



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

**NOTICE OF THE REGULAR MEETING
OF THE STANDING FINANCE COMMITTEE
OF THE TOWN OF DISCOVERY BAY
Wednesday, August 7, 2024 4:30 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/82820740593>

TO ATTEND BY PHONE: +1 (669) 444 9171 or +1 (719) 359 4580 **WEBINAR ID:** 828 2074 0593

Download Agenda Packet and Materials at www.todb.ca.gov

Finance Committee Members

Chair Carolyn Graham
Vice-Chair Ashley Porter

A. ROLL CALL

1. Call business meeting to order 4:30 p.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. 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. None

D. PRESENTATIONS

1. Fiscal Year 2024 Finance Presentation and Annual Reserve Report.

E. UPDATES

1. Auditor Communications Update.

F. DISCUSSION

1. Discussion and Possible Feedback Regarding the Approval of the Capacity and Connection Accounting Report for Fiscal Year 2023-2024.

G. FUTURE DISCUSSION/AGENDA ITEMS

H. ADJOURNMENT

1. Adjourn to the next Standing Finance Committee meeting on MONTH XX, 2024, 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."

Finance Committee Meeting

August 7, 2024

Fiscal Year 2024 Financial Results (preliminary, unaudited)

Fiscal Year 2025 Finance Activities



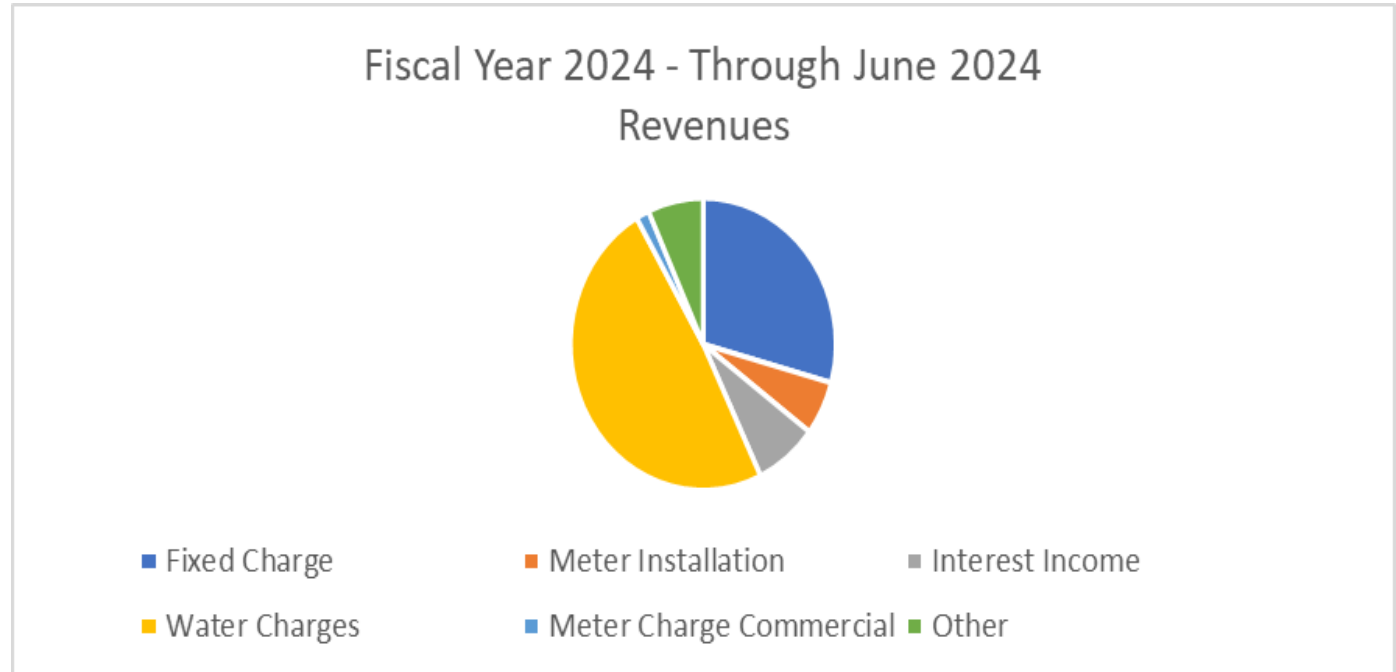
Fiscal Year 2024 Financial Results (through June 30)

	Fund 20 (Water)	Fund 21 (Wastewater)	Fund 40 (Zone 8)	Fund 41 (Zone 9)
Revenues	\$5,356,004	\$7,250,069	\$1,405,396	\$190,944
Expenses	\$4,619,586	\$5,981,897	\$972,329	\$128,521
Net Income (loss)	\$736,418	\$1,268,172	\$437,347	\$62,423



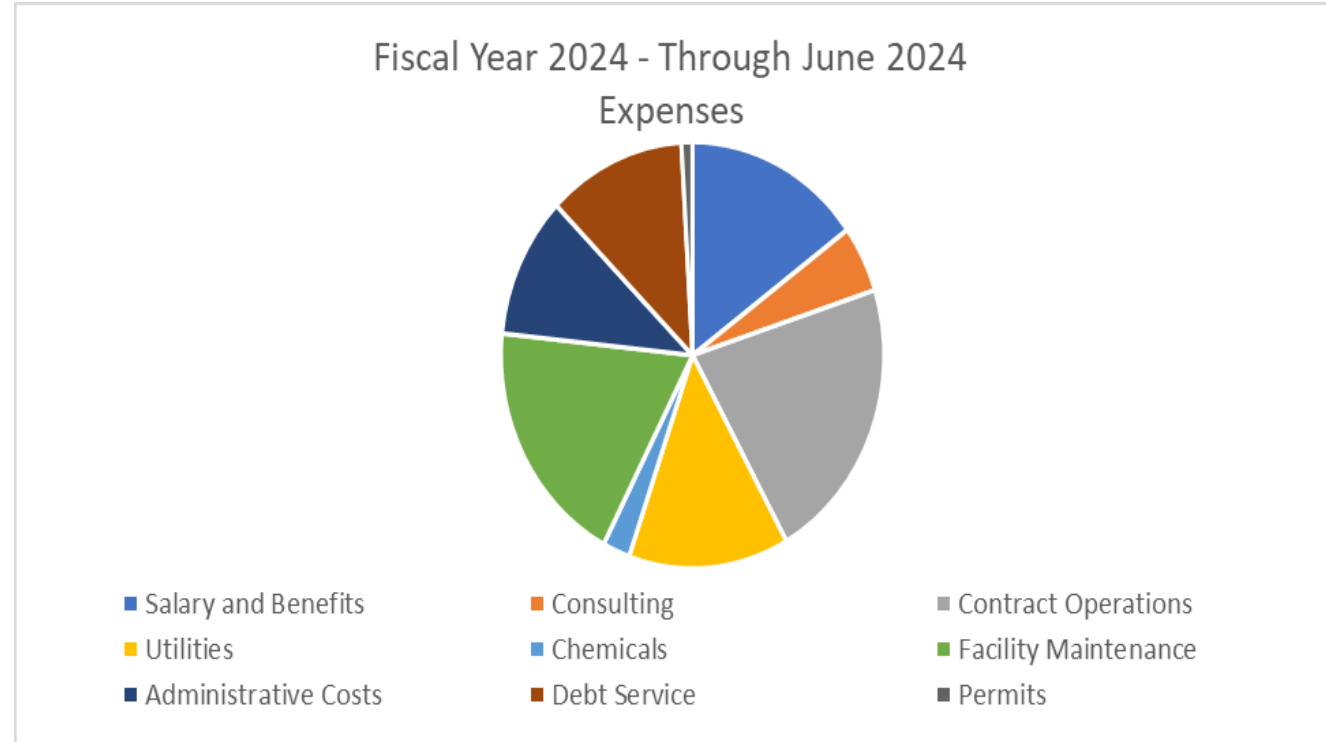
Fiscal Year 2024 Financial Results (Water)

	Actual	Budget
Fixed Charge	1,632,676	1,627,047
Meter Installation	334,650	335,218
Interest Income	426,183	137,500
Water Charges	2,495,806	2,901,000
Meter Charge Commercial	89,286	85,000
Other	377,402	58,600
Total Revenues	\$5,356,004	\$5,144,365



Fiscal Year 2024 Financial Results (Water)

	Actual	Budget
Salary and Benefits	691,959	870,334
Consulting	234,476	339,124
Contract Operations	1,007,163	845,000
Utilities	624,667	640,762
Chemicals	106,146	120,000
Facility Maintenance	875,875	989,500
Administrative Costs	497,801	544,743
Debt Service	538,351	539,223
Permits	43,148	50,000
Total Expenses	\$4,619,586	\$4,938,687



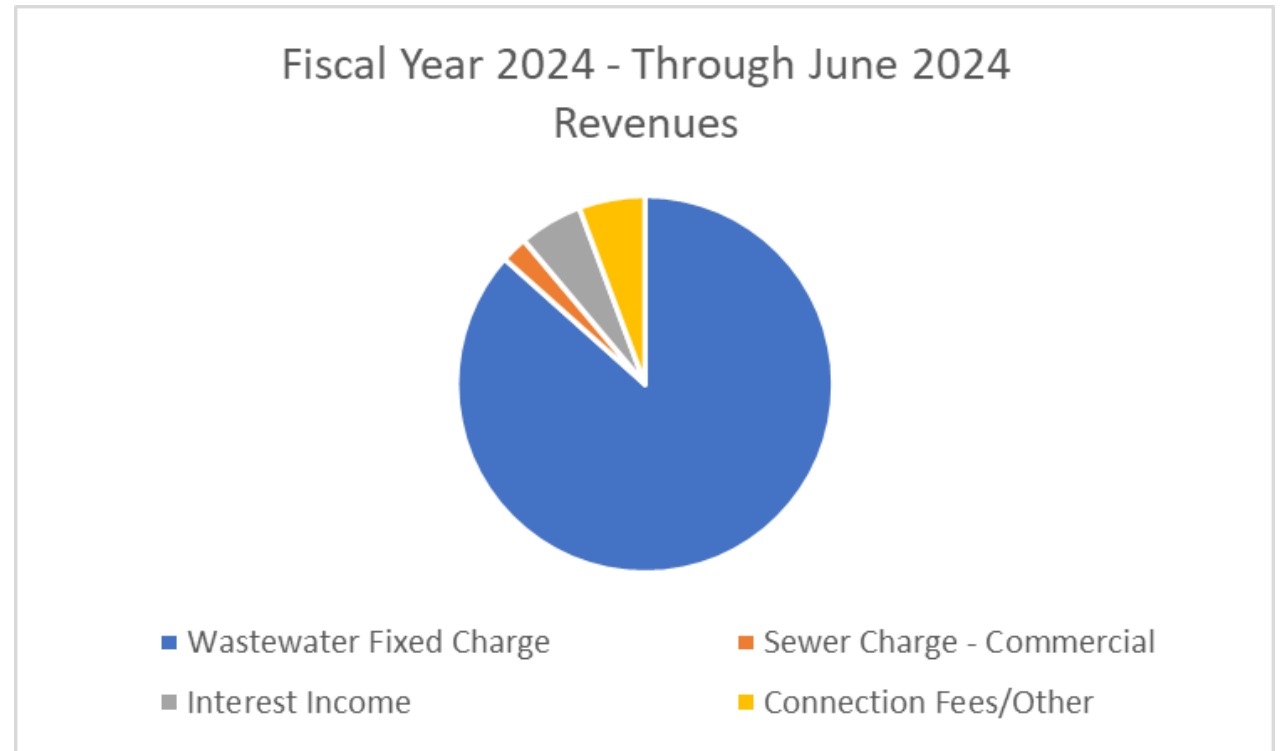
June 30, 2024 Fund Balance – Water

Fund 20 - Water	Annual Target	Balance 06/30/2024 (unaudited)
Revolving Funds		
Water Infrastructure Replacement Fund	200,000	1,418,728
Booster Pump Replacement Fund	20,000	256,000
Generators Replacement Fund	10,000	120,000
Facility Replacement Fund	10,000	126,000
Vehicle Replacement Fund	10,000	91,426
Total Revolving Funds	\$250,000	2,012,154
Reserves		
Emergency Reserves	30% of Revenues	1,674,000
Capital and Connection Fee		2,087,941
Water Distribution Line Replacement		1,032,000
Undesignated		555,838
Total Reserves		5,349,779
Total Water Funds		\$ 7,361,933



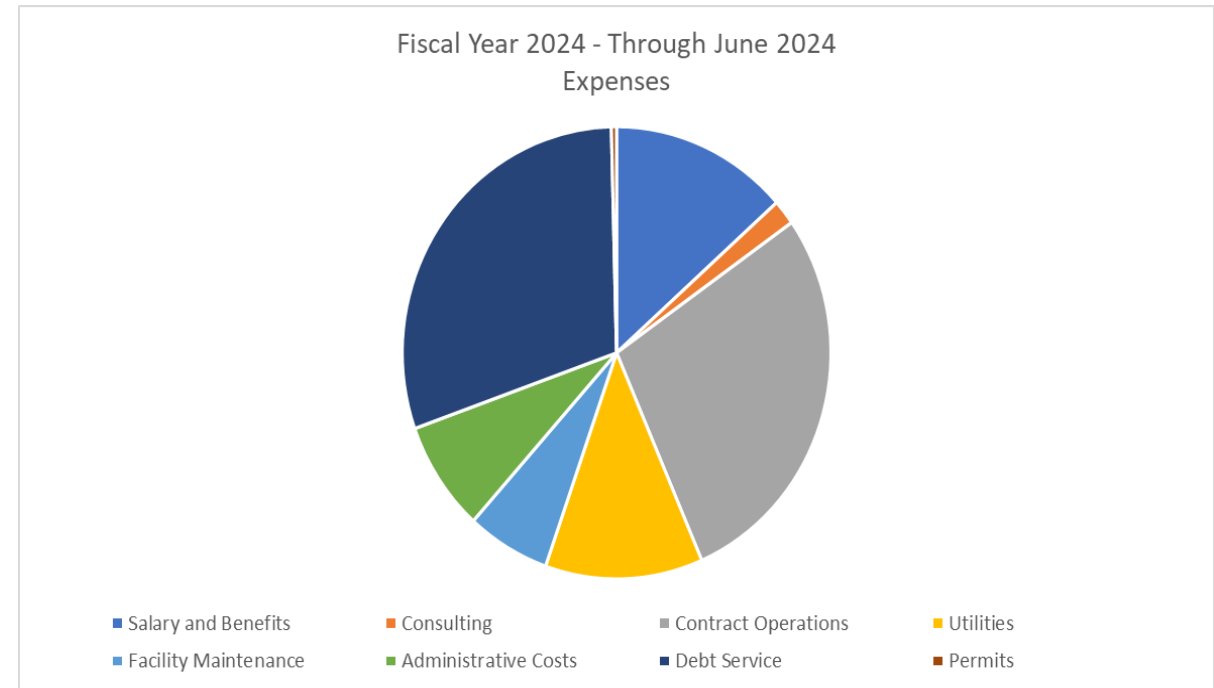
Fiscal Year 2024 Financial Results (Wastewater)

	Actual	Budget
Fixed Charge	6,278,074	6,228,622
Sewer Charge	163,999	157,000
Interest Income	395,523	247,500
Capacity Fees/Other	412,473	34,600
Total Revenues	\$7,250,069	\$6,667,722



Fiscal Year 2024 Financial Results (Wastewater)

	Actual	Budget
Salary and Benefits	803,134	1,011,377
Consulting	107,509	298,300
Contract Operations	1,691,145	1,451,000
Utilities	711,157	712,538
Facility Maintenance	375,656	95,000
Administrative Costs	472,802	545,350
Debt Service	1,797,077	1,799,100
Permits	23,419	125,000
Total Expenses	\$5,981,897	\$6,037,665



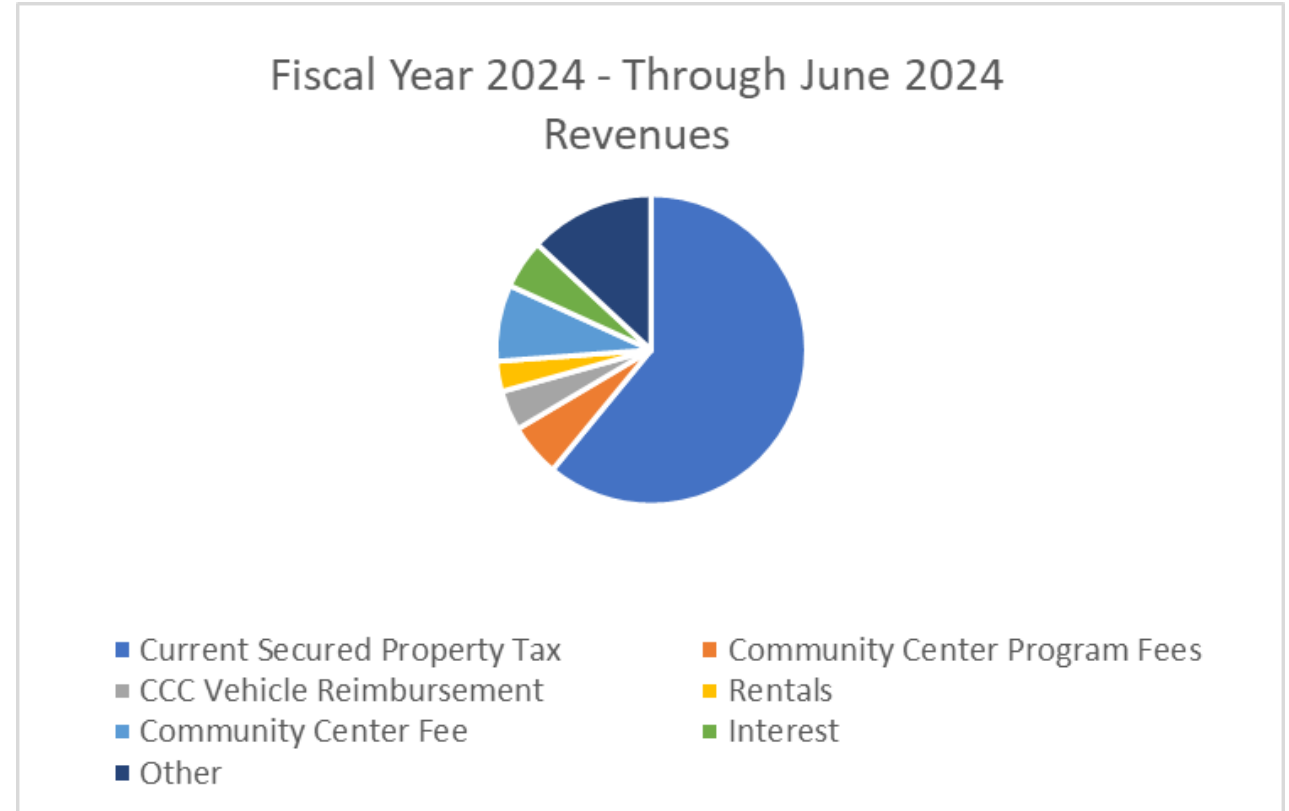
June 30, 2024 Fund Balance – Wastewater

Fund 21 - Wastewater	Annual Target	Balance 06/30/2024 (unaudited)
Revolving Funds		
Wastewater Infrastructure Replacement Fund	200,000	2,550,000
Collection Pumps & Motors Replacement Fund	30,000	384,000
Generators Replacement Fund	15,000	180,000
Facility Replacement Fund	15,000	189,000
Vehicle Replacement Fund	15,000	117,560
Manhole Replacement Fund	100,000	100,000
Total Revolving Funds	\$375,000	\$ 3,520,560
Reserves		
Emergency Reserves	30% of Revenues	2,108,550
Capital and Connection Fee		489,952
Capital Reserves		5,490,689
Undesignated		1,319,754
Total Reserves		\$ 9,408,945
Total Wastewater Funds		\$ 12,929,505



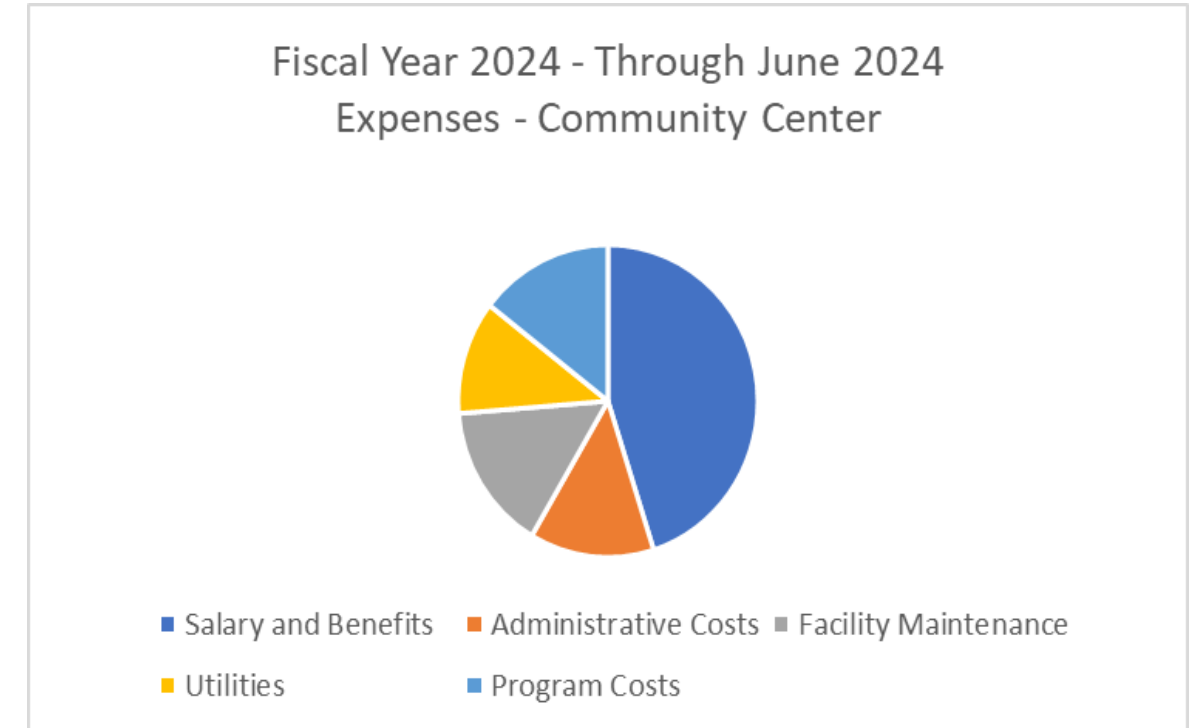
Fiscal Year 2024 Financial Results (Zone 8)

	Actual	Budget
Property Tax	856,834	820,310
Community Center	77,681	54,000
County Reimburse	58,891	60,000
Rentals	44,210	39,000
Community Center Fee	111,930	-
Interest	71,889	-
Other	183,961	24,500
Total Revenues	\$1,405,396	\$997,810



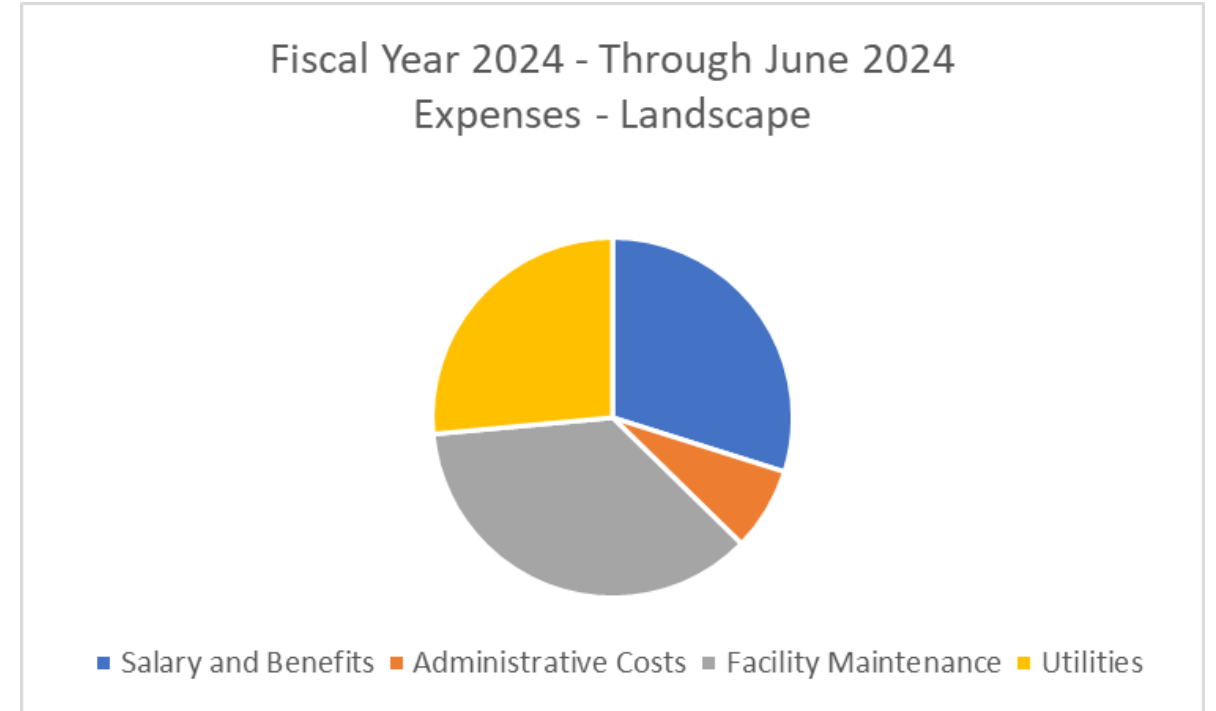
Fiscal Year 2024 Financial Results (Zone 8)

Community Center	Actual	Budget
Salary and Benefits	195,585	302,899
Administrative Costs	58,227	51,290
Facility Maintenance	67,266	59,300
Utilities	51,094	50,500
Program Costs	62,917	62,250
Total Expenses	\$435,089	\$526,239



Fiscal Year 2024 Financial Results (Zone 8)

Landscape	Actual	Budget
Salary and Benefits	159,541	150,879
Administrative Costs	39,929	45,744
Facility Maintenance	196,476	83,400
Utilities	141,293	150,000
Total Expenses	\$537,239	\$430,023



June 30, 2024 Fund Balance – Zone 8

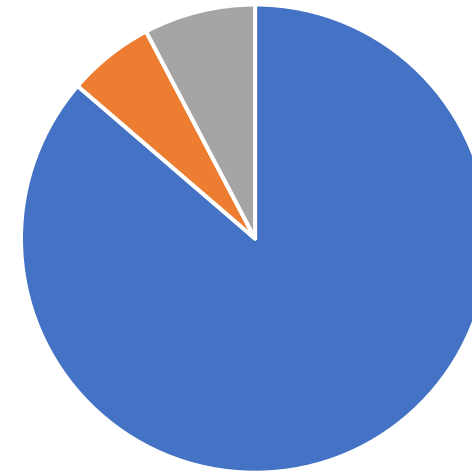
	Annual Target	Balance 06/30/2024 (unaudited)
Revolving Funds		
Community Center	45,000	45,000
Streetscapes/Parks	40,000	176,299
Vehicle Replacement	10,000	40,000
Total Revolving	\$95,000	\$ 261,299
Reserves		
Undesignated	-	6,855
Designated Fund		882,272
Park Enhancement Fee	-	64,980
Community Center Fee	-	90,000
Emergency Reserves	50% of Annual Operating Revenue	568,141
Total Reserves	\$ -	\$ 1,612,247
Total Zone 8		\$ 1,973,546



Fiscal Year 2024 Financial Results (Zone 9)

	Actual	Budget
Assessment Income	164,791	156,720
Interest Income	11,430	4,200
County Reimburse	14,723	13,000
Total Revenues	\$190,944	\$173,920

Fiscal Year 2024 - Through June 2024
Revenues

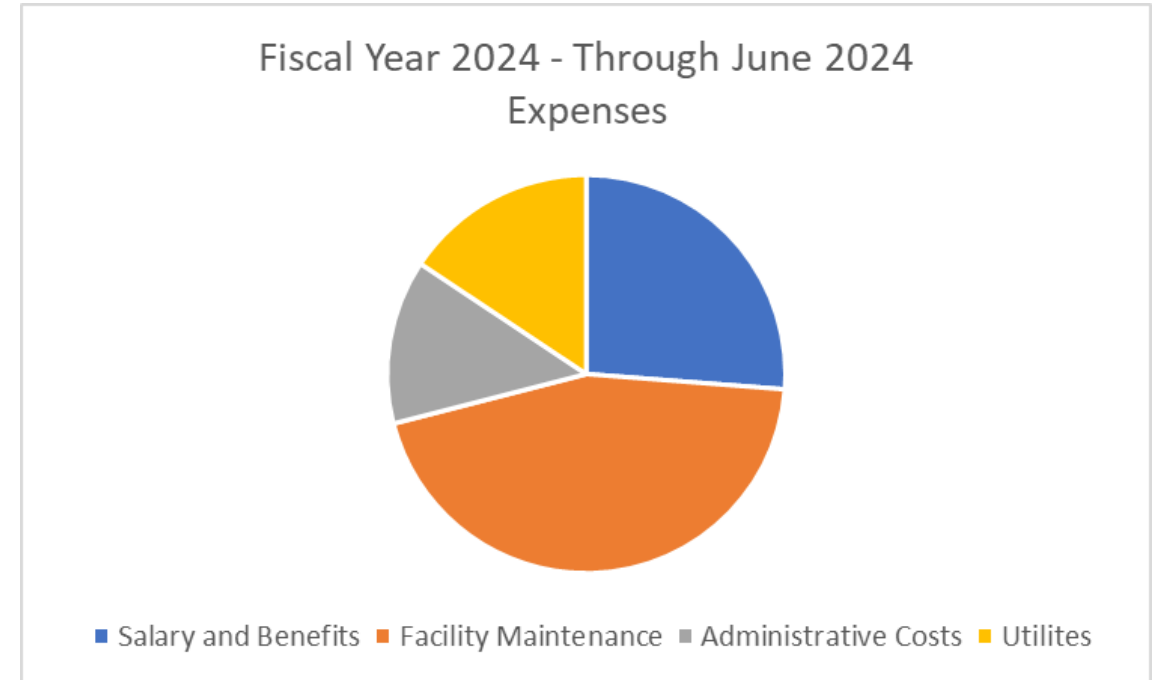


■ Assessment Income ■ Interest Income ■ CCC Vehicle Reimbursement



Fiscal Year 2024 Financial Results (Zone 9)

	Actual	Budget
Salary and Benefits	33,430	60,045
Facility Maintenance	58,124	41,950
Administrative Costs	17,009	26,250
Utilities	19,957	28,600
Total Expenses	\$128,521	\$156,845



June 30, 2024 Fund Balance – Zone 9

	Annual Target	Balance 06/30/2024 (unaudited)
Revolving Funds		
Park Structures	25,000	100,000
Streetscapes/Parks (2024)	10,000	10,000
Vehicle Replacement	5,000	35,000
Total Revolving	\$ 40,000	\$ 145,000
Reserves		
Undesignated	-	115,760
Capital Reserves	-	53,160
Emergency Reserves	50% of Annual Operating Revenue	99,000
Total Reserves	\$ -	\$ 267,919
Total Zone 9		\$ 412,919



FY 2024 Capital Project Spend

Water Projects

- Ongoing – Project to Date Expenditures

- Marina - \$111K
- Newport and Willow Filter Repair - \$1.24 M
- Cathodic Protection - \$20K
- Well 5 Decommissioning - \$9K
- Well 8
 - Bond Fund \$645K
 - District Funds \$582K



FY 2024 Capital Project Spend

Wastewater Projects

- Project Completed during fiscal year

- Diffuser ~\$383K
- Denitrification
 - Bond Fund ~ \$13.0 Million
 - District Funds ~\$4.2 Million



FY 2024 Capital Project Spend

Landscape Projects

- Ongoing

- Cornell Park Project to date - \$180K (Prop 68 Grant Funded)

- Clipper Drive
 - Parks Project to date - \$508K
 - Streetscape Project to Date - \$42K

Community Center Projects

- Completed

- Patio Project Costs \$120,899



June 30, 2024 Cash Balances / Interest Earnings

Account	Balance	Fiscal Year 2023-2024 Interest Earnings
Checking	\$682,498	\$-
County Accounts	\$135,276	\$-
Money Market	\$6,216,677	\$235,216
California Class	\$15,630,453	\$695,433
Bond Proceeds (restricted)	\$4,907,319	\$322,244



FY 2024 Debt Portfolio

	2017	2022	2022B (Refunded 2012)
Original Debt Issuance	\$8,825,000	\$16,860,000	\$11,650,000
Current Debt Outstanding	\$7,640,000	\$16,400,000	\$10,768,000
All In Total Interest Cost %	3.9281%	4.1924%	3.6837%
Final Maturity	12/1/2047	12/1/2052	12/1/2042



Water Construction Proceeds - \$4.7M
 Wastewater Construction Proceeds - \$0.2M

Fiscal Year 2025 Finance Activities

- Update Rate Study
 - Evaluate financing scenarios to inform rate study
 - Develop communication strategy
 - Prop 218 Process
- Update of Financial Policies
- Evaluation of new Financial Software Implementation





We'll get you there.

CPAs | CONSULTANTS | WEALTH ADVISORS

Town of Discovery Bay Community Services District

August 7, 2024

Who We Are

9,000

NEARLY 9,000 PEOPLE

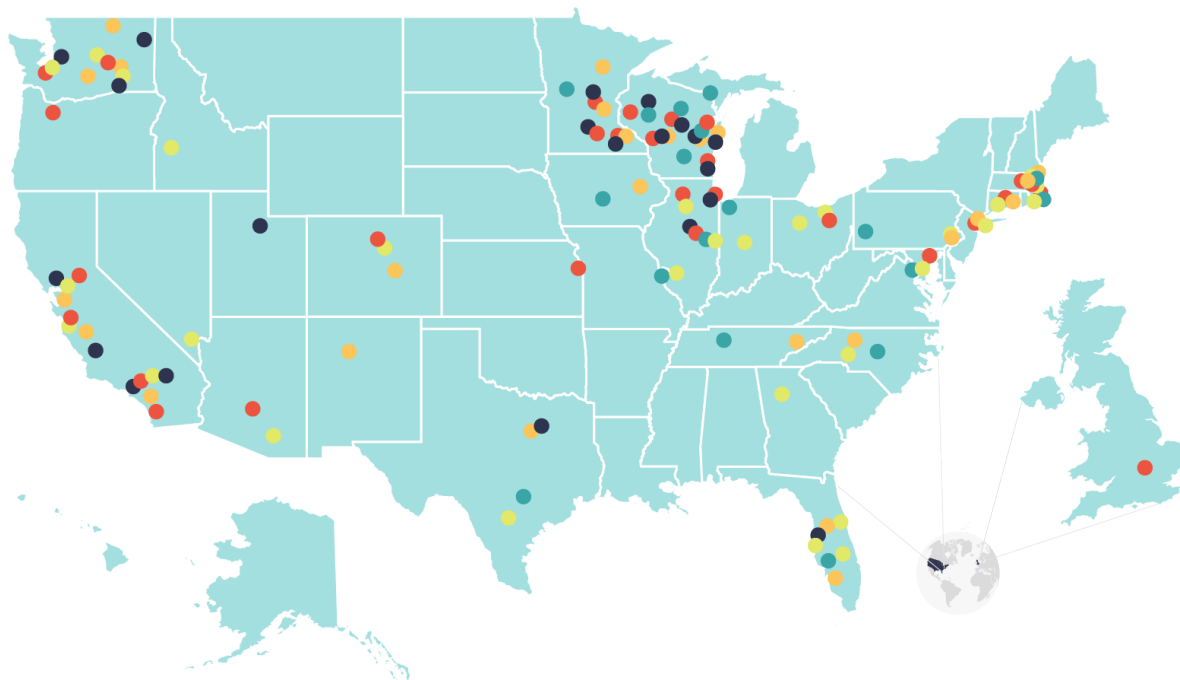
130+

LOCATIONS

AN INDEPENDENT
NETWORK MEMBER OF

CLA Global

CLA (CliftonLarsonAllen LLP) is an independent network member of CLA Global. See [CLAGlobal.com/disclaimer](https://www.claglobal.com/disclaimer).



Scope of Services

- Audit of the annual financial statements for the year ended June 30, 2024 in accordance with Generally Accepted (US) and Governmental Auditing Standards
- Assist in preparation of SCO report



Auditors' Responsibilities

- Express an opinion on the financial statements
- Audit standards – GAAS and GAGAS
- Audit designed for reasonable assurance not absolute assurance
- Consideration of internal control for financial statement audit
- Communicate significant matters related to financial statement audit



Management's Responsibilities

- Preparation of financial statements
- Design and adherence to internal controls
- Providing information for audit including written representations at conclusion of the audit



Timing

- Interim Audit (August)
 - Planning
 - Inquiry and documentation
 - Internal controls
- Year-end Audit (August)
 - Account analysis
 - Confirmations and cut-off procedures
- Annual Comprehensive Financial Report (ACFR)
 - Introductory Section (Transmittal Letter) - Unaudited
 - Financial Section (Audit Report, MD&A, Statements, Required Supplementary Information, and Footnotes) – MD&A and RSI are unaudited
 - Statistical Section - Unaudited



New Pronouncements and Standards

- **GASB 100** – Accounting for Changes and Error Corrections





Town of Discovery Bay

“A Community Services District”

STAFF REPORT

**AGENDA ITEM:
F1**

Agenda Title: Discussion and Possible Feedback Regarding the Approval of the Capacity and Connection Accounting Report for Fiscal Year 2023-2024.

Meeting Date: August 7, 2024

Prepared By: Margaret Moggia, Finance Manager

Submitted By: Dina Breitstein, General Manager

RECOMMENDED ACTION:

Approve the Capacity and Connection Accounting Report for Fiscal Year 2023-2024.

EXECUTIVE SUMMARY:

Each year, the District is required to prepare a Capacity and Connection Accounting Report that shows fees collected during the fiscal year. The report is due within 180 days of the end of the fiscal year. The report identifies those charges deposited into the District’s Capacity and Connection Account, the total balance in the Account, how and when the charges were expended, and a description of all improvements completed or to be completed with the Capacity and Connection Account funds. As of June 30, 2024, the balance of the Capacity and Connection Account as follows

	Water	Wastewater	Total
Balance as of June 30, 2023	\$1,912,909.07	\$141,544.00	\$2,054,453.07
Capacity Fees	171,632.00	348,708.00	517,340.00
Connection Fees	3,400.00	2,700.00	6,100.00
Balance as of June 30, 2024	\$2,087,941.07	\$489,952.00	\$2,577,893.07

For FY 2023-2024, water capacity and connection fees in the amount of \$175,032.00 and wastewater capacity and connection fees in the amount of \$348,408.00 were collected. In addition, the District received \$13,160.00 in Administration and Inspection Fees.

Capacity and Connection Fees Received FY 2023-24

Customer	Admin/Inspection Fees	Water		Wastewater	
		Connection Fee - Water (20-31-6030)	Capacity Fee- Water (20-31-6045)	Connection Fee - Wastewater (21-31-6030)	Capacity Fee- Wastewater (21-31-6045)
Kokologiannakis 8/2023	420	100	5,048	100	12,804
Pulte Homes 9/2023	1,680	400	20,192	400	51,216
Pulte Homes 11/2023	840	200	10,096	200	25,608
Pulte Homes 12/2023	1,820	700	35,336		
Pulte Homes 1/2024	3,360	800	40,384	800	102,432
Pulte Homes 1/2024	1,680	400	20,192	400	51,216
Pulte Homes 4/2024	1,680	400	20,192	400	51,216
Pulte Homes 5/2024	1,680	400	20,192	400	51,216
Total	\$ 13,160	\$ 3,400	\$ 171,632	\$ 2,700	\$ 345,708
Subtotal by Fund Connection & Capacity Fees		\$	175,032	\$	348,408
Grandtotal Connection & Capacity Fees					\$ 523,440

During FY 2023-2024, no funds were spent on capital expenditures. There are projects in the Town's Five-Year Capital Improvement Program which will require the expenditure of these funds.

FISCAL IMPACT:

Funds have been designated within the Water and Wastewater funds in the amount of \$2,087,941.07 and \$489,952.00, respectively.

PREVIOUS RELEVANT BOARD ACTIONS FOR THIS ITEM:

None.

ATTACHMENTS: