



TOWN OF DISCOVERY BAY CSD

President - Kevin Graves • Vice-President - Brian Dawson • Director - Mark Simon • Director - Chris Steele • Director - Ray Tetreault

**NOTICE OF THE REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
TOWN OF DISCOVERY BAY CSD
Wednesday August 3, 2011
1800 Willow Lake Road, Discovery Bay, California
REGULAR MEETING 7:00 P.M.
Website address: www.todb.ca.gov**

A. ROLL CALL

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

SPECIAL RECOGNITION

1. To Lieutenant Mike Burton for Service and Dedication to the Town of Discovery Bay Community Services District
2. Short Break

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

The public may address the Board on any issue in the District's jurisdiction, which is not on the agenda. The public may comment on any item on the agenda at the time that item is taken up. Any person wishing to speak must come up and speak from the podium. There will be no dialog between the Board and the commenter. Any clarifying questions from the Board must go through the Chair.

C. AREA AGENCIES REPORTS / PRESENTATION

1. SHERIFF'S OFFICE REPORT
2. CHP REPORT
3. FIRE DISTRICT REPORT
4. EAST CONTRA COSTA FIRE PROTECTION DISTRICT REPORT
5. SUPERVISOR MARY PIEPHO, DISTRICT III REPORT

D. COMMITTEE/LIAISON REPORTS

1. Trans-Plan Report
2. County Planning Commission Report
3. Code Enforcement Report
4. Special Districts Report**

***These meetings are held Quarterly*

E. CONSENT CALENDAR

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

1. Minutes of previous Workshop dated July 14, 2011
2. Minutes of previous Regular Meeting dated July 20, 2011
3. District Invoices
4. District Financials
5. Audited Financial Statements for FY 2009-10

F. PUBLIC HEARING to Consider the Following

1. Town of Discovery Bay CSD proposed combined rate increase pertaining to Water and Wastewater services for the 2011/12 Fiscal Year and for the 2012/13 Fiscal Year
 - a) Approval and Adoption of Resolution No. 2011-13 Establishing Charges for Water and Wastewater Service and Continuing Collection of Water and Wastewater Service Charges on the County Tax Roll
2. Town of Discovery Bay CSD Assessments for the Fiscal Year 2011-2012; continue Collection of Assessments on County Tax Roll for Ravenswood Landscape Zone #9, Park, Lighting and Open Space Improvements District
 - a) Approval and Adoption of Resolution No. 2011-18, Confirming the Report and Ordering the Levy and Collection of Charges for the Annual Assessments for Ravenswood Improvement District

G. NEW BUSINESS AND ACTION ITEMS

H. PRESIDENT REPORT AND DIRECTORS' COMMENTS

I. MANAGER'S REPORT

J. GENERAL MANAGER'S REPORT

K. DISTRICT LEGAL COUNSEL REPORT

L. COMMITTEE UPDATES

1. Minutes approved for the Town of Discovery Bay CSD Regular meeting of the Community Center meeting dated June 7, 2011

M. CORRESPONDENCE – Discussion and Possible Action

1. R – Byron Municipal Advisory Council meeting minutes dated May 19, 2011
2. R – Byron Sanitary District meeting minutes dated January 18, 2011, February 15, 2011, March 15, 2011, April 19, 2011, May 17, 2011 & June 30, 2011
3. R – Contra Costa Board of Supervisors & Department of Boating & Waterways email regarding Aquatic Weed Update in Discovery Bay dated July 14, 2011

N. PUBLIC RECORD REQUESTS RECEIVED

1. Request from William Richardson – TODB CSD Response to Grand Jury Report 1104 on Elected Board Membership
2. Request from Jeff Barber – Water/Sewer Infrastructure put in place for Discovery Bay West

O. FUTURE AGENDA ITEMS

P. ADJOURNMENT

1. Adjourn to the next regular meeting on August 17, 2011 at 1800 Willow Lake Rd – Located in back of Delta Community Presbyterian Church.

"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 twenty-four hours prior to the time of the meeting."

"Materials related to an item on the Agenda submitted to the Town of Discovery Bay CSD 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 CSD

President - Kevin Graves • Vice-President - Brian Dawson • Director - Mark Simon • Director - Chris Steele • Director - Ray Tetreault

**MINUTES OF A SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF THE
TOWN OF DISCOVERY BAY CSD
Thursday July 14, 2011
1800 Willow Lake Road, Discovery Bay, California
Website address: www.todb.ca.gov**

WORKSHOP MEETING at 7:00p.m.

A. ROLL CALL

The meeting was called to order 7:00p.m. President Graves led in the Pledge of Allegiance. Roll call was taken and all Directors were present.

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

None

President Graves – Announced that the Workshop being held is the same as any other meeting. All rules apply and we all need to treat each other with respect and with courtesy.

President Graves – Introduced the speakers for the Water Master Plan – John Fawcett, Justin Shobe, and Tom Elson.

C. WORKSHOP ITEM

- 1. Water Master Plan – (The Master Plan is posted on the Town of Discovery Bay CSD Website at www.todb.ca.gov)**

John Fawcett – Provided slides to offer an overview and an understanding of the essential elements of the Water Master Plan. The Water Master Plan is covering a ten (10) year period of time and the standard position of a Water Master Plan is to start where you are at today and then project the future plan based on the water demand. John Fawcett presented and explained the slides in detail, which included information in regards to the different Wells within Discovery Bay along with the existing groundwater.

Tom Elson – Provided information and presented a series of slides relative to the aquifers the District draws its drinking water for the Water Master Plan. This is intended to include long term assessments for the Districts groundwater system. Tom Elson explained the slides in detail, which included information in regards to the water quality within Discovery Bay and that the water quality is very stable, which allows the capacity of the water to be protected.

President Graves – Stated that he would like to ask the Board if they have any questions in regards to the Water Master Plan.

Director Simon – Asked a question in regards to the Water Meter installation, is the amount that is paid by the Town of Discovery Bay CSD a reimbursed amount that the homeowner pays?

John Fawcett – Stated yes.

Director Simon – Asked within the Water Master Plan the overview storage section, if the storage available, storage needed and additional storage needed, is based on the ten (10) year projection plan?

John Fawcett – Stated that currently there will be no need to do anything other than addressing the two-hundred (200) gallon per minute deficit.

Director Steele – Asked if the capacity requirements are based on finished lots that have been approved?

John Fawcett – Stated that the requirement is a projected plan.

General Manager Howard – Stated the projected plan is included in the Master Plan.

Director Steele - Asked if the sites identified in the study, such as the dry cleaners, gas stations, etcetera, have an influence on the production for the future?

John Fawcett - Stated that during the Well 6 installation, there was a search for contaminated sites, which is required when looking for a new well, and there were no contaminated sites found.

The discussion continued on in regards to the ongoing monitoring and testing of sites for any contamination.

Resident Bill Richardson - Asked about the MTBE from the old Hofmann gas station site at the corner of Discovery Bay Blvd and Sand Point Road.

John Fawcett - Stated that the clay layer of the ground within Discovery Bay naturally protects the deeper zone where the water is being pulled. The County along with the Regional Board issued a letter indicating that they monitored that site and have concluded that the site no longer presents a risk to groundwater quality.

Resident Jeff Barber - Stated that the presentation was clear and provided a lot of understanding. How many homes can be hooked up to the existing water supply if none of the enhancements or none of the capacity increases were put in place?

John Fawcett - Stated that currently no homes can be hooked up.

Resident Barber - Asked is the 200 gallon per minute deficit that needs to be made up is based on a State law and is that required.

John Fawcett - Stated that yes there is a State law required, and if you look at the dry year well capacity, that capacity has to meet the maximum daily demand, and that is where the 200 gallon per minute deficit comes in.

The discussion continued on in regards to the Wells in Discovery Bay along with the 200 gallon per minute deficit and the water capacity.

Resident Don Flint - Stated that the presentation was great. What calendar year is being used to identify the maximum daily demand?

John Fawcett - Stated that the calculation for the maximum daily demand has not changed. What happens is you can plot the information and increase with the development that you have.

President Graves - Stated the scope of the study for the Water Master Plan was brought from Draft to Final within the Sub-Committee meetings.

General Manager Howard - Stated the Consultants submitted to the Town of Discovery Bay CSD a draft document. The document was reviewed at a Staff level and comments and suggestions were made. The Water and Wastewater Sub Committee is made up of President Graves and Director Tetreault. The Sub-Committee members were able to weigh in on the Preliminary/Draft Water Master Plan and there were minor changes made to the plan and that is what has been presented this evening. In addition to that the District does have record of the changes made and according to Legal, the Public can view.

President Graves - Stated that there will be more discussion in regards to the Water Master Plan and that this Workshop is to become familiar with the plan.

Resident Rich Kier - Asked about the additional unit build out within the ten (10) year plan and asked if the Hofmann lots are included in the plan.

John Fawcett - Stated that the totals are included.

Director Tetreault - Stated the final build out for the infrastructure was 2015 and is now 2020. The number is an arbitrary number that was needed to base the plan on, which was discussed with the Community Development Department with the County, David Lennon, and with the owners of the Pantages Properties.

D. FUTURE AGENDA ITEMS

None

E. ADJOURNMENT

The meeting was adjourned at 7:54p.m. to the next Regular meeting of July 20, 2011 at 7:00pm at 1800 Willow Lake Road-Located in back of the Delta Community Presbyterian Church.

//cmc 07.27.11



TOWN OF DISCOVERY BAY CSD

President - Kevin Graves • Vice-President - Brian Dawson • Director - Mark Simon • Director - Chris Steele • Director - Ray Tetreault

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
TOWN OF DISCOVERY BAY CSD
Wednesday July 20, 2011
1800 Willow Lake Road, Discovery Bay, California
Website address: www.todb.ca.gov**

REGULAR MEETING at 7:00p.m.

A. ROLL CALL

The meeting was called to order at 7:00p.m. President Graves led in the Pledge of Allegiance. Roll call was taken and all Directors were present.

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

Resident Don Flint – Commented on the Rate Increase.

Resident Jeff Barber – Stated that he is verbally requesting all documents for the Water and Wastewater expansion to support Discovery Bay West.

Legal Counsel Schroeder – Asked if Mr. Barber could send the request for the documents as a reminder via email. Mr. Barber indicated that he would comply with that request.

C. PRESENTATIONS

None

D. PRESIDENT REPORT AND DIRECTORS' COMMENTS

Director Tetreault – Stated that he attended the Community Center meeting held on Tuesday, July 19, 2011. There are two (2) highlights: (1) - visited several Community Centers surrounding the area, two (2) – We have a Website for the Survey and have received sixty-one (61) responses.

Director Steele – Stated that we are on schedule and mentioned the website for the Survey, which takes approximately ten (10) to fifteen (15) minutes to complete and allows you to enter additional information.

Vice-President Dawson – Commented on the two (2) letters that he received.

President Graves – Provided his report and stated that he attended the July 14, 2011 Aviation meeting and provided the details of the meeting. September 8, 2011 there will be an Aviation meeting to whoever is interested. Some expansion within the Airport will include changing the storage area.

President Graves – Provided his report and stated that he attended the July 20, 2011 Communications meeting, which was the first meeting and provided details from the meeting. The next meeting is scheduled for August 10, 2011 at 4:00p.m.

Resident Bill Richardson – Stated that he was unable to obtain the Community Center Survey.

General Manager Howard – Stated that they are aware of some problems with the Web Browsers.

Resident Richardson – Made a request to have Item E-3 pulled from the Consent Calendar.

Resident Pat Richardson – Complimented the results of the Community Center meeting that was held on July 19, 2011.

Resident Don Flint – Made a request to have the link for the Survey added to the Town of Discovery Bay CSD Website.

E. CONSENT CALENDAR

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

1. Minutes of previous Regular Meeting dated July 6, 2011
2. District Invoices
3. Responses to Contra Costa County Civil Grand Jury Reports 1104 and 1105

Motion made – by Vice-President Dawson to approve the Consent Calendar pulling Item E-3 for discussion and seconded by Director Simon. Motion carried by the following vote: AYES: 5, NOES: 0

General Manager Howard – Stated that we received two (2) Grand Jury reports, one (1) on April 28, 2011 and second on May 31, 2011. Staff had to respond to the letters within a certain time-frame. Legal Counsel and I worked on the responses to the Grand Jury and they can be found within the Agenda Packet.

Director Steele – Stated that the reports were a Countywide Special District Grand Jury Survey and it was targeted to all of the Special Districts.

Resident Bill Richardson – Stated that the letters he provided to the Town of Discovery Bay CSD explains his main objection to the item regarding the Grand Jury Reports and responses.

Resident Don Flint – Commented on the Grand Jury Reports and the responses,

Vice-President Dawson – Stated the Grand Jury Reports were released and placed on the Contra Costa Times Website and in the newspaper. The Grand Jury Reports have been available to the public within three (3) days of being released.

Resident Jeff Barber – Asked why the Grand Jury Reports were never included in the Correspondence section.

General Manager Howard – Stated that it was an oversight that the Reports were not added to the Agenda Correspondence.

Motion made – by Vice-President Dawson to approve Item E-3 of the Consent Calendar and seconded by Director Simon. Motion carried by the following vote: AYES: 4, NOES: 1 – Director Steele

F. NEW BUSINESS AND ACTION ITEMS

1. Dewatering and Bio-Solids Facility Expansion Project

General Manager Howard – Stated that this item is to approve a Contract with HERWIT Engineering.

Director Simon – Asked if the budgeted amount for the Bio-Solids includes the design and engineering.

General Manager Howard – Stated yes the design and engineering is included in the budgeted amount.

Director Tetreault – Does the design include the removal of the sludge from the ponds to the Digester to the Belt Press?

HERWIT Engineer Gregory Harris – Yes and there is no cost associated with that and HERWIT will work with Veolia Staff to move the solids to a new direction. There is a need for the Belt Press, however adding a section of pipe and automating our Wasting operations will help process the solids more quickly.

Resident Jeff Barber – Why is there a need to spend the money now to increase the capacity?

HERWIT Engineer Gregory Harris – Addressed the question in regards to increasing the capacity.

President Graves – Stated that the question has been asked by the Board and that Director Tetreault has knowledge of the situation.

Director Tetreault – Stated that the Belt Press is not to add capacity; it is to handle the sludge, which will maximize our process.

Motion made – by Vice-President Dawson to authorize Staff to enter into a Contract with HERWIT Engineering Inc. in the amount not to exceed \$64,900.00 for the Dewatering and Bio-Solids Facility Expansion Project and seconded by Director Simon. Motion carried by the following vote: AYES: 5, NOES: 0.

2. Approve and Adopt Resolution 2011-18, Intention to Levy and Collect Annual Assessment for the Ravenswood Improvement District – DB L&L Zone #9 for the Fiscal Year 2011-2012

General Manager Howard – This item is for the Ravenswood Annual Assessment which includes the Engineers Report and Gregory Harris is present for any questions.

Motion made – by Director Tetreault to approve and Adopt Resolution 2011-18, Intention to Levy and Collect Annual Assessment for the Ravenswood Improvement District – DB L&L Zone #9 for the Fiscal Year 2011-2012 and seconded by Vice-President Dawson. Motion carried by the following vote: AYES: 5, NOES: 0.

3. Cornell Park Play Area Renovation (Ph. I) Change Order

General Manager Howard – This item is for a change order for the Cornell Park Play Area Renovation primarily having to do with requirements that have been imposed by the County.

Parks and Landscape Manager Perez – Stated that the plans were turned in and during the permit process and when the final review was complete, the County required the ADA Corrections.

Motion made – by Vice-President Dawson to Authorize Staff to approve Change Order 001 from James Breneman for the required ADA upgrades and modifications on the Cornell Park Play Area Renovation project and seconded by Director Simon. Motion carried by the following vote: AYES: 5, NOES: 0.

G. VEOLIA REPORT

Doug Little – Provided the details of the June 2011 Monthly Operations report. There was discussion between Doug Little and the Board in regards to the report.

H. MANAGER'S REPORTS

Water and Wastewater Manager Koehne – Stated that they are in the process of cleaning up the scrap metal.

I. GENERAL MANAGER'S REPORT

General Manger Howard – Stated that he wanted to apologize for not including the Grand Jury Reports within the Correspondence section of the Agenda. Also, he stated that he will be on vacation from July 21, 2011 through July 28, 2011; however, will be available if there is a need.

There was discussion in regards to the completion of Landscaping projects within Discovery Bay.

J. DISTRICT LEGAL COUNSEL REPORT

None

K. COMMITTEE UPDATES

None

L. CORRESPONDENCE, Discussion and Possible Action

1. R – Contra Costa County Aviation Advisory Committee meeting minutes dated April 14, 2011
2. R – Discovery Bay P-6 Zone Citizen Advisor Committee minutes dated May 10, 2011
3. R – Transplan Committee meeting minutes dated June 9, 2011
4. R – State Route 4 Bypass minutes dated June 9, 2011

M. PUBLIC RECORD REQUESTS RECEIVED

None

N. FUTURE AGENDA ITEMS

Vice-President Dawson – Quality of water improved

O. ADJOURNMENT

The meeting adjourned at 7:59p.m. to the next Regular meeting of August 3, 2011 starting at 7:00pm at 1800 Willow Lake Road-Located in back of the Delta Community Presbyterian Church.

//cmc – 7.26.11



Town of Discovery Bay CSD

AGENDA REPORT

Meeting Date

August 3, 2011

Prepared By: Terri Degler, Accounts Assistant

Submitted By: Rick Howard, General Manager *RH*

Agenda Title

District Invoices

Recommended Action

Staff recommends that the Board approve the listed invoices for payment

Executive Summary

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

Fiscal Impact:

Amount Requested \$ 241,692.81

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

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

Previous Relevant Board Actions for This Item

Attachments

Request For Authorization to Pay Invoices for the Town of Discovery Bay CSD 2010/2011
Town of Discovery Bay CSD Operating Budget 2010/2011
Request For Authorization to Pay Invoices for the Town of Discovery Bay CSD 2011/2012
Town of Discovery Bay CSD Operating & Capital Budgets 2011/2012
Request For Authorization to Pay Invoices for the Discovery Bay Lighting & Landscape District #8 2011/2012
Request For Bay Lighting & Landscape District #8 Operating and Capital Budgets 2011/2012
Request For Authorization to Pay Invoices for the Discovery Bay Lighting & Landscape District #9 2011/2012
Discovery Bay Lighting & Landscape District #9 Operating Budget 2011/2012

AGENDA ITEM: E-3

Request for authorization to pay invoices
For the Meeting on August 3, 2011
Town of Discovery Bay CSD
For Fiscal Year's 7/10 - 6/11

Acct Code

7300	Capital One Visa statement ending 3/14/11-addendum	
7300	General Repairs	\$428.88
7550	Telephone	\$836.45
7690	Maint/Fuel	\$409.87
7952	Misc-reimbursable Zone #8	\$275.00

Sub-Total \$1,950.20

Finance Charges \$83.25
Adjustment - Finance charges (pd ck#5121 3/16/11) (\$92.38)

TODB TOTAL... \$1,941.07

TODB GRAND TOTAL \$1,941.07

Acct. #	TOWN OF DISCOVERY BAY CSD OPERATING BUDGET 2010/2011 Approved at 08/16/10 Meeting Account Description	2009/2010 YTD ACTUALS	2009/2010 % of Budget YTD	2010/2011 Budget	Pending Approval 08/03/11	2010/2011 YTD REIMB.	2010/2011 YTD ACTUALS	2010/2011 % of Budget YTD
7000	Contract Services							
7001	General Manager	\$103,719	102%	\$130,000			\$121,221	93%
7002	District Staff	\$388,678	176%	\$270,000			\$542,924	201%
	W Staff Water Related			\$126,000			\$0	0%
	L Landscape Related (Reimb)			\$121,000			\$0	0%
7003	District Benefit's	\$0	0%	\$52,500			\$30,001	57%
7005	Legal	\$87,417	146%	\$80,000			\$71,347	89%
7010	Consulting Services	\$104,787	44%	\$210,000			\$344,419	164%
7011	Veolia Operations	\$1,079,476	161%	\$1,173,000			\$1,021,527	87%
7012	Veolia Prev & Corrective Fund	\$101,819	212%	\$80,000			\$58,102	70%
7013	NPDES Permit	\$0					\$0	
	W Staff Water Related		0%				\$0	
7014	Outsource of Water Billing			\$24,000			\$0	0%
7015	General Operating Expenses							
7120	Audit	\$21,025	111%	\$35,000			\$23,380	67%
7135	Electrical Cost (water)	\$328,208	109%	\$300,000			\$359,628	120%
7137	Electrical Cost (sewer)	\$371,784	124%	\$325,000			\$382,328	118%
7210	Public Comm & Noticing	\$13,367	134%	\$5,000			\$7,625	152%
7220	Election Expenses	\$0	0%	\$12,000			\$5,281	44%
7230	Rent - Public Meetings	\$0	0%	\$500			\$0	0%
7250	Memberships	\$28,073	468%	\$16,000			\$6,023	38%
7280	Permits	\$29,233	97%	\$50,000			\$38,381	77%
7285	NPDES NOV Fines (s)			\$25,000			\$15,000	60%
7290	Staff Training	\$1,718	49%	\$2,500			\$2,951	118%
7300	General Repairs Water / Sewer	\$554,147	185%	\$350,000	\$429		\$657,179	188%
	P Pump Repairs			\$150,000			\$127,109	85%
7310	NTR / SIP Testing	\$0	0%	\$15,000			\$0	0%
7320	Special Equipment/Signage	\$4,699	157%	\$3,000			\$1,299	43%
7330	Chemicals/Odor Materials	\$97,797	196%	\$65,000			\$95,681	147%
7400	Office Expenses							
7410	Copier Maint	\$4,697	94%	\$4,500			\$2,850	63%
7420	Postage			\$2,500			\$11,721	469%
7430	Office Supplies	\$17,497	250%	\$8,000			\$8,328	104%
7500	Communications							
7510	Web Site/Internet	\$29,109	970%	\$1,000			\$5,400	540%
7520	Wireless	\$4,849	162%	\$4,500			\$6,381	142%
7550	Telephone	\$6,371	255%	\$4,000	\$836		\$5,776	144%
7600	District Wide							
7630	Site Maintenance /Landscape	\$23,632	236%	\$15,000			\$21,890	146%
7665	Office Bldg / Improvements	\$21,877	438%	\$10,000			\$3,812	38%
7670	Office Equipment / Software	\$30,035	601%	\$8,000			\$7,572	95%
7680	Office Furnishings	\$1,458	146%	\$1,000			\$397	40%
7685	Tools	\$6,193	206%	\$3,500			\$6,483	185%
7690	Maint / Fuel	\$25,323	141%	\$19,000	\$410		\$27,892	147%
7700	Directors Expense							
7720	Compensation	\$25,038	70%	\$36,000			\$25,983	72%
7730	Training	\$312	31%	\$600			\$164	27%
7950	Miscellaneous	\$161,203	16120%	\$12,000	-\$9		\$13,558	113%
7951	Misc. - Reimbursable			\$10,000			\$555	6%
7952	Misc. - Zones Reimbursable			\$100,000	\$275		\$140,324	140%
7955	Reimbursement (Hofmann)	\$0	0%				\$0	
7100	Insurance							
7115	General Liability	\$102,503	171%	\$48,000			\$0	0%
7120	Worker's Comp			\$6,000			\$4,458	74%
7800	County Services							
7805	Revenue Collection	\$5,153	172%	\$5,500			\$4,640	84%
7810-0810	Investment Fee	\$0	0%	\$700			\$0	0%
7815-2315	Data Processing	\$0					\$0	
7820	Accounting (A/P, A/R, GL)	\$0		\$2,500			\$0	0%
7825	Public Works - permits	\$21,180	424%	\$6,000			\$15,622	260%
CREDITS	Reimbursements to Town of DB	(\$91,100)		(\$231,000)			\$0.00	0%
	TOTAL	\$3,711,273	127%	\$3,697,800	\$1,941	\$0	\$4,223,212	114%

Request for authorization to pay invoices
 For the Meeting on August 3, 2011
 Town of Discovery Bay CSD
 For Fiscal Year's 7/11 - 6/12

Acct Code				
1	7001	Express Employment Inv#99736825-3, dtd 7/13/11	Temp: Terri Degler	w/e 7/10/11 \$719.68
2	7001	Express Employment Inv#99761472-2, dtd 7/20/11	Temp: Terri Degler	w/e 7/17/11 \$899.60
				Sub-Total \$1,619.28
3	7011	SDRMA Inv#0008170-IN, dtd 8/1/11	August 2011 Benefits - District Office	\$640.95
4	7024	SDRMA Inv#0008170-IN, dtd 8/1/11	August 2011 Benefits - Landscaping	\$79.59
				Sub-Total \$720.54
5	7011	ReliaStar Life Insurance JR475(b)	District office	7/16-7/31/11 \$953.05
6	7024	ReliaStar Life Insurance JR475(b)	Landscaping	7/16-7/31/11 \$288.49
				Sub-Total \$1,241.54
7	7205	Neumiller & Beardslee Inv#241962, dtd 7/14/11	General services	6/1-6/30/11 \$1,328.00
8	7210	Luhdorff & Scalmanini Inv#27013, dtd 6/30/11	Master Plan	\$11,189.01
9	0809-002	Luhdorff & Scalmanini Inv#27010, dtd 6/30/11	Well/Pump Design Station 6	\$2,811.00
				Sub-Total \$14,000.01
10	7210	Stantec Inv#510342, dtd 7/21/11	WWTP Master Plan	\$1,523.50
11		<u>Capital One - statement ending 7/14/11</u>		
	7301	General repairs		\$373.50
	7950	Misc.		\$155.96
				Sub-Total \$529.46
12		<u>Capital One - closing statement dated 7/14/11</u>		
	7520	Cellular		\$187.80
	7550	Telephone		\$164.98
	7950	Misc.		\$587.45
				Sub-Total \$940.23
13	7301	American Retrofit Inv#121, dtd 7/22/11	Labor to install switch @ Newport Well #4	\$100.00
14	7630	American Retrofit Inv#120, dtd 7/22/11	L&M to relocate thermostat @ District office	\$100.00
				Sub-Total \$200.00
15	7301	Golden State Flow Measurement Inv#I-032343, dtd 7/13/11	W/Nicor 21"	\$1,309.18
16	7301	J.W. Backhoe Construction Inv#1543, dtd 7/18/11	Repair @ 4100 Windward Ct.	\$4,477.48
17	7301	J.W. Backhoe Construction Inv#1544, dtd 7/18/11	Repair @ 4101 Windward Ct.	\$5,361.06
18	7301	J.W. Backhoe Construction Inv#1545, dtd 7/18/11	Emergency leak @Windward Pt/Ct	\$7,512.33
19	7301	J.W. Backhoe Construction Inv#1547, dtd 7/18/11	Repair @ 2411 Sand Point Ct.	\$799.45
20	7301	J.W. Backhoe Construction Inv#1548, dtd 7/18/11	Repair @ 1450 Shell Ct.	\$2,399.73
21	7301	J.W. Backhoe Construction Inv#1550, dtd 7/18/11	Repair @ 4100 Windward Ct.	\$4,579.43
22	7301	J.W. Backhoe Construction Inv#1551, dtd 7/18/11	Repair @ 4100 Windward Ct.	\$5,855.61
23	7301	J.W. Backhoe Construction Inv#1552, dtd 7/18/11	Repair @ 4085 Newport Ln.	\$5,383.96
24	7301	J.W. Backhoe Construction Inv#1553, dtd 7/18/11	Repair @ 4716 Cove Ln.	\$5,065.40
				Sub-total \$41,434.45
25	7301	MCI Engineering, Inc. Inv#07201101, dtd 7/20/11	Emergency repairs (various locations)	\$1,760.76
26	7301	R&B Company Inv#S1263845.001, dtd 7/20/11	Meter Gasket	\$212.15
27	7301	Paul E. Vaz Trucking Inv#13722, dtd 7/12/11	TODB - Material	\$427.64
28	7301	Paul E. Vaz Trucking Inv#13723, dtd 7/12/11	Water Treatment Plant - Hauling	\$514.95
29	7301	Paul E. Vaz Trucking Inv#13724, dtd 7/12/11	DB/WWTP - Material	\$204.67
30	7301	Paul E. Vaz Trucking Inv#13725, dtd 7/12/11	DB/WWTP - Hauling	\$285.53
				Sub-total \$1,432.79
				Sub-Total page 1 \$68,251.89

Request for authorization to pay invoices
 For the Meeting on August 3, 2011
 Town of Discovery Bay CSD
 For Fiscal Year's 7/11 - 6/12

Acct Code				
31	7330	Univar Inv#SI5897396, dtd 7/13/11	Chemicals	\$1,104.64
32	7330	Univar Inv#SI5897397, dtd 7/13/11	Chemicals	\$1,701.90
33	7330	Univar Inv#SI5901232, dtd 7/21/11	Chemicals	\$1,547.05
34	7330	Univar Inv#SI5901233, dtd 7/21/11	Chemicals	<u>\$750.70</u>
Sub-total				\$5,104.29
35	7420	MailFinance Inv#N2650076, dtd 7/18/11	Lease for postage machine	8/19-9/18/11 \$69.53
36	7430	Office Depot Inv#570696862001, dtd 7/8/11	Office Supplies	\$55.11
37	7430	Office Depot Inv#571460602001, dtd 7/15/11	Office Supplies	<u>\$27.98</u>
Sub-Total				\$83.09
38	7535	EnerPower Inv#58179, dtd 6/28/11	Electric charges Acct#8351173112	4/12-5/11/11 \$140.00
39	7535	EnerPower Inv#58338, dtd 7/11/12	Acct. 8351173112 5/12-6/11/121 - water	\$116.00
40	7537	EnerPower Inv#58178, dtd 6/28/11	Electric charges Acct#3497478293	4/12-5/10/11 \$127.00
41	7537	EnerPower Inv#58180, dtd 6/28/11	Acct. 0631986334 4/15-5/13/11 - sewer	\$241.00
42	7537	EnerPower Inv#58339, dtd 7/11/12	Acct. 3497478293 5/11-6/9/121 - sewer	\$95.00
43	7537	EnerPower Inv#58340, dtd 7/11/11	Acct. 0631986334 5/14-6/11/11 - sewer	<u>\$49.00</u>
Sub-Total				\$768.00
WATER				
44	7535	PG&E / Acct# 2943721807-5	Newport WTP	6/12-7/13/11 \$14,753.26
45	7535	PG&E / Acct# 2990602600-9	Willow Lake WTP	6/11-7/12/11 \$8,292.93
46	7535	PG&E / Acct# 3349549227-5	Well #3 DB Blvd & Edgeview	6/11-7/12/11 \$21.10
47	7535	PG&E / Acct# 6760524303-8	Irri. Controller (Newport @ Well 4A)	6/14-7/13/11 \$16.77
48	7535	PG&E / Acct# 8351173112-3	Well #2	6/12-7/12/11 \$4,135.34
49	7535	PG&E / Acct# 8609981202-5	Well #1 (Gas)	6/11-7/12/11 \$20.35
50	7535	PG&E / Acct# 8651647866-5	Well #1	6/12-7/12/11 <u>\$7,459.42</u>
Sub-Total				\$34,699.17
SEWER				
51	7537	PG&E / Acct# 0631986334-3	Newport Lift Station	6/12-7/13/11 \$3,433.12
52	7537	PG&E / Acct# 1182741894-5	Pump Station D	6/12-7/12/11 \$151.90
53	7537	PG&E / Acct# 1318320217-8	Pump Station A	6/12-7/12/11 \$65.24
54	7537	PG&E / Acct# 2068717691-5	Pump Station G	6/14-7/13/11 \$39.87
55	7537	PG&E / Acct# 2172798825-1	Pump Station R	6/14-7/13/11 \$69.27
56	7537	PG&E / Acct# 2527523613-8	Pump Station S	6/15-7/14/11 \$357.00
57	7537	PG&E / Acct# 3016215915-3	Pump Station F	6/10-7/11/11 \$688.74
58	7537	PG&E / Acct# 3101013157-6	Lakes 4 Lift Station	6/11-7/12/11 \$212.39
59	7537	PG&E / Acct# 3497478293-9	Lakeshore Lift Station	6/10-7/11/11 \$668.96
60	7537	PG&E / Acct# 3881134135-3	WWTP #1	6/14-7/13/11 \$9,555.24
61	7537	PG&E / Acct# 4193709211-6	Pump Station C	6/14-7/14/11 \$64.24
62	7537	PG&E / Acct# 4201000159-4	Golf Course Valve Station	6/15-7/14/11 \$72.44
63	7537	PG&E / Acct# 4225081240-3	Disc WWTP & Pump Station W	6/14-7/13/11 \$29.44
64	7537	PG&E / Acct# 4516230421-1	Pump Station H	6/11-7/12/11 \$19.13
65	7537	PG&E / Acct# 7234986505-4	Pump Station J	6/11-7/13/11 \$265.99
66	7537	PG&E / Acct# 7312115758-7	SS/HWY 4 E/Disco Bay Blvd W/O Bridge	6/14-7/13/11 \$21,914.59
67	7537	PG&E / Acct# 7630923070-4	Pump Station E	6/10-7/11/11 \$360.32
68	7537	PG&E / Acct# 8343916134-6	Fern Ridge Circle/Hofmann	6/9-7/8/11 \$708.20
69	7537	PG&E / Acct# 8440119997-5	Knightsen School Pump Station	6/11-7/12/11 <u>\$33.15</u>
Sub-Total				\$38,709.23
70	7630	Discovery Pest Control Inv#0436079, dtd 7/15/11	Monthly service for July 2011	\$68.00
71	7670	AW Direct Inv#1017551196, dtd 6/30/11	Vests/Hardhats	\$408.34
72	7690	Brentwood Tire Co. Inv#22688, dtd 7/25/11	Tires/Valve stem/Brake pads/Oil filter for HHR	\$654.95
73	7690	Thornburg Inv#50281, dtd 7/14/11	Serviced vac truck	\$478.09
74	7950	Community Center Check Req#2, dtd 7/21/11	Credit card terminal deducted from wrong acct.	\$375.00
75	7950	Community Center Check Req#2, dtd 7/21/11	Deposit reimbursed in error 6/15/11 ck#0643	\$375.00
76	7950	Community Center Check Req#3, dtd 7/21/11	Reimbursed to TODB in error/Tiles	<u>\$55.41</u>
Sub-Total				\$805.41
Sub-Total page 2				\$81,848.10

Request for authorization to pay invoices
 For the Meeting on August 3, 2011
 Town of Discovery Bay CSD
 For Fiscal Year's 7/11 - 6/12

<u>Acct Code</u>			
77	0910-009	Rockwell Engineering Inv#12249, dtd 7/8/11	Submersible chopper pump \$19,834.46
78	1011-009	Parkson Inv#AR1/9100260 July, dtd 7/1/11	Electric mole \$1,625.00
79	7952	Contra Costa Conserv. Inv#175743, dtd 7/14/11	Regatta Park Basketball court \$379.82 *****Zone #57 - reimbursable*****
80	7952	Odyssey Landscape Co. Inv#36035993-35, dtd 7/20/11	Monthly service \$215.00 *****Zone #35 - reimbursable*****
81	7952	Odyssey Landscape Co. Inv#36035993-57, dtd 7/20/11	Monthly service \$2,635.00 *****Zone #57 - reimbursable*****
82	7952	Odyssey Landscape Co. Inv#36035993-61, dtd 7/20/11	Monthly service \$4,280.00 *****Zone #61 - reimbursable*****
Sub-Total			\$7,130.00
Sub-Total page 3			\$28,969.28
Sub-Total page 2			\$81,848.10
Sub-Total page 1			\$68,251.89
Total TODB			\$179,069.27

Caselle Utility Account

1	7951	Refund of Overpayment Acct#1-011-530-005-5.01	\$9.20
2	7951	Refund of Overpayment Acct#1-011-540-025-1.01	\$58.44
Caselle Utility Total			\$67.64

TODB GRAND TOTAL \$179,136.91

Community Center Fund

1	7960	Brentwood Press Inv#118974, dtd 7/15/11	1/4 page Ad (QP2) \$125.00
2	7960	Brentwood Press Inv#119126, dtd 7/22/11	1/4 page Ad (QP2) DB only \$125.00
3	7960	Brentwood Press Inv#119127, dtd 7/22/11	13,000 sticky notes \$422.50
Sub-Total			\$672.50
4	7960	TODB Ck Req#1, dtd 7/2/11	water payments deposited to wrong acct./should be TODB \$1,924.00
Community Center Grand Total			\$2,596.50

TOWN OF DISCOVERY BAY CSD O&M BUDGET - FISCAL YEAR 2011-12 APPROVED 6/16/11						
Obj #	Account Description	2011/2012 Approved Budget	Pending Approval 08/03/11	2011/2012 YTD REIMB.	2011/2012 YTD Actuals	2011/2012 Remainder of Budget YTD
	Salary & Wages					
7001	Salary & Wages	\$531,551	\$1,619		\$0	\$531,551
7005	Overtime	\$5,000			\$0	\$5,000
7007	Auto Allowance	\$4,200			\$113	\$4,087
7010	Payroll Taxes	\$53,655			\$0	\$53,655
7011	Group Insurance (Partial EE Reimb)	\$44,400	\$1,594		\$3,703	\$40,697
7021	Landscape Related Salary & Wages (Reimb)	\$157,737			\$0	\$157,737
7022	Landscape Related Overtime (Reimb)	\$3,000			\$0	\$3,000
7023	Landscape Related Payroll Taxes (Reimb)	\$16,073			\$0	\$16,073
7024	Landscape Related Group Ins (Partial EE Reimb)	\$23,600	\$368		\$894	\$22,706
7030	Worker's Comp	\$8,000			\$3,574	\$4,426
	Sub-Total	\$847,216	\$3,581	\$0	\$8,284	\$838,932
	Board of Directors					
7101	Compensation	\$36,000			\$0	\$36,000
7102	Travel & Training	\$2,500			\$0	\$2,500
	Sub-Total	\$38,500	\$0	\$0	\$0	\$38,500
	Contractual Services					
7205	Legal Services	\$80,000	\$1,328		\$0	\$80,000
7210	Consulting Services *	\$210,000	\$12,713		\$0	\$210,000
7215	Water & Wastewater Services Contract	\$1,148,000			\$0	\$1,148,000
7220	Liability Insurance	\$50,000			\$53,911	(\$3,911)
7225	Accounting Financial Services	\$30,000			\$0	\$30,000
	Sub-Total	\$1,518,000	\$14,041	\$0	\$53,911	\$1,464,089
	Operations & Maintenance					
7301	General Repairs - Water/Sewer	\$550,000	\$46,623		\$16,865	\$533,135
7305	General Repairs - Pumps	\$100,000			\$0	\$100,000
7310	NTR/SIP Testing - RWQCB	\$5,000			\$0	\$5,000
7312	Preventive & Corrective Fund	\$107,000			\$0	\$107,000
7330	Chemicals/Odor Supplies	\$100,000	\$5,104		\$36,067	\$63,933
7385	NPDES NOV Fines (s)	\$25,000			\$0	\$25,000
7410	Copier Maintenance	\$4,500			\$0	\$4,500
7414	Outsource of Water Billing	\$15,000			\$10,970	\$4,030
7420	Postage	\$2,500	\$70		\$1,200	\$1,300
7430	Office Supplies	\$8,000	\$83		\$0	\$8,000
7440	Public Communications & Noticing	\$5,000			\$0	\$5,000
7450	Election Expenses	\$0			\$0	\$0
7460	Memberships	\$17,500			\$2,085	\$15,415
7470	Rent - Public Meetings	\$500			\$0	\$500
7480	Permits	\$40,000			\$0	\$40,000
7490	Travel & Training	\$3,000			\$0	\$3,000
7510	Info Systems Maintenance	\$2,500			\$2,880	(\$380)
7520	Cellular Communications/Data	\$6,500	\$188		\$28,512	(\$22,012)
7535	Electrical Cost (water)	\$335,000	\$34,955		\$0	\$335,000
7537	Electrical Cost (sewer)	\$370,000	\$39,221		\$0	\$370,000
7550	Telephone	\$4,800	\$165		\$0	\$4,800
7620	Special Equipment	\$3,000			\$1,356	\$1,644
7630	Facility Maintenance/Landscape	\$15,000	\$168		\$110	\$14,890
7665	Office Buildings/Improvements	\$10,000			\$19,082	(\$9,082)
7670	Office Equipment/Software	\$30,000	\$408		\$10,273	\$19,727
7680	Office Furnishings	\$1,000			\$0	\$1,000
7685	Miscellaneous Small Tools	\$3,500			\$0	\$3,500
7690	Equipment Maintenance/Fuel	\$20,000	\$1,133		\$0	\$20,000
7925	Miscellaneous Bank Charges	\$500			\$0	\$500
7950	Miscellaneous Services & Supplies	\$2,500	\$1,549		\$744	\$1,756
7951	Miscellaneous Reimbursable	\$1,000	\$68		\$345	\$655
7952	Landscape Related Reimbursables	\$200,000	\$7,510		\$26,730	\$173,270
7970	Unrecoverable Charges	\$5,000			\$0	\$5,000
7990	G.F. Expenditures	\$0			\$0	\$0
	Sub-Total	\$1,993,300	\$137,245	\$0	\$167,219	\$1,836,081
	Inter-Governmental Charges					
7805	Revenue Collection	\$6,000			\$0	\$6,000
7810-0810	Investment Fee	\$200			\$0	\$200
7815-2315	Data Processing/Payroll Wire Transfer Fees	\$480			\$0	\$480
7820	Accounting (A/P, A/R, GL)	\$2,000			\$0	\$2,000
7825	Public Works - Permits	\$10,000			\$0	\$10,000
7850	Property Taxes	\$10,000			\$0	\$10,000
	Sub-Total	\$28,680	\$0	\$0	\$0	\$28,680
	TOTAL O&M Budget	\$4,425,696	\$154,866	\$0	\$219,414	\$4,206,282

Acct. #	TOWN OF DISCOVERY BAY CSD CAPITAL Improvement Program - FY 11/12 APPROVED 6/15/11 Account Description	2011/2012 Approved BUDGET	Plan to Approve 08/03/11	2011/2012	2011/2012 ACTUALS	2011/2012 Remainder of Budget YTD
				YTD REIMB.		
SEWER						
0910-004	Manhole Rehabilitation Project	\$15,000			\$0	\$15,000
0910-005	Landscape @ Plant #1	\$7,000			\$0	\$7,000
0910-007	UV System Upgrade	\$23,665			\$0	\$23,665
0910-008	Salinity Study Project	\$70,000			\$0	\$70,000
0910-009	Pumps/Motors Replacement				\$0	\$0
0910-010	Wetlands				\$0	\$0
1011-001	By-Pass Pipeline				\$0	\$0
1011-002	Upgrade/Replace SCADA PLC's (Multi Year)	\$25,000			\$0	\$25,000
1011-003	Bio-Solids Pumps (2) Wet Well	\$20,000			\$0	\$20,000
1011-004	Rehab Lift Station W	\$20,000			\$0	\$20,000
1011-005	Bypass Valve Lift Station S	\$10,000			\$0	\$10,000
1011-006	Metal Cover for UV Area *	\$25,000			\$0	\$25,000
1011-008	Paving for Bio-Solids Containment Area	\$15,000			\$0	\$15,000
1011-009	New Moles (2)		\$1,625		\$17,875	-\$17,875
1011-010	Road Crossing Ramps	\$15,000			\$0	\$15,000
1112-001	Trailered Trash-Pump	\$20,000			\$0	\$20,000
1112-002	Raise Manholes	\$20,000			\$0	\$20,000
1112-003	Beltpress - Bio-sollids Area (Multi-year)	\$800,000			\$0	\$800,000
1112-009	Collection System Pump Station Improvements	\$40,000			\$0	\$40,000
	Sewer Sub Total	\$1,125,665	\$1,625	\$0	\$17,875	\$1,107,790

WATER						
0105-003	Develop Water Meter Plan					
0708-016	Portable Shoring Trailer					
0809-002	Well #6 Design & Drill Test Hole		\$2,811		\$30,921	-\$30,921
0809-003	Changeout of Chemical Pumps				\$0	\$0
0910-011	Security Door Locks (12)	\$8,000			\$0	\$8,000
0910-000	Water Meter Program: Reimbursements	(\$500,000)			\$0	-\$500,000
1011-013	Rehabilitate Well(s)	\$30,000			\$0	\$30,000
1112-006	New Well #7 (Multi-Year)	\$40,000			\$0	\$40,000
1112-008	Install Water Well Transducers & Wellhead Survey	\$36,000			\$0	\$36,000
	Water Sub Total	\$124,000	\$2,811	\$0	\$30,921	\$93,079

MISC.						
					\$0	\$0
	Misc. Sub Total	\$0	\$0	\$0	\$0	\$0
					\$0	\$0

	Total Capital Budget	\$1,249,665	\$4,436	\$0	\$48,796	\$1,200,869
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Infrastructure Replacement Fund						
R1112-008	Sewer Infrastructure Replacement Program	\$150,000			\$0	\$150,000
R1112-009	Pumps/Motors Replacement Program	\$40,000	\$19,834		\$218,179	-\$178,179
R1011-010	Water Infrastructure Replacement Program	\$100,000			\$0	\$100,000
R1112-011	Facilities and Vehicles Replacement Fund	\$30,000			\$0	\$30,000
	Total Replacement Fund	\$320,000	\$19,834	\$0	\$218,179	\$101,821
	Total Replacement Fund & Capital Budget	\$1,569,665	\$24,270	\$0	\$266,975	\$1,302,690

Request for authorization to pay invoices
 For the Meeting on August 3, 2011
 Town of Discovery Bay, D.Bay L&L Park #8
 For Fiscal Year's 7/11 - 6/12

Acct Code

1	2120	PG&E / Acct# 0869258994-1 (Sprink Contr) DB Blvd. & Willow Lake	6/11-7/12/11	\$17.36
2	2120	PG&E / Acct# 2068897992-9 DB Blvd across from 510	6/14-7/13/11	\$111.13
3	2120	PG&E / Acct# 2249446019-3 (Sprinkler) Disco Point, Tr #4077, Lot 71	6/11-7/12/11	\$18.14
4	2120	PG&E / Acct# 2800977208-9 (Irr Contr) 9295Beacon Pl @ Str Lite	6/14-7/13/11	\$17.75
5	2120	PG&E / Acct# 3736907925-8 (Sprink Contr) E/S Edgview Dr N/O DB Blvd	6/11-7/12/11	\$17.36
6	2120	PG&E / Acct# 4111412785-9 (Sprink Contr) DB Blvd & Seal Way	6/11-7/12/11	\$17.36
7	2120	PG&E / Acct# 4455555569-5 (Sprinkler) Disco Point, Tr #3653, Lot 17	6/11-7/12/11	\$18.14
8	2120	PG&E / Acct# 5465914049-2 (Sprinkler) DB Blvd. & Spinnaker	6/11-7/12/11	\$17.36
9	2120	PG&E / Acct# 5939734421-5 PG&E Owned Street & Highway Lighting	6/18-7/19/11	\$6,422.59
10	2120	PG&E / Acct# 7135420365-6 (Sprinkler) Disco Point, Tr# 4077, Lot 65	6/11-7/12/11	\$18.14
11	2120	PG&E / Acct# 7452568975-3 (Sprink Contr) S/E cnr DB Blvd & Willow Lk	6/11-7/12/11	\$17.36
12	2120	PG&E / Acct# 7696548482-7 (Sprinkler) DB Blvd, Tr# 4178, Lot 5	6/11-7/12/11	\$18.14
13	2120	PG&E / Acct# 8009270258-0 @ Clipper Dr w/o Cove Ct 7723 Marina Dr	6/11-7/12/11	\$34.72
14	2120	PG&E / Acct# 8101346815-2 (Irr Contr) Newport Dr. w/o Pier Ct	6/11-7/12/11	\$17.36
15	2120	PG&E / Acct# 8163719795-5 (Irr Contr) 9271 Newport Dr @ Str. Lite	6/14-7/13/11	\$17.75
16	2120	PG&E / Acct# 8167536097-8 (Irr Contr) @ Clipper Dr	6/11-7/12/11	\$17.36
17	2120	PG&E / Acct# 8399010651-6 (Sprink Contr) Willow Lake Ct, Lot 31	6/14-7/13/11	\$17.55
18	2120	PG&E / Acct# 8400813429-2 (Sprinkler) Laguna Ct, Tr# 4076, Lot 18	6/11-7/12/11	\$18.14
19	2120	PG&E / Acct# 8545920147-2 (Lites & Sprinklers) 2489 'A' DB Blvd.	6/11-7/12/11	\$70.45
		Sub-Total		\$6,904.16
20	2120	TODB Inv#3001, dtd 7/21/11 Water usage - 2nd QTR	Lift Station "R"	\$10.17
21	2120	TODB Inv#3002, dtd 7/21/11 Water usage - 2nd QTR	66369164	\$8.91
22	2120	TODB Inv#3003, dtd 7/21/11 Water usage - 2nd QTR	66369167	\$66.73
23	2120	TODB Inv#3004, dtd 7/21/11 Water usage - 2nd QTR	64739727	\$41.40
24	2120	TODB Inv#3005, dtd 7/21/11 Water usage - 2nd QTR	66369166	\$2,133.65
25	2120	TODB Inv#3006, dtd 7/21/11 Water usage - 2nd QTR	66369169	\$581.45
26	2120	TODB Inv#3007, dtd 7/21/11 Water usage - 2nd QTR	64139739	\$297.99
27	2120	TODB Inv#3008, dtd 7/21/11 Water usage - 2nd QTR	56844608	\$149.44
28	2120	TODB Inv#3009, dtd 7/21/11 Water usage - 2nd QTR	62240129	\$308.00
29	2120	TODB Inv#3010, dtd 7/21/11 Water usage - 2nd QTR	56844612	\$273.47
		Sub-Total		\$3,871.21
30	2130	Watersavers Inv#11076830, dtd 7/12/11 Tubing/Pruner		\$70.60
31	4829	Watersavers Inv#11076830, dtd 7/12/11 Tubing/Pruner	Hwy 4	\$78.46
32	2130	Watersavers Inv#11077855, dtd 7/14/11 Fiberglass shovel		\$108.41
33	2282	Watersavers Inv#11078465, dtd 7/15/11 Valve box		\$22.36
34	4829	Watersavers Inv#11076513, dtd 7/14/11 Cut-off riser/wheelbarrow		\$389.72
35	4829	Watersavers Inv#11078457, dtd 7/15/11 Coupling/Claw hammer		\$24.51
36	4829	Watersavers Inv#11079208, dtd 7/18/11 Sprinkler		\$290.11
		Sub-Total		\$984.17
37	2270	Thornburg Mobile Service Inv#50275, dtd 7/4/11 Replaced broken cab window		\$140.00
38	2270	Thornburg Mobile Service Inv#50280, dtd 7/14/11 Checked backpack blower/replaced housing		\$82.20
		Sub-Total		\$222.20
39	4789	Creative Recreational Systems Inv#42379, dtd 6/29/11 Playland Structure #9S5-28274		\$35,394.52
40	4789	United Parcel Service Inv#12X417291 Recorder's office/Community Playgrounds		\$34.10
41	4829	Boething Treeland Farms Inv#TV216266, dtd 7/13/11 Landscaping		\$5,556.39
42	4829	Express Employment Inv#99736825-3, dtd 7/13/11 Temp: Darren Tanti	w/e 7/10/11	\$445.25
43	4829	Express Employment Inv#99761472-2, dtd 7/20/11 Temp: Darren Tanti	w/e 7/17/11	\$746.58
		Sub-Total		\$1,191.83
		TOTAL		\$54,158.58

Obj #	Discovery Bay Landscape & Lighting District #8 O & M BUDGET 2011/2012 Approved 6/15/11 Account Description	2011/2012 Approved Budget	Plan to Approve 8/3/2011	2011/2012 Actuals	2011/2012 Remainder of Budget YTD
	Salary & Wages				
2310	Staff Payroll	\$93,760		\$0	\$93,760
	Sub-Total	\$93,760		\$0	\$93,760
	Contractual Services				
2310	Professional/Specialized Services	\$8,000		\$0	\$8,000
2360	Insurance	\$5,000		\$0	\$5,000
	Sub-Total	\$13,000		\$0	\$13,000
	Operations & Maintenance				
2100	Office Expenses, Supplies	\$1,250		\$44	\$1,206
2102	Books, Periodicals & Subscriptions	\$200		\$0	\$200
2103	Postage	\$50		\$0	\$50
2110	Communications	\$1,765		\$0	\$1,765
2120	Utilities (Street Lights, Water, Garbage)	\$108,500	\$10,775	\$0	\$108,500
2130	Small Tools & Instruments	\$2,000	\$179	\$53	\$1,947
2131	Minor Equipment, Furniture less than \$1,000	\$500		\$0	\$500
2170	Household Items	\$1,750		\$0	\$1,750
2190	Public Notices	\$300		\$0	\$300
2200	Memberships	\$250		\$0	\$250
2250	Rent & Lease of Equipment	\$500		\$0	\$500
2251	Computer Software	\$0		\$0	\$0
2270	Maintenance of Equipment	\$1,000	\$222	\$0	\$1,000
2271	Automotive Supplies & Repairs	\$2,000		\$0	\$2,000
2272	Gasoline	\$3,500		\$0	\$3,500
2281	Maintenance of Buildings	\$5,400		\$350	\$5,050
2282	Grounds Maintenance	\$212,000	\$22	\$1,734	\$210,266
2284	Requested Maintenance from County	\$0		\$0	\$0
2301	Employee Auto Mileage - Reimbursement	\$100		\$0	\$100
2303	Other Travel Employee Expenses	\$1,500		\$0	\$1,500
2470	Road/Construction Materials (Street Signs)	\$500		\$0	\$500
2479	Other Special Expenses	\$12,000		\$0	\$12,000
	Sub-Total	\$355,065		\$2,182	\$352,883
7800	Inter-Governmental Charges				
3530/3550	Taxes & Assessments	\$1,000		\$0	\$1,000
3611	Interfund Exp. (Investment & Property Tax)	\$500		\$0	\$500
5011	Reimbursement for County Admin. Costs	\$500		\$0	\$500
	Sub-Total	\$2,000		\$0	\$2,000
	TOTAL O&M Budget	\$463,825	\$11,199	\$2,182	\$461,644

Obj#	Discovery Bay Landscape & Lighting District #8 CAPITAL BUDGET 2011/2012 Approved 6/15/11 Account Description	2011/2012 Approved Budget	Approve 8/3/2011	2011/2012 Actuals	2011/2012 Remainder of Buget YTD
PARKS					
4789	Cornell Park - Playground Replacement	\$ 126,000.00	\$35,429	\$0	126,000
4834	Cornell Park (Restroom Partitions)			\$0	0
	Cornell Park (ADA Upgrades)	\$35,000		\$0	35,000
	Cornell Park (Tennis Court Surfacing)	\$20,000		\$0	20,000
	Cornell Park (Dog Park Fencing)	\$85,000		\$0	85,000
	Cornell Park (Tot Lot Removal)	\$12,500		\$0	12,500
	Cornell Park (Horse Shoe & Bocce Court)	\$15,000		\$0	15,000
	Parks Sub Total	\$293,500	\$35,429	\$0	293,500
STREETSCAPE					
4265	Various Improvements	\$7,500		\$0	7,500
4546	Structure & Walkway Repairs	\$2,000		\$0	2,000
4829	Landscape Master Plan Areas			\$0	0
	Willow Lake Road Streetscape			\$0	0
	Discovery Bay Blvd. (West) / Sand Point Rd.	\$12,000		\$0	12,000
	Highway 4 (East)	\$30,000		\$2,357	27,643
	Discovery Bay Blvd (East)	\$50,000	\$7,531	\$0	50,000
	Streetscape Sub Total	\$101,500	\$7,531	\$2,357	99,143
MISC.					
4853	Vehicle Purchase	\$25,000		\$0	25,000
4959	Tools & Sundry Equipment	\$3,000		\$0	3,000
	Misc. Sub Total	\$28,000	\$0	\$0	28,000
	Total Capital Budget	\$423,000	\$42,960	\$2,357	420,643

Request for authorization to pay invoices
 For the Meeting on August 3, 2011
 Town of Discovery Bay, D.Bay L&L Park #9 (Ravenswood)
 For Fiscal Year's 7/11 - 6/12

Acct Code					
1	2120	PG&E / Acct#0403377952-3	1445 Cullen Dr (Irrig Ctrlr)	6/11-7/12/11	\$110.93
2	2120	PG&E / Acct#1066166716-1	829 Poe Dr. (Irrig Ctrlr)	6/11-7/12/11	\$11.63
3	2120	PG&E / Acct#7705163630-4	1738 Wilde Dr. (Irrig Ctrlr)	6/11-7/12/11	\$11.83
					\$134.39
4	2120	TODB Inv#3012, dtd 7/25/11	Water usage - 2nd QTR (April, May & June)	65712638	\$189.95
5	2120	TODB Inv#3013, dtd 7/25/11	Water usage - 2nd QTR (April, May & June)	65401019	\$2,927.82
6	2120	TODB Inv#3014, dtd 7/25/11	Water usage - 2nd QTR (April, May & June)	64317397	\$379.09
Sub-Total					\$3,496.86
7	2282	American Retrofit Inv#119, dtd 7/13/11	Labor to install replacement battery for solar light		\$100.00
8	2282	Odyssey Landscape Inv#36035993, dtd 7/20/11	Monthly service		\$2,725.00
Total					\$6,456.25

Obj #	Discovery Bay Landscape & Lighting District #9 O & M BUDGET 2011/2012 Approved 6/15/11 Account Description	2011/2012 Approved Budget	Planned to Pay 8/3/2011	2011/2012 YTD REIMB.	2011/2012 YTD ACTUALS	2011/2012 Remainder of Budget YTD
	Salary & Wages					
2310	Staff Payroll	\$37,952			\$0.00	\$37,952
	Sub-Total	\$37,952	\$0	\$0	\$0.00	\$37,952
	Contractual Services					
2310	Professional/Specialized Services	\$8,200			\$0.00	\$8,200
2360	Insurance	\$1,500			\$0.00	\$1,500
	Sub-Total	\$9,700	\$0	\$0	\$0.00	\$9,700
	Operations & Maintenance					
2100	Office Expenses, Supplies	\$500			\$0.00	\$500
2102	Books, Periodicals & Subscriptions	\$50			\$0.00	\$50
2103	Postage	\$150			\$0.00	\$150
2110	Communications	\$350			\$0.00	\$350
2120	Utilities (Street Lights, Water, Garbage)	\$26,325	\$3,631		\$0.00	\$26,325
2130	Small Tools & Instruments	\$750			\$0.00	\$750
2131	Minor Equipment, Furniture less than \$1,000	\$250			\$0.00	\$250
2170	Household Items	\$750			\$0.00	\$750
2190	Public Notices	\$500			\$0.00	\$500
2200	Memberships	\$50			\$0.00	\$50
2250	Rent & Lease of Equipment	\$0			\$0.00	\$0
2251	Computer Software	\$0			\$0.00	\$0
2270	Maintenance of Equipment	\$200			\$0.00	\$200
2271	Automotive Supplies & Repairs	\$300			\$0.00	\$300
2272	Gasoline	\$500			\$0.00	\$500
2281	Maintenance of Buildings	\$0			\$0.00	\$0
2282	Grounds Maintenance	\$44,500	\$2,825		\$362.00	\$44,138
2284	Requested Maintenance from County	\$0			\$0.00	\$0
2301	Employee Auto Mileage - Reimbursement	\$50			\$0.00	\$50
2303	Other Travel Employee Expenses	\$0			\$0.00	\$0
2470	Road/Construction Materials (Street Signs)	\$0			\$0.00	\$0
2479	Other Special Expenses	\$1,350			\$0.00	\$1,350
	Sub-Total	\$76,575	\$6,456	\$0	\$362.00	\$76,213
7800	Inter-Governmental Charges					
3530/3550	Taxes & Assessments	\$425			\$0.00	\$425
3611	Interfund Exp. (Investment & Property Tax)	\$0			\$0.00	\$0
5011	Reimbursement for County Admin. Costs	\$0			\$0.00	\$0
	Sub-Total	\$425	\$0	\$0	\$0.00	\$425
	TOTAL O&M Budget	\$124,652	\$6,456	\$0	\$362.00	\$124,290



Town of Discovery Bay CSD

AGENDA REPORT

Meeting Date

August 3, 2011

Prepared By: Calista Anderson, Executive Assistant & Liz Hardy, Sr. Account Clerk
Submitted By: Rick Howard, General Manager

Agenda Title

District Financials

Recommended Action

Receive and File

Executive Summary

DB Lighting & Landscaping Zone #8

The account total fund balance before reserves for DB #8 is \$1,479,093

Less the reserves of \$300,000, we have a fund balance available of \$1,179,093

DB Lighting & Landscaping Zone #9

The account total fund balance before reserves for DB #9 is \$111,419

Less the reserves of \$56,195, we have a fund balance available of \$55,224

Town OF Discovery Bay, CSD Water & Sewer

The account total fund balance before reserves for Water & Sewer is \$5,456,951.44

Less the reserves of \$3,000,000, we have a fund balance available of \$2,456,951.44

Fiscal Impact:

Amount Requested: N/A

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

Prog/Fund # Category:

Previous Relevant Board Actions for This Item

Attachments

D.Bay L&L Zone #8 Budget vs. Actuals for 2010-2011 June 14, 2011 through July 13, 2011

D.Bay L&L Zone #9 Budget vs. Actuals for 2010-2011 June 14, 2011 through July 13, 2011

Town of Discovery Bay CSD Transaction Detail Report for 2010-2011 June 14, 2011 through July 13, 2011

AGENDA ITEM: E-4

D.Bay L&L Park #8 District
 Revenue & Expenditure Budget vs. Actuals Worksheet 2010-2011
 June 14, 2011 thru July 13, 2011 Period 12

Revenue:	Acct. Code	2010/11 Budget	2010/11 Actuals
Current Funds in Contra Costa County	740/750	\$1,732,129	\$1,713,602
Accounts Payable - Yr End	500		
Retainage Account	510		\$16
Due to Other Funds - Yr End	540		
Disbursements	830	(\$5,885)	(\$5,017)
Current Property Taxes	9010	\$381,210	\$438,015
Property Tax Supplemental/Unitary/Secured	9011/13/30/31		\$6,714
SRAF State Rev Transfer	9018		
Property Taxes-Current Unsecured	9020	\$18,029	\$15,291
Property Taxes-Prior-Unsecured	9035		\$248
Earnings on Investment	9181	\$1,000	\$404
H/O Prop Tax Relief/State Aid/In Lieu Taxes	9385/9435/9580		\$4,991
Misc Revenue & Services	9799&9975		\$1,842
Total Revenue		\$2,126,484	\$2,176,106

Expenditure: Operating Expenses	Acct. Code	2010/11 Budget	2010/11 Actuals
Office Expenses, Books, Postage	2100	(\$1,250)	(\$1,629)
Books, Periodicals & Subscriptions	2102	(\$200)	(\$60)
Postage	2103	(\$50)	(\$11)
Communications	2110	(\$600)	(\$60)
Utilities (Street Lights, Water & Garbage)	2120	(\$100,000)	(\$93,415)
Small Tools & Instruments	2130	(\$1,850)	(\$1,977)
Minor Equipment, Furniture less than \$1000	2131	(\$350)	(\$178)
Household Items	2170	(\$1,400)	(\$1,356)
Public Notices	2190	(\$150)	
Memberships	2200	(\$300)	(\$165)
Rent & Lease of Equipment	2250	(\$500)	(\$220)
Computer Software	2251		
Maintenance of Equipment	2270	(\$950)	(\$404)
Automotive Supplies & Repairs	2271	(\$2,000)	(\$1,870)
Gasoline	2272	(\$4,000)	(\$273)
Maintenance of Buildings	2281	(\$5,300)	(\$5,733)
Grounds Maintenance	2282	(\$205,000)	(\$191,708)
Requested Maintenance from County	2284/3620		\$182 *
Auto Mileage/Employee Reimbursement	2301	(\$100)	(\$231)
Other Travel Employee Expenses	2303	(\$750)	(\$433)
Professional Services/Specialized Services	2310	(\$8,100)	(\$1,916)
Staff Payroll	2310	(\$72,000)	(\$59,330)
Insurance	2360	(\$5,200)	(\$2,075)
Road/Construction Materials (Street Signs)	2470	(\$500)	
Other Special Expenses	2479	(\$3,500)	(\$2,717)
Miscellaneous Services & Supplies	2490	(\$300)	(\$307)
Taxes & Assessments	3530/3550		(\$2,719)
Interfund Exp.(Investment & Property Tax Adm.)	3611	(\$500)	
Reimbursement for County Adm. Costs	5011	(\$500)	
Total Operating Expenses		(\$415,350)	(\$368,607)

Expenditure: Capital/Asset	Acct. Code	2010/11 Budget	2010/11 Actuals
Various Improvements	4265	(\$7,500)	(\$4,062)
Structure & Walkway Repairs	4546	(\$2,000)	(\$1,225)
Playground Equipment	4789	(\$226,000)	(\$28,873)
Landscape Master Plan	4829		
Misc. Projects - Willow Lake Road		(\$102,500)	(\$143,089)
Misc. Projects - South Point			
Misc. Projects - Laguna Court			
Misc. Projects - Discovery Point (Small Island)			
Misc. Projects - Discovery Bay Blvd (East)		(\$175,000)	(\$134,217)
Cornell Park	4834	(\$7,500)	(\$2,686)
Vehicle Purchase	4953	(\$14,000)	(\$14,254)
Tools & Sundry Equipment	4956	(\$2,750)	
Total Capital/Asset		(\$537,250)	(\$328,406)
TOTAL EXPENSES & CAPITAL		(\$952,600)	(\$697,013)
TOTAL FUND BALANCE BEFORE RESERVES		\$1,173,884	\$1,479,093
RESERVES			(\$300,000)
GRAND TOTAL OF EXPENSES/CAPITAL/RESERVES			(\$997,013)
FUND BALANCE AVAILABLE			\$1,179,093

D.Bay L&L Park #9 District
 Revenue & Expenditure Budget vs. Actuals Worksheet 2010-11
 June 14, 2011 thru July 13, 2011 Period 12

Revenue:	Acct. Code	2010/11 Budget	2010/11 Actuals
Current Funds in Contra Costa County	740/750	\$234,262	\$251,015
Accounts Payable - Yr End	500		
Retainage Account	510		
Disbursements	830		
Current Property Taxes/Street Light Assessment	9754	\$82,500	\$83,405
Property Tax Supplemental/Unitary/Secured	9011/13/30/31		
SRAF State Rev Transfer	9018		
Property Taxes-Current Unsecured	9020		
Property Taxes-Prior-Unsecured	9035		
Earnings on Investment	9181		
H/O Prop Tax Relief/State Aid/In Lieu Taxes	9385/9435/9580		
Misc Revenue & Services	9799&9975		\$1,605
Total Revenue		\$316,762	\$336,025

Expenditure: Operating Expenses	Acct. Code	2010/11 Budget	2010/11 Actuals
Office Expenses, Books, Postage	2100	(\$500)	(\$459)
Books, Periodicals & Subscriptions	2102	(\$50)	
Postage	2103	(\$150)	(\$80)
Communications	2110	(\$250)	(\$120)
Utilities (Street Lights, Water & Garbage)	2120	(\$15,000)	(\$13,196)
Small Tools & Instruments	2130	(\$750)	(\$797)
Minor Equipment, Furniture less than \$1000	2131	(\$250)	(\$103)
Household Items	2170	(\$700)	(\$332)
Public Notices	2190	(\$254)	(\$254)
Memberships	2200	(\$40)	(\$40)
Rent & Lease of Equipment	2250	\$0	
Computer Software	2251	\$0	
Maintenance of Equipment	2270	(\$200)	(\$80)
Automotive Supplies & Repairs	2271	(\$300)	(\$337)
Gasoline	2272	(\$400)	\$2,102
Maintenance of Buildings	2281		
Grounds Maintenance	2282	(\$48,540)	(\$42,742)
Requested Maintenance from County	2284/3620		
Auto Mileage/Employee Reimbursement	2301	(\$150)	
Other Travel Employee Expenses	2303	\$0	
Professional Services/Specialized Services	2310	(\$4,000)	(\$4,601)
Staff Payroll	2310	(\$26,500)	(\$24,222)
Insurance	2360	(\$1,000)	(\$490)
Road/Construction Materials (Street Signs)	2470		
Other Special Expenses	2479	(\$2,800)	(\$2,337)
Miscellaneous Services & Supplies	2490	(\$300)	(\$34)
Taxes & Assessments	3530/3550	(\$423)	(\$423)
Interfund Exp.(Investment & Property Tax Adm.)	3611		
Reimbursement for County Adm. Costs	5011		
Total Operating Expenses		(\$101,557)	(\$88,546)

Expenditure: Capital/Asset	Acct. Code	2010/11 Budget	2010/11 Actuals
Various Parking Lot Improvements	4226		
Various Improvements (Splash Pad)	4265	(\$120,000)	(104,625)
Structure & Walkway Repairs (Solar)	4546	(\$32,000)	(31,436)
Playground Equipment	4789		
Tools & Sundry Equipment	4956		
Total Capital/Asset		(\$152,000)	(\$136,060)
TOTAL EXPENSES & CAPITAL		(\$253,557)	(\$224,606)
TOTAL FUND BALANCE BEFORE RESERVES		\$63,205	\$111,419

RESERVES (\$56,195)

GRAND TOTAL OF EXPENSES/CAPITAL/RESERVES (\$280,801)

FUND BALANCE AVAILABLE \$55,224

TOWN OF DISCOVERY BAY CSD
 Transaction Detail Report for June 14, 2011 through July 13, 2011
 Period 12 for 2010/11

DATE	FOR	SAMOUNT
	Receivables for Town of Discovery Bay CSD BAC Account	
	Balance of Account as of the end of day June 14, 2011	\$106,593.20
6/14/11-07/13/11	Deposits Made	\$84,147.47
	Balance of Account & Deposits Made Total	<u>\$190,740.67</u>
	Payables Made from Town of Discovery Bay CSD BAC Account	
6/14/11-07/13/11	Checks/Payroll made out from checking account	<u>\$79,849.12</u>
Balance of Checking Account as of June 13, 2011		<u>\$110,891.55</u>
	Total Year-to Date Payables Paid from Town of Discovery Bay CD ECC Acct	<u>\$730,723.15</u>
	BEGINNING FUND BALANCE FOR TOWN OF DB CSD IN COUNTY FUND	\$5,561,514.98
6/14/11-07/13/11	Accounts Payable Year End	\$423,140.00
	Retention	\$5,524.36
	Due to other funds	\$0.00
	Sub-Total	<u>\$5,990,179.34</u>
	REVENUE	
	For Fiscal Year Starting 7/1/10	
	Year-to-date Sewer & Water Service Charge for Tax Roll 10/11	\$4,120,049.92
	Year-to-date Investments	\$5,533.22
6/14/11-07/13/11	Earnings on Investments	\$0.00
	Sub-Total	<u>\$5,533.22</u>
	Year-to-Date Miscellaneous Income	\$0.00
6/14/11-07/13/11	Misc.	\$0.00
	SUB-TOTAL REVENUE	<u>\$4,125,583.14</u>
	GRAND TOTAL Fund Balance & Revenue	<u>\$10,115,762.48</u>
	EXPENDITURES	
	Year-to-date Warrants Paid by CCC for Town of D.Bay CSD	<u>\$3,909,882.72</u>
6/14/11-07/13/11	Warrants Paid	<u>\$458,898.44</u>
	TOTAL EXPENDITURES	<u>\$4,368,781.16</u>
TOTAL BALANCE AT COUNTY OF CONTRA COSTA		<u>\$5,746,981.32</u>
TOTAL YEAR TO DATE PAYABLES FROM BAC & CCC		<u>\$5,099,504.31</u>
TOTAL BALANCE AT COUNTY OF CONTRA COSTA		\$5,746,981.32
TOTAL BALANCE IN TOWN OF DISCOVERY BAY CSD BAC		\$110,891.55
TOTAL HELD FOR RESERVES		<u>(\$3,000,000.00)</u>
SUBTOTAL		\$2,857,872.87
TOTAL BALANCE OF ENCUMBRANCES		<u>(\$400,921.43)</u>
GRAND TOTAL FUNDS LESS RESERVES & ENCUMBRANCES		<u>\$2,456,951.44</u>
<i>Detail List of Encumbrances</i>		
WWTP#1	Wetlands Trial Project	(\$169,486.00)
Parkson	Thermo System Moles for Bio-Solids	(\$12,642.50)
Stantec	Wastewater Master Plan (Ecologic)	(\$70,552.38)
LSCE	Water Master Plan	(\$31,642.40)
Vaughn	Pump for WWTP #1 Influent	(\$30,125.00)
Freedom Mailing	Outsourcing of Water Bill Mailing	(\$11,408.15)
Caselle	Programs to replace Quickbooks	(\$10,165.00)
Herwit Eng.	Bio-solids Dewatering	(\$64,900.00)
	Total	<u>(\$400,921.43)</u>



Town of Discovery Bay CSD AGENDA REPORT

Meeting Date

August 3, 2011

Prepared By: Liz Hardy, Senior Accounts Clerk
Submitted By: Rick Howard, General Manager ✓

Agenda Title

Audited Financial Statements for FY 2009-10

Recommended Action

Staff recommends that the Board approve and accept the FY 2009-10 Audited Financial Statements

Executive Summary

Pursuant to the requirements of California Government Code §26909(b), the Town of Discovery Bay CSD is required to conduct an annual audit of its financial statements. Additionally, the audit must also be provided to the State of California Controller's Office and the Contra Costa County Auditor's Office.

On July 6, 2011, Mark Croce of Croce & Company presented the DRAFT year-end audit for Fiscal Year 2009-10. The draft audit contained the findings and results from the audited financial statements for the period July 1, 2009 through June 30, 2010.

At this time, it is appropriate to accept the findings of the FY 2009-10 Audited Financial Statements and direct Croce & Company to forward the final audit to the State Controller's Office and the Contra Costa County Auditor's Office.

Fiscal Impact:

Amount Requested n/a

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

Prog/Fund # Category:

Previous Relevant Board Actions for This Item

July 6, 2011 Audit Presentation by Croce and Company

Attachments

Final Audit 2009/2010

AGENDA ITEM: E-5

JUL 28 2011

CROCE & COMPANY
Accountancy Corporation

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

In planning and performing our audit of the financial statements of **Town of Discovery Bay Community Services District** as of and for the year ended June 30, 2010, in accordance with auditing standards generally accepted in the United States of America, we considered the District's internal control over financial reporting (internal control) as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and, therefore, there can be no assurance that all such deficiencies have been identified. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls. However, as discussed below, we identified a deficiency in internal control that we consider to be a significant deficiency.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned function, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

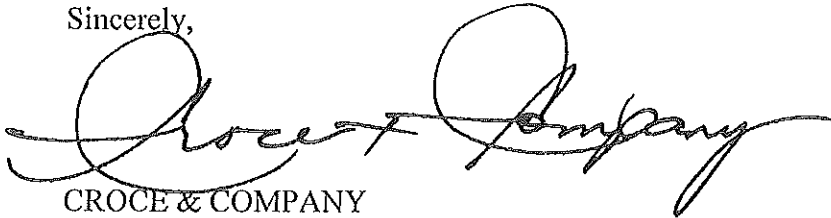
A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiency in **Town of Discovery Bay Community Services District's** internal control to be a significant deficiency:

- The District does not have an individual on staff that possesses the knowledge of accounting principles generally accepted in the United States of America sufficient to prepare its financial statements and related note disclosures.

The existence of the significant deficiency described above has been evaluated by management and those charged with governance. Management and those charged with governance have made a conscious decision to accept the degree of risk associated with the significant deficiency because of cost or other considerations. Management is responsible for making decisions concerning costs and the related benefits. We are responsible for communicating significant deficiencies in accordance with professional standards, regardless of management's decisions.

This communication is intended solely for the information and use of management, the Board of Directors, others within the District, Contra Costa County and the State Controller's Office and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,

A handwritten signature in cursive script that reads "Robert Company". The signature is written in black ink and is positioned above the typed name.

CROCE & COMPANY
Accountancy Corporation
Stockton, California
July 25, 2011

JUL 28 2011

CROCE & COMPANY
Accountancy Corporation

July 27, 2011

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of **Town of Discovery Bay Community Services District** for the year ended June 30, 2010, and have issued our report thereon dated July 25, 2011. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards as well as certain information related to planned scope and timing of our audit. We have communicated such information to you. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by **Town of Discovery Bay Community Services District** are described in Note A to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2010. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

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

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

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

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

Water and Sewer Fund

- Entry of \$1,360,637 to adjust fixed assets as of June 30, 2010
- Entry to record \$538,500 of contributed capital as of June 30, 2010
- Entry to record \$1,135,605 of depreciation expense as of June 30, 2010

Lighting & Landscaping Zone 8

- Entry to record \$100,222 of contributed capital as of June 30, 2010

Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated July 25, 2011.

Management Consultations with Other Independent Accountants

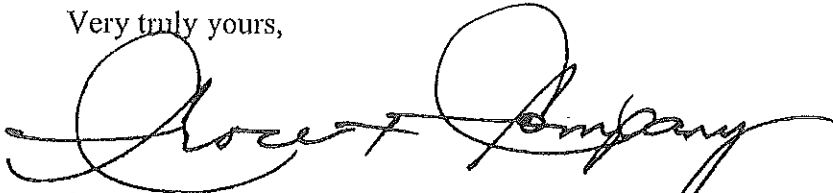
In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the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

Other Audit Findings or Issues

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

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

Very truly yours,

A handwritten signature in black ink, appearing to read "Robert J. Croce". The signature is fluid and cursive, with a large initial "R" and "C".

CROCE & COMPANY ACCOUNTANCY CORPORATION

TownOfDiscoveryBay CSD
Received

JUL 28 2011



**TOWN OF DISCOVERY BAY
COMMUNITY SERVICES DISTRICT**

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REPORT

JUNE 30, 2010

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Independent Auditors' Report

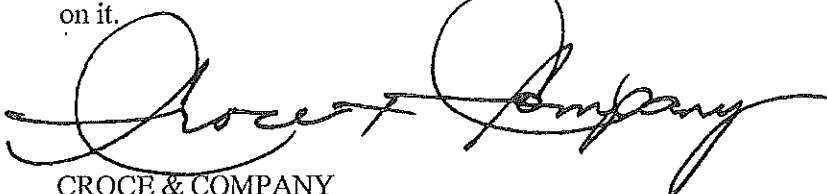
To the Board of Directors
Town of Discovery Bay Community
Services District

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the **Town of Discovery Bay Community Services District (District)** as of and for the year ended June 30, 2010, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the **Town of Discovery Bay Community Services District** as of June 30, 2010, and the respective changes in financial position and cash flows, where applicable, for the year then ended in conformity with the accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis on pages 2 through 10 is not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.



CROCE & COMPANY
Accountancy Corporation
Stockton, California
July 25, 2011

MANAGEMENT'S DISCUSSION AND ANALYSIS

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Management's Discussion and Analysis

June 30, 2010

This narrative overview and analysis of the Town of Discovery Bay Community Services District's (District) financial activities for the fiscal year ended June 30, 2010 has been provided by the management of the District. The management's discussion and analysis is intended to serve as an introduction to the District's financial statements which follow this section and is recommended to be reviewed in conjunction with them.

Financial Highlights

- The District's net assets increased by \$388,422 over the prior year, including a \$119,822 increase in net assets of governmental activities, and a \$268,600 increase in net assets of business-type activities. The District's net assets are now \$42,867,822.
- Total assets of the District were \$43,430,628 with capital assets at \$34,500,391 net of accumulated depreciation. Current and other assets were \$8,930,237.
- Total liabilities were \$562,806 consisting of current liabilities at \$562,806.
- Assets of the District exceeded liabilities at the close of the most recent fiscal year by \$42,867,822 (net assets). Of this amount, \$8,367,431 (unrestricted net assets) may be used to meet the District's ongoing obligations, and \$34,500,391 is invested in capital assets, net of related debt.
- On the current financial resources basis, the District's governmental fund expenditures (including \$132,555 in capital outlay expenditures) exceeded revenues by \$97,469. The proprietary fund expenses exceeded revenues by \$269,900.
- At year-end, there was \$2,569,098 in cash and investments to fund future governmental activities, and \$5,948,789 in cash and investments to fund future business-type activities.

Overview of the Financial Statements

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

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

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

The **Statement of Net Assets** displays all of the District's assets and liabilities, with the difference between the two reported as net assets. The **Statement of Activities** provides all current year

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Management's Discussion and Analysis

June 30, 2010

Overview of the Financial Statements (Continued)

revenues and expenses on an accrual basis of accounting regardless of when cash is received or paid. These two government-wide statements report the District's net assets and how they have changed during the fiscal year. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or weakening.

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

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

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

Financial Analysis of the Government-wide Financial Statements

A review of net assets over time may serve as a useful indicator of the District's financial position. Net assets represent the difference between the District's assets and liabilities. As of June 30, 2010, the District's net assets were \$42,867,822, an increase of \$388,422 from prior year. The following table outlines the District's net assets by function for the current and prior fiscal years.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Management's Discussion and Analysis

June 30, 2010

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

Town of Discovery Bay Community Services District Net Assets

As of June 30, 2010 and 2009

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>		<u>Variance</u>
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>\$</u>
<u>Assets</u>							
Current and other assets	\$ 2,636,625	\$ 2,526,885	\$ 6,293,612	\$ 6,726,906	\$ 8,930,237	\$ 9,253,791	\$ (323,554)
Capital assets, net	<u>1,119,103</u>	<u>1,047,702</u>	<u>33,381,288</u>	<u>32,575,993</u>	<u>34,500,391</u>	<u>33,623,695</u>	<u>876,696</u>
Total assets	<u>3,755,728</u>	<u>3,574,587</u>	<u>39,674,900</u>	<u>39,302,899</u>	<u>43,430,628</u>	<u>42,877,486</u>	<u>553,142</u>
<u>Liabilities</u>							
Current liabilities	83,019	21,700	479,787	376,386	562,806	398,086	164,720
Non-current liabilities	-	-	-	-	-	-	-
Total liabilities	<u>83,019</u>	<u>21,700</u>	<u>479,787</u>	<u>376,386</u>	<u>562,806</u>	<u>398,086</u>	<u>164,720</u>
<u>Net Assets</u>							
Invested in capital assets	1,119,103	1,047,702	33,381,288	32,575,993	34,500,391	33,623,695	876,696
Unrestricted	<u>2,553,606</u>	<u>2,505,185</u>	<u>5,813,825</u>	<u>6,350,520</u>	<u>8,367,431</u>	<u>8,855,705</u>	<u>(488,274)</u>
Total net assets	<u>\$ 3,672,709</u>	<u>\$ 3,552,887</u>	<u>\$ 39,195,113</u>	<u>\$ 38,926,513</u>	<u>\$ 42,867,822</u>	<u>\$ 42,479,400</u>	<u>\$ 388,422</u>

By far the largest portion of the District's net assets (80%) reflects its net capital assets (e.g., land, buildings and improvements, equipment, etc.). The District uses its capital assets to provide the services it is responsible for and those assets don't represent future expendable resources. The second largest portion of the District's net assets, approximately 20%, reflects its unrestricted net assets, which may be used to meet the government's ongoing obligations.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Management's Discussion and Analysis

June 30, 2010

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

The following table displays the change in the District's net assets for the year ended June 30, 2010.

Town of Discovery Bay Community Services District Change in Net Assets

	Governmental Activities		Business-type Activities		Total	
	2010	2009	2010	2009	2010	2009
Revenues						
Program revenues						
Charges for services	\$ -	\$ -	\$ 4,732,243	\$ 4,469,286	\$ 4,732,243	\$ 4,469,286
Capital grants and contributions	2,552	1,814	-	-	2,552	1,814
General revenues						
Property taxes	450,302	576,485	-	-	450,302	576,485
Assessments	82,418	87,493	-	-	82,418	87,493
Investment earnings	1,751	9,683	10,778	35,918	12,529	45,601
Capacity fees	-	-	6,172	-	6,172	-
Miscellaneous	-	4,988	32,075	5,042	32,075	10,030
Total revenues	<u>537,023</u>	<u>680,463</u>	<u>4,781,268</u>	<u>4,510,246</u>	<u>5,318,291</u>	<u>5,190,709</u>
Expenses						
Community center	7,894	1,592	-	-	7,894	1,592
Lighting and landscaping						
Zone 8	455,996	358,985	-	-	455,996	358,985
Lighting and landscaping						
Zone 9	53,533	11,909	-	-	53,533	11,909
Water and sewer	-	-	5,051,168	4,735,253	5,051,168	4,735,253
Total expenses	<u>517,423</u>	<u>372,486</u>	<u>5,051,168</u>	<u>4,735,253</u>	<u>5,568,591</u>	<u>5,107,739</u>
Transfers	-	-	-	-	-	-
Change in net assets	19,600	307,977	(269,900)	(225,007)	(250,300)	82,970
Contributed capital	100,222	57,861	538,500	16,063,913	638,722	16,121,774
Net assets, beginning of year	<u>3,552,887</u>	<u>3,187,049</u>	<u>38,926,513</u>	<u>23,087,607</u>	<u>42,479,400</u>	<u>26,274,656</u>
Net assets, end of year	<u>\$ 3,672,709</u>	<u>\$ 3,552,887</u>	<u>\$39,195,113</u>	<u>\$38,926,513</u>	<u>\$42,867,822</u>	<u>\$42,479,400</u>

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Management's Discussion and Analysis

June 30, 2010

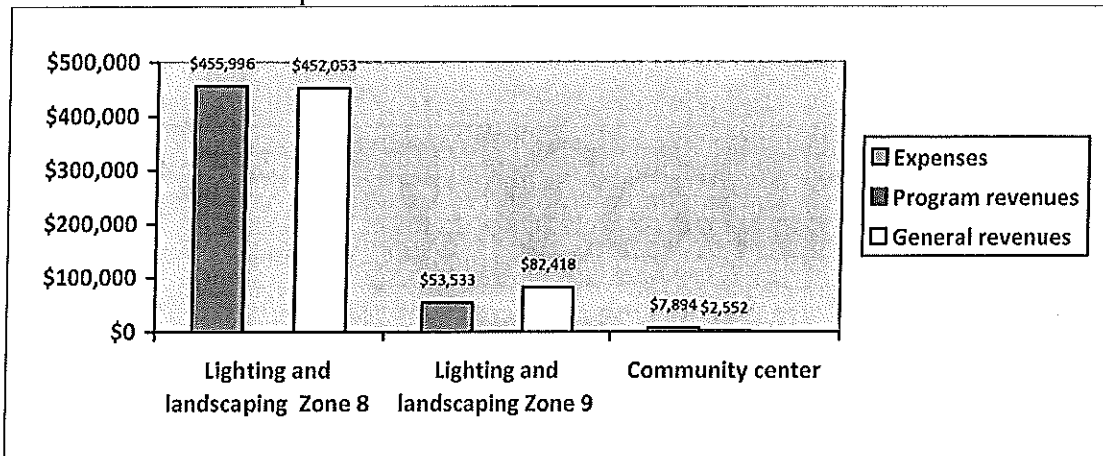
Financial Analysis of the Government-wide Financial Statements (Continued)

The \$250,300 decrease in net assets is attributed to each function as follows:

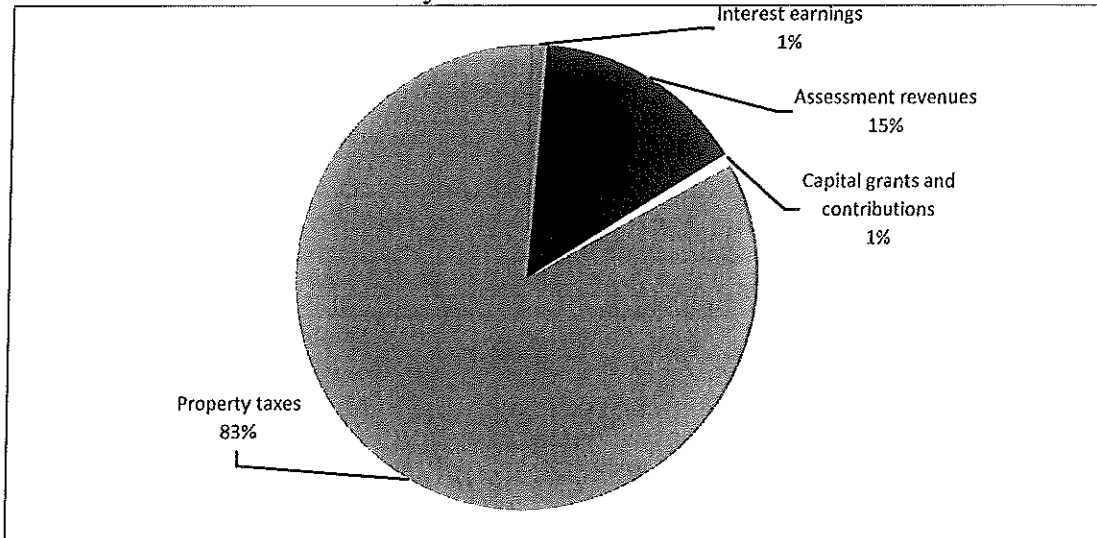
Governmental Activities

- Property tax revenue decreased by \$126,183 due to a decrease in current secured property taxes.
- Investment revenue decreased by \$7,932 due to the significant decline in interest rates during fiscal year 2010.
- Costs for repairs and maintenance increased \$75,353 (47%). Costs for salaries increased \$34,845 (263%).

Expenses and Revenues – Governmental Activities



Revenues by Source – Governmental Activities



(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Management's Discussion and Analysis

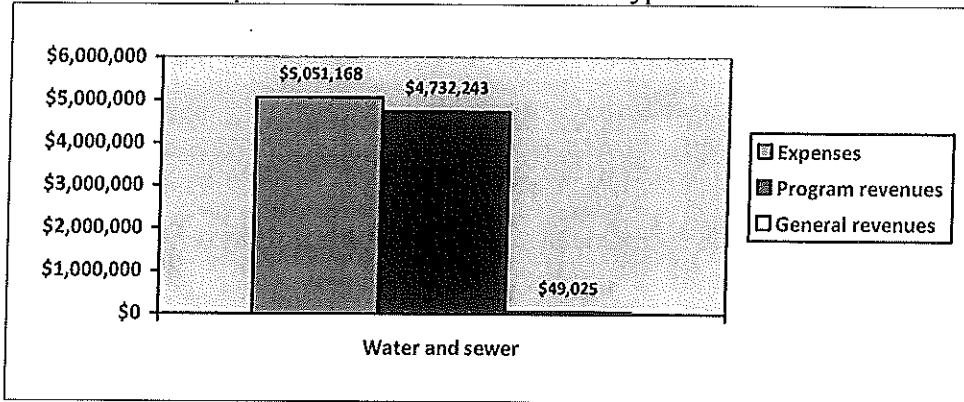
June 30, 2010

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

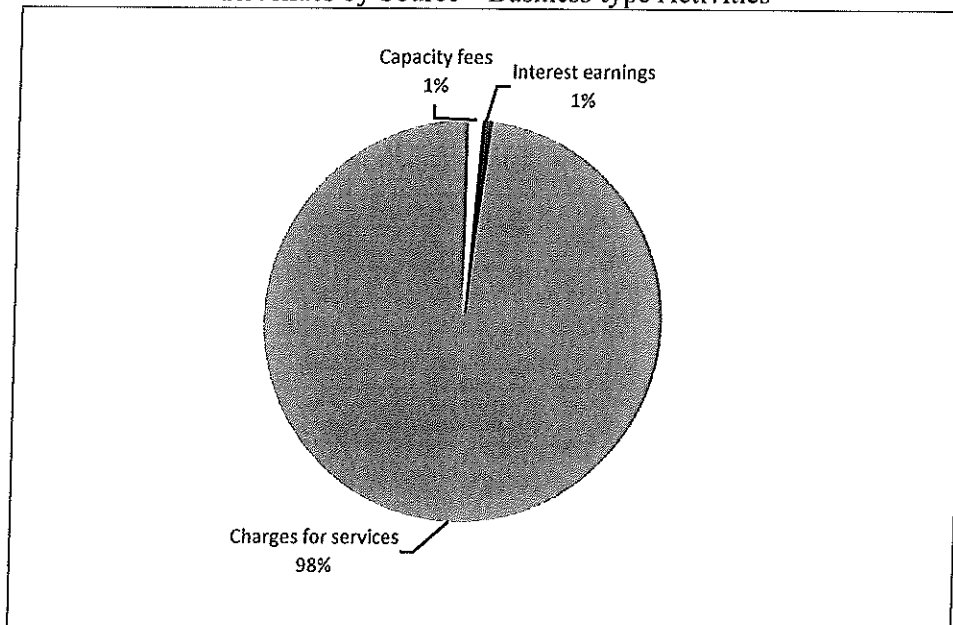
Business-type Activities

- Revenues from investment earnings decreased \$25,140 (70%) due to a decrease in interest rates during fiscal year 2010.
- Revenues from water and sewer usage charges increased \$438,167 (10%).
- Expenses increased \$315,914 (7%) primarily due to higher depreciation, contract services, and payroll costs.

Expenses and Revenues – Business-type Activities



Revenues by Source – Business-type Activities



TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Management's Discussion and Analysis

June 30, 2010

Financial Analysis of the District's Funds

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

Governmental Funds

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

As of the end of the current fiscal year, the District's combined governmental fund expenditures exceeded revenues by \$97,469 primarily due to increased expenditures. This resulted in a \$97,469 decrease in the combined ending fund balance of the District's governmental funds. The fund balance of the Lighting and landscaping Zone 8 fund decreased by \$100,654, the fund balance of the Lighting and landscaping Zone 9 fund increased by \$8,379, and the fund balance of the community center fund decreased by \$5,194. At year-end, the combined fund balance of governmental funds was \$2,507,938, consisting of unreserved funds, which is available for spending at the government's discretion.

Proprietary Funds

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

The net assets of the proprietary funds increased by \$268,600 from \$38,926,513 to \$39,195,113. The net assets included \$5,813,825 in unrestricted net assets which has decreased by \$536,695 or 8% from the previous year. The decrease in unrestricted net assets is primarily due to an increase in operating expenses.

Capital Asset and Debt Administration

Capital Assets

At the end of fiscal year 2010, the District's investment in capital assets amounted to \$34,500,391 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, equipment, vehicles, structures and improvements, and treatment and collection.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Management's Discussion and Analysis

June 30, 2010

Capital Asset and Debt Administration (Continued)

The District's total investment in capital assets before depreciation increased by \$2,066,157 from \$38,192,132 to \$40,258,289. Significant additions to capital assets included:

- Well and pump station #6 (\$723,023)
- UV water purification system and bypass pipeline (\$590,824)
- Golf course valve station (\$538,500)

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

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

	Governmental Activities		Business-type Activities		Total	
	2010	2009	2010	2009	2010	2009
Land	\$ 258,083	\$ 100,000	\$ 267,000	\$ 267,000	\$ 525,083	\$ 367,000
Buildings and improvements	1,392,409	1,450,270	258,370	257,150	1,650,779	1,707,420
Treatment and collection	-	-	28,684,047	28,626,402	28,684,047	28,626,402
Structure and improvements	-	-	6,689,926	6,151,426	6,689,926	6,151,426
Equipment	23,342	17,302	804,070	781,681	827,412	798,983
Office furniture and equipment	4,309	4,309	-	-	4,309	4,309
Vehicles	16,586	16,586	356,928	356,928	373,514	373,514
Construction in progress	32,269	5,976	1,470,948	157,101	1,503,217	163,077
Total	1,726,998	1,594,443	38,531,289	36,597,688	40,258,287	38,192,131
Less accumulated depreciation	(607,895)	(546,741)	(5,150,001)	(4,021,695)	(5,757,896)	(4,568,436)
Net capital assets	\$ 1,119,103	\$ 1,047,702	\$33,381,288	\$32,575,993	\$34,500,391	\$33,623,695

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

Economic Factors and Next Year's Budgets and Rates

During August 2010, in accordance with Proposition 218, the District approved an increase in rates for water and wastewater service charges of 9% effective July 1, 2010. During August 2010, the District approved the same established rate for Ravenswood Improvement District (L & L #9) for the fiscal year 2010-2011.

Residential development will continue, but at a much slower pace compared with the past several years, resulting in revenues from water and wastewater capacity fees that are lower than recent years.

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Management's Discussion and Analysis

June 30, 2010

Contacting the District's Financial Management

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

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Statement of Net Assets

June 30, 2010

	<u>Governmental activities</u>	<u>Business-type activities</u>	<u>Total</u>
Assets			
Cash and investments	\$ 2,569,098	\$ 5,948,789	\$ 8,517,887
Accounts receivable, net of allowance for doubtful accounts	-	244,752	244,752
Note receivable	45,668	-	45,668
Advances on taxes	695	832	1,527
Due from other funds	2,711	51,613	54,324
Inventory	13,161	-	13,161
Prepaid insurance	5,292	47,626	52,918
Capital assets, net of accumulated depreciation	<u>1,119,103</u>	<u>33,381,288</u>	<u>34,500,391</u>
Total assets	<u>3,755,728</u>	<u>39,674,900</u>	<u>43,430,628</u>
Liabilities			
Accounts payable	69,872	437,165	507,037
Accrued payroll	3,903	25,570	29,473
Deferred revenue	-	17,052	17,052
Due to other funds	<u>9,244</u>	<u>-</u>	<u>9,244</u>
Total liabilities	<u>83,019</u>	<u>479,787</u>	<u>562,806</u>
Net Assets			
Invested in capital assets, net of related debt	1,119,103	33,381,288	34,500,391
Unrestricted	<u>2,553,606</u>	<u>5,813,825</u>	<u>8,367,431</u>
Total net assets	<u>\$ 3,672,709</u>	<u>\$ 39,195,113</u>	<u>\$ 42,867,822</u>

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

STATEMENT OF ACTIVITIES

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Statement of Activities

For the year ended June 30, 2010

		Program revenues		
	Expenses	Charges for services	Operating grants and contributions	Capital grants and contributions
Governmental activities				
General government	\$ -	\$ -	\$ -	\$ -
Community center	7,894	-	-	2,552
Lighting and landscaping Zone 8	455,996	-	-	-
Lighting and landscaping Zone 9	<u>53,533</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total governmental activities	<u>517,423</u>	<u>-</u>	<u>-</u>	<u>2,552</u>
Business-type activities				
Water and sewer	<u>5,051,168</u>	<u>4,732,243</u>	<u>-</u>	<u>-</u>
Total business-type activities	<u>5,051,168</u>	<u>4,732,243</u>	<u>-</u>	<u>-</u>
Total government	<u>\$ 5,568,591</u>	<u>\$ 4,732,243</u>	<u>\$ -</u>	<u>\$ 2,552</u>

General revenues

 Taxes

 Property taxes

 Homeowners property tax relief

 Other

 Assessments

 Investment income

 Capacity fees

 Other income

Total general revenues

Change in net assets

Contributed capital

Net assets, beginning of year

Net assets, end of year

Net (expense) revenue and changes in net assets

<u>Governmental activities</u>	<u>Business-type activities</u>	<u>Totals</u>
\$ -	\$ -	\$ -
(5,342)	-	(5,342)
(455,996)	-	(455,996)
<u>(53,533)</u>	<u>-</u>	<u>(53,533)</u>
<u>(514,871)</u>	<u>-</u>	<u>(514,871)</u>
<u>-</u>	<u>(318,925)</u>	<u>(318,925)</u>
<u>-</u>	<u>(318,925)</u>	<u>(318,925)</u>
<u>(514,871)</u>	<u>(318,925)</u>	<u>(833,796)</u>
445,523	-	445,523
4,757	-	4,757
22	-	22
82,418	-	82,418
1,751	10,778	12,529
-	6,172	6,172
<u>-</u>	<u>32,075</u>	<u>32,075</u>
<u>534,471</u>	<u>49,025</u>	<u>583,496</u>
19,600	(269,900)	(250,300)
100,222	538,500	638,722
<u>3,552,887</u>	<u>38,926,513</u>	<u>42,479,400</u>
<u>\$ 3,672,709</u>	<u>\$ 39,195,113</u>	<u>\$ 42,867,822</u>

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

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

**Balance Sheet
Governmental Funds**

June 30, 2010

	General fund	Community center	Special revenue funds		Total governmental funds
			Lighting and landscaping Zone 8	Lighting and landscaping Zone 9	
Assets					
Cash and investments	\$ -	\$ 531,261	\$ 1,753,945	\$ 283,892	\$ 2,569,098
Advances on taxes	-	-	695	-	695
Inventory	-	13,160	-	-	13,160
Prepaid insurance	-	-	5,292	-	5,292
Due from other funds	-	-	2,711	-	2,711
	-	-	2,711	-	2,711
Total assets	\$ -	\$ 544,421	\$ 1,762,643	\$ 283,892	\$ 2,590,956
Liabilities and Fund Balance					
Liabilities					
Accounts payable	\$ -	\$ -	\$ 45,905	\$ 23,966	\$ 69,871
Accrued payroll	-	-	3,903	-	3,903
Due to other funds	-	-	334	8,910	9,244
Total liabilities	-	-	50,142	32,876	83,018
Fund balances					
Unreserved, undesignated	-	544,421	1,712,501	251,016	2,507,938
Total fund balances	-	544,421	1,712,501	251,016	2,507,938
Total liabilities and fund balances	\$ -	\$ 544,421	\$ 1,762,643	\$ 283,892	\$ 2,590,956

Reconciliation to statement of net assets

Total governmental fund balances	2,507,938
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Amounts reported for governmental activities in the statement of net assets are different because:

Notes receivable in governmental funds are not available to pay for current period expenditures	45,668
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	1,119,103
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Net assets of governmental activities	\$ 3,672,709
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The accompanying notes are an integral part of this financial statement.

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

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

For the year ended June 30, 2010

	General fund	Community center	Special revenue funds		Total governmental funds
			Lighting and landscaping Zone 8	Lighting and landscaping Zone 9	
Revenues					
Property taxes	\$ -	\$ -	\$ 399,855	\$ -	\$ 399,855
Assessment income	-	-	-	82,418	82,418
Investment income	-	148	1,604	-	1,752
Homeowners property tax relief	-	-	4,757	-	4,757
Other	-	-	22	-	22
Contributions	-	2,552	-	-	2,552
Total revenues	-	2,700	406,238	82,418	491,356
Expenditures					
Repairs and maintenance	-	-	204,133	32,966	237,099
Utilities	-	-	96,844	5,666	102,510
Administration	-	-	53,194	-	53,194
Other	-	7,700	17,539	2,711	27,950
Professional fees	-	194	23,132	12,191	35,517
Capital outlay	-	-	112,050	20,505	132,555
Total expenditures	-	7,894	506,892	74,039	588,825
Excess (deficiency) of revenues over expenditures	-	(5,194)	(100,654)	8,379	(97,469)
Net change in fund balances	-	(5,194)	(100,654)	8,379	(97,469)
Fund balances, beginning of year	-	549,615	1,712,933	242,637	2,505,185
Contributed capital	-	-	100,222	-	100,222
Fund balances, end of year	\$ -	\$ 544,421	\$ 1,712,501	\$ 251,016	\$ 2,507,938

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

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

For the year ended June 30, 2010

Reconciliation to statement of activities

Net change in fund balances – governmental funds	\$ (97,469)
Amounts reported for governmental activities in the statement of net assets are different because of the following:	
Depreciation expense related to capital assets is recognized in the statement of activities, but is not reported in the funds	(61,154)
Governmental funds report capital outlays as expenditures while governmental activities record depreciation expense to allocate those expenditures over the life of the assets	132,555
The issuance of notes receivable are recorded as an expenditure in the governmental funds and increases notes receivable in the statement of net assets	<u>45,668</u>
Change in net assets of governmental activities	<u>\$ 19,600</u>

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

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

**Statement of Net Assets
Proprietary Fund**

June 30, 2010

	<u>Water and sewer fund</u>
Assets	
Current assets	
Cash and investments	\$ 5,948,789
Accounts receivable, net of allowance for doubtful accounts of \$36,905	244,752
Advances on taxes	832
Due from other funds	51,613
Prepaid insurance	<u>47,626</u>
Total current assets	<u>6,293,612</u>
Capital assets, net of accumulated depreciation	<u>33,381,288</u>
Total assets	<u>39,674,900</u>
Liabilities and Net Assets	
Current liabilities (payable from current assets)	
Accounts payable	437,165
Accrued payroll	25,570
Deferred revenue	<u>17,052</u>
Total current liabilities	<u>479,787</u>
Total liabilities	<u>479,787</u>
Net Assets	
Invested in capital assets, net of related debt	33,381,288
Unrestricted	
Board designated	3,000,000
Undesignated	<u>2,813,825</u>
Total net assets	<u>\$ 39,195,113</u>

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

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

**Statement of Revenues, Expenses and Change in Net Assets
Proprietary Fund**

June 30, 2010

	<u>Water and sewer fund</u>
Operating revenues	
Charges for services	\$ 4,638,830
Reimbursements	91,693
Other	25,007
Capacity fees	6,172
Connection fees	<u>1,720</u>
Total operating revenues	<u>4,763,422</u>
Operating expenses	
Contract services	1,610,228
Depreciation	1,135,605
Utilities	699,538
Repairs and maintenance	676,345
Payroll	437,033
Miscellaneous	142,693
Professional fees	115,904
Insurance	54,877
Permits and fees	45,181
Chemicals	32,328
Memberships	28,073
Supplies	17,730
Telephone and communications	17,457
Public communication	15,718
Directors' expenses	13,812
Taxes and assessments	5,152
Staff training	<u>1,016</u>
Total operating expenses	<u>5,048,690</u>
Operating loss	<u>(285,268)</u>
Nonoperating revenues (expenses)	
Bad debt expense	(2,478)
Interest income	10,778
Gain on disposition of asset	<u>7,068</u>
Total nonoperating revenues (expenses)	<u>15,368</u>
Change in net assets	(269,900)
Net assets, beginning of year	38,926,513
Contributed capital	<u>538,500</u>
Net assets, end of year	<u>\$ 39,195,113</u>

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

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

**Statement of Cash Flows
Proprietary Fund**

June 30, 2010

	<u>Water and sewer fund</u>
Cash flows from operating activities	
Receipts from customers	\$ 4,711,343
Payments to suppliers for goods and services	(3,416,675)
Payments to directors and employees	(439,307)
Payments to other funds for services	<u>(53,005)</u>
Net cash provided by operating activities	<u>802,356</u>
Cash flows from capital and related financing activities	
Acquisition of capital assets	(1,415,468)
Proceeds on disposition of asset	<u>20,136</u>
Net cash used in capital and related financing activities	<u>(1,395,332)</u>
Cash flows from investing activities	
Interest income	<u>10,778</u>
Net cash provided by investing activities	<u>10,778</u>
Net decrease in cash and cash equivalents	(582,198)
Cash and cash equivalents, beginning of year	<u>6,530,987</u>
Cash and cash equivalents, end of year	<u>\$ 5,948,789</u>
Reconciliation of operating loss to net cash provided by operating activities	
Operating loss	\$ (285,268)
Adjustments to reconcile operating loss to net cash provided by operating activities	
Depreciation	1,135,605
Change in assets and liabilities	
Accounts receivable	(52,143)
Prepaid expenses	(47,626)
Due from other funds	(51,613)
Accounts payable	93,191
Accrued payroll	11,538
Deferred revenue	64
Due to other funds	<u>(1,392)</u>
Net cash provided by operating activities	<u>\$ 802,356</u>

Noncash investing, capital and financing activities:

The Water and Sewer Fund received \$538,500 noncash capital contributions from developers consisting of water and sewer infrastructure.

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

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Financial Statements

June 30, 2010

Note A – Summary of Significant Accounting Policies

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

Description of the reporting entity

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

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

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

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

Government-wide financial statements

The Statement of Net Assets and Statement of Activities display information about the reporting government as a whole. These statements include the financial activities of the overall District government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Financial Statements

June 30, 2010

Note A – Summary of Significant Accounting Policies (Continued)

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

Fund financial statements

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

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

The funds of the financial reporting entity are described below:

Governmental Funds

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

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Financial Statements

June 30, 2010

Note A – Summary of Significant Accounting Policies (Continued)

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

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

Proprietary Funds

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

<u>Fund</u>	<u>Brief description</u>
Water and Sewer Fund	Accounts for the activities of providing water and wastewater services to the residents of the District. All activities necessary to provide such services are accounted for in this fund, including administration, operations, capital improvements, maintenance, financing and related debt service, and billing and collection.

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

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Financial Statements

June 30, 2010

Note A – Summary of Significant Accounting Policies (Continued)

Measurement focus

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

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

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

Basis of accounting

In the government-wide Statement of Net Assets and Statement of Activities both governmental and business-like activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.”

Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent that they have matured.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Financial Statements

June 30, 2010

Note A – Summary of Significant Accounting Policies (Continued)

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

Cash, cash equivalents and investments

For the purpose of financial reporting “cash and cash equivalents” includes all demand and savings accounts and certificates of deposit or short-term investments with an original maturity of three months or less. This also includes short term commercial paper and U.S. Agency bonds.

Investments are stated at cost, which approximates fair value.

Accounts receivable

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

Inventory

Inventory held in the special revenue fund is carried at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Capital assets

All capital assets are valued at historical cost or estimated historical cost. The District’s policy is to capitalize all assets with costs exceeding certain minimum thresholds and with useful lives exceeding two years.

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

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

Structures and improvements	5-50 years
Equipment	5-25 years
Vehicles	5 years

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Financial Statements

June 30, 2010

Note A – Summary of Significant Accounting Policies (Continued)

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

Equity classification

Equity in the government-wide statements is classified as net assets and displayed in three components as follows:

- a. Invested in capital assets, net of related debt – Consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

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

Governmental fund equity in the fund financial statements is classified as fund balance. Proprietary fund equity is classified the same as in the government-wide statement.

Internal and Interfund Balances and Activities

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

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

1. Interfund loans – Amounts provided with a requirement for repayment are reported as interfund receivables and payables.
2. Interfund services – Sales or purchases of goods and services between funds are reported as revenues and expenditures/expenses.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Financial Statements

June 30, 2010

Note A – Summary of Significant Accounting Policies (Continued)

3. Interfund reimbursements – Repayments from funds responsible for certain expenditures/expenses to the funds that initially paid for them are not reported as reimbursements but as adjustments to expenditures/expenses in the respective funds.
4. Interfund transfers – Flow of assets from one fund to another where repayment is not expected are reported as transfers in and out.

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

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

Property taxes

Property taxes and property assessments were levied January 1, 2009, assessed July 1, 2009 and were payable in two installments on December 10, 2009 and April 10, 2010. The County of Contra Costa bills and collects property taxes on behalf of the District.

Contributed capital

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

The District has received \$18,757,813 of noncash capital contributions from developers consisting of water and sewer infrastructure. This includes \$538,500 received during the fiscal year ended June 30, 2010.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Financial Statements

June 30, 2010

Note A – Summary of Significant Accounting Policies (Continued)

Estimates

The preparation of the basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Budgetary accounting

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

Long-lived assets

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

New accounting pronouncements

In February 2009, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement establishes accounting and financial reporting standards for all governments that report governmental funds. In addition, it establishes the criteria for classifying fund balances into specifically defined classifications and clarifies definitions for governmental fund types. The District will be required to implement the provisions of this Statement for the year ending June 30, 2011. This Statement will not have a material impact on the financial statements.

Note B – Cash and Investments

Cash and investments as of June 30, 2010 are classified in the accompanying financial statements as follows:

Statement of net assets:	
Cash and investments	\$ 8,517,887
Total cash and investments	\$ 8,517,887

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Financial Statements

June 30, 2010

Note B – Cash and Investments (Continued)

Cash and investments as of June 30, 2010 consist of the following:

Deposits with financial institutions	\$ 564,957
Contra Costa County Treasurer	3,940,367
Investments	4,012,563
	\$ 8,517,887

<u>Investment Type</u>	<u>Carrying value</u>	<u>Fair value</u>
U.S. Agencies – Bonds	\$ 4,006,000	\$ 4,006,000
Certificate of Deposit	6,563	6,563
	\$ 4,012,563	\$ 4,012,563

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

The Government Code and the District's Investment Policy allow investments in the following instruments:

<u>Investment Type</u>	<u>Maximum Maturity</u>	<u>Authorized Limit%</u>	<u>Required Rating</u>
Local Agency Bonds	N/A	None	None
U.S. Treasury Bills, Notes or Bonds	N/A	None	None
State Registered Warrants, Notes, or Bonds	N/A	None	None
Notes and bonds of other Local California Agencies including pooled investment accounts	N/A	None	None
U.S. Agencies	N/A	None	None
Bankers Acceptances	270 days	40%	None
Prime Commercial Paper	180 days	15% or 30%	A1/P1
Negotiable Certificates of Deposit	N/A	30%	None
Repurchase and Reverse Repurchase Agreements	N/A	None/20%	None

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Financial Statements

June 30, 2010

Note B – Cash and Investments (Continued)

<u>Investment Type</u>	<u>Maximum Maturity</u>	<u>Authorized Limit%</u>	<u>Required Rating</u>
Medium Term Corporate Notes	5 years	30%	A
Money Market Mutual Funds	N/A	15%	2-AAA
Collateralized Bank Deposits	N/A	None	None
Mortgage Pass-Through Securities	5 years	30%	AA
Funds held under the Terms of a Trust Indenture or other contract	*	*	*

*Such funds may be invested according to the provisions of those indentures or agreements.

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the District manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities as necessary to provide the cash flow and liquidity needed for operations.

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

<u>Investment Type</u>	<u>Totals</u>	<u>12 months or less</u>	<u>13 – 24 months</u>	<u>25-36 months</u>	<u>37 – 48 months</u>	<u>49 – 60 months</u>	<u>More than 60 months</u>
U.S. Agencies – Bonds	\$ 4,006,000	\$ 4,006,000	\$ -	\$ -	\$ -	\$ -	\$ -
Certificate of Deposit	<u>6,563</u>	<u>6,563</u>	-	-	-	-	-
Total	<u>\$ 4,012,563</u>	<u>\$ 4,012,563</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the District's investment policy, or debt agreements, and the actual rating as of fiscal year end for each investment type.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Financial Statements

June 30, 2010

Note B – Cash and Investments (Continued)

<u>Investment Type</u>	<u>Amount</u>	<u>Minimum Legal Rating</u>	<u>Exempt From Disclosure</u>	<u>Rating as of Fiscal Year End</u>				<u>As of Investment</u>
				<u>AAA</u>	<u>AA</u>	<u>A</u>	<u>Not Rated</u>	
U.S. Agencies – Bonds	\$4,006,000	N/A	\$ -	\$4,006,000	\$ -	\$ -	\$ -	99%
Certificate of Deposit	<u>6,563</u>	<u>N/A</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,563</u>	<u>1%</u>
Total	<u>\$4,012,563</u>	<u>N/A</u>	<u>\$ -</u>	<u>\$4,006,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,563</u>	<u>100%</u>

Concentration of Credit Risk

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

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposit or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits. The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the government unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

Deposits with financial institutions and Contra Costa County Treasurer

Cash on deposit in commercial accounts is insured by the FDIC. Cash held by the Contra-Costa County Treasury is pooled with other County deposits for investment purposes by the County Treasurer in accordance with the investment policy of the County Treasurer (see County Treasurer's investment policy at <http://www.co.contra-costa.ca.us/>). The Pool has established a treasury oversight committee to monitor and review the management of public funds maintained in the Pool.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Financial Statements

June 30, 2010

Note B – Cash and Investments (Continued)

Participants' equity in the investment pool is determined by the dollar amount of the participant deposits, adjusted for withdrawals and distributed investment income. Investment income is prorated to individual funds based on their average daily cash balances. The value of the District shares in the Pool, which may be withdrawn, is determined on an amortized cost basis, which is different than the fair value of the District's position in the Pool. The District's investment in the Pool is unrated, stated at cost which approximates fair value, available upon demand and considered cash equivalents.

Note C – Note Receivable

Under the provisions of Proposition 1A and as part of the 2009-10 budget package passed by the California state legislature on July 28, 2009, the State of California borrowed 8% of the amount of property tax revenue, including those property taxes associated with the in-lieu motor vehicle license fee, the triple flip in lieu sales tax, and supplemental property tax, apportioned to cities, counties and special districts (excluding redevelopment agencies). The state is required to repay this borrowing plus interest by June 30, 2013. After repayment of this initial borrowing, the California legislature may consider only one additional borrowing within a ten-year period. The amount of this borrowing pertaining to Town of Discovery Bay Community Services District was \$45,668.

This borrowing by the State of California was recognized as a receivable in the accompanying financial statements. Under the modified accrual basis of accounting, the borrowed tax revenues are not permitted to be recognized as revenue in the governmental fund financial statements until the tax revenues are received from the State of California (expected to be fiscal year 2012-2013). In the government-wide financial statements, the tax revenues were recognized in the fiscal year for which they were levied (fiscal year 2009-10).

Note D – Interfund Transactions

Interfund transactions consist of the following:

Transfers between funds

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

Transfers between funds during the year ended June 30, 2010 were as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Major Governmental Funds		
Community Center	\$ -	\$ -
Lighting and landscaping Zone 8 Fund	45,414	2,711
Lighting and landscaping Zone 9 Fund	8,910	-

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Financial Statements

June 30, 2010

Note D – Interfund Transactions (Continued)

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Major Proprietary Fund		
Water and Sewer Fund	-	51,613
Total interfund transfers	\$ 54,324	\$ 54,324

In general, the District uses interfund transfers to:

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

The effect of the interfund activity has not been eliminated from the government-wide financial statements as the amounts relate to transfers between governmental and business-type activities. The transfers have resulted from deposits made by Contra Costa County into the Sewer and Water Fund for revenues of the Community Center Special Revenue Fund.

Note E – Capital Assets

Capital asset activity for the year ended June 30, 2010, is as follows:

	<u>Balance</u> <u>June 30, 2009</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	<u>Balance</u> <u>June 30, 2010</u>
Governmental activities					
Nondepreciable capital assets					
Land	\$ 100,000	\$ 100,222	\$ -	\$ 57,861	\$ 258,083
Construction in progress	5,976	26,293	-	-	32,269
Total nondepreciable capital assets	105,976	126,515	-	57,861	290,352

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Financial Statements

June 30, 2010

Note E – Capital Assets (Continued)

	Balance <u>June 30, 2009</u>	Additions	Deletions	Transfers	Balance <u>June 30, 2010</u>
Depreciable capital assets					
Equipment	17,302	6,040	-	-	23,342
Buildings and improvements	1,450,270	-	-	(57,861)	1,392,409
Office furniture and equipment	4,309	-	-	-	4,309
Vehicles	<u>16,586</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,586</u>
Total depreciable capital assets	1,488,467	6,040	-	(57,861)	1,436,646
Less accumulated depreciation	<u>(546,741)</u>	<u>(61,154)</u>	<u>-</u>	<u>-</u>	<u>(607,895)</u>
Net depreciable capital assets	<u>941,726</u>	<u>(55,114)</u>	<u>-</u>	<u>(57,861)</u>	<u>828,751</u>
Net capital assets	<u>\$ 1,047,702</u>	<u>\$ 71,401</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,119,103</u>
Business-type activities					
Nondepreciable capital assets					
Land	\$ 267,000	\$ -	\$ -	\$ -	\$ 267,000
Construction in progress	<u>157,101</u>	<u>1,313,847</u>	<u>-</u>	<u>-</u>	<u>1,470,948</u>
Total nondepreciable capital assets	<u>424,101</u>	<u>1,313,847</u>	<u>-</u>	<u>-</u>	<u>1,737,948</u>
Depreciable capital assets					
Buildings and improvements	257,150	1,220	-	-	258,370
Treatment and collection	28,626,402	57,645	-	-	28,684,047
Structures and improvements	6,151,426	538,500	-	-	6,689,926
Equipment	781,681	42,756	(20,367)	-	804,070
Vehicles	<u>356,928</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>356,928</u>
Total depreciable capital assets	36,173,587	640,121	(20,367)	-	36,793,341
Less accumulated depreciation	<u>(4,021,695)</u>	<u>(1,135,605)</u>	<u>7,299</u>	<u>-</u>	<u>(5,150,001)</u>
Net depreciable capital assets	<u>32,151,892</u>	<u>(495,484)</u>	<u>(13,068)</u>	<u>-</u>	<u>31,643,340</u>
Net capital assets	<u>\$ 32,575,993</u>	<u>\$ 818,363</u>	<u>\$ (13,068)</u>	<u>\$ -</u>	<u>\$ 33,381,288</u>

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Financial Statements

June 30, 2010

Note E -- Capital Assets (Continued)

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

Governmental activities:	
Lighting and landscaping Zone 8	\$ <u>61,154</u>
Total depreciation expense – Governmental activities	\$ <u>61,154</u>
Business-type activities:	
Water and sewer	\$ <u>1,135,605</u>
Total depreciation expense – Business-type activities	\$ <u>1,135,605</u>

Note F – Joint Venture (Joint Powers Agreement)

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; risk of loss to employees; and natural disasters.

In order to insure for risks of loss, the District participates in a joint venture under a joint powers agreement with the Special Districts Risk Management Authority (SDRMA). The relationship between the District and the SDRMA is such that the SDRMA is not a component unit of the District for financial reporting purposes.

The SDRMA arranges for and provides property, liability and worker’s compensation coverage for its member districts. The Town of Discovery Bay Community Services District participates in all programs.

Each member district pays a premium commensurate with the level of coverage requested and shares surpluses and deficits proportionate to their participation in the SDRMA. The District’s share of surpluses and deficits cannot be determined, although District management does not expect such amounts, if any, to be material in relation to the financial statements.

The District is covered by the following types of insurance through the SDRMA as of June 30, 2010:

<u>Coverage</u>	<u>Limits of liability</u>
General liability	\$ 5,000,000
Public officials and employees errors	5,000,000
Personal liability coverage for board members	500,000
Employment practices liability	5,000,000
Employee benefits liability	5,000,000
Employee dishonesty coverage	400,000
Auto liability	5,000,000
Uninsured/underinsured motorists	750,000
Property coverage	1,000,000,000
Boiler and machinery	100,000,000
Statutory workers’ compensation	Statutory

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Financial Statements

June 30, 2010

Note G – Governing Board

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

As of June 30, 2010, the members of the District's Board of Directors were as follows:

<u>Trustee</u>	<u>Term expires</u>
Kevin Graves	December 2010
Mark Simon	December 2012
Brian Dawson	December 2010
David Piepho	December 2010
Ray Tetreault	December 2012

Note H – Contingencies and Commitments

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