
41-41-7286 LEGAL - GENERAL	.00	.00	1,000.00	1,000.00	.0
41-41-7301 ANNUAL AUDIT SERVICES	.00	.00	2,000.00	2,000.00	.0
41-41-7317 ADVERTISING	48.50	70.01	.00	( 70.01)	.0
41-41-7361 TELEPHONE - GENERAL	16.34	35.91	1,000.00	964.09	3.6
41-41-7362 TELECOM - NETWORKING	.00	.00	700.00	700.00	.0
41-41-7363 TELEPHONE - CELLULAR	158.01	443.58	1,200.00	756.42	37.0
41-41-7376 ROAD/CONSTRUCTION MATERIALS	.00	.00	200.00	200.00	.0
41-41-7392 VEHICLE & EQUIPMENT - FUEL	298.91	878.92	5,000.00	4,121.08	17.6
41-41-7393 VEHICLE & EQUIPMENT SUP & REP	.00	.00	2,000.00	2,000.00	.0
41-41-7406 GENERAL REPAIRS	.00	.00	100.00	100.00	.0
41-41-7409 INFO SYSTEM - MAINTENANCE	.00	.00	1,000.00	1,000.00	.0
41-41-7410 EQUIPMENT MAINTENANCE	.00	.00	1,500.00	1,500.00	.0
41-41-7412 COMPUTER EQUIPMENT & SUPPLIES	.00	.00	750.00	750.00	.0
41-41-7413 MISCELLANEOUS SMALL TOOLS	215.49	215.49	2,500.00	2,284.51	8.6
41-41-7414 EQUIPMENT REPAIR	57.01	57.01	1,250.00	1,192.99	4.6
41-41-7421 CLEANING SUPPLIES	.00	50.00	500.00	450.00	10.0
41-41-7422 MINOR EQUIPMENT/FURNITURE	.00	.00	500.00	500.00	.0
41-41-7424 POSTAGE	.00	.00	50.00	50.00	.0
41-41-7425 OFFICE SUPPLIES	.00	29.23	500.00	470.77	5.9
41-41-7438 BUILDING RENT	6,500.00	6,500.00	9,000.00	2,500.00	72.2
41-41-7439 EQUIPMENT RENTAL/LEASING	.00	389.05	1,000.00	610.95	38.9
41-41-7440 FACILITY MAINTENANCE - LANDSCA	505.00	10,578.86	17,000.00	6,421.14	62.2
41-41-7441 BUILDING MAINTENANCE	.00	.00	4,000.00	4,000.00	.0
41-41-7451 INSURANCE LIABILITY & PROPERTY	.00	.00	1,680.00	1,680.00	.0
41-41-7466 PERMITS & FEES	.00	1,660.00	.00	( 1,660.00)	.0
41-41-7469 PERSONAL PROTECTIVE EQUIPMENT	74.97	737.62	3,000.00	2,262.38	24.6
41-41-7481 UTILITIES/ELECTRICAL COST	102.75	395.31	1,350.00	954.69	29.3
41-41-7482 UTILITIES/WATER COST	2,540.30	7,679.81	25,000.00	17,320.19	30.7
41-41-7483 UTILITIES/WASTE COST	.00	.00	3,000.00	3,000.00	.0
41-41-7527 MISCELLANEOUS SERVICES & SUPPL	57.00	122.00	500.00	378.00	24.4
41-41-7534 SPECIAL EXPENSE	.00	.00	500.00	500.00	.0
41-41-7545 REVENUE COLLECTION	.00	.00	600.00	600.00	.0
41-41-7550 PROPERTY TAXES	.00	.00	1,000.00	1,000.00	.0
<b>TOTAL L&amp;L 9 EXPENDITURE</b>	<b>11,269.52</b>	<b>46,833.11</b>	<b>136,880.00</b>	<b>90,046.89</b>	<b>34.2</b>
<b>TOTAL FUND EXPENDITURES</b>	<b>11,269.52</b>	<b>46,833.11</b>	<b>136,880.00</b>	<b>90,046.89</b>	<b>34.2</b>
<b>NET REVENUE OVER EXPENDITURES</b>	<b>( 11,269.52)</b>	<b>( 46,833.11)</b>	<b>22,511.42</b>	<b>69,344.53</b>	<b>(208.0)</b>

PRELIMINARY  
TOWN OF DISCOVERY BAY  
BALANCE SHEET  
SEPTEMBER 30, 2020

FINANCING AUTHORITY

<u>ASSETS</u>			
50-1000	CASH IN COMBINED FUND	724,170.20	
50-1034	INTEREST RECEIVABLE	71,160.94	
50-1036	DEBT SERVICE - INSTALLMENT REC	20,945,000.00	
50-1063	DEBT ISSUANCE COST- PREPAID IN	48,222.36	
	TOTAL ASSETS		21,788,553.50
<u>LIABILITIES AND EQUITY</u>			
<u>LIABILITIES</u>			
50-2010	ACCRUED INTEREST PAYABLES	71,160.94	
50-2150	UNAMORTIZED BOND PREMIUM	511,252.98	
	TOTAL LIABILITIES		582,413.92
<u>FUND EQUITY</u>			
50-2500	BOND LIABILITY	20,945,000.00	
	UNAPPROPRIATED FUND BALANCE:		
50-2980	RETAINED EARNINGS	261,139.58	
	BALANCE - CURRENT DATE	261,139.58	
	TOTAL FUND EQUITY		21,206,139.58
	TOTAL LIABILITIES AND EQUITY		21,788,553.50



PRELIMINARY  
TOWN OF DISCOVERY BAY  
BALANCE SHEET  
SEPTEMBER 30, 2020  
  
COMMUNITY CENTER

<u>ASSETS</u>			
60-1000	CASH IN COMBINED FUND		424,168.61
60-1020	CERTIFICATE OF DEPOSIT (CD)		6,782.49
60-1065	INVENTORY		4,578.98
60-1100	EQUIPMENT		5,793.56
60-1130	ACCUMULATED DEPRECIATION	(	6,510.08)
60-1135	BUILDING & IMPROV		19,238.00
			<u>19,238.00</u>
	TOTAL ASSETS		<u><u>454,051.56</u></u>
<u>LIABILITIES AND EQUITY</u>			
<u>FUND EQUITY</u>			
60-2500	INVESTED IN CAPITAL ASSETS		5,586.65
	UNAPPROPRIATED FUND BALANCE:		
60-2910	NET ASSETS - UNRESTRICTED	538,798.83	
60-2980	RETAINED EARNINGS	( 90,298.92)	
	REVENUE OVER EXPENDITURES - YTD	( 35.00)	
			<u>448,464.91</u>
	BALANCE - CURRENT DATE		<u>448,464.91</u>
	TOTAL FUND EQUITY		<u><u>454,051.56</u></u>
	TOTAL LIABILITIES AND EQUITY		<u><u>454,051.56</u></u>

**PRELIMINARY**  
 TOWN OF DISCOVERY BAY  
 REVENUES WITH COMPARISON TO BUDGET  
 FOR THE 3 MONTHS ENDING SEPTEMBER 30, 2020

COMMUNITY CENTER

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
<u>COMMUNITY CENTER REVENUE</u>					
60-31-5225 FUNDRAISING	.00	( 35.00)	.00	35.00	.0
TOTAL COMMUNITY CENTER REVENUE	.00	( 35.00)	.00	35.00	.0
TOTAL FUND REVENUE	.00	( 35.00)	.00	35.00	.0
NET REVENUE OVER EXPENDITURES	.00	( 35.00)	.00	35.00	.0



# Town of Discovery Bay

*"A Community Services District"*

## STAFF REPORT

**Meeting Date**

November 18, 2020

**Prepared By:** Julie Carter, Finance Manager  
**Submitted By:** Michael Davies, General Manager

### Agenda Title

Approve Contracting with Croce, Sanguinetti & Vander Veen to Perform the Town of Discovery Bay's Independent Audit for Fiscal Year 2019-20.

### Recommended Action

Staff recommends that the Board approve engagement with Croce, Sanguinetti & Vander Veen to perform the annual independent financial audit and submission of financial reports to the California State Controller's Office for the fiscal year ending June 30, 2020.

### 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.

Staff recommends retaining the audit firm Croce, Sanguinetti & Vander Veen, with Marc Croce being responsible for overseeing the engagement.

Staff recommends Croce, Sanguinetti & Vander Veen perform the audit for The Town of Discovery Bay Community Services District and the Discovery Bay Public Financing Authority, and provide under the direction of Marc Croce, the following for Fiscal Year Ending June 30, 2020:

- 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

### Fiscal Impact:

**Amount Requested \$33,425**

**Sufficient Budgeted Funds Available?: Yes**

**Prog/Fund # Category:**

### Previous Relevant Board Actions for This Item

### Attachments:

Engagement Letters for:

- 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

**AGENDA ITEM: E-1**



CROCE, SANGUINETTI, & VANDER VEEN<sup>INC</sup>

CERTIFIED PUBLIC ACCOUNTANTS

August 18, 2020

Board of Directors and Julie Carter, Finance Manager

**Town of Discovery Bay**

**Community Services District**

1800 Willow Lake Road

Discovery Bay, California 94505

We are pleased to confirm our understanding of the services we are to provide the **Town of Discovery Bay Community Services District** for the year ending June 30, 2020. We will audit the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of the **Town of Discovery Bay Community Services District** as of and for the year ending June 30, 2020. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement **Town of Discovery Bay Community Services District's** basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to **Town of Discovery Bay Community Services District's** RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist 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 will not express an opinion or provide any assurance on the information because the limited procedures do not provide us the sufficient evidence to express an opinion or provide any assurance. The following RSI is required by U.S. generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1. Management's Discussion and Analysis.
2. Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Major Special Revenue Fund

#### **Audit Objectives**

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and will include tests of the accounting records of **Town of Discovery Bay Community**

**Services District** and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of **Town of Discovery Bay Community Services District's** financial statements. Our report will be addressed to the Board of Directors and management of **Town of Discovery Bay Community Services District**. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express an opinion or may withdraw from this engagement.

If circumstances occur related to the condition of your records, the availability of sufficient, appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements caused by error, fraudulent financial reporting, or misappropriation of assets, which in our professional judgment prevent us from completing the audit or forming an opinion on the financial statements, we retain the right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawing from the engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of 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 on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If, during our audit, we become aware that **Town of Discovery Bay Community Services District** is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

### **Audit Procedures - General**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from errors, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste and abuse.

Because of the inherent limitation of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, an unavoidable risk exists that some material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include direct confirmation of cash, receivables, and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We may request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements, compliance with laws, regulations, contracts, and grant agreements, and other responsibilities required by generally accepted auditing standards.

#### **Audit Procedures - Internal Control**

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

#### **Audit Procedures - Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of **Town of Discovery Bay Community Services District's** compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

## **Other Services**

We will also prepare standard, adjusting, or correcting journal entries and assist in preparing the financial statements of the **Town of Discovery Bay Community Services District** in conformity with U.S. generally accepted accounting principles based on information provided by you. We will also prepare the Special Districts Financial Transactions Report of **Town of Discovery Bay Community Services District**. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

## **Management Responsibilities**

Management is responsible for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with U.S. generally accepted accounting principles, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, including identification of all related parties and all related-party relationships and transactions, additional information that we may request for the purpose of the audit, and unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving management, employees who have significant roles in internal control, and others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the

government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, or grant agreements, that we report.

With regard to using the auditor's report, you understand that you must obtain our prior written consent to reproduce or use our report in bond offering official statements or other documents.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

With regard to electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

### **Engagement Administration, Fees, and Other**

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

Mark Croce is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it. Our audit engagement ends on delivery of our audit report. Any follow-up services that might be required will be a separate, new engagement. The terms and conditions of that new engagement will be governed by a new, specific engagement letter for that service.

It is our policy to keep records related to this engagement for seven years. However, Croce, Sanguinetti, & Vander Veen, Inc. does not keep any original client records, so we will return those to you at the completion of the services rendered under this engagement. When records are returned to you, it is your responsibility to retain and protect your records for possible future use, including potential examination by government or regulatory agencies. By your signature below, you acknowledge and agree that upon the expiration of the seven-year period, Croce, Sanguinetti, & Vander Veen, Inc. shall be free to destroy our records related to this engagement.



We expect our fees for the services set forth in this letter for the fiscal year ending June 30, 2020 not to exceed \$31,325. Our invoices for the services outlined in this letter are payable on presentation. The fee estimate is based on anticipated cooperation from your personnel and the assumption that District personnel will prepare all items requested, which include Management's Discussion and Analysis, and that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

You may request that we perform additional services not addressed in this engagement letter. If this occurs, we will communicate with you regarding the scope of the additional services and the estimated fees. We also may issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter.

In the event that the District requires a single audit due to the expenditure of federal funds, we will perform such an audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States, the Single Audit Act Amendments of 1996, and the provisions of the Uniform Guidance. Services rendered in order to meet the aforementioned requirements will be billed to you separately.

Should any litigation or adverse action (such as audits by outside organizations and/or threatened litigation, etc.) by third parties arise against the **Town of Discovery Bay Community Services District** or its officers subsequent to this engagement, which results in the subpoena of documents from Croce, Sanguinetti, & Vander Veen, Inc. and/or requires additional assistance from us to provide information, depositions, or testimony, **Town of Discovery Bay Community Services District** hereby agrees to compensate Croce, Sanguinetti, & Vander Veen, Inc. (at our standard hourly rates ranging from \$200/hour to \$325/hour) for additional time charges and other costs (copies, travel, etc.).

If any dispute arises among the parties hereto, the parties agree to first try in good faith to settle the dispute by mediation administered by the American Arbitration Association or other organization under its applicable rules for professional accounting and related services disputes before resorting to litigation. The costs of any mediation proceeding shall be shared equally by all parties.

We appreciate the opportunity to be of service to the **Town of Discovery Bay Community Services District** and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign where indicated and return it to us. A copy of this engagement letter is enclosed for your files.

Very truly yours,

*Croce, Sanguinetti, & Vander Veen, Inc.*

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

RESPONSE:

This letter correctly sets forth the understanding of **Town of Discovery Bay Community Services District.**

Finance Manager signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Director signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



CROCE, SANGUINETTI, & VANDER VEEN<sup>INC</sup>

CERTIFIED PUBLIC ACCOUNTANTS

August 18, 2020

Board of Directors and Julie Carter, Finance Manager  
**Discovery Bay Public Financing Authority**  
1800 Willow Lake Road  
Discovery Bay, California 94505

We are pleased to confirm our acceptance and understanding of the services we are to provide for **Discovery Bay Public Financing Authority** for the year ending June 30, 2020.

You have requested that we prepare the Special Districts Financial Transactions Report of **Discovery Bay Public Financing Authority** for the year ending June 30, 2020.

### **Our Responsibilities**

The objective of our engagement is to prepare the Special Districts Financial Transactions Report in accordance with the requirements of the Controller of the State of California by January 31, 2021, which differ from accounting principles generally accepted in the United States of America. We will conduct our engagement in accordance with Statement on Standards for Accounting and Review Services (SSARS) promulgated by the Accounting and Review Services Committee of the AICPA and comply with the AICPA's Code of Professional Conduct, including the ethical principles of integrity, objectivity, professional competence, and due care.

We are not required to, and will not, verify the accuracy or completeness of the information you will provide to us for the engagement or otherwise gather evidence for the purpose of expressing an opinion or a conclusion. Accordingly, we will not express an opinion, a conclusion, nor provide any assurance on the Special Districts Financial Transactions Report.

Our engagement cannot be relied upon to identify or disclose any misstatements, including those caused by fraud or error, or to identify or disclose any wrongdoing within the entity or noncompliance with laws and regulations.

### **Management Responsibilities**

The engagement to be performed is conducted on the basis that management acknowledges and understands that our role is to prepare the Special Districts Financial Transactions Report in accordance with the requirements of the Controller of the State of California by January 31, 2020. Management has the following overall responsibilities that are fundamental to our undertaking the engagement to prepare your Special Districts Financial Transactions Report in accordance with SSARS:

- a. The prevention and detection of fraud.
- b. To ensure that the entity complies with the laws and regulations applicable to its activities.

- c. The accuracy and completeness of the records, documents, explanations, and other information, including significant judgments, you provide to us for the engagement to prepare the Special Districts Financial Transactions Report.
- d. To provide us with:
  - i. Documentation, and other related information that is relevant to the preparation and presentation of the Special Districts Financial Transactions Report,
  - ii. Additional information that may be requested for the purpose of the preparation of the Special Districts Financial Transactions Report; and
  - iii. Unrestricted access to persons within **Discovery Bay Public Financing Authority** of whom we determine necessary to communicate.

As part of our engagement, we will issue a disclaimer that will state that the Special Districts Financial Transactions Report was not subjected to an audit, review, or compilation engagement by us and, accordingly, we do not express an opinion, conclusion, nor provide any assurance on them.

#### **Other Relevant Information**

Mark Croce is responsible for supervising the engagement.

We expect our fees for the services set forth in this letter for the fiscal year ending June 30, 2020 not to exceed \$850. Our invoices for the services outlined in this letter are payable on presentation. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

It is our policy to keep records related to this engagement for seven years. However, Croce, Sanguinetti, & Vander Veen, Inc. does not keep any original client records, so we will return those to you at the completion of the services rendered under this engagement. When records are returned to you, it is your responsibility to retain and protect your records for possible future use, including potential examination by government or regulatory agencies. By your signature below, you acknowledge and agree that upon the expiration of the seven-year period, Croce, Sanguinetti, & Vander Veen, Inc. shall be free to destroy our records related to this engagement.

Should any litigation or adverse action (such as audits by outside organizations and/or threatened litigation, etc.) by third parties arise against **Discovery Bay Public Financing Authority** or its officers subsequent to this engagement, which results in the subpoena of documents from Croce, Sanguinetti, & Vander Veen, Inc. and/or requires additional assistance from us to provide information, depositions, or testimony, **Discovery Bay Public Financing Authority** hereby agrees to compensate Croce, Sanguinetti, & Vander Veen, Inc. (at our standard hourly rates ranging from \$200/hour to \$325/hour) for additional time charges and other costs (copies, travel, etc.).

If any dispute arises among the parties hereto, the parties agree to first try in good faith to settle the dispute by mediation administered by the American Arbitration Association or other organization under its applicable rules for professional accounting and related services disputes before resorting to litigation. The costs of any mediation proceeding shall be shared equally by all parties.

You agree to hold us harmless and to release, indemnify, and defend us from any liability or costs, including attorney's fees, resulting from management's knowing misrepresentations to us.

We appreciate the opportunity to be of service to **Discovery Bay Public Financing Authority** and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign where indicated and return it to us. A copy of this engagement letter is enclosed for your files.

Very truly yours,

*Croce, Sanguinetti, & Vander Veen, Inc.*

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

RESPONSE:

This letter correctly sets forth the understanding of **Discovery Bay Public Financing Authority**.

Finance Manager signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Director signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



**CROCE, SANGUINETTI, & VANDER VEEN**  
CERTIFIED PUBLIC ACCOUNTANTS

August 18, 2020

Board of Directors and Julie Carter, Finance Manager  
**Town of Discovery Bay**  
**Community Services District**  
1800 Willow Lake Road  
Discovery Bay, California 94505

We are pleased to confirm our acceptance and understanding of the services we are to provide for **Town of Discovery Bay Community Services District** for the year ending June 30, 2020.

You have requested that we prepare the Special Districts Financial Transactions Report of **Town of Discovery Bay Community Services District** for the year ending June 30, 2020.

### **Our Responsibilities**

The objective of our engagement is to prepare the Special Districts Financial Transactions Report in accordance with the requirements of the Controller of the State of California by January 31, 2021, which differ from accounting principles generally accepted in the United States of America. We will conduct our engagement in accordance with Statement on Standards for Accounting and Review Services (SSARS) promulgated by the Accounting and Review Services Committee of the AICPA and comply with the AICPA's Code of Professional Conduct, including the ethical principles of integrity, objectivity, professional competence, and due care.

We are not required to, and will not, verify the accuracy or completeness of the information you will provide to us for the engagement or otherwise gather evidence for the purpose of expressing an opinion or a conclusion. Accordingly, we will not express an opinion, a conclusion, nor provide any assurance on the Special Districts Financial Transactions Report.

Our engagement cannot be relied upon to identify or disclose any misstatements, including those caused by fraud or error, or to identify or disclose any wrongdoing within the entity or noncompliance with laws and regulations.

### **Management Responsibilities**

The engagement to be performed is conducted on the basis that management acknowledges and understands that our role is to prepare the Special Districts Financial Transactions Report in accordance with the requirements of the Controller of the State of California by January 31, 2020. Management has the following overall responsibilities that are fundamental to our undertaking the engagement to prepare your Special Districts Financial Transactions Report in accordance with SSARS:

- a. The prevention and detection of fraud.
- b. To ensure that the entity complies with the laws and regulations applicable to its activities.

- c. The accuracy and completeness of the records, documents, explanations, and other information, including significant judgments, you provide to us for the engagement to prepare the Special Districts Financial Transactions Report.
- d. To provide us with:
  - i. Documentation, and other related information that is relevant to the preparation and presentation of the Special Districts Financial Transactions Report,
  - ii. Additional information that may be requested for the purpose of the preparation of the Special Districts Financial Transactions Report; and
  - iii. Unrestricted access to persons within **Town of Discovery Bay Community Services District** of whom we determine necessary to communicate.

As part of our engagement, we will issue a disclaimer that will state that the Special Districts Financial Transactions Report was not subjected to an audit, review, or compilation engagement by us and, accordingly, we do not express an opinion, conclusion, nor provide any assurance on them.

#### **Other Relevant Information**

Mark Croce is responsible for supervising the engagement.

We expect our fees for the services set forth in this letter for the fiscal year ending June 30, 2020 not to exceed \$1,250. Our invoices for the services outlined in this letter are payable on presentation. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

It is our policy to keep records related to this engagement for seven years. However, Croce, Sanguinetti, & Vander Veen, Inc. does not keep any original client records, so we will return those to you at the completion of the services rendered under this engagement. When records are returned to you, it is your responsibility to retain and protect your records for possible future use, including potential examination by government or regulatory agencies. By your signature below, you acknowledge and agree that upon the expiration of the seven-year period, Croce, Sanguinetti, & Vander Veen, Inc. shall be free to destroy our records related to this engagement.

Should any litigation or adverse action (such as audits by outside organizations and/or threatened litigation, etc.) by third parties arise against **Town of Discovery Bay Community Services District** or its officers subsequent to this engagement, which results in the subpoena of documents from Croce, Sanguinetti, & Vander Veen, Inc. and/or requires additional assistance from us to provide information, depositions, or testimony, **Town of Discovery Bay Community Services District** hereby agrees to compensate Croce, Sanguinetti, & Vander Veen, Inc. (at our standard hourly rates ranging from \$200/hour to \$325/hour) for additional time charges and other costs (copies, travel, etc.).

If any dispute arises among the parties hereto, the parties agree to first try in good faith to settle the dispute by mediation administered by the American Arbitration Association or other organization under its applicable rules for professional accounting and related services disputes before resorting to litigation. The costs of any mediation proceeding shall be shared equally by all parties.

You agree to hold us harmless and to release, indemnify, and defend us from any liability or costs, including attorney's fees, resulting from management's knowing misrepresentations to us.

We appreciate the opportunity to be of service to **Town of Discovery Bay Community Services District** and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign where indicated and return it to us. A copy of this engagement letter is enclosed for your files.

Very truly yours,

*Croce, Sanguinetti, & Vander Veen, Inc.*

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

RESPONSE:

This letter correctly sets forth the understanding of **Town of Discovery Bay Community Services District**.

Finance Manager signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Director signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_