



FINANCE ADVISORY COMMITTEE MEETING

Monday, January 6, 2020 at 5:30 p.m.
Los Osos Community Services District Office
2122 9th Street, Suite 106, Los Osos, CA

COMMITTEE MEMBERS

Marshall Ochylski, Chairperson
Christine Womack, Vice Chairperson
Sandra Cirilo, Member
Lisa Gonzalez, Member
Cheri Grimm, Member
Bea Jansen, Member
Alyce Thorp, Member

STAFF

Ron Munds, General Manager
Laura Durban, Administrative Services Manager

AGENDA

1. **Opening at 5:30 p.m. – Call To Order; Flag Salute; and Roll Call**
2. **Approve FAC Meeting Minutes of December 9, 2019
(Recommend approval)**
Presented By: Administrative Services Manager Durban
3. **Review of Board Item Regarding Approval of Warrant Register for December 2019
(Committee Review and Recommendations to the Board)**
Presented By: Administrative Services Manager Durban
4. **Review of Board Item Regarding Financial Reports for the Period Ending November 30, 2019
(Committee Review and Recommendations to the Board)**
Presented By: General Manager Munds
5. **Review of Board Item to Receive and File the District's Fiscal Year 2018-2019 Financial Audit
(Committee Review and Recommendations to the Board)**
Presented By: General Manager Munds
6. **Public Comments on Items NOT on this Agenda:** At this time, the public may comment on items not on this agenda. Each commenter is limited to 3 minutes and shall address the Chairperson.
7. **Schedule Next FAC Meeting – Monday, February 3, 2020 at 5:30 p.m. unless otherwise noted**
8. **Closing Comments by FAC Committee Members**
9. **Adjournment**

**DRAFT Los Osos Community Services District
Minutes of the Finance Advisory Committee Meeting
December 9, 2019 at 5:30 p.m. at the District Office**

AGENDA ITEM	DISCUSSION	FOLLOW-UP
<p>1. Call to Order, Flag Salute and Roll Call</p>	<p>Chairperson Ochylski called the meeting to order at 5:30 p.m. and Committee Member Grimm lead the flag salute.</p> <p><u>Roll Call:</u></p> <p>Sandra Cirilo, Committee Member – Present Lisa Gonzalez, Committee Member – Present Cheri Grimm, Committee Member – Present Bea Jansen, Committee Member – Absent Alyce Thorp, Committee Member – Absent Christine Womack, Vice Chairperson – Present Marshall Ochylski, Chairperson – Present</p> <p><u>Staff:</u> Ron Munds, General Manager Laura Durban, Administrative Services Manager</p>	
<p>2. Review of Board Item Regarding Draft Fiscal Year 2018-2019 Audit</p>	<p>General Manager Munds introduced the Draft Audit to the Finance Advisory Committee and C.P.A. Adam Guise a Partner at Moss, Levy and Hartzheim LLP to present the Draft Audit for 2018-2019 to the FAC Committee.</p> <p>C.P.A. Guise gave an overview of the Draft Audit highlighting the Opinion Letter, Management Discussion and Analysis, Statement of Net Position, Reconciliation Statements, Special Item for Elimination of Debt, Capital Assets, the procedure for collecting information for the Audit, Pension Liability, and Summary of Retiree Health Plan.</p> <p>Committee Member Cirillo inquired about the Pension Plan and if the District relies on CalPERS solely.</p> <p>C.P.A. Guise responded that the amounts from CalPERS are fully audited numbers and that the District relies on the actuarial CalPERS numbers.</p> <p>Committee Member Cirillo inquired about the internal reports.</p> <p>Committee Member Gonzalez inquired if the items from last year had been cleaned up; if the District has any outstanding Pension or if the Pension is being paid on a timely basis.</p> <p>C.P.A Guise commented that there were two recommendations that needed checks and balance in place; that the items from the previous year had been cleaned up; that there is no outstanding Pension amount due;</p> <p>Public Comment – Richard Margetson inquired what the review process for the Draft Audit is.</p> <p>GM Munds responded that we have a couple of weeks until the Audit is complete and to those that have comments to get them to GM Munds and he will pass them along to the audit team unless he can answer the questions; requested that the FAC members review and get any questions or concerns to him in the next week so it can be looked at by Moss, Levy and Hartzheim before the final audit is brought to the Board in January.</p>	<p>Action: None</p>
<p>3. Approve FAC Meeting Minutes of November 4, 2019</p>	<p>Chairperson Ochylski presented the minutes for approval.</p> <p>Public Comment – Richard Margetson inquired about the Public Facility Fee status.</p> <p>General Manager Munds responded that the County has not been collecting fees for Los Osos because we do not have a contract with the County to do so; the District can start that if we would like; will review with</p>	<p>Action: File Approved Minutes.</p>

AGENDA ITEM	DISCUSSION	FOLLOW-UP
	<p>the Chief because as those fees have to go to specific things regarding new growth in the community. The fees amount to around \$5,000 per year, but GM Munds will review with the Chief before he brings back to the FAC or the Board.</p> <p>Committee Member Grimm wanted on the minutes for tonight that the Revenue and Expenditure discussed in the November 4th meeting was discovered to be different than stated in the last minutes and that General Manager Munds emailed to the FAC members and interested community members that Revenue and Expenditure Statement- 100-Administration-Transfers (9512)- Turns out this was a data entry error where a negative number should have been entered at the beginning of the fiscal year. Adrienne will be correcting it as part of the audit. It doesn't impact the overall accounting for this fund and that it is a software issue that District Accountant Geidel is working to fix.</p> <p>Committee Member Gonzalez made a motion that the Committee approve the minutes of November 4, 2019. The motion was seconded by Committee Member Grimm and the motion carried by unanimous consent.</p>	
<p>4. Review of Board Item Regarding Approval of Warrant Register for November 2019</p>	<p>Administrative Services Manager Durban presented the warrants for approval.</p> <p>Committee Member Cirilo inquired about the Fire Department Fundraiser; Med-Stop Physicals, and Filipponi & Thompson warrant.</p> <p>ASM Durban responded that there were no expenses deducted from the Gross as 100% of proceeds were for Alivia Gonzales, the fire burn victim; the food purchase at the event came out of the Fire Department budget; the Med-Stop physicals were for the new Reserve Fire Fighters and the Fire Department have more physicals that need to be completed for that position.</p> <p>General Manager Munds responded that the District will be reimbursed for a lot of the Filipponi & Thompson as that is a Basin Management item shared with Golden State and S&T Mutual; that every employee gets a physical before they begin working.</p> <p>Committee Member Gonzalez inquired about the warrant purchasing sand and if the septic project is complete.</p> <p>GM Munds responded that the septic project is complete and that the District came in under budget.</p> <p>Public Comment - None</p> <p>Committee Member Grimm made a motion that the Committee recommend that the Board approve the warrants of November 2019. The motion was seconded by Committee Member Cirillo and passed by unanimous consent.</p>	<p>Action: The Committee recommended that the Board approve the Warrant Register for November 2019.</p>
<p>5. Review of Board Item Regarding Financial Reports for the Period Ending October 31, 2019</p>	<p>General Manager Munds presented the Financial Reports for approval, commenting that after the District wraps up the audit, then the District will move into Mid-Year Adjustments pointing out that in reviewing where the District is at, the Administration 100 fund, will be the most problematic in terms of mid-year adjustments. A lot of the issue is the GM salary and some assumptions that didn't get taken into account. The total for the other funds are mostly in line with where the District should be in expenditures at this time of year.</p> <p>Committee Member Gonzalez inquired when the District will be getting the Property Tax Funds; commented on in the past having to designate what</p>	<p>Action: The Committee recommended that the Board receive and file the financials for the period ending October 31, 2019</p>

AGENDA ITEM	DISCUSSION	FOLLOW-UP
	<p>the District funds where for so that the State could not take funds from the District.</p> <p>GM Munds responded that he believes the District receives the Property Tax in January and May.</p> <p>Vice Chairperson Womack commented that the State took/borrowed funds from the LAIF account and that is why the District moved a lot of the finances out of LAIF and placed it into an interest-bearing account at Pacific Premier.</p> <p>Public Comment – None</p> <p>Committee Member Grimm inquired about GL 6100 charge in Admin, Fire and Water.</p> <p>ASM Durban responded that is the new payroll software that will be coming from the Admin Reserve Budget.</p> <p>Vice Chairperson Womack inquired what fund 602 is.</p> <p>GM Munds responded that it is the Waste Water Bond Refinance, but still trying to understand what the numbers mean.</p> <p>Committee Member Grimm made a motion that the Committee recommend that the Board receive and file the Financials of October 31, 2019. The motion was seconded by Committee Member Gonzalez and passed by unanimous consent.</p>	
6. Public Comments on Items NOT on this Agenda	<p>Public Comment – Lynette Tornatzky inquired what the status is of the Cabrillo Estates Lighting and if the District is paying for it.</p> <p>GM Munds responded that the District has no financial involvement in the Cabrillo Estate Lighting anymore.</p>	
7. Schedule Next FAC Meeting	The next meeting of the Financial Advisory Committee is scheduled for Monday, January 6, 2019 unless otherwise noted.	
8. Closing Comments by FAC Committee	General Manager Munds commented that any questions about the audit to please let him know as soon as possible.	
9. Adjournment	The meeting adjourned at 6:26 p.m.	



January 2, 2020

TO: LOCSD Board of Directors
FROM: Laura Durban, Administrative Services Manager
SUBJECT: **Agenda Item 3 – 01/06/2020 FAC Meeting**
Approve Warrant Register for December 2019

President
Marshall E. Ochylski

Vice President
Charles L. Cesena

Directors
Matthew D. Fourcroy
Vicki L. Milledge
Christine M. Womack

General Manager
Ron Munds

District Accountant
Robert Stilts, CPA

Unit Chief
Scott M. Jalbert

Battalion Chief
George Huang

DESCRIPTION

The attached Warrant Register is presented for your Board’s review and approval.

SUMMARY STAFF RECOMMENDATION

This item will be approved along with the Consent Calendar unless it is pulled by a Director for separate consideration. If so, staff recommends that the Board adopt the following motion:

Motion: I recommend to the Board that the Board approve the warrant register for the period December 2019.

DISCUSSION

The District’s Accounts Payable invoicing is charged to the following fund codes:

Fund 100	Administrative
Fund 200	Bayridge Estate
Fund 301	Fire
Fund 400	Vista de Oro
Fund 500	Water
Fund 600	Wastewater
Fund 800	Drainage
Fund 900	Parks and Recreation

Mailing Address:
P.O. Box 6064
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Attachments

Offices:
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Los Osos, CA 93402

Phone: 805/528-9370
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www.losososcscsd.org

LOS OSOS COMMUNITY SERVICES DISTRICT
Check/Voucher Register - Warrant Register for Board Packet
From 12/1/2019 Through 12/31/2019

Check No	Check Date	Vendor Name	Check Amount	Transaction Description	Fund Code
29372	12/3/2019	AFLAC	33.12	11/01-30/19 Acct#HJ582 EE Elected Insurance	100
	12/3/2019	AFLAC	268.26	11/01-30/19 Acct#HJ582 EE Elected Insurance	500
29373	12/3/2019	ALLIED ADMIN - DELTA DENTAL	235.76	01/01-31/20 ID#07917-07535 Dental Plan	100
	12/3/2019	ALLIED ADMIN - DELTA DENTAL	725.27	01/01-31/20 ID#07917-07535 Dental Plan	500
29374	12/3/2019	AT&T	460.56	10/17/19-11/16/19 Cust#9391056297 Telephone Service	301
29375	12/3/2019	GOLDEN STATE WATER COMPANY	587.81	08/22/19-10/21/19 Acct#84033200001 Water Service - Fire	301
29376	12/3/2019	DIGITAL DEPLOYMENT, INC	200.00	12/01-31/19 Website Hosting Service & Fee	100
29377	12/3/2019	WELLS FARGO VENDOR FIN SERV	99.74	11/24/19-12/23/19 Acct#90136374384 Copier Lease Service	301
29378	12/3/2019	SLO COUNTY EMPLOYEES ASSOC	13.08	11/18/19-12/01/19 SLOCEA Dues	100
	12/3/2019	SLO COUNTY EMPLOYEES ASSOC	108.47	11/18/19-12/01/19 SLOCEA Dues	500
29379	12/3/2019	SLO COUNTY FIRE DEPT/CDF	400.00	11/20/19 Rescue Systems 1 Training (RFF: Juan Ruiz)	301
29380	12/3/2019	ROBERT STILTS, CPA	5,000.00	10/16/19-11/15/19 Bookkeeping Services	100
29381	12/3/2019	TECHXPRESS INC	1,411.00	10/01-31/19 IT Support & Service	100
29382	12/3/2019	THE GAS COMPANY	59.68	10/21/19-11/20/19 Acct#14941522279 Gas Service - Fire	301
29383	12/3/2019	THE TRIBUNE	150.04	L.O. Middle School Bids	500
	12/3/2019	THE TRIBUNE	150.04	Notice Public Hearing - Title 2 Ordinance	500
29384	12/3/2019	Josh Brand	200.00	12/3/19 Rebate for Clothes Washer	500
29385	12/3/2019	COASTAL COPY, LP	127.46	10/24/19-11/23/19 Acct#LO22 Main Copier/Printer/Fax Overages	100
29386	12/3/2019	GARDENSOFT	147.80	12/10/19-12/10/20 Waterwise Gardening Website License	500
29387	12/3/2019	ITRON, INC.	857.23	12/01/19-02/16/20 Contract #SC00001696 Qtrly Maint Hardware	500
29388	12/3/2019	PG&E	278.61	10/21/19-11/18/19 7954162233-2 Electric Services	100
	12/3/2019	PG&E	397.34	10/21/19-11/18/19 7954162233-2 Electric Services	200
	12/3/2019	PG&E	8.82	10/21/19-11/18/19 7954162233-2 Electric Services	301
	12/3/2019	PG&E	157.25	10/21/19-11/18/19 7954162233-2 Electric Services	400
	12/3/2019	PG&E	7,113.38	10/21/19-11/18/19 7954162233-2 Electric Services	500
	12/3/2019	PG&E	166.78	10/21/19-11/18/19 7954162233-2 Electric Services	800
29389	12/3/2019	Marcus Shira	200.00	12/3/19 Rebate for Clothes Washer	500
29390	12/3/2019	USA BLUE BOOK	195.46	11/12/19 Cust#922782 Process Control & Treatment Supplies	500
	12/3/2019	USA BLUE BOOK	349.45	11/15/19 Cust#922782 Disinfection Feed Pumps	500
29391	12/3/2019	WALLACE GROUP	2,105.31	10/01-31/19 Engineering Services	500
29392	12/3/2019	WALLACE GROUP	0.00	SLCUSD - Right of Entry and Temp Well Agreement	500
29393	12/3/2019	CHARTER COMMUNICATIONS	200.00	11/25/19-12/27/19 Acct#8245101120119577	100
	12/3/2019	CHARTER COMMUNICATIONS	25.00	11/25/19-12/27/19 Acct#8245101120119577	500
29394	12/3/2019	San Luis Coastal Unified School District	2,500.00	SLCUSD-Right of Entry and Temp Well Agreement	500
29395	12/11/2019	CHARTER COMMUNICATIONS	221.60	11/28/19-12/27/19 Acct#8245101120143981 Internet/Cable - Fir	301
29396	12/11/2019	Coverall North America, Inc.	236.00	12/01-31/19 Janitorial Services (Suites 106 & 110)	100
29397	12/11/2019	THE DOCUTEAM, LLC	38.00	11/01-11/30/19 Acct#0979 Onsite Service Document Destruction	100
29398	12/11/2019	Fiserv	50.00	2020 Direct Send Annual Fee Cust#9035175	500

LOS OSOS COMMUNITY SERVICES DISTRICT
 Check/Voucher Register - Warrant Register for Board Packet
 From 12/1/2019 Through 12/31/2019

29399	12/11/2019 KITZMAN WATER, INC.	85.00	11/30/19 Acct#72975 Softwater Service - Fire	301
29400	12/11/2019 MINER'S ACE HARDWARE	88.30	11/01-30/19 Acct#121480 Supplies/Equip/Tools/Parts/Maint	301
29401	12/11/2019 MISSION COUNTRY DISPOSAL	101.41	12/01-31/19 Acct#4130-5101023 Trash Services - Fire	301
29402	12/11/2019 MISSION COUNTRY DISPOSAL	116.65	12/01-31/19 Acct#4130-5101854 Trash - Wateryard 953 El Moro	500
29403	12/11/2019 MOSS, LEVY & HARTZHEIM LLP	4,000.00	10/30/19 #LOSOSOSCSD Audit Services	100
29404	12/11/2019 RANGE MASTER	233.01	11/30/19 Acct#Sobayfire Uniform Tuttle/Rosenfeld	301
29405	12/11/2019 STANLEY CONVERGENT SECURITY SOLUTIONS	129.96	01/01/20-03/31/20 Acct#1371001193 Alarm System Monitoring	301
29406	12/11/2019 THE GAS COMPANY	14.79	10/23/19-11/22/19 Acct#17351580109 Gas Service - Suite 110	100
29408	12/12/2019 Cardmember Services	88.00	11/07/19 CC/Durban - Stanley Convergent - Security 106 & 110	100
	12/12/2019 Cardmember Services	383.22	11/14/19 CC/Durban - Embassy Suites (CSDA Training Hotel)	100
	12/12/2019 Cardmember Services	35.02	11/08/19 CC/Huang - ASAP Repographics - Sign Stamp	301
	12/12/2019 Cardmember Services	31.21	11/21/19 CC/Young - Paypal.com - AFSS Meeting	301
	12/12/2019 Cardmember Services	91.70	11/25/19 CC/Huang - Sign Here - Helmet Stickers	301
	12/12/2019 Cardmember Services	58.61	11/27/19 CC/Young - Accidental purchase to be refunded	301
	12/12/2019 Cardmember Services	167.31	11/27/19 CC/Young - Tribune Subscription	301
	12/12/2019 Cardmember Services	32.79	11/29/19 CC/Young - Amazon.com - Gym Equipment	301
	12/12/2019 Cardmember Services	45.00	11/29/19 CC/Young Amazon.com - FF Bathroom Items	301
	12/12/2019 Cardmember Services	220.86	11/29/19 CC/Young Amazon.com - Gym Equipment	301
	12/12/2019 Cardmember Services	50.35	12/02/19 CC/Young Amazon.com - Fitness items	301
	12/12/2019 Cardmember Services	108.90	11/08/19 CC/Durban - Tribune (Title 2 Ordinance Posting)	500
	12/12/2019 Cardmember Services	18.48	11/14/19 - CC/ Asuncion - UPS Store - Shipping Fees for Ret.	500
	12/12/2019 Cardmember Services	155.46	11/19/19 CC/Asuncion - Full Source - Uniform Ehan Good	500
	12/12/2019 Cardmember Services	(73.97)	11/22/19 CC/Asuncion - Full Source (Return)	500
	12/12/2019 Cardmember Services	86.87	11/22/19 CC/Asuncion - AutomationDirect.com -Electrical Fuse	800
29409	12/12/2019 ALPHA ELECTRICAL SERVICE	418.00	11/27/19 Service Call For 8th Street Well	500
29410	12/12/2019 AT&T	210.38	10/17/19-11/16/19 9391056500 Telephone Services	100
	12/12/2019 AT&T	21.47	10/17/19-11/16/19 9391056138 Telephone & Telemetry Service	500
	12/12/2019 AT&T	21.47	10/17/19-11/16/19 9391056151 Telephone & Telemetry Service	500
	12/12/2019 AT&T	21.47	10/17/19-11/16/19 9391056160 Telephone & Telemetry Service	500
	12/12/2019 AT&T	229.01	10/17/19-11/16/19 9391056166 Telephone & Telemetry Service	500
	12/12/2019 AT&T	42.39	10/17/19-11/16/19 9391056172 Telephone & Telemetry Service	500
	12/12/2019 AT&T	21.47	10/17/19-11/16/19 9391056188 Telephone & Telemetry Service	500
	12/12/2019 AT&T	21.47	10/17/19-11/16/19 9391056191 Telephone & Telemetry Service	500
	12/12/2019 AT&T	21.47	10/17/19-11/16/19 9391056275 Telephone & Telemetry Service	500
	12/12/2019 AT&T	98.82	10/20/19-11/19/19 9391059906 Telephone & Telemetry Service	500
	12/12/2019 AT&T	273.16	9/20/19-10/19/19 9391059905 Telephone & Telemetry Service	500
	12/12/2019 AT&T	21.51	10/17/19-11/16/19 9391056182 Telephone & Telemetry Service	800

LOS OSOS COMMUNITY SERVICES DISTRICT
Check/Voucher Register - Warrant Register for Board Packet
From 12/1/2019 Through 12/31/2019

Check No	Check Date	Vendor Name	Check Amount	Transaction Description	Fund Code
29411	12/12/2019	CHARTER COMMUNICATIONS	109.99	12/1-31/19 Acct#824510112019395 Internet Service Water Yard	500
29412	12/12/2019	CRSA Architecture	1,755.00	11/1/19-11/30/19 Project#01923 - 8th Street Building	500
29413	12/12/2019	FARM SUPPLY CO	15.28	11/25/19 Cust#26174 Minor Tools, Accessories & Field Machine	500
29414	12/12/2019	LIFE ASSIST INC	232.13	12/08/19 Acct#93402CDF Paramedic Supplies	301
	12/12/2019	LIFE ASSIST INC	99.50	12/09/19 Acct#93402CDF Paramedic Supplies	301
29415	12/12/2019	MEDSTOP URGENT CARE CENTER	1,548.33	12/4/19 Medical Exams Reserve FF Whelan, Gallant & Patenaude	301
29416	12/12/2019	MINER'S ACE HARDWARE	351.34	11/01-31/19 ACCT#143640 Supplies/Maint/Equip/Tools/Parts	500
29417	12/12/2019	MISSION LINEN SUPPLY	24.81	11/07/19 Cust#213729 Janitorial Supplies - Towel roll/rags	500
	12/12/2019	MISSION LINEN SUPPLY	24.81	11/21/19 Cust#213729 Janitorial Supplies - Towel Rolls/Rags	500
29418	12/12/2019	OFFICE DEPOT INC	139.68	11/01-30/19 Acct#28702448 General Office Supplies - Fire	301
29419	12/12/2019	PRP COMPANIES	728.82	11/20/19 Utility Billing Services (rts 201-205)	500
29420	12/12/2019	PRP COMPANIES	294.73	12/9/19 #10 Window Envelope and Return Envelopes	100
29421	12/12/2019	SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT	1,177.00	11/6/19-11/27/19 Brine Disposal Services SB Well	500
	12/12/2019	SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT	500.00	2020 Annual Permit Fee for Brine Delivery	500
29422	12/12/2019	LOS OSOS CHEVRON	533.00	11/01-30/19 Gas & Deisel - Fleet Vehicles	500
	12/12/2019	LOS OSOS CHEVRON	133.25	11/01-30/19 Gas & Deisel - Fleet Vehicles	800
29423	12/12/2019	ADAMSKI MOROSKI MADDEN CUMBERLAND & GREEN LLP	2,175.00	11/01-30/19 General Legal Services	100
	12/12/2019	ADAMSKI MOROSKI MADDEN CUMBERLAND & GREEN LLP	100.00	11/01-30/19 General Legal Services	500
29424	12/12/2019	FILIPPONI & THOMPSON DRILLING, INC.	13,570.46	8th Street Well Repair (Pump Motor, Drop Pipe, Safety Rope)	500
29425	12/16/2019	GEORGE CONTENTO	3,000.00	01/01-31/20 Office Rent (Suites 106 & 110)	100
29426	12/16/2019	HUMANA INSURANCE COMPANY	276.00	01/01-31/20 ID#732930-001 Insurance (23 RR FF)	301
29427	12/16/2019	SLO COUNTY EMPLOYEES ASSOC	13.08	12/02/19-12/15/19 SLOCEA Dues	100
	12/16/2019	SLO COUNTY EMPLOYEES ASSOC	108.47	12/02/19-12/15/19 SLOCEA Dues	500
29428	12/19/2019	AUTOZONE	37.69	12/16/19 - Customer #638878 Tune Up/Oil Maintenance	500
29429	12/19/2019	Coastal Tree Experts	700.00	Tree Removal at Loma Lot	500
29430	12/19/2019	CORE & MAIN LP	278.63	11/27/19 Cust#241813 Process Control & Treatment Supplies	500
29431	12/19/2019	Coverall North America, Inc.	47.20	11/30/19 Prorated Janitorial Service (Suites 106 & 110)	100
29432	12/19/2019	J B DEWAR	85.00	11/20/19 Acct#58976 Attempted Delivery - 1413 Nipomo	500
	12/19/2019	J B DEWAR	85.00	11/20/19 Acct#58976 Attempted Delivery 1350 Paso Robles	500
	12/19/2019	J B DEWAR	361.01	11/20/19 Acct#58976 Multiquip Generator - Fuel	500
	12/19/2019	J B DEWAR	176.95	11/20/19 Acct#58976 8th Street Pump Fuel	800
29433	12/19/2019	American Machine Conveyor	9,978.46	Water Quality Sample Stations	500
29434	12/19/2019	Santa Maria FAMCOM Pipe & Supply	711.07	10/8/19 Acct#505 - R&M Water Distribution System	500
	12/19/2019	Santa Maria FAMCOM Pipe & Supply	337.84	6/4/19 Acct#505 R&M Water Distribution System	500

LOS OSOS COMMUNITY SERVICES DISTRICT
Check/Voucher Register - Warrant Register for Board Packet
From 12/1/2019 Through 12/31/2019

Check No	Check Date	Vendor Name	Check Amount	Transaction Description	Fund Code
29435	12/19/2019	FILIPPONI & THOMPSON DRILLING, INC.	4,286.00	10/21-29/19 - Lupine St. MW - 5% Retention	500
29436	12/19/2019	WELLS FARGO VENDOR FIN SERV	99.74	12/24/19-01/23/20 ACCT#90136374384 Copier Lease Service	301
29437	12/19/2019	PATRICIA P. JAMES, TRUSTEES	300.00	12/17/19-1/31/20 - Right of Entry Well Site Project	500
29438	12/19/2019	DE LANGE LANDEN FINANCIAL SERVICES	288.05	12/01-31/19 Acct#630919 Kyocera Service Contract/Insurance	100
29439	12/19/2019	THE LINCOLN NATIONAL LIFE INSURANCE COMPANY	225.71	01/01-31/20 Acct#LOSOSOS-BL-283600 Insurance Life/AD/WI/LDT	100
	12/19/2019	THE LINCOLN NATIONAL LIFE INSURANCE COMPANY	558.93	01/01-31/20 Acct#LOSOSOS-BL-283600 Insurance Life/AD/WI/LDT	500
29440	12/19/2019	PITNEY BOWES GLOBAL FINANCIAL SERVICES LLC	86.59	11/27/19 ACCT#0010304241 Postage Meter Supplies	100
29441	12/19/2019	READY REFRESH	71.46	11/01-30/19 Acct#0900008772 Water Delivery	100
29442	12/19/2019	COUNTY OF SAN LUIS OBISPO - EH	477.70	09/01-10/31 Acct#AR0009718 Cross Connection Services	500
29443	12/19/2019	SLO COUNTY DEPARTMENT OF PUBLIC WORKS	2,958.00	11/1-30/19 405R979032 Water Quality Testing	500
29444	12/19/2019	SPEED'S OIL TOOL SERVICE, INC	423.00	10/15/19 Brine Disposal Trucking Service - SB Well	500
	12/19/2019	SPEED'S OIL TOOL SERVICE, INC	415.00	11/27/19 Brine Disposal Trucking Service - SB Well	500
	12/19/2019	SPEED'S OIL TOOL SERVICE, INC	487.00	12/3/19 Brine Disposal Trucking Service - SB Well	500
29445	12/19/2019	SUPERIOR TANK SOLUTIONS	23,082.50	11/19/19 - R&M Water Distribution System - 10th St Reservoir	500
29446	12/19/2019	TOSTE CONSTRUCTION	490.00	12/6/19 - Asphalt Repair 1440 Santa Ysabel Ave.	500
29447	12/19/2019	ULINE SHIPPING SUPPLIES	231.74	12/04/19 Cust#3640698 14x16 Sand Bags - 500 QTY	800
29448	12/19/2019	VERIZON WIRELESS	105.53	11/08/19-12/07/19 Acct#472454582-00001 Cellular Service	301
	12/19/2019	VERIZON WIRELESS	210.69	11/08/19-12/07/19 Acct#472454582-00001 Cellular Service	500
	12/19/2019	VERIZON WIRELESS	140.46	11/08/19-12/07/19 Acct#472454582-00001 Cellular Service	800
29449	12/19/2019	WALLACE GROUP	1,605.33	10/01-31/19 Engineering Services	500
29450	12/19/2019	Water Systems Consulting Inc	4,703.75	Services 11/1-30/19 South Bay Well Site Transmission Main	500
29451	12/31/2019	AFLAC	33.12	12/01-31/19 Acct #HJ582 EE Elected Insurance	100
	12/31/2019	AFLAC	268.26	12/01-31/19 Acct #HJ582 EE Elected Insurance	500
29452	12/31/2019	AGP VIDEO, INC	1,325.00	11/1-30/19 CH20, BOD Video Operation & Audio, Streaming	100
29453	12/31/2019	DIGITAL DEPLOYMENT, INC	200.00	01/01-31/20 Website Hosting Service & Fee	100
29454	12/31/2019	Santa Maria FAMCOM Pipe & Supply	0.00	6/4/19 Acct#505 R&M Water Distribution System	500
29455	12/31/2019	NBS GOVERNMENT FINANCIAL GROUP	2,686.55	01/01/20-03/31/20 Qtrly Admin Fee -WW Assesment Dist #1 Bond	600
29456	12/31/2019	PITNEY BOWES GLOBAL FINANCIAL SERVICES LLC	176.12	10/11/19-01/10/20 Acct#0017387073 Postage Meter Lease	100
29457	12/31/2019	CARDMEMBER SERVICE	148.00	11/21/19 CC/Acosta - R&T Embroidery (Ehan Good's Uniforms)	500
29458	12/31/2019	ROBERT STILTS, CPA	5,000.00	11/16/19-12/15/19 Bookkeeping Services	100
29459	12/31/2019	STATE WATER RESOURCES CONTROL BOARD	13,437.60	07/01/19-06/30/20 System #4010016 Dist 06 Annual Permit Fee	800

LOS OSOS COMMUNITY SERVICES DISTRICT
 Check/Voucher Register - Warrant Register for Board Packet
 From 12/1/2019 Through 12/31/2019

29460	12/31/2019	TECHXPRESS INC	1,411.00	01/01-31/20	IT Support Services	100
29461	12/31/2019	ULINE SHIPPING SUPPLIES	0.00	12/04/19	Cust#3640698 14x16 Sand Bags - 500 QTY	800
29462	12/31/2019	VISION SERVICE PLAN	64.11	01/01-31/20	Acct#121302260001 Vision Plan	100
	12/31/2019	VISION SERVICE PLAN	171.33	01/01-31/20	Acct#121302260001 Vision Plan	500
29463	12/31/2019	WALLACE GROUP	1,932.50	11/01-30/19	Engineering Services	500
29464	12/31/2019	WALLACE GROUP	4,128.50	11/01-30/19	Engineering Services	500
29465	12/31/2019	Michael Moore	200.00	12/18/19	Rebate for Clothes Dryer	500
6758/6763/2770/6782	12/2/2019	CA PUBLIC EMPL RET SYSTEM	641.51	12/01-31/19	CalPERS Unfunded Accrued Liability	100
	12/2/2019	CA PUBLIC EMPL RET SYSTEM	1,921.21	12/01-31/19	CalPERS Unfunded Accrued Liability	301
	12/2/2019	CA PUBLIC EMPL RET SYSTEM	3,728.52	12/01-31/19	CalPERS Unfunded Accrued Liability	500
CalPERSMED2143_Jar	12/20/2019	CA PUBLIC EMPLOYEES' RETIREMENT SYSTEM	2,663.69	01/01-31/19	ID#4662975925 CalPERS Health Plan	100
	12/20/2019	CA PUBLIC EMPLOYEES' RETIREMENT SYSTEM	4,609.42	01/01-31/19	ID#4662975925 CalPERS Health Plan	500
PD120619_457	12/6/2019	CALPERS 457	72.00	11/17/19-12/01/19	SIP457 Contributions	100
	12/6/2019	CALPERS 457	1,311.00	11/17/19-12/01/19	SIP457 Contributions	500
PD120619_EDD	12/6/2019	CA EMPLOYMENT DEVELOPMENT DEPT	570.00		State Payroll Taxes PD 11/18/19-12/01/19	100
	12/6/2019	CA EMPLOYMENT DEVELOPMENT DEPT	313.35		State Payroll Taxes PD 11/18/19-12/01/19	301
	12/6/2019	CA EMPLOYMENT DEVELOPMENT DEPT	827.90		State Payroll Taxes PD 11/18/19-12/01/19	500
PD120619_IRS	12/6/2019	DEPARTMENT OF THE TREASURY	1,589.31		Federal Payroll Taxes 11/18/19-12/01/19	100
	12/6/2019	DEPARTMENT OF THE TREASURY	1,104.51		Federal Payroll Taxes 11/18/19-12/01/19	301
	12/6/2019	DEPARTMENT OF THE TREASURY	2,071.64		Federal Payroll Taxes 11/18/19-12/01/19	500
PD120619_PERSRet	12/6/2019	CA PUBLIC EMPL RET SYSTEM	1,397.76		Retirement Earned 11/18/19-12/01/19	100
	12/6/2019	CA PUBLIC EMPL RET SYSTEM	226.39		Retirement Earned 11/18/19-12/01/19	301
	12/6/2019	CA PUBLIC EMPL RET SYSTEM	3,198.17		Retirement Earned 11/18/19-12/01/19	500
PD122019_457	12/20/2019	CALPERS 457	72.00	12/02/19-12/15/19	SIP457 Contributions	100
	12/20/2019	CALPERS 457	1,311.00	12/02/19-12/15/19	SIP457 Contributions	500
PD122019_IRS	12/20/2019	DEPARTMENT OF THE TREASURY	1,704.43		Federal Payroll Taxes 12/02/19-12/15/19	100
	12/20/2019	DEPARTMENT OF THE TREASURY	1,141.42		Federal Payroll Taxes 12/02/19-12/15/19	301
	12/20/2019	DEPARTMENT OF THE TREASURY	2,027.66		Federal Payroll Taxes 12/02/19-12/15/19	500
PD122019_PERSRet	12/20/2019	CA PUBLIC EMPL RET SYSTEM	1,397.76		Retirement Earned 12/02/19-12/15/19	100
	12/20/2019	CA PUBLIC EMPL RET SYSTEM	398.19		Retirement Earned 12/02/19-12/15/19	301
	12/20/2019	CA PUBLIC EMPL RET SYSTEM	<u>3,198.17</u>		Retirement Earned 12/02/19-12/15/19	500
Report Total			<u>182,805.15</u>			



January 2, 2020

TO: LOCSO Board of Directors
FROM: Adrienne Geidel at Robert Stilts, District Bookkeeper
Ron Munds, General Manager
SUBJECT: **Agenda Item 4 – 01/06/2019 FAC Meeting**
Receive Financial Report for the Period Ending November 30, 2019

President
Marshall E. Ochylski

Vice President
Charles L. Cesena

Directors
Matthew D. Fourcroy
Vicki L. Milledge
Christine M. Womack

General Manager
Ron Munds

District Accountant
Robert Stilts, CPA

Unit Chief
Scott M. Jalbert

Battalion Chief
George Huang

DESCRIPTION

The attached are the Statement of Revenues and Expenditures and Balance Sheets for October 2019.

STAFF RECOMMENDATION

This item will be approved along with the Consent Calendar unless it is pulled by a Director for separate consideration. If so, staff recommends that the Board adopt the following motion:

Motion: I recommend to the Board, that the Board receive and file the financials for the period ending November 31, 2019

DISCUSSION

GENERAL

Attachment

Mailing Address:
P.O. Box 6064
Los Osos, CA 93412

Offices:
2122 9th Street, Suite 102
Los Osos, CA 93402

Phone: 805/528-9370
FAX: 805/528-9377

www.losososcsl.org

LOS OSOS COMMUNITY SERVICES DISTRICT

Statement of Revenues and Expenditures

100 - 100 - Administration

From 11/1/2019 Through 11/30/2019

	Current Period Actual	YTD	Total Budget - Original	Total Budget Variance - Original	Percent Total Budget Remain... - Original	
Revenues						
Service Charges & Fees						
4005	Copying Costs	1.00	2.00	20.00	(18.00)	(90.00)%
	Total Service Charges & Fees	1.00	2.00	20.00	(18.00)	(90.00)%
	Total Revenues	1.00	2.00	20.00	(18.00)	(90.00)%
Expenditures						
Personnel						
Salaries/Wages						
7322	Director's Compensation	600.00	3,017.30	20,000.00	16,982.70	84.91%
8018	Holiday Pay	974.00	2,281.84	3,500.00	1,218.16	34.80%
8045	Overtime Pay	0.00	1,020.33	3,500.00	2,479.67	70.85%
8050	Administrative Leave Pay	216.36	1,249.68	0.00	(1,249.68)	0.00%
8051	Floating Holiday Pay	0.00	590.56	1,000.00	409.44	40.94%
8054	Salaries & Wages - Regular	18,289.64	87,890.16	90,000.00	2,109.84	2.34%
8060	Sick Leave Pay	0.00	0.00	2,000.00	2,000.00	100.00%
8066	Comp Time Used	0.00	0.00	2,000.00	2,000.00	100.00%
8081	Vacation Pay	0.00	21,384.16	3,000.00	(18,384.16)	(612.81)%
	Total Salaries/Wages	20,080.00	117,434.03	125,000.00	7,565.97	6.05%
Payroll Taxes & Benefits						
5020	FICA - ER	18.60	130.20	1,500.00	1,369.80	91.32%
5030	Life Insurance - ER	0.00	25.73	200.00	174.27	87.14%
5031	Disability Insurance	0.00	13.70	70.00	56.30	80.43%
5035	AD & D Insurance	0.00	6.52	60.00	53.48	89.13%
5040	LTD Insurance	0.00	96.40	1,000.00	903.60	90.36%
5050	Medicare - ER	322.64	1,741.74	2,500.00	758.26	30.33%
5060	Cafeteria Plan - ER	2,288.46	8,681.53	11,000.00	2,318.47	21.08%
5070	Retirement ER - Regular	641.51	4,926.30	18,000.00	13,073.70	72.63%
5071	Retirement ER - Addl Pick-up	0.00	0.00	500.00	500.00	100.00%
5075	Retirees Medical - ER	276.26	1,797.70	5,100.00	3,302.30	64.75%
5120	Workers Comp Insurance - ER	0.00	513.80	513.80	0.00	0.00%
5124	Retirement - ER - Tier 2	1,377.64	6,476.70	1,500.00	(4,976.70)	(331.78)%
	Total Payroll Taxes & Benefits	4,925.11	24,410.32	41,943.80	17,533.48	41.80%
Employment Services						
5100	Unemployment Insurance - ER	60.36	1,500.41	3,000.00	1,499.59	49.99%
6200	Hiring, Advertising & Other Costs	0.00	397.31	200.00	(197.31)	(98.66)%
6230	Medical Exam	0.00	270.00	300.00	30.00	10.00%
	Total Employment Services	60.36	2,167.72	3,500.00	1,332.28	38.07%
	Total Personnel	25,065.47	144,012.07	170,443.80	26,431.73	15.51%
Services & Supplies						
Clothing & Uniform						
7246	Uniform & Gear	0.00	0.00	200.00	200.00	100.00%
	Total Clothing & Uniform	0.00	0.00	200.00	200.00	100.00%
Contract Services						
6100	Labor & Support-IT Services	0.00	10,293.75	9,000.00	(1,293.75)	(14.38)%
6110	IT Purchased Services	1,809.00	15,163.11	20,000.00	4,836.89	24.18%

LOS OSOS COMMUNITY SERVICES DISTRICT

Statement of Revenues and Expenditures

100 - 100 - Administration

From 11/1/2019 Through 11/30/2019

		Current Period Actual	YTD	Total Budget - Original	Total Budget Variance - Original	Percent Total Budget Remaini... - Original
7100	Copier Contract-Maint & Usage	288.05	1,440.28	3,100.00	1,659.72	53.54%
7255	Security Services	176.00	523.16	1,000.00	476.84	47.68%
7321	Janitorial Cleaning & Supplies	310.02	1,362.02	2,600.00	1,237.98	47.61%
7342	Public Meeting Recordings	1,325.00	4,175.00	15,900.00	11,725.00	73.74%
	Total Contract Services	3,908.07	32,957.32	51,600.00	18,642.68	36.13%
	Financial Services					
7309	Late Fees	0.00	138.06	100.00	(38.06)	(38.06)%
7310	Bank Service Charges	501.98	2,226.55	3,000.00	773.45	25.78%
	Total Financial Services	501.98	2,364.61	3,100.00	735.39	23.72%
	Insurance, Licenses & Regulatory Fees					
6340	Misc Fees	0.00	29.98	200.00	170.02	85.01%
6341	LAFCO Fees	0.00	18,936.43	16,567.07	(2,369.36)	(14.30)%
6343	Lien & Notary Fees	0.00	0.00	30.00	30.00	100.00%
7325	Insurance	0.00	17,962.91	17,962.91	0.00	0.00%
	Total Insurance, Licenses & Regulatory Fees	0.00	36,929.32	34,759.98	(2,169.34)	(6.24)%
	Legal & Professional					
7303	Professional Services - GM	0.00	10,636.90	96,126.00	85,489.10	88.93%
7304	Professional Services - ACCTG	5,000.00	17,500.00	60,000.00	42,500.00	70.83%
7305	Auditing Services	4,000.00	15,000.00	22,000.00	7,000.00	31.82%
7320	Professional & Consulting Services	38.00	2,947.52	5,000.00	2,052.48	41.05%
7326	Legal Services	2,175.00	12,735.15	15,000.00	2,264.85	15.10%
7340	Legal Notifications & Mandated Advertising	0.00	0.00	500.00	500.00	100.00%
	Total Legal & Professional	11,213.00	58,819.57	198,626.00	139,806.43	70.39%
	Office/Operations					
6121	IT-Supplies & Miscellaneous	0.00	0.00	1,000.00	1,000.00	100.00%
6130	Computer Hardware	0.00	0.00	1,000.00	1,000.00	100.00%
7140	General Supplies & Minor Equipment	127.46	2,671.83	8,000.00	5,328.17	66.60%
7160	Postage, Shipping & Mail Supplies	0.00	1,182.11	3,000.00	1,817.89	60.60%
7226	Membership & Dues	0.00	100.00	6,538.00	6,438.00	98.47%
7230	Misc Small Parts & Supplies	0.00	28.65	0.00	(28.65)	0.00%
	Total Office/Operations	127.46	3,982.59	19,538.00	15,555.41	79.62%
	Other Expense					
8735	Misc Department Admin	0.00	1,036.05	2,000.00	963.95	48.20%
	Total Other Expense	0.00	1,036.05	2,000.00	963.95	48.20%
	Rent & Utilities					
6000	Cell Phones	90.00	315.00	0.00	(315.00)	0.00%
6025	Telephone	210.38	1,027.43	3,000.00	1,972.57	65.75%
7350	Rent - Meetings	0.00	0.00	400.00	400.00	100.00%

LOS OSOS COMMUNITY SERVICES DISTRICT

Statement of Revenues and Expenditures

100 - 100 - Administration

From 11/1/2019 Through 11/30/2019

	Current Period Actual	YTD	Total Budget - Original	Total Budget Variance - Original	Percent Total Budget Remaini... - Original	
7352	Rent - Offices & Other Structures	3,000.00	11,700.00	35,000.00	23,300.00	66.57%
8610	Electric	278.61	1,463.51	3,800.00	2,336.49	61.49%
8620	Gas Service	14.79	89.74	450.00	360.26	80.06%
	Total Rent & Utilities	3,593.78	14,595.68	42,650.00	28,054.32	65.78%
	Repairs & Maintenance					
6405	R & M - Extinguishers	0.00	66.36	100.00	33.64	33.64%
6900	R & M - Buildings & Structures	0.00	37.68	0.00	(37.68)	0.00%
	Total Repairs & Maintenance	0.00	104.04	100.00	(4.04)	(4.04)%
	Travel & Training					
7323	Books, Publications & Subscriptions	0.00	225.00	50.00	(175.00)	(350.00)%
7324	Education & Training Fees	0.00	927.08	2,000.00	1,072.92	53.65%
8510	Lodging & Meals - Local	383.22	593.96	1,000.00	406.04	40.60%
8539	Meals	0.00	431.74	600.00	168.26	28.04%
8550	Mileage Reimbursement & Parking	167.04	933.19	300.00	(633.19)	(211.06)%
	Total Travel & Training	550.26	3,110.97	3,950.00	839.03	21.24%
	Total Services & Supplies	19,894.55	153,900.15	356,523.98	202,623.83	56.83%
	Debt Service					
9023	Debt Service - Interest & Annual Fee	0.00	2,088.71	0.00	(2,088.71)	0.00%
	Total Debt Service	0.00	2,088.71	0.00	(2,088.71)	0.00%
	Transfers					
9512	Transfer In	(43,913.98)	(219,569.90)	526,987.78	746,557.68	141.67%
	Total Transfers	(43,913.98)	(219,569.90)	526,987.78	746,557.68	141.67%
	Total Expenditures	1,046.04	80,431.03	1,053,955.56	973,524.53	92.37%
	Net Revenues over Expenditures	(1,045.04)	(80,429.03)	(1,053,935.56)	973,506.53	(92.37)%

LOS OSOS COMMUNITY SERVICES DISTRICT

Statement of Revenues and Expenditures

200 - 200 - Bayridge

From 11/1/2019 Through 11/30/2019

	Current Period Actual	YTD	Total Budget - Original	Total Budget Variance - Original	Percent Total Budget Remaini... - Original	
Revenues						
Property Taxes						
4035	Property Taxes	933.57	1,454.04	9,517.00	(8,062.96)	(84.72)%
	Total Property Taxes	933.57	1,454.04	9,517.00	(8,062.96)	(84.72)%
Special Taxes & Assessments						
4550	Lighting & Septic Assessments	7,875.00	7,875.00	54,831.00	(46,956.00)	(85.64)%
	Total Special Taxes & Assessments	7,875.00	7,875.00	54,831.00	(46,956.00)	(85.64)%
Use of Money & Property						
4505	HO Prop Tax Relief	0.00	0.00	56.00	(56.00)	(100.00)%
4510	Investment Income on funds	(0.04)	0.55	0.00	0.55	0.00%
	Total Use of Money & Property	(0.04)	0.55	56.00	(55.45)	(99.02)%
	Total Revenues	8,808.53	9,329.59	64,404.00	(55,074.41)	(85.51)%
Expenditures						
Services & Supplies						
Insurance, Licenses & Regulatory Fees						
6345	Property Taxes & Assessments Costs	169.00	169.00	128.56	(40.44)	(31.46)%
	Total Insurance, Licenses & Regulatory Fees	169.00	169.00	128.56	(40.44)	(31.46)%
Legal & Professional						
7320	Professional & Consulting Services	0.00	265.83	700.00	434.17	62.02%
7326	Legal Services	0.00	0.00	100.00	100.00	100.00%
	Total Legal & Professional	0.00	265.83	800.00	534.17	66.77%
Rent & Utilities						
8670	Street Lighting	397.34	1,983.18	6,724.16	4,740.98	70.51%
	Total Rent & Utilities	397.34	1,983.18	6,724.16	4,740.98	70.51%
	Total Services & Supplies	566.34	2,418.01	7,652.72	5,234.71	68.40%
Capital Outlay						
9006	Infrastructure CIP	4,975.00	30,509.03	30,000.00	(509.03)	(1.70)%
	Total Capital Outlay	4,975.00	30,509.03	30,000.00	(509.03)	(1.70)%
Debt Service						
9804	Payment on Internal Loans	0.00	0.00	27,964.53	27,964.53	100.00%
	Total Debt Service	0.00	0.00	27,964.53	27,964.53	100.00%
Transfers						
9511	Interfund Transfer Out	219.57	1,097.85	2,634.84	1,536.99	58.33%
	Total Transfers	219.57	1,097.85	2,634.84	1,536.99	58.33%
	Total Expenditures	5,760.91	34,024.89	68,252.09	34,227.20	50.15%
	Net Revenues over Expenditures	3,047.62	(24,695.30)	(3,848.09)	(20,847.21)	541.75%

LOS OSOS COMMUNITY SERVICES DISTRICT

Statement of Revenues and Expenditures

301 - 301 - Fire

From 11/1/2019 Through 11/30/2019

	Current Period Actual	YTD	Total Budget - Original	Total Budget Variance - Original	Percent Total Budget Remaini... - Original
Revenues					
Property Taxes					
4034	Property Tax Revenue from Water	0.00	0.00	63,430.50	(63,430.50) (100.00)%
4035	Property Taxes	0.00	0.00	2,164,204.00	(2,164,204.00) (100.00)%
	Total Property Taxes	0.00	0.00	2,227,634.50	(2,227,634.50) (100.00)%
Grant Revenue					
4955	Govt-Other St Aids & Reimbursements	0.00	7,628.55	0.00	7,628.55 0.00%
	Total Grant Revenue	0.00	7,628.55	0.00	7,628.55 0.00%
Special Taxes & Assessments					
4015	CSA 9-I Assessments (Contract)	0.00	0.00	26,336.00	(26,336.00) (100.00)%
4050	Special Fire Tax	43,473.63	87,026.23	583,128.00	(496,101.77) (85.08)%
	Total Special Taxes & Assessments	43,473.63	87,026.23	609,464.00	(522,437.77) (85.72)%
Other Revenues					
4000	Ambulance Agreement	0.00	18,460.25	67,134.00	(48,673.75) (72.50)%
	Total Other Revenues	0.00	18,460.25	67,134.00	(48,673.75) (72.50)%
Use of Money & Property					
4505	HO Prop Tax Relief	0.00	0.00	12,752.00	(12,752.00) (100.00)%
4510	Investment Income on funds	3,466.17	17,628.68	29,979.47	(12,350.79) (41.20)%
	Total Use of Money & Property	3,466.17	17,628.68	42,731.47	(25,102.79) (58.75)%
	Total Revenues	46,939.80	130,743.71	2,946,963.97	(2,816,220.26) (95.56)%
Expenditures					
Personnel					
Salaries/Wages					
8045	Overtime Pay	0.00	523.80	0.00	(523.80) 0.00%
8054	Salaries & Wages - Regular	0.00	198.00	0.00	(198.00) 0.00%
8295	Resv FF-Overtime/Shift Coverage	1,863.00	6,779.18	22,000.00	15,220.82 69.19%
8340	Resv FF-Shift Coverage	8,000.19	44,158.91	122,000.00	77,841.09 63.80%
8345	Resv FF-Special Projects	0.00	0.00	4,000.00	4,000.00 100.00%
	Total Salaries/Wages	9,863.19	51,659.89	148,000.00	96,340.11 65.09%
Payroll Taxes & Benefits					
5021	FICA - Fire - ER	201.49	1,558.28	7,000.00	5,441.72 77.74%
5030	Life Insurance - ER	180.50	741.00	2,500.00	1,759.00 70.36%
5035	AD & D Insurance	47.50	195.00	850.00	655.00 77.06%
5051	Medicare - Reserves - ER	143.02	751.79	2,150.00	1,398.21 65.03%
5070	Retirement ER - Regular	1,921.21	9,606.05	20,000.00	10,393.95 51.97%
5120	Workers Comp Insurance - ER	0.00	6,330.20	6,330.20	0.00 0.00%
5124	Retirement - ER - Tier 2	469.29	2,580.52	7,000.00	4,419.48 63.14%
	Total Payroll Taxes & Benefits	2,963.01	21,762.84	45,830.20	24,067.36 52.51%
Employment Services					
5000	Medical Exams & Procedures	0.00	0.00	1,400.00	1,400.00 100.00%
5101	Unemp. Costs - Reserves	341.46	2,165.36	5,000.00	2,834.64 56.69%
6200	Hiring, Advertising & Other Costs	0.00	57.81	40.00	(17.81) (44.52)%

LOS OSOS COMMUNITY SERVICES DISTRICT

Statement of Revenues and Expenditures

301 - 301 - Fire

From 11/1/2019 Through 11/30/2019

	Current Period Actual	YTD	Total Budget - Original	Total Budget Variance - Original	Percent Total Budget Remaini... - Original
6230 Medical Exam	1,453.00	1,453.00	5,000.00	3,547.00	70.94%
Total Employment Services	1,794.46	3,676.17	11,440.00	7,763.83	67.87%
Total Personnel	14,620.66	77,098.90	205,270.20	128,171.30	62.44%
Services & Supplies					
Clothing & Uniform					
7246 Uniform & Gear	324.71	751.50	2,000.00	1,248.50	62.42%
7248 Uniform Safety Boots	0.00	0.00	2,000.00	2,000.00	100.00%
Total Clothing & Uniform	324.71	751.50	4,000.00	3,248.50	81.21%
Contract Services					
6100 Labor & Support-IT Services	0.00	1,600.00	0.00	(1,600.00)	0.00%
6110 IT Purchased Services	105.33	629.30	1,150.00	520.70	45.28%
7100 Copier Contract-Maint & Usage	99.74	1,187.64	1,800.00	612.36	34.02%
7202 Building Alarms & Security	0.00	252.57	500.00	247.43	49.49%
7204 Cleaning Supplies, Laundry & Towel Service	64.33	800.97	4,000.00	3,199.03	79.98%
7222 Hazardous Materials CW JPA Cost	0.00	2,325.00	2,000.00	(325.00)	(16.25)%
7500 Schedule A Charges	0.00	0.00	2,267,703.00	2,267,703.00	100.00%
Total Contract Services	269.40	6,795.48	2,277,153.00	2,270,357.52	99.70%
Equipment & Tools					
6055 Radios -Non Capital	0.00	0.00	25,000.00	25,000.00	100.00%
6440 Fire Personal Protection Equipment	0.00	0.00	15,000.00	15,000.00	100.00%
6460 Self-Contained Breathing Apparatus	0.00	2,027.28	2,500.00	472.72	18.91%
6610 Rescue - Extrication Equipment	0.00	0.00	1,500.00	1,500.00	100.00%
6611 Water Rescue Equipment	0.00	0.00	1,000.00	1,000.00	100.00%
6630 Rope & Climbing Equipment	0.00	0.00	1,000.00	1,000.00	100.00%
7234 Oxygen Supplies & Cylinder Rent	0.00	0.00	350.00	350.00	100.00%
7238 Paramedic & EMT Small Tools & Supplies	1,101.93	5,390.73	54,585.00	49,194.27	90.12%
7242 Minor Tools, Accessories & Field Machines	17.78	89.12	500.00	410.88	82.18%
7252 Misc Hardware	0.00	60.96	350.00	289.04	82.58%
Total Equipment & Tools	1,119.71	7,568.09	101,785.00	94,216.91	92.56%
Financial Services					
7309 Late Fees	0.00	0.00	10.00	10.00	100.00%
7310 Bank Service Charges	0.00	15.00	20.00	5.00	25.00%
9154 Losses and Damages	0.00	0.00	50.00	50.00	100.00%
Total Financial Services	0.00	15.00	80.00	65.00	81.25%
Insurance, Licenses & Regulatory Fees					
6120 Computer Licenses	0.00	333.72	1,700.00	1,366.28	80.37%

LOS OSOS COMMUNITY SERVICES DISTRICT

Statement of Revenues and Expenditures

301 - 301 - Fire

From 11/1/2019 Through 11/30/2019

		Current Period Actual	YTD	Total Budget - Original	Total Budget Variance - Original	Percent Total Budget Remaini... - Original
6345	Property Taxes & Assessments Costs	3,681.50	3,681.50	5,420.66	1,739.16	32.08%
7325	Insurance	0.00	24,929.89	24,929.89	0.00	0.00%
	Total Insurance, Licenses & Regulatory Fees	3,681.50	28,945.11	32,050.55	3,105.44	9.69%
	Legal & Professional					
7320	Professional & Consulting Services	38.60	306.99	1,400.00	1,093.01	78.07%
7326	Legal Services	0.00	0.00	350.00	350.00	100.00%
7340	Legal Notifications & Mandated Advertising	0.00	0.00	20.00	20.00	100.00%
	Total Legal & Professional	38.60	306.99	1,770.00	1,463.01	82.66%
	Office/Operations					
6130	Computer Hardware	0.00	94.99	0.00	(94.99)	0.00%
7140	General Supplies & Minor Equipment	168.98	488.86	5,000.00	4,511.14	90.22%
7160	Postage, Shipping & Mail Supplies	0.00	139.80	300.00	160.20	53.40%
7216	Fire Prevention Education Materials	0.00	898.68	1,200.00	301.32	25.11%
7226	Membership & Dues	31.21	31.21	100.00	68.79	68.79%
7230	Misc Small Parts & Supplies	12.83	75.61	2,000.00	1,924.39	96.22%
7240	Propane	0.00	0.00	120.00	120.00	100.00%
	Total Office/Operations	213.02	1,729.15	8,720.00	6,990.85	80.17%
	Other Expense					
7201	White Goods & Accessories - bedding, towels	45.00	45.00	1,000.00	955.00	95.50%
7209	District Operating Center Expense	0.00	0.00	1,000.00	1,000.00	100.00%
7218	Cooking Products - Food, Drinks & Staples	0.00	85.96	500.00	414.04	82.81%
7224	Kitchen Cookware & Utensils	0.00	117.09	800.00	682.91	85.36%
	Total Other Expense	45.00	248.05	3,300.00	3,051.95	92.48%
	Rent & Utilities					
6000	Cell Phones	105.51	527.23	2,000.00	1,472.77	73.64%
6025	Telephone	460.56	2,268.43	4,000.00	1,731.57	43.29%
8610	Electric	0.00	2,258.70	3,000.00	741.30	24.71%
8620	Gas Service	0.00	213.51	1,500.00	1,286.49	85.77%
8630	Trash Services	101.41	539.02	1,300.00	760.98	58.54%
8640	Water and Water Services	85.00	1,473.19	4,000.00	2,526.81	63.17%
8659	Utility Cable Charges	116.27	384.64	1,400.00	1,015.36	72.53%
8670	Street Lighting	8.82	44.01	135.00	90.99	67.40%
	Total Rent & Utilities	877.57	7,708.73	17,335.00	9,626.27	55.53%
	Repairs & Maintenance					
6400	R & M - Air Compressors	0.00	0.00	500.00	500.00	100.00%
6405	R & M - Extinguishers	0.00	421.42	1,000.00	578.58	57.86%

LOS OSOS COMMUNITY SERVICES DISTRICT

Statement of Revenues and Expenditures

301 - 301 - Fire

From 11/1/2019 Through 11/30/2019

		Current Period Actual	YTD	Total Budget - Original	Total Budget Variance - Original	Percent Total Budget Remaini... - Original
6640	R & M - Equip & Other Non-Structural Fixed Assets	253.65	432.36	1,600.00	1,167.64	72.98%
6750	R & M - Minor Tools & Equipment	0.00	130.57	1,000.00	869.43	86.94%
6775	R & M -Operation/Field Equipment	0.00	0.00	800.00	800.00	100.00%
6800	R & M - Grounds & Collection Systems	0.00	0.00	1,500.00	1,500.00	100.00%
6900	R & M - Buildings & Structures	57.69	15,597.40	17,000.00	1,402.60	8.25%
	Total Repairs & Maintenance	<u>311.34</u>	<u>16,581.75</u>	<u>23,400.00</u>	<u>6,818.25</u>	<u>29.14%</u>
	Travel & Training					
7141	CERT Training Supplies	0.00	0.00	100.00	100.00	100.00%
7323	Books, Publications & Subscriptions	188.04	188.04	200.00	11.96	5.98%
7324	Education & Training Fees	0.00	62.10	1,000.00	937.90	93.79%
8405	Reserve FF Training Costs	400.00	465.00	1,000.00	535.00	53.50%
	Total Travel & Training	<u>588.04</u>	<u>715.14</u>	<u>2,300.00</u>	<u>1,584.86</u>	<u>68.91%</u>
	Total Services & Supplies	7,468.89	71,364.99	2,471,893.55	2,400,528.56	97.11%
	Capital Outlay					
9006	Infrastructure CIP	0.00	0.00	50,000.00	50,000.00	100.00%
9085	Vehicle Purchase	0.00	26,418.74	693,000.00	666,581.26	96.19%
	Total Capital Outlay	<u>0.00</u>	<u>26,418.74</u>	<u>743,000.00</u>	<u>716,581.26</u>	<u>96.44%</u>
	Reserves					
9504	*Vehicle Replacement Reserve	0.00	0.00	85,000.00	85,000.00	100.00%
9572	*General Contingency (Operations) Reserve	0.00	0.00	84,308.84	84,308.84	100.00%
	Total Reserves	<u>0.00</u>	<u>0.00</u>	<u>169,308.84</u>	<u>169,308.84</u>	<u>100.00%</u>
	Transfers					
9511	Interfund Transfer Out	4,391.40	21,957.00	52,696.78	30,739.78	58.33%
	Total Transfers	<u>4,391.40</u>	<u>21,957.00</u>	<u>52,696.78</u>	<u>30,739.78</u>	<u>58.33%</u>
	Total Expenditures	<u>26,480.95</u>	<u>196,839.63</u>	<u>3,642,169.37</u>	<u>3,445,329.74</u>	<u>94.60%</u>
	Net Revenues over Expenditures	<u>20,458.85</u>	<u>(66,095.92)</u>	<u>(695,205.40)</u>	<u>629,109.48</u>	<u>(90.49)%</u>

LOS OSOS COMMUNITY SERVICES DISTRICT

Statement of Revenues and Expenditures

400 - 400 - Vista de Oro

From 11/1/2019 Through 11/30/2019

	Current Period Actual	YTD	Total Budget - Original	Total Budget Variance - Original	Percent Total Budget Remaini... - Original	
Revenues						
Special Taxes & Assessments						
4550	Lighting & Septic Assessments	1,417.00	1,417.00	15,768.00	(14,351.00)	(91.01)%
	Total Special Taxes & Assessments	1,417.00	1,417.00	15,768.00	(14,351.00)	(91.01)%
	Total Revenues	1,417.00	1,417.00	15,768.00	(14,351.00)	(91.01)%
Expenditures						
Services & Supplies						
Legal & Professional						
7320	Professional & Consulting Services	0.00	265.83	700.00	434.17	62.02%
7326	Legal Services	0.00	0.00	300.00	300.00	100.00%
	Total Legal & Professional	0.00	265.83	1,000.00	734.17	73.42%
Rent & Utilities						
8670	Street Lighting	157.25	784.89	2,460.00	1,675.11	68.09%
	Total Rent & Utilities	157.25	784.89	2,460.00	1,675.11	68.09%
	Total Services & Supplies	157.25	1,050.72	3,460.00	2,409.28	69.63%
Debt Service						
9804	Payment on Internal Loans	0.00	0.00	6,711.49	6,711.49	100.00%
	Total Debt Service	0.00	0.00	6,711.49	6,711.49	100.00%
Transfers						
9511	Interfund Transfer Out	219.57	1,097.85	2,634.84	1,536.99	58.33%
	Total Transfers	219.57	1,097.85	2,634.84	1,536.99	58.33%
	Total Expenditures	376.82	2,148.57	12,806.33	10,657.76	83.22%
	Net Revenues over Expenditures	1,040.18	(731.57)	2,961.67	(3,693.24)	(124.70)%

LOS OSOS COMMUNITY SERVICES DISTRICT

Statement of Revenues and Expenditures

500 - 500 - Water

From 11/1/2019 Through 11/30/2019

	Current Period Actual	YTD	Total Budget - Original	Total Budget Variance - Original	Percent Total Budget Remaini... - Original
Revenues					
Property Taxes					
4035	Property Taxes	23,356.02	37,202.64	125,384.00	(88,181.36) (70.33)%
	Total Property Taxes	23,356.02	37,202.64	125,384.00	(88,181.36) (70.33)%
Service Charges & Fees					
4030	Residential Single Family	164,796.16	945,613.32	2,193,000.00	(1,247,386.68) (56.88)%
4102	Residential- Multi -Family-Water Sales	24,659.75	104,264.33	225,900.00	(121,635.67) (53.84)%
4103	Commercial, Home Care, Retail-Water Sales	21,116.83	144,034.16	303,000.00	(158,965.84) (52.46)%
4104	Irrigation- Water Sales	6,948.50	21,370.75	33,000.00	(11,629.25) (35.24)%
4114	Water Other Service Revenues	(225.00)	(773.00)	1,000.00	(1,773.00) (177.30)%
4931	Water Activation Fees	500.00	3,650.00	5,000.00	(1,350.00) (27.00)%
4932	Penalties	2,355.03	10,364.02	20,000.00	(9,635.98) (48.18)%
4933	Door Hangers/Lockout Notices	900.00	5,405.00	12,000.00	(6,595.00) (54.96)%
4937	NSF Fees	25.00	200.00	400.00	(200.00) (50.00)%
	Total Service Charges & Fees	221,076.27	1,234,128.58	2,793,300.00	(1,559,171.42) (55.82)%
Other Revenues					
4930	Other Revenue	278.77	1,675.77	1,000.00	675.77 67.58%
	Total Other Revenues	278.77	1,675.77	1,000.00	675.77 67.58%
Use of Money & Property					
4505	HO Prop Tax Relief	0.00	0.00	1,477.00	(1,477.00) (100.00)%
4510	Investment Income on funds	5,169.21	24,142.03	20,000.00	4,142.03 20.71%
	Total Use of Money & Property	5,169.21	24,142.03	21,477.00	2,665.03 12.41%
	Total Revenues	249,880.27	1,297,149.02	2,941,161.00	(1,644,011.98) (55.90)%
Expenditures					
Personnel					
Salaries/Wages					
8018	Holiday Pay	1,864.08	5,610.73	25,000.00	19,389.27 77.56%
8045	Overtime Pay	0.00	409.44	4,000.00	3,590.56 89.76%
8050	Administrative Leave Pay	0.00	1,483.52	3,680.00	2,196.48 59.69%
8051	Floating Holiday Pay	183.36	1,320.72	5,000.00	3,679.28 73.59%
8054	Salaries & Wages - Regular	27,763.37	150,642.02	374,131.96	223,489.94 59.74%
8056	Retroactive Pay	0.00	330.72	1,000.00	669.28 66.93%
8060	Sick Leave Pay	1,108.61	8,782.09	24,150.00	15,367.91 63.64%
8063	Standby Pay	1,430.00	7,466.89	15,000.00	7,533.11 50.22%
8066	Comp Time Used	995.08	6,029.60	12,000.00	5,970.40 49.75%
8081	Vacation Pay	5,690.20	14,223.71	39,900.00	25,676.29 64.35%
	Total Salaries/Wages	39,034.70	196,299.44	503,861.96	307,562.52 61.04%
Payroll Taxes & Benefits					
5030	Life Insurance - ER	110.50	568.80	1,700.00	1,131.20 66.54%
5031	Disability Insurance	24.54	140.39	500.00	359.61 71.92%
5035	AD & D Insurance	25.00	135.00	0.00	(135.00) 0.00%
5040	LTD Insurance	172.66	987.50	3,300.00	2,312.50 70.08%
5050	Medicare - ER	585.42	2,890.10	9,000.00	6,109.90 67.89%
5060	Cafeteria Plan - ER	5,208.30	22,941.42	65,000.00	42,058.58 64.71%
5070	Retirement ER - Regular	7,523.17	38,457.05	67,000.00	28,542.95 42.60%

LOS OSOS COMMUNITY SERVICES DISTRICT

Statement of Revenues and Expenditures

500 - 500 - Water

From 11/1/2019 Through 11/30/2019

	Current Period Actual	YTD	Total Budget - Original	Total Budget Variance - Original	Percent Total Budget Remaini... - Original	
5075	Retirees Medical - ER	(147.46)	683.80	1,620.00	936.20	57.79%
5120	Workers Comp Insurance - ER	0.00	21,107.23	21,107.23	0.00	0.00%
5124	Retirement - ER - Tier 2	<u>544.65</u>	<u>2,212.66</u>	<u>5,970.00</u>	<u>3,757.34</u>	<u>62.94%</u>
	Total Payroll Taxes & Benefits	14,046.78	90,123.95	175,197.23	85,073.28	48.56%
	Employment Services					
5100	Unemployment Insurance - ER	507.72	600.80	5,500.00	4,899.20	89.08%
6200	Hiring, Advertising & Other Costs	80.66	659.64	0.00	(659.64)	0.00%
6230	Medical Exam	<u>0.00</u>	<u>280.00</u>	<u>150.00</u>	<u>(130.00)</u>	<u>(86.67)%</u>
	Total Employment Services	<u>588.38</u>	<u>1,540.44</u>	<u>5,650.00</u>	<u>4,109.56</u>	<u>72.74%</u>
	Total Personnel	53,669.86	287,963.83	684,709.19	396,745.36	57.94%
	Services & Supplies					
	Clothing & Uniform					
7246	Uniform & Gear	288.78	288.78	2,600.00	2,311.22	88.89%
7248	Uniform Safety Boots	<u>0.00</u>	<u>542.01</u>	<u>1,000.00</u>	<u>457.99</u>	<u>45.80%</u>
	Total Clothing & Uniform	288.78	830.79	3,600.00	2,769.21	76.92%
	Contract Services					
6100	Labor & Support-IT Services	0.00	1,600.00	300.00	(1,300.00)	(433.33)%
6110	IT Purchased Services	134.99	1,052.79	5,400.00	4,347.21	80.50%
7250	Water Quality Testing	0.00	7,481.89	28,000.00	20,518.11	73.28%
7255	Security Services	0.00	0.00	8,000.00	8,000.00	100.00%
7321	Janitorial Cleaning & Supplies	<u>49.62</u>	<u>248.10</u>	<u>850.00</u>	<u>601.90</u>	<u>70.81%</u>
	Total Contract Services	184.61	10,382.78	42,550.00	32,167.22	75.60%
	Equipment & Tools					
6438	Disinfection Feed Pumps	349.45	576.62	1,800.00	1,223.38	67.97%
7242	Minor Tools, Accessories & Field Machines	45.94	1,276.23	18,000.00	16,723.77	92.91%
7253	Rent - Equipment	0.00	0.00	500.00	500.00	100.00%
7256	Meter Purchases & Replacements	0.00	24,237.54	75,000.00	50,762.46	67.68%
	Total Equipment & Tools	395.39	26,090.39	95,300.00	69,209.61	72.62%
	Financial Services					
7309	Late Fees	0.00	0.00	50.00	50.00	100.00%
7310	Bank Service Charges	<u>0.00</u>	<u>30.00</u>	<u>0.00</u>	<u>(30.00)</u>	<u>0.00%</u>
	Total Financial Services	0.00	30.00	50.00	20.00	40.00%
	Insurance, Licenses & Regulatory Fees					
6120	Computer Licenses	0.00	0.00	200.00	200.00	100.00%
6340	Misc Fees	0.00	0.00	3,000.00	3,000.00	100.00%
6342	Fees - Regulatory	0.00	2,631.67	18,000.00	15,368.33	85.38%
6345	Property Taxes & Assessments Costs	3,158.84	3,158.84	6,300.00	3,141.16	49.86%
7325	Insurance	<u>0.00</u>	<u>43,146.66</u>	<u>43,104.33</u>	<u>(42.33)</u>	<u>(0.10)%</u>
	Total Insurance, Licenses & Regulatory Fees	3,158.84	48,937.17	70,604.33	21,667.16	30.69%
	Legal & Professional					

LOS OSOS COMMUNITY SERVICES DISTRICT

Statement of Revenues and Expenditures

500 - 500 - Water

From 11/1/2019 Through 11/30/2019

		Current Period Actual	YTD	Total Budget - Original	Total Budget Variance - Original	Percent Total Budget Remaini... - Original
7318	Professional & Consulting BMC	0.00	99,094.38	131,556.00	32,461.62	24.68%
7320	Professional & Consulting Services	0.00	614.21	10,000.00	9,385.79	93.86%
7326	Legal Services	100.00	3,730.57	20,000.00	16,269.43	81.35%
7336	Legal Services- ISJ	0.00	0.00	1,000.00	1,000.00	100.00%
7340	Legal Notifications & Mandated Advertising	108.90	258.94	1,000.00	741.06	74.11%
	Total Legal & Professional	208.90	103,698.10	163,556.00	59,857.90	36.60%
	Office/Operations					
6130	Computer Hardware	0.00	0.00	3,000.00	3,000.00	100.00%
6140	Computer Software	0.00	6,481.23	7,500.00	1,018.77	13.58%
7140	General Supplies & Minor Equipment	0.00	214.41	1,000.00	785.59	78.56%
7160	Postage, Shipping & Mail Supplies	747.30	4,243.06	15,000.00	10,756.94	71.71%
7180	Billing Supplies, Forms & Printing	0.00	145.46	2,200.00	2,054.54	93.39%
7226	Membership & Dues	0.00	928.95	3,000.00	2,071.05	69.03%
7230	Misc Small Parts & Supplies	154.47	582.59	2,000.00	1,417.41	70.87%
7237	Process Control & Treatment Supplies	195.46	1,343.09	4,000.00	2,656.91	66.42%
7239	Water Treatment Chemicals	0.00	3,734.10	8,000.00	4,265.90	53.32%
7249	Safety Supplies	24.66	159.68	1,000.00	840.32	84.03%
	Total Office/Operations	1,121.89	17,832.57	46,700.00	28,867.43	61.81%
	Other Expense					
7330	Misc Operating Expenses	0.00	0.00	250.00	250.00	100.00%
7345	Outreach- Program Give-away Items	0.00	1,617.52	0.00	(1,617.52)	0.00%
7348	Water Conservation Program	0.00	3,854.07	10,000.00	6,145.93	61.46%
	Total Other Expense	0.00	5,471.59	10,250.00	4,778.41	46.62%
	Rent & Utilities					
6000	Cell Phones	250.69	1,280.58	3,500.00	2,219.42	63.41%
6025	Telephone	772.20	3,839.28	10,000.00	6,160.72	61.61%
8610	Electric	7,079.16	45,401.89	100,000.00	54,598.11	54.60%
8620	Gas Service	0.00	0.00	250.00	250.00	100.00%
8630	Trash Services	233.30	583.25	3,000.00	2,416.75	80.56%
8644	Disposal Services	1,177.00	5,160.00	30,000.00	24,840.00	82.80%
8670	Street Lighting	34.22	169.19	400.00	230.81	57.70%
	Total Rent & Utilities	9,546.57	56,434.19	147,150.00	90,715.81	61.65%
	Repairs & Maintenance					
6405	R & M - Extinguishers	0.00	414.69	350.00	(64.69)	(18.48)%
6422	R & M - Hydrants	0.00	185.46	1,100.00	914.54	83.14%
6640	R & M - Equip & Other Non-Structural Fixed Assets	0.00	2,863.84	1,000.00	(1,863.84)	(186.38)%
6641	R & M - Wells	418.00	2,281.03	1,000.00	(1,281.03)	(128.10)%

LOS OSOS COMMUNITY SERVICES DISTRICT

Statement of Revenues and Expenditures

500 - 500 - Water

From 11/1/2019 Through 11/30/2019

		Current Period Actual	YTD	Total Budget - Original	Total Budget Variance - Original	Percent Total Budget Remaini... - Original
6750	R & M - Minor Tools & Equipment	0.00	998.01	2,400.00	1,401.99	58.42%
6800	R & M - Grounds & Collection Systems	0.00	0.00	600.00	600.00	100.00%
6830	Paving & Concrete	0.00	0.00	4,000.00	4,000.00	100.00%
6900	R & M - Buildings & Structures	0.00	10,020.00	16,000.00	5,980.00	37.38%
7241	R & M - Water Distribution System	141.55	10,321.11	99,400.00	89,078.89	89.62%
	Total Repairs & Maintenance	559.55	27,084.14	125,850.00	98,765.86	78.48%
	Travel & Training					
7323	Books, Publications & Subscriptions	0.00	0.00	250.00	250.00	100.00%
7324	Education & Training Fees	0.00	1,179.73	5,900.00	4,720.27	80.00%
8410	Certifications	0.00	125.00	500.00	375.00	75.00%
8510	Lodging & Meals - Local	0.00	557.40	2,000.00	1,442.60	72.13%
8539	Meals	0.00	144.21	0.00	(144.21)	0.00%
8550	Mileage Reimbursement & Parking	0.00	242.15	500.00	257.85	51.57%
	Total Travel & Training	0.00	2,248.49	9,150.00	6,901.51	75.43%
	Vehicle Maintenance & Repairs					
7006	Tuneup/Oil/Maintenance	0.00	311.39	1,600.00	1,288.61	80.54%
7211	Misc Fuel & Diesel	303.94	1,563.30	2,300.00	736.70	32.03%
7220	Gasoline	229.06	1,978.78	5,000.00	3,021.22	60.42%
7228	Markings & Other Misc Services	0.00	0.00	200.00	200.00	100.00%
7232	Vehicle Repairs - Parts, Tires & Lubricants	0.00	463.66	5,000.00	4,536.34	90.73%
	Total Vehicle Maintenance & Repairs	533.00	4,317.13	14,100.00	9,782.87	69.38%
	Total Services & Supplies	15,997.53	303,357.34	728,860.33	425,502.99	58.38%
	Capital Outlay					
9006	Infrastructure CIP	1,755.00	22,188.45	1,410,824.00	1,388,635.55	98.43%
9059	Vehicles, Equipment, & Fixtures	0.00	8,033.03	0.00	(8,033.03)	0.00%
	Total Capital Outlay	1,755.00	30,221.48	1,410,824.00	1,380,602.52	97.86%
	Debt Service					
9022	Debt Service - Principal	0.00	165,777.35	165,777.00	(0.35)	(0.00)%
9023	Debt Service - Interest & Annual Fee	0.00	51,160.17	99,792.00	48,631.83	48.73%
9024	Loan Administration Fee	0.00	10,064.30	10,064.00	(0.30)	(0.00)%
	Total Debt Service	0.00	227,001.82	275,633.00	48,631.18	17.64%
	Reserves					
9572	*General Contingency (Operations) Reserve	0.00	0.00	57,000.00	57,000.00	100.00%
	Total Reserves	0.00	0.00	57,000.00	57,000.00	100.00%
	Transfers					

LOS OSOS COMMUNITY SERVICES DISTRICT

Statement of Revenues and Expenditures

500 - 500 - Water

From 11/1/2019 Through 11/30/2019

	Current Period Actual	YTD	Total Budget - Original	Total Budget Variance - Original	Percent Total Budget Remaini... - Original
9511 Interfund Transfer Out	<u>37,546.45</u>	<u>187,732.25</u>	<u>450,557.45</u>	<u>262,825.20</u>	<u>58.33%</u>
Total Transfers	<u>37,546.45</u>	<u>187,732.25</u>	<u>450,557.45</u>	<u>262,825.20</u>	<u>58.33%</u>
Total Expenditures	<u>108,968.84</u>	<u>1,036,276.72</u>	<u>3,607,583.97</u>	<u>2,571,307.25</u>	<u>71.28%</u>
Net Revenues over Expenditures	<u>140,911.43</u>	<u>260,872.30</u>	<u>(666,422.97)</u>	<u>927,295.27</u>	<u>(139.15)%</u>

LOS OSOS COMMUNITY SERVICES DISTRICT

Statement of Revenues and Expenditures

600 - 600 - Wastewater

From 11/1/2019 Through 11/30/2019

	Current Period Actual	YTD	Total Budget - Original	Total Budget Variance - Original	Percent Total Budget Remaini... - Original	
Revenues						
Property Taxes						
4034	Property Tax Revenue from Water	0.00	0.00	31,715.25	(31,715.25)	(100.00)%
	Total Property Taxes	0.00	0.00	31,715.25	(31,715.25)	(100.00)%
Service Charges & Fees						
4062	Wastewater Admin Charge	0.00	0.00	16,892.75	(16,892.75)	(100.00)%
	Total Service Charges & Fees	0.00	0.00	16,892.75	(16,892.75)	(100.00)%
	Total Revenues	0.00	0.00	48,608.00	(48,608.00)	(100.00)%
Expenditures						
Services & Supplies						
Insurance, Licenses & Regulatory Fees						
6343	Lien & Notary Fees	0.00	0.00	34.00	34.00	100.00%
6345	Property Taxes & Assessments Costs	239.78	239.78	270.00	30.22	11.19%
	Total Insurance, Licenses & Regulatory Fees	239.78	239.78	304.00	64.22	21.13%
Legal & Professional						
7320	Professional & Consulting Services	0.00	5,235.63	13,853.69	8,618.06	62.21%
7326	Legal Services	0.00	0.00	100.00	100.00	100.00%
	Total Legal & Professional	0.00	5,235.63	13,953.69	8,718.06	62.48%
	Total Services & Supplies	239.78	5,475.41	14,257.69	8,782.28	61.60%
Transfers						
9511	Interfund Transfer Out	219.57	1,097.85	2,634.84	1,536.99	58.33%
	Total Transfers	219.57	1,097.85	2,634.84	1,536.99	58.33%
	Total Expenditures	459.35	6,573.26	16,892.53	10,319.27	61.09%
	Net Revenues over Expenditures	(459.35)	(6,573.26)	31,715.47	(38,288.73)	(120.73)%

LOS OSOS COMMUNITY SERVICES DISTRICT

Statement of Revenues and Expenditures

602 - Wastewater Fiduciary Fund

From 11/1/2019 Through 11/30/2019

	Current Period Actual	YTD	Total Budget - Original	Total Budget Variance - Original	Percent Total Budget Remaini... - Original	
Revenues						
Special Taxes & Assessments						
4061	Debt Service	111,208.61	(130,255.15)	0.00	(130,255.15)	0.00%
	Assessments-2002 WW Bond					
	Total Special Taxes & Assessments	111,208.61	(130,255.15)	0.00	(130,255.15)	0.00%
Use of Money & Property						
4510	Investment Income on funds	1,517.33	7,372.99	0.00	7,372.99	0.00%
	Total Use of Money & Property	1,517.33	7,372.99	0.00	7,372.99	0.00%
	Total Revenues	112,725.94	(122,882.16)	0.00	(122,882.16)	0.00%
Expenditures						
Services & Supplies						
Financial Services						
7310	Bank Service Charges	0.00	1,650.00	0.00	(1,650.00)	0.00%
	Total Financial Services	0.00	1,650.00	0.00	(1,650.00)	0.00%
	Total Services & Supplies	0.00	1,650.00	0.00	(1,650.00)	0.00%
	Total Expenditures	0.00	1,650.00	0.00	(1,650.00)	0.00%
	Net Revenues over Expenditures	112,725.94	(124,532.16)	0.00	(124,532.16)	0.00%

LOS OSOS COMMUNITY SERVICES DISTRICT

Statement of Revenues and Expenditures

800 - 800 - Drainage

From 11/1/2019 Through 11/30/2019

	Current Period Actual	YTD	Total Budget - Original	Total Budget Variance - Original	Percent Total Budget Remaini... - Original
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Revenues					
Property Taxes					
4035	Property Taxes	2,331.77	3,520.81	24,886.00	(21,365.19) (85.85)%
	Total Property Taxes	2,331.77	3,520.81	24,886.00	(21,365.19) (85.85)%
Special Taxes & Assessments					
4400	Drainage Assessments	13,329.00	13,329.00	95,312.00	(81,983.00) (86.02)%
	Total Special Taxes & Assessments	13,329.00	13,329.00	95,312.00	(81,983.00) (86.02)%
Other Revenues					
4935	Sale-Specs/Plans & Non_Capital Items	9.00	226.35	0.00	226.35 0.00%
	Total Other Revenues	9.00	226.35	0.00	226.35 0.00%
Use of Money & Property					
4505	HO Prop Tax Relief	0.00	0.00	147.00	(147.00) (100.00)%
4510	Investment Income on funds	(0.09)	2,917.33	300.00	2,617.33 872.44%
	Total Use of Money & Property	(0.09)	2,917.33	447.00	2,470.33 552.65%
	Total Revenues	15,669.68	19,993.49	120,645.00	(100,651.51) (83.43)%
Expenditures					
Personnel					
Salaries/Wages					
8045	Overtime Pay	0.00	0.00	200.00	200.00 100.00%
8054	Salaries & Wages - Regular	0.00	1,288.71	16,000.00	14,711.29 91.95%
	Total Salaries/Wages	0.00	1,288.71	16,200.00	14,911.29 92.05%
	Total Personnel	0.00	1,288.71	16,200.00	14,911.29 92.05%
Services & Supplies					
Equipment & Tools					
6390	Equipment	0.00	0.00	300.00	300.00 100.00%
7242	Minor Tools, Accessories & Field Machines	86.87	86.87	300.00	213.13 71.04%
	Total Equipment & Tools	86.87	86.87	600.00	513.13 85.52%
Insurance, Licenses & Regulatory Fees					
6342	Fees - Regulatory	0.00	5,692.00	6,000.00	308.00 5.13%
6345	Property Taxes & Assessments Costs	202.80	202.80	200.00	(2.80) (1.40)%
7325	Insurance	0.00	443.46	500.00	56.54 11.31%
	Total Insurance, Licenses & Regulatory Fees	202.80	6,338.26	6,700.00	361.74 5.40%
Legal & Professional					
7320	Professional & Consulting Services	0.00	265.84	2,000.00	1,734.16 86.71%
7326	Legal Services	0.00	0.00	500.00	500.00 100.00%
	Total Legal & Professional	0.00	265.84	2,500.00	2,234.16 89.37%
Office/Operations					
7230	Misc Small Parts & Supplies	0.00	0.00	550.00	550.00 100.00%
7249	Safety Supplies	0.00	0.00	100.00	100.00 100.00%
	Total Office/Operations	0.00	0.00	650.00	650.00 100.00%
Other Expense					

LOS OSOS COMMUNITY SERVICES DISTRICT

Statement of Revenues and Expenditures

800 - 800 - Drainage

From 11/1/2019 Through 11/30/2019

	Current Period Actual	YTD	Total Budget - Original	Total Budget Variance - Original	Percent Total Budget Remaini... - Original
7346 Promotional Expenses - Event	0.00	250.00	300.00	50.00	16.67%
Total Other Expense	0.00	250.00	300.00	50.00	16.67%
Rent & Utilities					
6000 Cell Phones	140.46	701.58	1,700.00	998.42	58.73%
6025 Telephone	21.51	106.51	250.00	143.49	57.40%
8610 Electric	96.70	620.97	2,200.00	1,579.03	71.77%
8670 Street Lighting	70.08	347.55	1,000.00	652.45	65.25%
Total Rent & Utilities	328.75	1,776.61	5,150.00	3,373.39	65.50%
Repairs & Maintenance					
6405 R & M - Extinguishers	0.00	33.18	50.00	16.82	33.64%
6640 R & M - Equip & Other Non-Structural Fixed Assets	0.00	119.93	1,000.00	880.07	88.01%
6750 R & M - Minor Tools & Equipment	0.00	0.00	500.00	500.00	100.00%
6800 R & M - Grounds & Collection Systems	0.00	0.00	1,000.00	1,000.00	100.00%
6900 R & M - Buildings & Structures	0.00	0.00	1,500.00	1,500.00	100.00%
Total Repairs & Maintenance	0.00	153.11	4,050.00	3,896.89	96.22%
Travel & Training					
7324 Education & Training Fees	0.00	0.00	2,000.00	2,000.00	100.00%
8410 Certifications	0.00	0.00	100.00	100.00	100.00%
8475 Training Materials	0.00	0.00	250.00	250.00	100.00%
8510 Lodging & Meals - Local	0.00	0.00	500.00	500.00	100.00%
8550 Mileage Reimbursement & Parking	0.00	0.00	300.00	300.00	100.00%
Total Travel & Training	0.00	0.00	3,150.00	3,150.00	100.00%
Vehicle Maintenance & Repairs					
7006 Tuneup/Oil/Maintenance	0.00	18.40	0.00	(18.40)	0.00%
7211 Misc Fuel & Diesel	75.98	359.98	550.00	190.02	34.55%
7220 Gasoline	57.27	494.70	1,000.00	505.30	50.53%
Total Vehicle Maintenance & Repairs	133.25	873.08	1,550.00	676.92	43.67%
Total Services & Supplies	751.67	9,743.77	24,650.00	14,906.23	60.47%
Capital Outlay					
9006 Infrastructure CIP	0.00	0.00	62,500.00	62,500.00	100.00%
Total Capital Outlay	0.00	0.00	62,500.00	62,500.00	100.00%
Transfers					
9511 Interfund Transfer Out	878.28	4,391.40	10,539.36	6,147.96	58.33%
Total Transfers	878.28	4,391.40	10,539.36	6,147.96	58.33%
Total Expenditures	1,629.95	15,423.88	113,889.36	98,465.48	86.46%
Net Revenues over Expenditures	14,039.73	4,569.61	6,755.64	(2,186.03)	(32.36)%

LOS OSOS COMMUNITY SERVICES DISTRICT

Statement of Revenues and Expenditures

900 - 900 - Parks & Recreation

From 11/1/2019 Through 11/30/2019

	Current Period Actual	YTD	Total Budget - Original	Total Budget Variance - Original	Percent Total Budget Remaini... - Original	
Revenues						
Property Taxes						
4034	Property Tax Revenue from Water	0.00	0.00	31,715.25	(31,715.25)	(100.00)%
	Total Property Taxes	0.00	0.00	31,715.25	(31,715.25)	(100.00)%
Use of Money & Property						
4510	Investment Income on funds	0.00	3,749.00	1,607.78	2,141.22	133.18%
	Total Use of Money & Property	0.00	3,749.00	1,607.78	2,141.22	133.18%
	Total Revenues	0.00	3,749.00	33,323.03	(29,574.03)	(88.75)%
Expenditures						
Services & Supplies						
Legal & Professional						
7320	Professional & Consulting Services	0.00	0.00	9,000.00	9,000.00	100.00%
7326	Legal Services	0.00	2,600.00	2,000.00	(600.00)	(30.00)%
	Total Legal & Professional	0.00	2,600.00	11,000.00	8,400.00	76.36%
Office/Operations						
7140	General Supplies & Minor Equipment	0.00	0.00	100.00	100.00	100.00%
	Total Office/Operations	0.00	0.00	100.00	100.00	100.00%
Other Expense						
7330	Misc Operating Expenses	0.00	0.00	100.00	100.00	100.00%
	Total Other Expense	0.00	0.00	100.00	100.00	100.00%
	Total Services & Supplies	0.00	2,600.00	11,200.00	8,600.00	76.79%
Transfers						
9511	Interfund Transfer Out	439.14	2,195.70	5,269.68	3,073.98	58.33%
	Total Transfers	439.14	2,195.70	5,269.68	3,073.98	58.33%
	Total Expenditures	439.14	4,795.70	16,469.68	11,673.98	70.88%
	Net Revenues over Expenditures	(439.14)	(1,046.70)	16,853.35	(17,900.05)	(106.21)%

LOS OSOS COMMUNITY SERVICES DISTRICT

Balance Sheet
As of 11/30/2019

		Current Period Balance
ASSETS		
CURRENT ASSETS		
Cash in Bank		
Change Fund	0999	400.00
Petty Cash	1000	500.00
LAIF Investments	1011	670,099.48
General Checking Account	1012	1,396,846.75
Payroll Account (contra to 2998)	1013	3,657.20
Rabobank-Bankruptcy Disbursement Reserve	1017	102,793.69
Fire Reserves Account	1031	1,833,326.00
US Bank - WW Bond Prepayment	1070	2,238.92
US Bank - WW Bond Redemption (New)	1072	186,364.87
US Bank - WW Bond Reserve (New)	1073	<u>1,026,000.38</u>
Total Cash in Bank		5,222,227.29
Investments		
Water Reserves Account	0335	<u>2,646,959.85</u>
Total Investments		2,646,959.85
Due From Others		
Due From Bayridge	1420	78,340.11
Due From Vista De Oro	1440	<u>20,318.63</u>
Total Due From Others		98,658.74
Held Deposits		
Held Deposits	1030	<u>10,000.00</u>
Total Held Deposits		10,000.00
Accounts Receivable		
Accounts Receivable	1080	237,554.26
Unbilled A/R	1085	<u>275,700.19</u>
Total Accounts Receivable		513,254.45
Accrued Inventory On Hand		
Inventory	1100	<u>47,213.45</u>
Total Accrued Inventory On Hand		<u>47,213.45</u>
Total CURRENT ASSETS		8,538,313.78
FIXED ASSETS		
Land		
Land and Land Rights	1720	<u>555,803.09</u>
Total Land		555,803.09
Building		
Building, Structures & Improvements	1750	592,410.70
Accum Depreciation-Building, Structures & Improvements	1851	(5,000.00)
Total Building		<u>587,410.70</u>
Plant & Equipment		
Equipment, Vehicles, Fixtures & Systems	1800	2,013,676.79
Acc Depreciation-Equipment, Vehicles & Systems	1853	(451,346.15)
Total Plant & Equipment		<u>1,562,330.64</u>
Construction in Progress		
Construction In Progress	1850	<u>239,587.28</u>
Total Construction in Progress		239,587.28
Infrastructure		

LOS OSOS COMMUNITY SERVICES DISTRICT

Balance Sheet
As of 11/30/2019

		Current Period Balance
Infrastructures	1730	9,694,881.25
Accum Depecciation-Infrastructures	1852	<u>(4,854,841.23)</u>
Total Infrastructure		<u>4,840,040.02</u>
Total FIXED ASSETS		7,785,171.73
OTHER ASSETS		
Cash Suspense		
Other Assets	1990	<u>900.00</u>
Total Cash Suspense		<u>900.00</u>
Total OTHER ASSETS		900.00
Other Assets		
Def Outflow	1991	178,554.00
Deferred Outflow - OPEB	1992	1,659.00
Amount to be Provided for Internal Loans	1997	1,517.00
Amount to be Provided - Other LT	1998	34,798.05
Oblig-Comp Leave		
Total Other Assets		<u>216,528.05</u>
Total ASSETS		<u><u>16,540,913.56</u></u>
LIABILITIES & EQUITY		
CURRENT LIABILITIES		
Accounts Payable		
Vendor Payable (Control Account)	2000	13,521.75
Accts Payable -Whitaker	2006	(766.81)
AP Other- Adjment to 2000, AP Control Acct	2010	<u>(413.88)</u>
Total Accounts Payable		12,341.06
Current Payroll Liabilities		
Fed Income Tax Withholding	2001	1,114.84
FICA Employee Payable	2002	(55.80)
FICA Employer Payable	2003	254.77
Wage Garnishment	2005	25.22
CA Income Tax Withholding	2011	2,458.36
SDI Payable Employee (EE Only)	2012	(4.34)
Retirement-ER-Regular Contrib	2014	(153.75)
SLOCEA Dues Payable	2016	(156.34)
AFLAC Voluntary Insurance-Employee	2022	(320.22)
Workers Comp Ins Liab-Employer	2023	138.17
Accrued Life/Disability Medical Exp	2026	(228.58)
Retirement Addl Pick-up Liab-Employer	2027	(1.03)
Unemployment Ins Liab-Employer (ER only)	2028	(513.79)
Medicare Liab- Employer	2029	225.14
Other Deposits	2038	(152.64)
Accrued Compensated Absences	2040	24,374.34
Long-term Compensated Absences	2041	73,123.00
CALPERS Retirement Tier 2- EE- Liab	2042	(6.72)
CALPERS Retirement Tier 2- ER- Liab	2044	(51.68)
Other Pension Oblig Liab (OPEB) ARC	2045	265,257.00
Retirement Conbtribution Safety-Fire-EE	2046	(3.53)
Life Insurance Liab-Employer	2201	(1,836.10)
Medicare Tax Liab-Employee	2202	426.04
Medical Plan Liab- Employee	2203	(13,294.52)
Vision Plan Liab- Employee	2204	(31.31)
Dental Plan Ins Payable- Employee	2205	(225.36)

LOS OSOS COMMUNITY SERVICES DISTRICT

Balance Sheet
As of 11/30/2019

		Current Period Balance
Retirement Contrib Liab-Employee	2206	795.68
Insurance- AD & D	2211	(44.60)
Insurance-Work Injury (WI)	2212	(147.41)
Insurance- LT Disability	2213	(838.00)
Survivor Premiums-PERS	2214	20.56
Payroll Clearing Account	2999	<u>(235.45)</u>
Total Current Payroll Liabilities		349,911.95
Due to Others		
Due To Administration	2410	<u>1,517.00</u>
Total Due to Others		1,517.00
Current Portion Long Term Debt		
Current portion-Long Term Debt	2102	<u>165,777.33</u>
Total Current Portion Long Term Debt		165,777.33
Trust Liability		
Trust Funds- Low Income Savings	2513	1,169.32
Water Quality Trust Reserve	3050	<u>91,517.27</u>
Total Trust Liability		<u>92,686.59</u>
Total CURRENT LIABILITIES		622,233.93
Other Liabilities		
Other Liabilities		
Net Pension Liability	2215	489,666.00
Def Inflow	2216	46,319.00
Suspense Account	2997	27.68
Restricted Park and Rec	3090	279,129.18
Replacement Reserve - Vehicle, Equip & Fire Engines	3110	1,068,869.27
General Contingency Reserve	3111	649,957.13
Public Facilities Fees Reserve	3115	40,334.00
Capital Outlay Reserve	3160	2,347,394.73
Water Stabilization Reserve	3163	158,456.00
Info Tech Reserve	3164	20,741.40
Basin Management Reserve	3165	50,031.00
Water Conservation Reserve	3167	59,288.00
Reserve - Internal Loans	3193	<u>1,517.00</u>
Total Other Liabilities		<u>5,211,730.39</u>
Total Other Liabilities		5,211,730.39
Long Term Debt		
Note Payable - Long Term		
Note Payable - State CIEDB-LTD	2101	3,188,988.75
Internal Loan Due Water-500	2491	<u>97,141.74</u>
Total Note Payable - Long Term		3,286,130.49
Accrued Interest Payable		
Accrued Interest Payable	2110	<u>42,633.48</u>
Total Accrued Interest Payable		<u>42,633.48</u>
Total Long Term Debt		3,328,763.97
Equity		
Revenues		1,339,501.65
Expenditures		(1,378,163.68)
Equity		
Septic System Decommission Reserve	3109	8,000.00
Fire Mitigation Fund	3161	238,397.60

LOS OSOS COMMUNITY SERVICES DISTRICT

Balance Sheet
As of 11/30/2019

		Current Period Balance
Fund Balance	3200	6,093,653.71
Bankruptcy Fund Balance	3203	58,710.96
GFAG- Net Investment in Assets	3300	671,156.09
GFAG- Accumulated Depreciation	3301	1,756,878.01
GFAG- Governmental Depreciation Expense	3302	(83,603.02)
Investment in N/A-Costs	3310	<u>(1,326,346.05)</u>
Total Equity		<u>7,416,847.30</u>
Total Equity		<u>7,378,185.27</u>
Total LIABILITIES & EQUITY		<u><u>16,540,913.56</u></u>

DRAINAGE RESERVE

LOS OSOS COMMUNITY SERVICES DISTRICT

Balance Sheet
As of 11/30/2019

		<u>Current Period Balance</u>
LIABILITIES & EQUITY		
Other Liabilities		
Other Liabilities		
General Contingency Reserve	3111	32,238.22
Capital Outlay Reserve	3160	<u>107,724.52</u>
Total Other Liabilities		<u>139,962.74</u>
Total Other Liabilities		<u>139,962.74</u>
Total LIABILITIES & EQUITY		<u><u>139,962.74</u></u>

FIRE RESERVES

LOS OSOS COMMUNITY SERVICES DISTRICT

Balance Sheet
As of 11/30/2019

Current Period
Balance

LIABILITIES & EQUITY

Other Liabilities

Other Liabilities

Replacement Reserve - Vehicle, Equip & Fire Engines	3110	924,225.02
General Contingency Reserve	3111	125,617.43
Public Facilities Fees Reserve	3115	40,334.00
Capital Outlay Reserve	3160	<u>590,107.36</u>

Total Other Liabilities 1,680,283.81

Total Other Liabilities 1,680,283.81

Equity

Equity

Fire Mitigation Fund 3161 135,448.89

Total Equity 135,448.89

Total Equity 135,448.89

Total LIABILITIES & EQUITY 1,815,732.70

PARKS RESERVE

LOS OSOS COMMUNITY SERVICES DISTRICT

Balance Sheet
As of 11/30/2019

		Current Period Balance
LIABILITIES & EQUITY		
Other Liabilities		
Other Liabilities		
Restricted Park and Rec	3090	<u>279,129.18</u>
Total Other Liabilities		<u>279,129.18</u>
Total Other Liabilities		<u>279,129.18</u>
Total LIABILITIES & EQUITY		<u><u>279,129.18</u></u>

WATER RESERVES

LOS OSOS COMMUNITY SERVICES DISTRICT

Balance Sheet
As of 11/30/2019

Current Period
Balance

LIABILITIES & EQUITY		
CURRENT LIABILITIES		
Trust Liability		
Water Quality Trust Reserve	3050	<u>91,517.27</u>
Total Trust Liability		<u>91,517.27</u>
Total CURRENT LIABILITIES		91,517.27
Other Liabilities		
Other Liabilities		
Replacement Reserve - Vehicle, Equip & Fire Engines	3110	144,644.25
General Contingency Reserve	3111	471,183.00
Capital Outlay Reserve	3160	1,649,562.85
Water Stabilization Reserve	3163	158,456.00
Basin Management Reserve	3165	50,031.00
Water Conservation Reserve	3167	<u>59,288.00</u>
Total Other Liabilities		<u>2,533,165.10</u>
Total Other Liabilities		<u>2,533,165.10</u>
Total LIABILITIES & EQUITY		<u><u>2,624,682.37</u></u>



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STATEMENT OF ACCOUNT ACTIVITY

866-353-1476

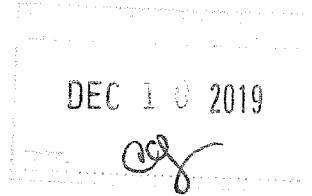
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STATEMENT OF ACCOUNT ACTIVITY

866-353-1476

www.ppbi.com

00009449-0018897-0001-0001-TIMR8006411129190205



LOS OSOS COMMUNITY SERVICES DISTRICT
LOW INCOME ASSISTANCE FUNDS ACCOUNT
PO BOX 6064
LOS OSOS CA 93412-6064

Page 1 of 1
Branch 033
Account Number: 3317181190
Date 11/29/2019

EM

EXECUTIVE 50 CHECKING

Acct 3317181190

Summary of Activity Since Your Last Statement

Beginning Balance	11/01/19	9,409.02	
Deposits / Misc Credits	0	.00	
Withdrawals / Misc Debits	0	.00	
** Ending Balance	11/30/19	9,409.02	**
Service Charge		.00	
Average Collected Balance		9,409	

00009449-0018897-0001-0001-TIMR8006411129190205(00009449)-000018899



Cash in Bank on 10.31.19 by Fund

GL - Current Period
Fund **Balance** **Total**

ASSETS

CURRENT ASSETS

Cash in Bank

Change Fund	0999		400.00
100 - Administration	100	200.00	
500 - Water	500	200.00	
Petty Cash	1000		500.00
100 - Administration	100	300.00	
301 - Fire	301	200.00	
LAIF Investments	1011		670,099.48
500 - Water	500	134,019.89	
800 - Drainage	800	234,534.82	
900 - Parks & Recreation	900	301,544.77	
General Checking Account	1012		1,396,846.75
100 - Administration	100	(55,928.31)	
200 - Bayridge	200	48,284.64	
301 - Fire	301	385,574.90	
400 - Vista de Oro	400	(9,616.22)	
500 - Water	500	1,024,821.13	
600 - Wastewater	600	(108,510.41)	
800 - Drainage	800	135,683.97	
900 - Parks & Recreation	900	(23,462.95)	
Payroll Account (contra to 2998)	1013		3,657.20
100 - Administration	100	1,092.10	
301 - Fire	301	570.58	
500 - Water	500	1,994.52	
Rabobank-Bankruptcy Disbursement Reserve	1017		102,793.69
600 - Wastewater	600	102,793.69	
Fire Reserves Account	1031		1,833,326.00
301 - Fire	301	1,833,326.00	
US Bank - WW Bond Prepayment	1070		2,238.92
Wastewater Fiduciary Fund	602	2,238.92	
US Bank - WW Bond Redemption (New)	1072		186,364.87
Wastewater Fiduciary Fund	602	186,364.87	
US Bank - WW Bond Reserve (New)	1073		1,026,000.38
Wastewater Fiduciary Fund	602	1,026,000.38	
Total Cash in Bank		5,222,227.29	
Investments			
Water Reserves Account	0335		2,646,959.85
500 - Water	500	2,646,959.85	
Total Investments		2,646,959.85	7,869,187.14

Fund	Cash Summary
100	\$ (54,336.21)
200	\$ 48,284.64
301	\$ 2,219,671.48
400	\$ (9,616.22)
500	\$ 3,807,995.39
600	\$ (5,716.72)
602	\$ 1,214,604.17
800	\$ 370,218.79
900	\$ 278,081.82
Total	\$ 7,869,187.14

Due From Others

Due From Bayridge	1420	
500 - Water	500	78,340.11
Due From Vista De Oro	1440	
100 - Administration	100	1,517.00
500 - Water	500	18,801.63
Total Due From Others		98,658.74

Held Deposits

Held Deposits	1030	
500 - Water	500	<u>10,000.00</u>
Total Held Deposits		10,000.00
Accounts Receivable		
Accounts Receivable	1080	
301 - Fire	301	26,088.80
500 - Water	500	211,465.46
Unbilled A/R	1085	
500 - Water	500	<u>275,700.19</u>
Total Accounts Receivable		513,254.45
Accrued Inventory On Hand		
Inventory	1100	
500 - Water	500	<u>47,213.45</u>
Total Accrued Inventory On Hand		<u>47,213.45</u>
Total CURRENT ASSETS		8,538,313.78
FIXED ASSETS		
Land		
Land and Land Rights	1720	
200 - Bayridge	200	30,000.00
301 - Fire	301	10,000.00
500 - Water	500	339,838.19
600 - Wastewater	600	158,590.00
800 - Drainage	800	<u>17,374.90</u>
Total Land		555,803.09
Building		
Building, Structures & Improvements	1750	
301 - Fire	301	587,410.70
500 - Water	500	5,000.00
Accum Depreciation-Building, Structures & Improvements	1851	
500 - Water	500	<u>(5,000.00)</u>
Total Building		587,410.70
Plant & Equipment		
Equipment, Vehicles, Fixtures & Systems	1800	
100 - Administration	100	100,737.49
200 - Bayridge	200	0.12
301 - Fire	301	1,338,476.86
500 - Water	500	547,462.32
800 - Drainage	800	27,000.00
Acc Depreciation-Equipment,Vehicles & Systems	1853	
500 - Water	500	<u>(451,346.15)</u>
Total Plant & Equipment		1,562,330.64
Construction in Progress		
Construction In Progress	1850	
500 - Water	500	<u>239,587.28</u>
Total Construction in Progress		239,587.28
Infrastructure		
Infrastructures	1730	
200 - Bayridge	200	93,040.00
400 - Vista de Oro	400	7,000.00
500 - Water	500	9,461,450.24

800 - Drainage	800	133,391.01
Accum Depeciation-Infrastructures	1852	
500 - Water	500	<u>(4,854,841.23)</u>
Total Infrastructure		<u>4,840,040.02</u>
Total FIXED ASSETS		7,785,171.73
OTHER ASSETS		
Cash Suspense		
Other Assets	1990	
500 - Water	500	<u>900.00</u>
Total Cash Suspense		<u>900.00</u>
Total OTHER ASSETS		900.00
Other Assets		
Def Outflow	1991	
500 - Water	500	178,554.00
Deferred Outflow - OPEB	1992	
500 - Water	500	1,659.00
Amount to be Provided for Internal Loans	1997	
400 - Vista de Oro	400	1,517.00
Amount to be Provided - Other LT Oblig-Comp	1998	
Leave		
100 - Administration	100	<u>34,798.05</u>
Total Other Assets		<u>216,528.05</u>
Total ASSETS		<u>16,540,913.56</u>

LIABILITIES & EQUITY

CURRENT LIABILITIES

Accounts Payable

Vendor Payable (Control Account)	2000	
100 - Administration	100	2,181.76
200 - Bayridge	200	397.34
301 - Fire	301	2,850.70
400 - Vista de Oro	400	157.25
500 - Water	500	7,526.29
800 - Drainage	800	408.41
Accts Payable -Whitaker	2006	
500 - Water	500	<u>(766.81)</u>
AP Other- Adjment to 2000, AP Control Acct	2010	
301 - Fire	301	<u>(413.88)</u>
Total Accounts Payable		12,341.06

Current Payroll Liabilities

Fed Income Tax Withholding	2001	
100 - Administration	100	<u>(12.84)</u>
301 - Fire	301	<u>(99.18)</u>
500 - Water	500	1,226.86
FICA Employee Payable	2002	
100 - Administration	100	<u>(55.82)</u>
301 - Fire	301	0.02
FICA Employer Payable	2003	
301 - Fire	301	254.77
Wage Garnishment	2005	
301 - Fire	301	25.22
CA Income Tax Withholding	2011	

100 - Administration	100	2,480.37
500 - Water	500	(22.01)
SDI Payable Employee (EE Only)	2012	
100 - Administration	100	8.32
301 - Fire	301	(3.39)
500 - Water	500	(9.27)
Retirement-ER-Regular Contrib	2014	
100 - Administration	100	(26.74)
301 - Fire	301	(4.65)
500 - Water	500	(122.36)
SLOCEA Dues Payable	2016	
100 - Administration	100	(20.04)
500 - Water	500	(136.30)
Employee Contributions to 457 PLAN	2021	
100 - Administration	100	25.00
500 - Water	500	(25.00)
AFLAC Voluntary Insurance-Employee	2022	
100 - Administration	100	(417.42)
500 - Water	500	97.20
Workers Comp Ins Liab-Employer	2023	
301 - Fire	301	138.17
Accrued Life/Disability Medical Exp	2026	
500 - Water	500	(228.58)
Retirement Addl Pick-up Liab-Employer	2027	
100 - Administration	100	(1.03)
Unemployment Ins Liab-Employer (ER only)	2028	
100 - Administration	100	1.99
301 - Fire	301	(451.45)
500 - Water	500	(64.33)
Medicare Liab- Employer	2029	
100 - Administration	100	13.05
301 - Fire	301	(0.10)
500 - Water	500	212.19
Other Deposits	2038	
100 - Administration	100	(152.64)
Accrued Compensated Absences	2040	
100 - Administration	100	8,699.52
500 - Water	500	15,674.82
Long-term Compensated Absences	2041	
100 - Administration	100	26,098.53
500 - Water	500	47,024.47
CALPERS Retirement Tier 2- EE- Liab	2042	
100 - Administration	100	(9.00)
301 - Fire	301	(89.69)
500 - Water	500	91.97
CALPERS Retirement Tier 2- ER- Liab	2044	
100 - Administration	100	2.33
301 - Fire	301	(47.35)
500 - Water	500	(6.66)
Other Pension Oblig Liab (OPEB) ARC	2045	
500 - Water	500	265,257.00
Retirement Contribution Safety-Fire-EE	2046	

301 - Fire	301	(3.53)
Life Insurance Liab-Employer	2201	
100 - Administration	100	(187.10)
500 - Water	500	(1,649.00)
Medicare Tax Liab-Employee	2202	
100 - Administration	100	67.14
301 - Fire	301	99.24
500 - Water	500	259.66
Medical Plan Liab- Employee	2203	
100 - Administration	100	(8,182.13)
301 - Fire	301	(254.74)
500 - Water	500	(4,857.65)
Vision Plan Liab- Employee	2204	
100 - Administration	100	(61.12)
500 - Water	500	29.81
Dental Plan Ins Payable- Employee	2205	
100 - Administration	100	(424.39)
500 - Water	500	199.03
Retirement Contrib Liab-Employee	2206	
100 - Administration	100	83.38
500 - Water	500	712.30
Insurance- AD & D	2211	
100 - Administration	100	(34.60)
500 - Water	500	(10.00)
Insurance-Work Injury (WI)	2212	
100 - Administration	100	(68.76)
500 - Water	500	(78.65)
Insurance- LT Disability	2213	
100 - Administration	100	(410.32)
500 - Water	500	(427.68)
Survivor Premiums-PERS	2214	
100 - Administration	100	1.37
301 - Fire	301	26.63
500 - Water	500	(7.44)
Payroll Clearing Account	2999	
100 - Administration	100	(235.45)
Total Current Payroll Liabilities		349,911.95
Due to Others		
Due To Administration	2410	
400 - Vista de Oro	400	<u>1,517.00</u>
Total Due to Others		1,517.00
Current Portion Long Term Debt		
Current portion-Long Term Debt	2102	
500 - Water	500	<u>165,777.33</u>
Total Current Portion Long Term Debt		165,777.33
Trust Liability		
Trust Funds- Low Income Savings	2513	
100 - Administration	100	1,169.32
Water Quality Trust Reserve	3050	
500 - Water	500	91,517.27
Total Trust Liability		<u>92,686.59</u>
Total CURRENT LIABILITIES		622,233.93

Other Liabilities

Other Liabilities

Net Pension Liability	2215	
500 - Water	500	489,666.00
Def Inflow	2216	
500 - Water	500	46,319.00
Suspense Account	2997	
100 - Administration	100	9.00
500 - Water	500	18.68
Restricted Park and Rec	3090	
900 - Parks & Recreation	900	279,129.18
Replacement Reserve - Vehicle, Equip & Fire	3110	

Engines

301 - Fire	301	924,225.02
500 - Water	500	144,644.25
General Contingency Reserve	3111	
100 - Administration	100	20,918.48
301 - Fire	301	125,617.43
500 - Water	500	471,183.00
800 - Drainage	800	32,238.22
Public Facilities Fees Reserve	3115	
301 - Fire	301	40,334.00
Capital Outlay Reserve	3160	
301 - Fire	301	590,107.36
500 - Water	500	1,649,562.85
800 - Drainage	800	107,724.52
Water Stabilization Reserve	3163	
500 - Water	500	158,456.00
Info Tech Reserve	3164	
100 - Administration	100	20,741.40
Basin Management Reserve	3165	
500 - Water	500	50,031.00
Water Conservation Reserve	3167	
500 - Water	500	59,288.00
Reserve - Internal Loans	3193	
100 - Administration	100	<u>1,517.00</u>
Total Other Liabilities		<u>5,211,730.39</u>
Total Other Liabilities		5,211,730.39

Long Term Debt

Note Payable - Long Term

Note Payable - State CIEDB-LTD	2101	
500 - Water	500	3,188,988.75
Internal Loan Due Water-500	2491	
200 - Bayridge	200	78,340.11
400 - Vista de Oro	400	<u>18,801.63</u>
Total Note Payable - Long Term		3,286,130.49

Accrued Interest Payable

Accrued Interest Payable	2110	
500 - Water	500	42,633.48
Total Accrued Interest Payable		<u>42,633.48</u>

Total Long Term Debt 3,328,763.97

Equity

Revenues

100 - Administration	100	2.00
200 - Bayridge	200	9,329.59
301 - Fire	301	130,743.71
400 - Vista de Oro	400	1,417.00
500 - Water	500	1,297,149.02
Wastewater Fiduciary Fund	602	(122,882.16)
800 - Drainage	800	19,993.49
900 - Parks & Recreation	900	<u>3,749.00</u>
Total Revenues		1,339,501.65

Expenditures

100 - Administration	100	(80,431.03)
200 - Bayridge	200	(34,024.89)
301 - Fire	301	(196,839.63)
400 - Vista de Oro	400	(2,148.57)
500 - Water	500	(1,036,276.72)
600 - Wastewater	600	(6,573.26)
Wastewater Fiduciary Fund	602	(1,650.00)
800 - Drainage	800	(15,423.88)
900 - Parks & Recreation	900	(4,795.70)
Total Expenditures		(1,378,163.68)

Equity

Septic System Decommision Reserve	3109	
200 - Bayridge	200	8,000.00
Fire Mitigation Fund	3161	
301 - Fire	301	135,448.89
600 - Wastewater	600	102,948.71
Fund Balance	3200	
100 - Administration	100	(11,310.69)
200 - Bayridge	200	(13,757.51)
301 - Fire	301	494,096.71
400 - Vista de Oro	400	(27,843.53)
500 - Water	500	2,763,922.11
600 - Wastewater	600	1,324,132.92
Wastewater Fiduciary Fund	602	1,339,136.33
800 - Drainage	800	225,278.03
900 - Parks & Recreation	900	(0.66)
Bankruptcy Fund Balance	3203	
600 - Wastewater	600	58,710.96
GFAG- Net Investment in Assets	3300	
100 - Administration	100	24,226.08
200 - Bayridge	200	30,000.12
301 - Fire	301	596,541.18
800 - Drainage	800	20,388.71
GFAG- Accumulated Depreciation	3301	
100 - Administration	100	84,879.33
200 - Bayridge	200	93,040.00
301 - Fire	301	1,411,311.46
400 - Vista de Oro	400	7,000.00
800 - Drainage	800	160,647.22
GFAG- Governmental Depreciation Expense	3302	
100 - Administration	100	(8,367.92)

301 - Fire	301	(71,965.08)
800 - Drainage	800	(3,270.02)
Investment in N/A-Costs	3310	
600 - Wastewater	600	<u>(1,326,346.05)</u>
Total Equity		<u>7,416,847.30</u>
Total Equity		<u>7,378,185.27</u>
Total LIABILITIES & EQUITY		<u>16,540,913.56</u>



January 6, 2020

TO: LOCSD Board of Directors
FROM: Ron Munds, General Manager
SUBJECT: **Agenda Item 5 – 1/6/2020 FAC Meeting**
Recommend to the Board to Receive and File the District's Fiscal Year 2018-2019 Financial Audit

DESCRIPTION

Presentation and review of the District's fiscal year 2018-2019 financial audit.

President
Marshall E. Ochylski

Vice President
Charles L. Cesena

Directors
Matthew D. Fourcroy
Vicki L. Milledge
Christine M. Womack

General Manager
Ron Munds

District Accountant
Robert Stilts, CPA

Unit Chief
Scott M. Jalbert

Battalion Chief
George Huang

SUMMARY OF STAFF RECOMMENDATION

Staff recommends that the Board adopt the following motion:

Motion: I recommend that the Board receive and file the fiscal year 2018-2019 financial audit.

DISCUSSION

The firm Moss, Levy and Hartzheim was contracted to perform the District's fiscal year 2018-2019 financial audit. District staff facilitated the audit by providing all requested records and reports, as well as, being available for direct interviews by the audit team. The resulting opinion of Moss, Levy and Hartzheim is as follows (excerpt from the Auditor Report):

In our opinion, the financial statement referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-typed activities, each major fund, and the aggregate remaining information of the Los Osos community Services District, as of June 30, 2019, and the respective changes financial position and, where applicable, cash flows thereof the fiscal year then ended in accordance with accounting principles generally accepted in the United State of America.

There is one finding from the audit that required a District corrective action plan.

Finding 2019-1
Employee Reimbursement and Credit Card Usage

Criteria: All employee reimbursements and District credit card usage requires itemized receipts for meal purchases and all purchases should be approved by appropriate personnel other than the purchaser.

Condition: During our testing, we noted one instance where an itemized receipt was not retained and submitted for reimbursement for a meal purchase and another instance where a credit card holder was the only approval signature for their own purchase.

Cause: District oversight.

Mailing Address:
P.O. Box 6064
Los Osos, CA 93412

Offices:
2122 9th Street, Suite 110
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Phone: 805/528-9370
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Effect: The potential for misappropriation of assets.

Recommendation: The District should ensure policies are established and enforced requiring itemized meal receipts and that all employee reimbursements and credit card purchases are approved by appropriate personnel who did not make the purchase. These controls are important to limit District liability and ensure that purchases are proper usage of District funds.

District's Corrective Action Plan: Procedures will be added to the District's Purchasing Policy under the Credit Card Use section to ensure itemized receipts are submitted and are approved by the appropriate personnel. District staff will be appropriately trained and checked for compliance.

Prior to the adoption of the amended Purchasing Policy by the Board of Directors, the District Staff will implement this policy immediately requiring itemized meal receipts and that all reimbursement and/or credit card purchases are approved and dual signed by employee and supervisor or authorized personnel.

FINANCIAL IMPACT

There are no fiscal impacts directly associated with the recommended action.

Attachments



Moss, Levy & Hartzheim LLP

Certified Public Accountants

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Directors
Los Osos Community Services District
Los Osos, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Los Osos Community Services District (the District), as of and for the fiscal year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Los Osos Community Services District's basic financial statements and have issued our report thereon dated December 4, 2019.

Internal Control Over Financial Reporting

In connection with our engagement to audit the financial statements of the District, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings that we consider to be significant deficiencies. We consider the deficiency described in the accompanying schedule of findings and responses to be a significant deficiency (finding 2019-1).

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Los Osos Community Services District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Los Osos Community Services District's Responses to Findings

The Los Osos Community Services District's response to the finding identified in our audit is described in the accompanying schedule of findings and responses. The Los Osos Community Services District's response was not subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Moss, Remy & Hartgraves LLP

Santa Maria, California

December 4, 2019

Finding 2019-1
Employee Reimbursement and Credit Card Usage

Criteria:

All employee reimbursements and District credit card usage requires itemized receipts for meal purchases and all purchases should be approved by appropriate personnel other than the purchaser.

Condition:

During our testing, we noted one instance where an itemized receipt was not retained and submitted for reimbursement for a meal purchase and another instance where a credit card holder was the only approval signature for their own purchase.

Cause:

District oversight.

Effect:

The potential for misappropriation of assets.

Recommendation:

The District should ensure policies are established and enforced requiring itemized meal receipts and that all employee reimbursements and credit card purchases are approved by appropriate personnel who did not make the purchase. These controls are important to limit District liability and ensure that purchases are proper usage of District funds.

District's Corrective Action Plan:

Procedures will be added to the District's Purchasing Policy under the Credit Card Use section to ensure itemized receipts are submitted and are approved by the appropriate personnel. District staff will be appropriately trained and checked for compliance.

Prior to the adoption of the amended Purchasing Policy by the Board of Directors, the District Staff will implement this policy immediately requiring itemized meal receipts and that all reimbursement and/or credit card purchases are approved and dual signed by employee and supervisor or authorized personnel.

**Los Osos Community Services District
Schedule of Prior Fiscal Year Findings and Responses
June 30, 2019**

**Finding 2018-1
Bond Reserve Account**

Criteria:

As part of the District's bankruptcy agreement, the District is required to repay the Los Osos Community Services District Wastewater Assessment District No. 1 Limited Obligation Improvement Bonds Reserve Fund \$25,000 annually.

Condition:

We noticed that the \$25,000 annual repayment to the Bond Reserve Fund was not done during the year. We did note that the District did make the \$25,000 transfer in October 2019.

Cause:

The District personnel filled out an automatic transfer form with the bank, however, the bank did not fill the order as instructed and the District did not reconcile the account prior to year-end in order to catch the mistake in a timely fashion.

Effect:

The required transfer was not made into the Bond Reserve Account.

Recommendation:

The District should ensure that prior to June 30th, the required annual transfer of \$25,000 is actually posted to the account. Therefore, the District could initiate the transfer on time if the auto-transfer was not made. The District should transfer \$50,000 into the Reserve account in the subsequent fiscal year.

Current Status:

Implemented.

**Finding 2018-2
Inventory**

Criteria:

Inventory must be counted at or near year-end in order to place a value on the inventory on hand at June 30, 2019.

Condition:

No count of inventory on hand was done at fiscal year end. The District did take an inventory count in October 2019. Although they used records of purchases and usage to roll it back, it's not as accurate as a count performed at or near year-end.

Cause:

Lack of proper management oversight of required year-end procedures.

Effect:

Inventory balance as of June 30, 2019 could be inaccurately reported. Possible misappropriation of assets.

Recommendation:

Although they used records of purchases and usage to roll inventory back, it's not as accurate as a count performed at or near year-end. The District should ensure that inventory is counted on June 30th of every year in order to create a list of items, the amount of each item, and total dollar value of the inventory on hand at the end of the fiscal year.

Current Status:

Implemented.



December 4, 2019

To the Board of Directors of the
Los Osos Community Services District

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Los Osos Community Services District as of and for the fiscal year ended June 30, 2019. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards* as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated April 17, 2019. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Los Osos Community Services District are described in Note 1 to the financial statements. We noted no transactions entered into by the governmental unit during the fiscal 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 estimates affecting the District's financial statements were:

Management's estimate of the useful lives of capital assets is based on experience with other capital assets and on their standard table of useful lives. We evaluated the key factors and assumptions used to develop the useful lives of capital assets in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the other postemployment benefits (OPEB) liability and deferred inflows and outflows related to OPEB are based on the actuary's expertise and experience. We evaluated the key factors and assumptions used to develop the OPEB liability and deferred inflows and outflows related to OPEB in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the net pension liability and deferred inflows and outflows related to pension are based on the CalPERS actuary's expertise experience. We evaluated the key factors and assumptions used to develop the net pension liability and deferred inflows and outflows related to pension in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

The disclosure of the Pension Plans and OPEB in Notes 7 and 8.

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

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 4, 2019.

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 governmental unit'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 governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

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

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

Very truly yours,

Moss, Levy & Haugheim LLP

Santa Maria, California

LOS OSOS COMMUNITY SERVICES DISTRICT

FINANCIAL STATEMENTS

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2019**

**LOS OSOS COMMUNITY SERVICES DISTRICT
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

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FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

Board of Directors of Los Osos Community Services District
Los Osos, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Los Osos Community Services District (District), as of and for the fiscal year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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, each major fund, and the aggregate remaining information of the Los Osos Community Services District, as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 11, the budgetary comparison information on pages 47 and 48, the schedule of proportionate share of net pension liability on page 49, the schedule of pension contributions on page 50, the schedule of changes in the OPEB liability and related ratios on page 51, and the schedule of OPEB contributions on page 52 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries of the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Los Osos Community Services District's basic financial statements. The combining nonmajor funds financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining nonmajor funds financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor funds financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 4, 2019, on our consideration of the Los Osos Community Services District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Moss, Remy & Halvheim LLP

Santa Maria, California
December 4, 2019

**LOS OSOS COMMUNITY SERVICES
DISTRICT MANAGEMENT'S DISCUSSION
AND ANALYSIS JUNE 30, 2019**

BACKGROUND

The Los Osos Community Services District (the District), a political subdivision of the State of California, was formed on January 1, 1999, pursuant to Ballot Measure K-98 to provide services previously provided by the County of San Luis Obispo (County) in specific benefit zones of what was formerly County Service Area 9. The District operates pursuant to Section 61000 of the California Government Code, currently authorized to provide Water, Fire Protection, Drainage, Street Lighting, and Parks and Recreation Services. The District is governed by a five-member Board of Directors with an operations staff headed by a general manager.

As management of the Los Osos Community Services District, we offer readers of the LOSCSD's financial statements this narrative overview and analysis of the financial activities for the year ended June 30, 2019.

We encourage readers to consider the information presented here in conjunction with additional information that we furnish in our letter of transmittal and the District's financial statement.

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

The District's financial statements are prepared in conformity with accounting principles generally accepted in the United States of America. The basic financial statements include four components. 1) government-wide financial statements, 2) fund financial statements, 3) notes to the basic financial statements, and 4) required supplementary information. This report also contains other supplementary information in addition to the basic financial statements. The government-wide statements consist of the Statement of Net Position and the Statement of Activities.

Government-Wide Financial Statements

The Government-Wide Financial Statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the District's assets and liabilities, with the difference between the two reported as net position. Over time increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Statement of Activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned and unused employee vacation balances).

Both of the government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their cost through user fees and charges (business-type activities). The governmental activities of the District include fire protection, parks and recreation, drainage, general government and street lighting. The business-type activities of the District include water services.

Los Osos Community Services District Management Discussion and Analysis

Fund Financial 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. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The funds of the District are in two categories, namely, governmental and proprietary.

In a few instances where trust accounts are held, trust liability accounts are used in the related fund instead of being held in a separate fiduciary category of funds. The wastewater assessment district fund is treated as a fiduciary category fund for the accounting of the on-going wastewater assessments.

Governmental Funds

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 near-term inflows and outflows of spendable resources, as well as on the balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. For the purposes of government funds there are currently no long-term debt obligations.

Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains six individual governmental funds organized according to their type: general and special revenue. The District does not currently have debt service and capital projects type funds in the governmental funds. Information is presented separately in the governmental funds' balance sheet and in the governmental funds' statement of revenues, expenditures, and changes in fund balances for the General Fund and the Fire Fund with all other funds presented into an aggregate column. Due to their small size relative to the fire and water funds, individual fund data for each of the non-major governmental funds (Bayridge, Vista de Oro, Drainage, Parks and Recreation) is provided in the form of combining statements found in the other supplementary information section of this report.

A budgetary comparison statement has been provided for the General Fund and the Fire Fund to demonstrate compliance with budgetary laws of the State of California and policies and ordinances approved by the District's Board of Directors. This statement is shown under the required supplementary section of the report. Individual budgetary data for each of the non-major governmental funds (Bayridge, Vista de Oro, Drainage, Parks and Recreation) is not presented.

Proprietary Funds

There are two types of funds classified as proprietary, namely, enterprise and internal service funds. The District only maintains the enterprise type of proprietary funds. The District uses two enterprise funds to account for its water and wastewater activities. These two enterprise funds are presented in individual columns in the fund financial statements. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The Wastewater and the Solid Waste Funds operations were eliminated upon the completion of the implementation the Second Amended Plan for Adjustment of Debts for the Los Osos Community Services District as further amended by non-material modifications as ordered by the Bankruptcy Court effective October 15, 2013. The activity in Solid Waste

**Los Osos Community Services District
Management Discussion and Analysis**

Fund was transferred to the County of San Luis Obispo effective December 31, 2013. Effective June 30, 2014, the District transferred the remaining activity of the Wastewater Fund to a Wastewater Fiduciary Fund for the reporting of the remainder of the bond payments being collected through the San Luis Obispo County Tax Rolls.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Required Supplementary Information

The statements are followed by a section of required supplementary information (RSI) that further explains and supports the information in the financial statements. Comparison of Budget to Actual for major governmental funds is shown under this caption.

Other Supplementary Information

Other supplementary information presents data that, although not required, is necessary to provide the reader of the basic financial statements more details to promote understanding of the statements as a whole. The combining statements for the non-major governmental funds are presented here.

Los Osos Community Services District
Management Discussion and Analysis

GOVERNMENT-WIDE FINANCIAL
STATEMENTS

TABLE A
Statement of Net Position
June 30, 2019

	June 30, 2019			June 30, 2018			Total Change	
	Governmental Activities	Business-Type Activities	Total Primary Government	Governmental Activities	Business-Type Activities	Total Primary Government		Percent Change
Assets:								
Current assets	\$ 2,987,582	\$ 4,253,379	\$ 7,240,961	\$ 2,743,832	\$ 3,503,789	\$ 6,247,621	\$ 993,340	15.9%
Capital assets	1,025,385	5,440,741	6,466,126	895,367	5,569,919	6,465,286	840	0.0%
Total Assets	4,012,967	9,694,120	13,707,087	3,639,199	9,073,708	12,712,907	994,180	7.8%
Deferred Outflow of Resources:								
Deferred pensions	175,388	178,554	353,942	174,061	243,346	417,407	(63,465)	-15.2%
Deferred OPEB	3,284	1,659	4,943	3,145	1,553	-	4,943	100.0%
Total deferred outflow of resources	178,672	180,213	358,885	177,206	244,899	417,407	(58,522)	-14.0%
Liabilities:								
Current Liabilities	36,635	107,580	144,215	26,575	101,587	128,162	16,053	12.5%
Long-Term Liabilities	713,969	4,172,388	4,886,357	631,735	4,665,527	5,297,262	(410,905)	-7.8%
Total Liabilities	750,604	4,279,968	5,030,572	658,310	4,767,114	5,425,424	(394,852)	-7.3%
Deferred Inflow of Resources:								
Deferred OPEB	3,451	15,104	18,555	-	-	-	18,555	100.0%
Deferred pensions	88,777	31,215	119,992	99,547	24,890	124,437	(4,445)	-3.6%
Total deferred inflow of resources	92,228	46,319	138,547	99,547	24,890	124,437	14,110	11.3%
Net Position:								
Net investment in								
capital assets	1,025,385	2,085,975	3,111,360	895,367	2,054,282	2,949,649	161,711	5.5%
Restricted	2,954,055	-	2,954,055	2,747,116	-	2,747,116	206,939	7.5%
Unrestricted	(630,633)	3,462,071	2,831,438	(583,935)	2,472,321	1,888,386	943,052	49.9%
Total Net Position	\$ 3,348,807	\$ 5,548,046	\$ 8,896,853	\$ 3,058,548	\$ 4,526,603	\$ 7,585,151	\$ 1,311,702	17.3%

**Los Osos Community Services District
Management Discussion and Analysis**

**TABLE B
Statement of Activities
June 30, 2019**

	June 30, 2019			June 30, 2018			Total Change
	Governmental Activities	Business-Type Activities	Total Primary Government	Governmental Activities	Business-Type Activities	Total Primary Government	Amount Change
Revenues:							
Program revenues:							
Charges for services	\$ 144,764	\$ 2,777,017	\$ 2,921,781	\$ 141,669	\$ 2,598,595	\$ 2,740,264	\$ 181,517
Operating Grants and Contributions	10,247	-	10,247	14,596	-	14,596	(4,349)
General Revenues:							
Property Taxes	2,290,768	155,787	2,446,555	2,231,326	178,936	2,410,262	36,293
Other Taxes	570,782	-	570,782	530,244	38,534	568,778	2,004
Interest and Investment Income	61,159	22,191	83,350	12,395	11,258	23,653	59,697
Other Revenues	26,252	11,337	37,589	37,121	10,908	48,029	(10,440)
Special item-elimination of debt	-	222,334	222,334	-	-	-	222,334
Total Revenues	3,103,972	3,188,666	6,292,638	2,967,351	2,838,231	5,805,582	487,056
Expenses:							
General Government	641,234	-	641,234	617,134	-	617,134	24,100
Public Safety	2,585,369	-	2,585,369	2,458,540	-	2,458,540	126,829
Health and Sanitation	78,660	-	78,660	152,277	-	152,277	(73,617)
Street Lighting	9,967	-	9,967	9,967	-	9,967	-
Water	-	1,651,701	1,651,701	-	1,450,480	1,450,480	201,221
Wastewater Treatment	-	14,005	14,005	-	11,878	11,878	2,127
Total Expenses	3,315,230	1,665,706	4,980,936	3,237,918	1,462,358	4,700,276	280,660
Net Transfers	501,517	(501,517)	-	436,568	(436,568)	-	-
Change in Net Position	290,259	1,021,443	1,311,702	166,001	939,305	1,105,306	206,396
Net position, beginning	3,058,548	4,526,603	7,585,151	3,056,239	3,643,467	6,699,706	885,445
Prior Period Adjustments	-	-	-	(163,692)	(56,169)	(219,861)	219,861
Net Position, ending	\$ 3,348,807	\$ 5,548,046	\$ 8,896,853	\$ 3,058,548	\$ 4,526,603	\$ 7,585,151	\$ 1,311,702

**Los Osos Community Services District
Management Discussion and Analysis**

Analysis of Overall Financial Position and Results of Operations

Statement of Net Position

At the end of fiscal year June 30, 2019, the District is able to report positive balances in both the District as a whole as well as for its separate governmental and business-type activities.

The total assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources at June 30, 2019 by \$8,896,853.

The District's net position reflects its investments in capital assets, less any related debt that is still outstanding from what was used to acquire those assets. Although the District's investment in its Capital Assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other resources. This debt must be provided from other sources since the Capital Assets themselves cannot be used to liquidate the liabilities.

The District should be able to maintain a positive trend with the implementation of timely financial reporting, extensive mid-year reviews and adjustments, and continual monitoring of all funds activities. Completing these processes will help ensure that the District has no going concerns or problems.

Statement of Activities

Overall, the results of operations as shown in the Statement of Activities has an increase in Net Position of \$1,311,702. Total revenues increased over the prior year by \$487,056. Water service fees increased by \$178,422 and property taxes increased by \$36,293. This continuing increase in property tax revenue received is in agreement with the trend in the rest of the County.

Overall expenses in Governmental Activities increased by \$77,312. Total expenses in Business-Type Activities increased by \$203,348.

Investment Income was up \$59,697, in part due to management's decision to invest specific reserve funds in a money market account, rather than a general savings account. The Board of Director's is considering direction to management for modifications to its current investment policy, allowing the General Manager to invest in appropriate areas commensurate with the cash flow and revenue needs of the District.

**Los Osos Community Services District
Management Discussion and Analysis**

**TABLE C
Capital Assets
June 30, 2019**

	June 30, 2019			June 30, 2018			Total Change
	Governmental Activities	Business- Type Activities	Total Primary Government	Governmental Activities	Business- Type Activities	Total Primary Government	Amount Change
Land and Land Rights	\$ 57,375	\$ 498,429	\$ 555,804	\$ 57,375	\$ 498,429	\$ 555,804	\$ -
Construction in Progress		239,587	239,587		185,121	185,121	54,466
Buildings, Structures, and Improvements	598,871	5,000	603,871	587,410	5,000	592,410	11,461
Infrastructure	374,653	9,461,450	9,836,103	310,762	9,461,450	9,772,212	63,891
Equipment and Systems	1,570,100	547,463	2,117,563	1,711,182	503,371	2,214,553	(96,990)
Total Cost	2,600,999	10,751,929	13,352,928	2,666,729	10,653,371	13,320,100	32,828
Less Accumulated Depreciation	(1,575,614)	(5,311,188)	(6,886,802)	(1,771,362)	(5,083,452)	(6,854,814)	(31,988)
Net Position, ending	\$ 1,025,385	\$ 5,440,741	\$ 6,466,126	\$ 895,367	\$ 5,569,919	\$ 6,465,286	\$ 840

**TABLE D
Long-Term Liabilities
June 30, 2019**

	June 30, 2019			June 30, 2018			Total Change
	Governmental Activities	Business- Type Activities	Total Primary Government	Governmental Activities	Business- Type Activities	Total Primary Government	Amount Change
Compensated Absences	\$ 34,798	\$ 62,699	\$ 97,497	\$ 26,653	\$ 51,304	\$ 77,957	\$ 19,540
Other Postemployment Benefits Obligation	60,612	265,257	325,869	62,245	272,406	334,651	(8,782)
Note Payable - CIEDB loan	-	3,354,766	3,354,766	-	3,515,637	3,515,637	(160,871)
Net Pension Liability	618,559	489,666	1,108,225	542,837	578,846	1,121,683	(13,458)
Loan Payable to Fiduciary Fund	-	-	-	-	247,334	247,334	(247,334)
Total	\$ 713,969	\$ 4,172,388	\$ 4,886,357	\$ 631,735	\$ 4,665,527	\$ 5,297,262	\$ (410,905)

Long-term liabilities totals are \$4,886,357. The decrease of \$410,905 is in large part due to the bond refunding and elimination of the loan payable to the fiduciary fund, in the amount of \$222,334.

**Los Osos Community Services District
Management Discussion and Analysis**

Fire and Water Fund Reserves

The District maintains cash reserves in the Fire and Water Funds for various purposes as budgeted annually by the Board of Directors. The reserve balances in each fund as of 6/30/19 are as follows:

Fire Fund:	
General Contingency	\$ 125,618
Vehicle, Equipment, and Fire Engine Replacement	924,225
Capital Outlay	590,107
Public Facilities Fee	40,334
Fire Mitigation	135,449
Total Fire Fund Reserves	<u>\$ 1,815,733</u>
Water Fund:	
General Contingency	\$ 471,183
Capital Outlay	1,649,563
Vehicle and Equipment Replacement	144,644
Water Quality	91,517
Water Stabilization	158,456
Basin Management	50,031
Water Conservation	59,288
Total Water Fund Reserves	<u>\$ 2,624,682</u>
Drainage Fund:	
General Contingency	\$ 32,238
Capital Outlay	107,725
Total Drainage Fund Reserves	<u>\$ 139,963</u>
Parks and Recreation Fund:	\$ 279,129

Significant Events or Disclosures

Through collaboration between the Finance Advisory and Utility Advisory Committees, and an Ad-Hoc group, the District performed a Water Rate Study which was adopted by the Board in March 2017. The Plan evaluated the various revenue requirements of the District including significant capital improvements, the impacts of reduced water consumption and shifting the allocation of property tax received by the District for District wide purposes. The Rate Plan detailed the need for the District to increase water rates significantly over a three year to address the changing financial position of the District and address future financial needs and obligations.

The first of three annual water rate increases took effect July 1, 2017. The second of the three annual water rate increases took effect July 1, 2018. Because of higher than anticipated revenues generated from the first two rate increases, which met the overall intended revenue goal in the of the 2017 Rate Plan, the Board of Directors decided not to implement the third approved rate increase at their June 6, 2019 meeting.

In 2018, the District determined that, due to favorable interest rates, it was in the best interest of the owners of land in the Wastewater Assessment District No. 1 to refund the 2002 Bonds (the "Refunding") through the issuance of Limited Obligation Refunding Bonds (the "Bonds"). In November 2018, the District's Finance Advisory Committee (FAC) began actively exploring the District's options for the Refunding. Following an extensive review process and multiple discussions, FAC made their

**Los Osos Community Services District
Management Discussion and Analysis**

recommendation to present the Refunding to the full Board. At the December 6, 2018 Board meeting, the Board approved moving forward with the Refunding and engaging the services of a municipal advisor and bond counsel firm to initiate the process. At the January 10, 2019 Board meeting, the Board adopted a series of resolution ordering the reassessment and authorizing and directing actions to authorize the issuance of limited obligation refunding bonds for Wastewater Assessment District No. 1.

The par amount of the bonds is \$10,800,000. Net yield levels range from 1.84% in 2020 to 3.47% in 2033 with true interest cost of 3.10%. The average annual bond debt service saving are approximately \$137,060, and total gross savings are \$2,003,020. Net present value savings are \$1,837,900 or 15.32%. The final maturity of the Bonds is September 2, 2033.

In addition to debt service savings, the refunding eliminated \$222,334 owed by the District to the Prior Bond's reserve fund and eliminated a debt service variance of approximately \$9,000 per year.

More information about the District, its financial condition, policies, governance and management is available on the District website at www.lososocsd.org.

Sincerely,

Ron Munds
General Manager

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LOS OSOS COMMUNITY SERVICES DISTRICT
STATEMENT OF NET POSITION
June 30, 2019

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and investments	\$ 2,729,855	\$ 3,533,209	\$ 6,263,064
Accounts receivable, net	73,834	548,675	622,509
Prepaid items	1,906	16,240	18,146
Deposits		10,000	10,000
Inventory		47,213	47,213
Other assets		900	900
Internal balances	(97,142)	97,142	
Restricted assets-			
Cash and investments	279,129		279,129
Capital assets:			
Non Depreciable:			
Land	57,375	498,429	555,804
Construction in progress		239,587	239,587
Depreciable:			
Buildings, structures, and improvements	598,871	5,000	603,871
Infrastructure	374,653	9,461,450	9,836,103
Plant and equipment	1,570,100	547,463	2,117,563
Accumulated depreciation	(1,575,614)	(5,311,188)	(6,886,802)
Total assets	<u>4,012,967</u>	<u>9,694,120</u>	<u>13,707,087</u>
DEFERRED OUTFLOW OF RESOURCES			
Deferred pensions	175,388	178,554	353,942
Deferred OPEB	3,284	1,659	4,943
Total deferred outflow of resources	<u>178,672</u>	<u>180,213</u>	<u>358,885</u>
LIABILITIES			
Accounts payable	24,958	39,444	64,402
Accrued liabilities	10,660	25,503	36,163
Accrued interest payable		42,633	42,633
Deposits	1,017		1,017
Noncurrent liabilities:			
Due within one year	8,700	181,452	190,152
Due in more than one year	705,269	3,990,936	4,696,205
Total liabilities	<u>750,604</u>	<u>4,279,968</u>	<u>5,030,572</u>
DEFERRED INFLOW OF RESOURCES			
Deferred OPEB	3,451	15,104	18,555
Deferred pensions	88,777	31,215	119,992
Total deferred inflow of resources	<u>92,228</u>	<u>46,319</u>	<u>138,547</u>
NET POSITION			
Net investment in capital assets	1,025,385	2,085,975	3,111,360
Restricted for:			
Fire and emergency services	2,309,686		2,309,686
Parks and recreation	279,129		279,129
Drainage services	365,240		365,240
Unrestricted	(630,633)	3,462,071	2,831,438
Total net position	<u>\$ 3,348,807</u>	<u>\$ 5,548,046</u>	<u>\$ 8,896,853</u>

The notes to basic financial statements are an integral part of this statement.

LOS OSOS COMMUNITY SERVICES DISTRICT

STATEMENT OF ACTIVITIES

For the Fiscal Year Ended June 30, 2019

	<u>Expenses</u>	<u>Charges for Services</u>	<u>Program Revenues Operating Contributions and Grants</u>
Governmental activities:			
General government	\$ 641,234	\$ -	\$ -
Public safety	2,585,369	74,141	10,247
Health and sanitation	78,660	60,656	
Street lighting	9,967	9,967	
Total governmental activities	<u>3,315,230</u>	<u>144,764</u>	<u>10,247</u>
Business-type activities:			
Water	1,651,701	2,732,750	-
Wastewater treatment project	14,005	44,267	
Total business-type activities	<u>1,665,706</u>	<u>2,777,017</u>	
Total governmental	<u>\$ 4,980,936</u>	<u>\$ 2,921,781</u>	<u>\$ 10,247</u>

General Revenues:

Taxes:

Property

Special

Other

Investment income

Other general revenues

Special item-elimination of debt

Transfers

Total general revenues, special items, and transfers

Change in net position

Net position - beginning of fiscal year

Net position - end of fiscal year

The notes to basic financial statements are an integral part of this statement.

<u>Capital Contributions and Grants</u>	<u>Net (Expenses) Revenue and Changes in Net Position</u>		
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
\$ -	\$ (641,234)	\$ -	\$ (641,234)
	(2,500,981)		(2,500,981)
	(18,004)		(18,004)
	(3,160,219)		(3,160,219)
		1,081,049	1,081,049
		30,262	30,262
		1,111,311	1,111,311
<u>\$ -</u>	<u>(3,160,219)</u>	<u>1,111,311</u>	<u>(2,048,908)</u>
	2,290,768	155,787	2,446,555
	570,782		570,782
	61,159	22,191	83,350
	26,252	11,337	37,589
		222,334	222,334
	501,517	(501,517)	
	3,450,478	(89,868)	3,360,610
	290,259	1,021,443	1,311,702
	3,058,548	4,526,603	7,585,151
	<u>\$ 3,348,807</u>	<u>\$ 5,548,046</u>	<u>\$ 8,896,853</u>

LOS OSOS COMMUNITY SERVICES DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
June 30, 2019

	<u>General</u> <u>Fund</u>	<u>Fire</u> <u>Fund</u>	<u>Other</u> <u>Governmental</u> <u>Funds</u>	<u>Totals</u>
ASSETS				
Cash and investments	\$ 45,492	\$ 2,248,189	\$ 436,174	\$ 2,729,855
Restricted cash and investments			279,129	279,129
Accounts receivable	1,069	69,541	3,224	73,834
Prepaid items	1,763	143		1,906
Due from other funds	10,957			10,957
	<u>10,957</u>	<u> </u>	<u> </u>	<u>10,957</u>
Total assets	<u>\$ 59,281</u>	<u>\$ 2,317,873</u>	<u>\$ 718,527</u>	<u>\$ 3,095,681</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 21,161	\$ 2,621	\$ 1,176	\$ 24,958
Accrued liabilities	5,237	5,423		10,660
Deposits	1,017			1,017
Loan from Water Fund			97,142	97,142
Due to other funds			10,957	10,957
	<u> </u>	<u> </u>	<u>10,957</u>	<u>10,957</u>
Total liabilities	<u>27,415</u>	<u>8,044</u>	<u>109,275</u>	<u>144,734</u>
Fund Balances:				
Nonspendable:				
Prepaid items	1,763	143		1,906
Restricted:				
Fire and emergency services		2,309,686		2,309,686
Parks and recreation			279,129	279,129
Bayridge functions				
Drainage services			365,240	365,240
Unassigned	30,103		(35,117)	(5,014)
	<u>30,103</u>	<u> </u>	<u>(35,117)</u>	<u>(5,014)</u>
Total fund balances	<u>31,866</u>	<u>2,309,829</u>	<u>609,252</u>	<u>2,950,947</u>
Total liabilities and fund balances	<u>\$ 59,281</u>	<u>\$ 2,317,873</u>	<u>\$ 718,527</u>	<u>\$ 3,095,681</u>

The notes to basic financial statements are an integral part of this statement.

LOS OSOS COMMUNITY SERVICES DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS - BALANCE SHEET
TO THE STATEMENT OF NET POSITION
June 30, 2019

Total fund balances - governmental funds \$ 2,950,947

In governmental funds, only current assets are reported. In the statement of net position, all assets are reported, including capital assets and accumulated depreciation.

Capital assets at historical cost	\$	2,600,999
Accumulated depreciation		<u>(1,575,614)</u>

Net 1,025,385

Long-term liabilities: In governmental funds, only current liabilities are reported. In the statement of net position, all liabilities, including long-term liabilities, are reported. Long-term liabilities relating to governmental activities consist of:

Compensated absences payable	\$	34,798
Other post employment benefits liability		60,612
Net pension liability		<u>618,559</u>

Total (713,969)

Deferred outflows and inflows of resources relating to pensions and OPEB: In governmental funds, deferred outflows and inflows of resources relating to pensions and OPEB are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to pensions and OPEB are reported.

Deferred inflows of resources relating:		
to pensions	\$	(88,777)
to OPEB		(3,451)
Deferred outflows of resources relating:		
to pensions		175,388
to OPEB		<u>3,284</u>

86,444

Total net position - governmental activities \$ 3,348,807

The notes to basic financial statements are an integral part of this statement.

LOS OSOS COMMUNITY SERVICES DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended June 30, 2019

	General Fund	Fire Fund	Other Governmental Funds	Totals
Revenues:				
Property taxes	\$ -	\$ 2,227,120	\$ 63,648	\$ 2,290,768
Special taxes and assessments		475,454	95,328	570,782
Intergovernmental		10,247		10,247
Service charges and fees	24		70,599	70,623
Public services fees		74,141		74,141
Use of money and property		49,263	11,896	61,159
Other	1,069	22,500	2,683	26,252
Total revenues	1,093	2,858,725	244,154	3,103,972
Expenditures:				
Personnel	166,478	192,861	18,611	377,950
Clothing and uniforms	44	3,103		3,147
Contract services	53,616	8,126		61,742
Contract services - Schedule A		2,167,208		2,167,208
Equipment and tools		39,831	227	40,058
Financial services	7,248	15		7,263
Insurance, licenses, and regulatory fees	30,879	26,942	7,238	65,059
Legal and professional	239,556	1,880	17,895	259,331
Office expenses	35,429	4,220	724	40,373
Other expenses	4,906	1,520	250	6,676
Rent and utilities	44,757	17,065	12,997	74,819
Repairs and maintenance	73	9,297	7,270	16,640
Travel and training	1,267	950	1,937	4,154
Vehicle maintenance and repairs			1,901	1,901
Capital outlay		161,543	77,204	238,747
Debt service:				
Interest			6,731	6,731
Total expenditures	584,253	2,634,561	152,985	3,371,799
Excess of revenues over (under) expenditures	(583,160)	224,164	91,169	(267,827)
Other Financing Sources (Uses):				
Transfers in	583,160			583,160
Transfers out		(58,316)	(23,327)	(81,643)
Total other financing sources (uses)	583,160	(58,316)	(23,327)	501,517
Net change in fund balances		165,848	67,842	233,690
Fund balances - July 1	31,866	2,143,981	541,410	2,717,257
Fund balances - June 30	<u>\$ 31,866</u>	<u>\$ 2,309,829</u>	<u>\$ 609,252</u>	<u>\$ 2,950,947</u>

The notes to basic financial statements are an integral part of this statement.

LOS OSOS COMMUNITY SERVICES DISTRICT
RECONCILIATION OF THE STATEMENT OF
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2019

Total net change in fund balances - governmental funds	\$ 233,690
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which additions to capital outlay of \$230,376 exceeded depreciation expense \$(100,358) in the period.	130,018
In the statement of activities, compensated absences are measured by the amounts earned during the fiscal year. In governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially the amounts paid). This fiscal year, vacation earned exceeded the amounts used by \$8,145.	(8,145)
In governmental funds, OPEB costs are recognized when employer contributions are made. In the statement of activities, OPEB costs are recognized on the accrual basis. This fiscal year, the difference between accrual-based OPEB costs and actual employer contribution was:	(1,679)
In governmental funds, pension costs are recognized when employer contributions are made. In the statement of activities, pension costs are recognized on the accrual basis. This year, the difference between accrual-basis pension costs and actual employer contributions was:	<u>(63,625)</u>
Changes in net position - governmental activities	<u>\$ 290,259</u>

The notes to basic financial statements are an integral part of this statement.

LOS OSOS COMMUNITY SERVICES DISTRICT
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
June 30, 2019

	Water	Wastewater Treatment Project	
	Fund	Fund	Totals
ASSETS			
Current assets:			
Cash and investments	\$ 3,554,202	\$ (20,993)	\$ 3,533,209
Accounts receivable, net	523,004	19,267	542,271
Accrued revenue receivables	6,404		6,404
Deposits	10,000		10,000
Inventory at cost	47,213		47,213
Prepays	13,637	2,603	16,240
Loan from other funds	97,142		97,142
Other assets	900		900
Total current assets	<u>4,252,502</u>	<u>877</u>	<u>4,253,379</u>
Noncurrent assets:			
Capital assets, net of accumulated depreciation	5,282,151	158,590	5,440,741
Total noncurrent assets	<u>5,282,151</u>	<u>158,590</u>	<u>5,440,741</u>
Total assets	<u>9,534,653</u>	<u>159,467</u>	<u>9,694,120</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred pensions	178,554		178,554
Deferred OPEB	1,659		1,659
Total deferred outflows of resources	<u>180,213</u>		<u>180,213</u>
LIABILITIES			
Current liabilities:			
Accounts payable	39,444		39,444
Accrued liabilities	25,503		25,503
Accrued interest payable	42,633		42,633
Compensated absences - current portion	15,675		15,675
Loan payables - current portion	165,777		165,777
Total current liabilities	<u>289,032</u>		<u>289,032</u>
Noncurrent liabilities:			
Compensated absences	47,024		47,024
OPEB liability	265,257		265,257
Loans payable	3,188,989		3,188,989
Net pension liability	489,666		489,666
Total noncurrent liabilities	<u>3,990,936</u>		<u>3,990,936</u>
Total liabilities	<u>4,279,968</u>		<u>4,279,968</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred OPEB	15,104		15,104
Deferred pensions	31,215		31,215
Total deferred inflows of resources	<u>46,319</u>		<u>46,319</u>
NET POSITION			
Net investment in capital assets	1,927,385	158,590	2,085,975
Unrestricted (deficit)	3,461,194	877	3,462,071
Total net position	<u>\$ 5,388,579</u>	<u>\$ 159,467</u>	<u>\$ 5,548,046</u>

The notes to basic financial statements are an integral part of this statement.

LOS OSOS COMMUNITY SERVICES DISTRICT
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
For the Fiscal Year Ended June 30, 2019

	Water	Wastewater Treatment Project	Totals
	Fund	Fund	
Operating Revenues:			
Utility	\$ 2,732,750	\$ 44,267	\$ 2,777,017
Total operating revenues	<u>2,732,750</u>	<u>44,267</u>	<u>2,777,017</u>
Operating Expenses:			
Personnel	690,035		690,035
Clothing and uniforms	3,946		3,946
Contract services	42,909		42,909
Equipment and tools	80,765		80,765
Financial services	48		48
Insurance, licenses, and regulatory fees	58,242	390	58,632
Legal and professional	175,055	13,596	188,651
Office expenses	40,545	19	40,564
Other expenses	3,267		3,267
Rent and utilities	132,844		132,844
Repairs and maintenance	32,201		32,201
Travel and training	6,645		6,645
Vehicle maintenance and repairs	14,187		14,187
Depreciation	257,736		257,736
Total operating expenses	<u>1,538,425</u>	<u>14,005</u>	<u>1,552,430</u>
Operating income (loss)	<u>1,194,325</u>	<u>30,262</u>	<u>1,224,587</u>
Non-Operating Revenues (Expenses):			
Property taxes and assessments	155,787		155,787
Investment income	22,191		22,191
Other non-operating revenue	11,337		11,337
Interest and debt service fee expense	(113,276)		(113,276)
Total non-operating revenues (expenses)	<u>76,039</u>		<u>76,039</u>
Income before transfers and special items	<u>1,270,364</u>	<u>30,262</u>	<u>1,300,626</u>
Transfers:			
Transfers (out)	(498,601)	(2,916)	(501,517)
Total transfers	<u>(498,601)</u>	<u>(2,916)</u>	<u>(501,517)</u>
Special Items:			
Elimination of debt		222,334	222,334
Change in net position	771,763	249,680	1,021,443
Net position (deficit) - July 1	4,616,816	(90,213)	4,526,603
Net position (deficit) - June 30	<u>\$ 5,388,579</u>	<u>\$ 159,467</u>	<u>\$ 5,548,046</u>

The notes to basic financial statements are an integral part of this statement.

LOS OSOS COMMUNITY SERVICES DISTRICT
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
For the Fiscal Year Ended June 30, 2019

	Water Fund	Wastewater Treatment Project Fund	Totals
Cash Flows From Operating Activities:			
Receipts from customers	\$ 2,716,302	\$ 25,000	\$ 2,741,302
Payments to suppliers	(524,579)	(14,100)	(538,679)
Payments to employees	(687,512)		(687,512)
Other receipts	11,337		11,337
Net cash provided (used) by operating activities	<u>1,515,548</u>	<u>10,900</u>	<u>1,526,448</u>
Cash Flows From Capital and Related Financing Activities:			
Acquisition of capital assets	(128,558)		(128,558)
Principal paid on debt	(160,871)		(160,871)
Interest paid on debt	(115,321)		(115,321)
Net cash provided (used) by capital and related financing activities	<u>(404,750)</u>		<u>(404,750)</u>
Cash Flows from Noncapital Financing Activities:			
Transfers from (to) other funds	(454,140)	(6,893)	(461,033)
Property taxes and assessments	157,154		157,154
Principal paid on interfund debt		(25,000)	(25,000)
Net cash provided (used) by noncapital financing activities	<u>(296,986)</u>	<u>(31,893)</u>	<u>(328,879)</u>
Cash Flows From Investing Activities:			
Interest income	22,191		22,191
Net cash provided (used) by investing activities	<u>22,191</u>		<u>22,191</u>
Net increase (decrease) in cash and cash equivalents	836,003	(20,993)	815,010
Cash and cash equivalents - July 1	2,718,199		2,718,199
Cash and cash equivalents - June 30	<u>\$ 3,554,202</u>	<u>\$ (20,993)</u>	<u>\$ 3,533,209</u>
Reconciliation to Statement of Net Position:			
Cash and investments	<u>\$ 3,554,202</u>	<u>\$ (20,993)</u>	<u>\$ 3,533,209</u>

(Continued)

The notes to basic financial statements are an integral part of this statement.

LOS OSOS COMMUNITY SERVICES DISTRICT
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS (Continued)
For the Fiscal Year Ended June 30, 2019

	Water Fund	Wastewater Treatment Project Fund	Totals
Reconciliation of operating income (loss) to			
net cash provided (used) by operating			
activities:			
Operating income (loss)	\$ 1,194,325	\$ 30,262	\$ 1,224,587
Adjustments to reconcile operating income (loss) to			
net cash provided (used) by operating activities			
Depreciation expense	257,736		257,736
Other nonoperating revenues	11,337		11,337
Change in assets, liabilities, deferred inflows of resources,			
and deferred outflows of resources:			
Receivables, net	(16,448)	(19,267)	(35,715)
Deposits			
Prepays	50,201	(95)	50,106
Deferred outflows - pension	64,792		64,792
Deferred outflows - OPEB	(106)		(106)
Accounts payable	9,846		9,846
Accrued liabilities	1,342		1,342
Deposits	(3,150)		(3,150)
Compensated absences	11,395		11,395
OPEB liability	(7,149)		(7,149)
Net pension liability	(89,180)		(89,180)
Deferred inflows - pension	6,325		6,325
Deferred inflows - OPEB	15,104		15,104
Net cash provided (used) by operating activities	<u>\$ 1,515,548</u>	<u>\$ 10,900</u>	<u>\$ 1,526,448</u>

The notes to basic financial statements are an integral part of this statement.

LOS OSOS COMMUNITY SERVICES DISTRICT
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
June 30, 2019

	Wastewater Assessment District No. 1 Fund	Low Income Assistance Fund	Total Agency Funds
ASSETS			
Cash and investments	\$ -	\$ 10,478	\$ 10,478
Cash with fiscal agent	1,336,206		1,336,206
Accrued interest receivable	2,134		2,134
Accrued property taxes receivable	20,043		20,043
Total assets	<u>\$ 1,358,383</u>	<u>\$ 10,478</u>	<u>\$ 1,368,861</u>
LIABILITIES			
Accounts payable	\$ 19,267	\$ -	\$ 19,267
Due to bondholders	1,339,116		1,339,116
Due to others		10,478	10,478
Total liabilities	<u>\$ 1,358,383</u>	<u>\$ 10,478</u>	<u>\$ 1,368,861</u>

The notes to basic financial statements are an integral part of this statement.

LOS OSOS COMMUNITY SERVICES DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. The Financial Reporting Entity

The Los Osos Community Services District (District), a political subdivision of the State of California, was formed on January 1, 1999, pursuant to Ballot Measure K-98 to provide services previously provided by San Luis Obispo County (the County) in specific benefits zones of what was formerly County Service Area 9. After formation, the District added solid waste services providing service to all properties in the District. It operates pursuant to Section 61000 of the California Government Code. It is currently authorized to provide Fire Protection, Water, Street Lighting, Drainage, and Parks and Recreation Services. It is governed by a five-member Board of Directors with an operations staff headed by a general manager.

B. Basis of Presentation

Fund Financial Statements:

The fund financial statements provide information about the District's funds. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories with each major fund displayed in a separate column. 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 proprietary 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 fund or proprietary fund are at least 5 percent of the corresponding total for all governmental and proprietary funds combined.

All remaining governmental funds are aggregated and reported as non-major funds in a single column, regardless of their fund type.

The funds of the financial reporting entity are described below:

Governmental Funds

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

Special Revenue Funds - Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The following are Special Revenue Funds:

- 301 – Fire Fund
- 200 – Bayridge (a subdivision where lighting and septic system maintenance are provided)
- 400 – Vista de Oro (a subdivision where lighting and septic system maintenance are provided)
- 800 – Drainage
- 900 – Parks and Recreation

Proprietary Funds

Enterprise 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.

Proprietary Funds are as follows:

- 500 – Water
- 600 – Wastewater Treatment Project Fund (This is for the aborted sewer system project and may in the future be reclassified to the governmental category.)

LOS OSOS COMMUNITY SERVICES DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation (Continued)

Fiduciary Funds

The fiduciary funds are accounted for on the accrual basis of accounting. The fund is custodial in nature (assets equal liabilities) a measurement of results of operations is not shown.

Fiduciary funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. The District maintains two agency funds – Los Osos Community Services District Wastewater Assessment District No. 1 and the Low Income Assistance Fund.

Major Funds

The District reported the following major governmental funds in the accompanying financial statements:

General Fund - This is the District's primary operating fund and is more commonly referred to as the Administrative Fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The fund provides for public administration, overall management, occupancy, computer systems, accounting, legal, consulting, communication, and insurance as it pertains to the District as a whole.

Fire Fund - This fund accounts for activities of Fire Station 15 - South Bay. The fire department provides fire suppression, emergency paramedic services, and fire prevention including public education. Services are provided through a contract with Cal Fire for the entire community. Reserve firefighters and administrative operational costs are paid by the District outside the Cal Fire contract.

The District reports the following major proprietary funds in the accompanying financial statements:

Water Fund - This fund accounts for the operation and maintenance of the District's water distribution system. The water department is responsible for the operation and maintenance of five groundwater supply wells providing treatment, monitoring, and distribution services.

Wastewater Treatment Project Fund - This fund originally accounted for projects relating to the District's wastewater treatment project. Since the wastewater treatment project was stopped, this fund now mainly reflects functions relative to bankruptcy proceedings and assessment costs on the aborted sewer project.

C. Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements regardless of the measurement focus applied.

Measurement Focus

On the government-wide statement of net position and the statement of activities, both governmental and business-type 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 are accounted for using a "current financial resources" measurement focus. With this measurement focus, only current assets and current liabilities generally are 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. All proprietary funds utilize an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and all liabilities (whether current or non-current) associated with the operation of these funds are reported. Proprietary fund equity is classified as net position.

LOS OSOS COMMUNITY SERVICES DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus and Basis of Accounting (Continued)

Basis of Accounting

In the government-wide statement of net position and statement of activities, both governmental and business-type 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 is 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 the 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 soon enough thereafter to pay current liabilities. The District defines available to be within 60 days of fiscal year-end. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for principal and interest on long term debt, claims and judgments, and compensated absences which are recognized as expenditures to the extent that they have matured. Governmental capital asset acquisitions are reported as expenditures in governmental funds. Proceeds for governmental long-term debt and acquisitions under capital leases are reported as other financing sources.

Those revenues susceptible to accrual include taxes, intergovernmental revenues, interest, and charges for services. Certain indirect costs are included in program expenses reported for individual functions and activities.

Grant revenues are recognized in the fiscal year in which all eligibility requirements are met. Under the terms of grant agreements, the District may fund certain programs with a combination of cost-reimbursement grants, categorical block grants, and general revenues. Thus, both restricted and unrestricted net position are available to finance program expenditures. The District's policy is to first apply restricted grant resources to such programs, followed by general revenues if necessary.

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 is used. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal revenues and expenses. 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.

The fiduciary fund is accounted for on the accrual basis of accounting. Because the fund is custodial in nature (assets equal liabilities) a measurement of results of operations is not shown.

D. Property Taxes

The County levies, bills, and collects property taxes and special assessments for the District. Property taxes levied are recorded as revenue in the fiscal year of levy, due to the adoption of the "alternate method of property tax distribution," known as the Teeter Plan, by the District and the County. The Teeter Plan authorizes the Auditor/Controller of the County to allocate 100% of the secured property taxes billed, excluding unitary tax (whether paid or unpaid). The County remits tax monies to the District every month and twice a month in December and April. The final amount which is "teetered" is remitted in August each year.

Tax collections are the responsibility of the County Tax Collector. Taxes and assessments on secured and utility rolls, which constitute a lien against the property, may be paid in two installments; the first is due November 1 of the fiscal year and is delinquent if not paid by December 10; and the second is due on March 1 of the fiscal year and is delinquent if not paid by April 10. Unsecured personal property taxes do not constitute a lien against real property unless the tax becomes delinquent. Payment must be made in one installment, which is delinquent if not paid by August 31 of the fiscal year. Significant penalties are imposed by the County for late payment.

Property valuations are established by the Assessor of the County for the secured and unsecured property tax rolls. Under the provisions of Article XIII A of the State Constitution, properties are assessed at 100% of purchase price or value in 1978 whichever is later. From this base assessment, subsequent annual increases in valuation are limited to a maximum of 2 percent. However, increases to full value are allowed for property improvements or upon change in ownership. Personal property is excluded from these limitations, and is subject to annual reappraisal.

LOS OSOS COMMUNITY SERVICES DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Property Taxes (Continued)

Tax levy dates are attached annually on January 1 preceding the fiscal year for which the taxes are levied. The fiscal year begins July 1 and ends June 30 of the following year. Taxes are levied on both real and unsecured personal property, as it exists at that time. Liens against real estate, as well as the tax on personal property, are not relieved by subsequent renewal or change in ownership.

E. Cash and Investments

The District pools the cash of all funds, except for monies deposited with fiscal agent in accordance with related bond indentures. The cash and investments balance in each fund represents that fund's equity share of the District's cash and investment pool.

Interest income earned on pooled cash and investments is allocated quarterly to the various funds based on month-end balances. Interest income on restricted cash and investments with fiscal agents is credited directly to the related fund.

The District's investments are carried at fair value. The fair value of equity and debt securities is determined based on sales prices or bid-and-asked quotations from Securities and Exchange Commission (SEC) registered securities exchanges or NASDAQ dealers. Local Agency Investment Fund (LAIF) determines the fair value of their portfolio quarterly and reports a factor to the District. Changes in fair value are allocated to each participating fund.

For purposes of the statement of cash flows, the District has defined cash and cash equivalents to be change and petty cash funds, equity in the District's cash and investment pool, and restricted non-pooled investments with initial maturities of three months or less.

F. Accounts and Interest Receivable

In the government-wide statements, receivables consist of all revenues earned at fiscal year-end and not yet received. Receivables are recorded in the financial statements net of any allowance for doubtful accounts if applicable, and estimated refunds due. Major receivable balances for the governmental activities may include sales taxes, property taxes, grants, and other fees, if any. Business-type activities report utilities as their major receivables.

In the fund financial statements, material receivables in governmental funds may include revenue accruals such as franchise tax, grants, service charges and other similar intergovernmental revenues that are both measurable and available. Non-exchange transactions collectible but not available are deferred in the fund financial statements in accordance with the modified accrual basis of accounting, but not deferred in the government-wide financial statements in accordance with the accrual basis. Interest and investment earnings are recorded when earned and if paid within 60 days since they would be considered both measurable and available. Proprietary fund material receivables consist of all revenues earned at fiscal year-end and not yet received. Utility accounts receivable and interest earnings comprise the majority of proprietary fund receivables. The fiduciary fund receivables primarily consist of tax assessments.

G. Prepaid Expenses and Inventory

Inventory is valued at the lower of cost or market using the first-in, first-out (FIFO) method. The cost is recorded as an expenditure/expense in the funds at the time individual inventory items are purchased rather than when consumed. This is then adjusted by physical inventory at fiscal year-end. Inventory in the enterprise funds consist principally of materials and supplies for utility operations.

Payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid items in both government-wide and fund financial statements.

H. Restricted Assets

Funds that are under the control of external parties are restricted.

LOS OSOS COMMUNITY SERVICES DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Capital Assets

The accounting treatment over property, plant, and equipment depends on whether the assets are used in governmental fund operations or proprietary fund operations. The presentation and recording of governmental assets are described below.

Government-Wide Statements

In the government-wide financial statements, capital assets with a historical cost of \$5,000 or more are accounted for as capital assets. All capital assets are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated capital assets, if any, which are recorded at their estimated fair value at the date of donation. Estimated historical cost was used to value the majority of the assets.

With the implementation of GASB Statement No. 34, the District has recorded all its public domain (infrastructure) capital assets on the government-wide statements.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings	40-50 years
Improvements other than buildings	5-25 years
Infrastructure	5-60 years
Equipment and systems	5-30 years

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are capitalized when purchased.

J. Accumulated Compensated Absences

Compensated absences comprise unused vacation leave, sick leave, and compensatory time off, which are accrued as earned. Vacation can be accrued to a maximum of 40 days or 320 hours for the regular employees or 448 hours for the shift employees. Upon termination, all accumulated vacation hours up to 240 hours can be paid for the regular employees or up to 336 hours for the shift employees. Sick leave can be accrued up to 180 days or 1,440 hours. Only half of accumulated sick leave hours can be paid on termination to eligible employees. Employees become eligible for sick leave pay-off after completing five years of service. Payments will be based on the pay rate at the time of termination. The District's liability for the current and long-term portions of compensated absences is shown in the government-wide Statement of Net Position for both governmental funds and proprietary funds. Only proprietary funds reflect the long-term portion in the fund financials report, Statement of Net Position. The short-term portion is reflected for both governmental and proprietary funds in the fund financial statements. Computation was based on rates in effect as of the fiscal year-end.

K. Long-Term Liabilities

In the government-wide financial statements, long-term liabilities are presented for both governmental and proprietary fund types. In the fund financial statements, only the proprietary funds show long-term liabilities. Initial issue bond premiums and discounts, are deferred and amortized over the life of the bonds using the straight-line method. Amortization of bond premiums or discounts and deferred amounts on refunding are included in interest expense.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the period when the debt is issued. The face amount of debt issued is reported as other financing sources. Premiums received are reported as other financing sources, while discounts are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

L. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Los Osos Community Services District California Public Employees' Retirement System (CalPERS) Miscellaneous, Miscellaneous PEPRA, Safety Fire, and Safety Fire PEPRA Plans and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee

LOS OSOS COMMUNITY SERVICES DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Pensions (Continued)

contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

M. Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability and deferred outflows/inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District's plan (OPEB Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

N. Deferred Outflows and Inflows of Resources

Pursuant to GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, the District recognizes deferred outflows and inflows of resources.

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. A deferred outflow of resources is defined as a consumption of net position by the government that is applicable to a future reporting period. The District has two items which qualify for reporting in this category, refer to Note 7 and Note 8 for a detailed listing of the deferred outflows of resources the District has recognized.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. A deferred inflow of resources is defined as an acquisition of net position by the District that is applicable to a future reporting period. The District has two items which qualifies for reporting in this category; refer to Note 7 and Note 8 for a detailed listing of the deferred inflows of resources the District has recognized.

O. Interfund Transactions

Following is a description of the three basic types of interfund transactions that can be made during the fiscal year and the related accounting policies:

1. Interfund services provided and used - transactions for services rendered or facilities provided. These transactions are recorded as revenues in the receiving fund and expenditures in the disbursing fund.
2. Reimbursements (expenditure transfers) - transactions to reimburse a fund for specific expenditures incurred for the benefit of another fund. These transactions are recorded as expenditures in the disbursing fund and a reduction of expenditures in the receiving fund.
3. Transfers - all interfund transactions which allocate resources from one fund to another fund. These transactions are recorded as transfers in and out.

P. Equity Classifications

Government-Wide Statements

GASB Statement No. 63 requires that the difference between assets and the deferred outflows of resources and liabilities added to the deferred inflows of resources be reported as net position. Net position is classified as either net investment in capital assets, restricted, or unrestricted.

Net position that is *net investment in capital assets* consist of capital assets, net of accumulated depreciation, and reduced by the outstanding principal of related debt. *Restricted net position* is the portion of the net position that has external constraints placed on it by creditors, grantors, contributors, laws, or regulations of other governments, or through constitutional provisions or enabling legislation. *Unrestricted net position* consists of net position that does not meet the definition of net investments in capital assets or restricted net position.

LOS OSOS COMMUNITY SERVICES DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Q. Future Accounting Pronouncements

GASB Statements listed below will be implemented in future financial statements:

Statement No. 84	"Fiduciary Activities"	The provisions of this statement are effective for fiscal years beginning after December 15, 2018.
Statement No. 87	"Leases"	The provisions of this statement are effective for fiscal years beginning after December 15, 2019.
Statement No. 89	"Accounting for Interest Cost Incurred before the End of a Construction Period"	The provisions of this statement are effective for fiscal years beginning after December 15, 2019.
Statement No. 90	"Majority Equity Interests-an Amendment of GASB Statements No. 14 and No. 61"	The provisions of this statement are effective for fiscal years beginning after December 15, 2018.
Statement No. 91	"Conduit Debt Obligations"	The provisions of this statement are effective for fiscal years beginning after December 15, 2020.

R. Use of Estimates

The financial statements have been prepared in accordance with principles generally accepted in the United States of America and necessarily include amounts based on estimates and assumptions by Management. Actual results could differ from these amounts.

NOTE 2 – CASH AND INVESTMENTS

Investments of the District are governed by the California Government Code and by the District's investment policy. The General Manager of the District acts as the District Finance Officer and Treasurer who is tasked to perform investment functions in accordance with the investment policy. The objectives of the policy are safety, liquidity, yield, and compliance with State and Federal laws and regulations.

Investments of the District as of June 30, 2019

The table below identifies the investment types the District has that are authorized for the District by the California Government Code or the District's investment policy, where more restrictive, that addresses interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the District, rather than the general provisions of the California Government Code or the District's investment policy.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage Of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
Local Agency Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
Federal Agency Securities	N/A	None	None
Bankers' Acceptances	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase and Reserve Repurchase Agreements	92 days	20% of base value	None
Medium-Term Notes	5 years	30%	None
Mutual Funds	N/A	15%	10%
Money Market Mutual Funds	N/A	None	None
Mortgage Pass-Through Securities	N/A	20%	None
County Pooled Investment Fund	N/A	None	None
State Registered Warrants, Notes or Bonds	N/A	None	None
Notes and Bonds for other Local California Agencies	5 years	None	None
Local Agency Investment Fund	5 years	None	None

LOS OSOS COMMUNITY SERVICES DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 2 – CASH AND INVESTMENTS (Continued)

The composition of cash and investments as of June 30, 2019, by fund type is as follows:

	Available for Operations	Restricted	Total
General Fund	\$ 45,492	\$ -	\$ 45,492
Special Revenue Funds	2,684,363	279,129	2,963,492
Proprietary Funds	3,533,209		3,533,209
Fiduciary Funds		1,346,684	1,346,684
	<u>\$ 6,263,064</u>	<u>\$ 1,625,813</u>	<u>\$ 7,888,877</u>

Classification

Cash and investments are classified in the financial statements as shown below, based on whether or not their use is restricted under the terms of the District's debt instruments or Agency's agreements:

Cash and investments	\$ 6,263,064
Cash and investments - restricted	279,129
Total cash and investments, statement of net position	<u>6,542,193</u>
Cash and investments, statement of fiduciary net position	10,478
Cash and investments with fiscal agents, statement of fiduciary net position	1,336,206
Total cash and investments	<u>\$ 7,888,877</u>

On June 30, 2019, the District had the following cash and investments on hand:

Deposits with financial institutions	\$ 2,184,136
Imprest funds	900
State investment pool	661,768
Money market	5,042,073
Total cash and investments	<u>\$ 7,888,877</u>

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. These principles recognize a three-tiered fair value hierarchy. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District had investments in the State Investment Pool, money market funds, and bank time deposits, however, these external pools or deposits measured at cost are not required to be measured under Level 1, 2 or 3.

Disclosure 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 is, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the District's interest rate risk is mitigated is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

LOS OSOS COMMUNITY SERVICES DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 2 – CASH AND INVESTMENTS (Continued)

Disclosure Relating to Interest Rate Risk (Continued)

Information about the sensitivity of the fair values of the District's investments (including investments held by bond trustee) to market rate fluctuations is provided by the following table that shows the distribution of the District's investments by maturity as of June 30, 2019:

Investment Type	Carrying Amount	Remaining Maturity (in Months)			
		12 Months Or Less	13-24 Months	25-60 Months	More than 60 Months
LAIF	\$ 661,768	\$ 661,768	\$ -	\$ -	\$ -
Money market	3,705,867	3,705,867			
Held by bond trustees:					
Money market	1,336,206	1,336,206			
	<u>\$ 5,703,841</u>	<u>\$ 5,703,841</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Investments with Fair Values Highly Sensitive to Interest Rate Fluctuations

The District has no investments (including investments held by bond trustees) that are highly sensitive to interest rate fluctuations.

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 nationally recognized statistical rating organizations. Presented below is the minimum rating required by (where applicable) the California Government Code, the investment policy, or debt agreements, and the actual rating as of the fiscal year ended June 30, 2019 for each investment type.

Investment Type	Carrying Amount	Minimum Legal Rating	Exempt From Disclosure	Rating as of Fiscal Year End		
				AAA	Aa	Not Rated
LAIF	\$ 661,768	N/A	\$ -	\$ -	\$ -	\$ 661,768
Money market	3,705,867	N/A				3,705,867
Held by bond trustees:						
Money market	1,336,206					1,336,206
	<u>\$ 5,703,841</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,703,841</u>

Concentration of Credit Risk

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. The District minimizes its credit risk by investing only in the safest types of securities or investments.

The biggest investment of the District is in money market funds, comprising eighty-five percent (85%) of all investments. This is managed by the District's bank. This investment is indexed to earn ten basis points above that earned monthly by the State Investment Pool. These are collateralized up to 110% in compliance with State law with the collaterals held by a separate trustee bank.

The next major investment of the District, not considering those held by bond trustee, is investment in the State Investment Pool, more commonly known as LAIF. Investment in LAIF comprises fourteen percent (14%) of all invested funds. This fund is not registered with the Securities and State Commission as an investment company but is required to invest according to California State Code. The fund is under the oversight of the Treasurer of the State of California through the Local Investment Advisory Board that consists of five members as designated by statute. Market valuation is conducted quarterly by the State Treasurer's office. In addition, it also conducts a monthly fair market valuation of all securities held against carrying costs. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based on the District's pro-rata share of the fair value of the entire portfolio net of any amortized costs as provided by LAIF.

LOS OSOS COMMUNITY SERVICES DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 2 – CASH AND INVESTMENTS (Continued)

Concentration of Credit Risk (Continued)

Investment of funds held by bond trustee is governed by provisions of the debt agreements rather than the general provisions of the California Government Code or the District's investment policy. Current agreement of the District with bond trustee directs the trustee to invest in money market funds duly registered under the Federal Securities Act of 1933 and under the Investment Company Act of 1940 and having a rating by Standard and Poor's (S&P) of AAAM-G or AAAM or in any other investment acceptable to the bond insurer.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code and the District investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by State or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under State law (unless so waived by the government unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure District's deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. Deposits are insured up to \$250,000.

The investment in the State Investment Pool is not required to be collateralized. The fair value of securities in the pool is based on quoted market prices. The State Treasurer's Office performs a monthly fair market valuation of all securities held against carrying costs. Reports of valuations and financial statements are available to participants on the State Treasurer's website.

NOTE 3 – INTERFUND TRANSACTIONS

Interfund activity during the fiscal year ended June 30, 2019, was as follows:

Interfund Transfers:

<u>Major Governmental Funds:</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General	\$ 583,160	\$ -
Fire		58,316
<u>Nonmajor Governmental Funds:</u>		
Bayridge		2,916
Vista de Oro		2,916
Drainage		11,663
Parks and Recreation		5,832
<u>Proprietary Funds:</u>		
Water		498,601
Wastewater Treatment Plant		2,916
	<u>\$ 583,160</u>	<u>\$ 583,160</u>

Due To/Due From:

<u>Major Governmental Fund:</u>	<u>Due From</u>	<u>Due To</u>
General	\$ 10,957	\$ -
<u>Nonmajor Governmental Fund:</u>		
Vista de Oro		10,957
	<u>\$ 10,957</u>	<u>\$ 10,957</u>

LOS OSOS COMMUNITY SERVICES DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 3 – INTERFUND TRANSACTIONS (Continued)

Interfund Loans Receivable and Payable

Interfund loans receivable and payable are formal loan agreements within the District to borrow money from the Water Fund. The balances at June 30, 2019, are as follows:

	<u>Loan Receivable</u>	<u>Loan Payable</u>
Nonmajor Governmental Funds:		
Bayridge	\$ -	\$ 78,340
Vista de Oro		18,802
Proprietary Fund:		
Water	97,142	
	<u>\$ 97,142</u>	<u>\$ 97,142</u>

NOTE 4 – CAPITAL ASSETS

Governmental activities:

	<u>Balance at July 1, 2018</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance at June 30, 2019</u>
Capital assets not being depreciated				
Land	\$ 57,375	\$ -	\$ -	\$ 57,375
Total capital assets not being depreciated	<u>\$ 57,375</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 57,375</u>
Capital assets being depreciated				
Buildings, structures, and improvements	\$ 587,410	\$ 11,461	\$ -	\$ 598,871
Infrastructure	310,762	77,204	(13,313)	374,653
Plant and equipment	1,711,182	141,711	(282,793)	1,570,100
Total capital assets being depreciated	<u>2,609,354</u>	<u>230,376</u>	<u>(296,106)</u>	<u>2,543,624</u>
Less accumulated depreciation				
Buildings, structures, and improvements	461,804	19,072		480,876
Infrastructure	225,551	12,846	(13,313)	225,084
Plant and equipment	1,084,007	68,440	(282,793)	869,654
Total accumulated depreciation	<u>1,771,362</u>	<u>100,358</u>	<u>(296,106)</u>	<u>1,575,614</u>
Total capital assets being depreciated, net	<u>\$ 837,992</u>	<u>\$ 130,018</u>	<u>\$ -</u>	<u>\$ 968,010</u>
Net capital assets	<u>\$ 895,367</u>	<u>\$ 130,018</u>	<u>\$ -</u>	<u>\$ 1,025,385</u>

Business-type activities:

	<u>Balance at July 1, 2018</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance at June 30, 2019</u>
Capital assets not being depreciated				
Land	\$ 498,429	\$ -	\$ -	\$ 498,429
Construction in progress	185,121	54,466		239,587
Total capital assets not being depreciated	<u>\$ 683,550</u>	<u>\$ 54,466</u>	<u>\$ -</u>	<u>\$ 738,016</u>
Capital assets being depreciated				
Building and improvements	\$ 5,000	\$ -	\$ -	\$ 5,000
Infrastructure	9,461,450			9,461,450
Plant and equipment	503,371	74,092	(30,000)	547,463
Total capital assets being depreciated	<u>9,969,821</u>	<u>74,092</u>	<u>(30,000)</u>	<u>10,013,913</u>
Less accumulated depreciation				
Building and improvements	5,000			5,000
Infrastructure	4,626,962	227,879		4,854,841
Plant and equipment	451,490	29,857	(30,000)	451,347
Total accumulated depreciation	<u>5,083,452</u>	<u>257,736</u>	<u>(30,000)</u>	<u>5,311,188</u>
Total capital assets being depreciated, net	<u>\$ 4,886,369</u>	<u>\$ (183,644)</u>	<u>\$ -</u>	<u>\$ 4,702,725</u>
Net capital assets	<u>\$ 5,569,919</u>	<u>\$ (129,178)</u>	<u>\$ -</u>	<u>\$ 5,440,741</u>

LOS OSOS COMMUNITY SERVICES DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 4 – 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:		
General administration		\$ 141
Public safety		87,371
Health and sanitation		12,846
		<hr/>
Total governmental activities depreciation expense		<u>\$ 100,358</u>
Business-type Activities:		
Water services		\$ 257,736
		<hr/>
Total business-type activities depreciation expense		<u>\$ 257,736</u>

NOTE 5 – LONG-TERM LIABILITIES

The following is a summary of changes in the District's long-term liabilities for the fiscal year ended June 30, 2019:

	Balance at July 1, 2018	Additions	Reductions	Balance at June 30, 2019	Current Portion	Long Term Portion
Governmental Activities:						
Compensated Absences	\$ 26,653	\$ 8,470	\$ 325	\$ 34,798	\$ 8,700	\$ 26,098
Other Post Employment Benefits Liability	62,245	1,818	3,451	60,612		60,612
Net Pension Liability	542,837	110,103	34,381	618,559		618,559
				<hr/>		
Total Governmental Activities	<u>\$ 631,735</u>	<u>\$ 120,391</u>	<u>\$ 38,157</u>	<u>\$ 713,969</u>	<u>\$ 8,700</u>	<u>\$ 705,269</u>
Business-Type Activities:						
Compensated Absences	\$ 51,304	\$ 39,399	\$ 28,004	\$ 62,699	\$ 15,675	\$ 47,024
Other Post Employment Benefits Liability	272,406	7,955	15,104	265,257		265,257
Water Fund:						
Loan Payable - Direct Borrowing	3,515,637		160,871	3,354,766	165,777	3,188,989
Wastewater Treatment Project Fund:						
Loan Payable to Fiduciary Fund	247,334		247,334			
Net Pension Liability	578,846	565	89,745	489,666		489,666
				<hr/>		
Total Business-Type Activities	<u>\$ 4,665,527</u>	<u>\$ 47,919</u>	<u>\$ 541,058</u>	<u>\$ 4,172,388</u>	<u>\$ 181,452</u>	<u>\$ 3,990,936</u>

NOTE 6 – LOANS PAYABLE

Loan Payable to Fiduciary Fund

The District used \$714,268 bond reserve funds on September 1, 2006, to cover amounts the District had spent from the bond redemption funds. As part of the bankruptcy settlement, the District was to pay back the reserve fund with its bond administration fee plus \$25,000 annually. On February 14, 2019, the remaining balance of \$222,334 was paid off as part of the Wastewater Assessment District No. 1 (Fiduciary Fund) bond refunding (Special Item).

California Infrastructure and Economic Development Bank – Direct Borrowing

On December 6, 2004, the District entered into a direct borrowing loan agreement with the California Infrastructure and Economic Development Bank (CIEDB) for a principal amount of \$5 million for the purpose of constructing and upgrading water delivery facilities. The loan is for a term of thirty years ending in August 2034 with an interest rate of 3.05% per annum. Annual payments average \$278,000 per year including interest. Debt service payments are due in August and February each year. Net Water system revenues were pledged to guarantee the loan. All projects covered by the loan were completed and closed out in January 2009. The outstanding principal balance of the loan at June 30, 2019, was \$3,354,766. In the event of a default, all unpaid principal and accrued interest would come due immediately in full with overdue installment payments accruing interest of the lesser of 12% per annum or the maximum rate permitted by law.

LOS OSOS COMMUNITY SERVICES DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 6 – LOANS PAYABLE (Continued)

California Infrastructure and Economic Development Bank (Continued)

California Infrastructure and Economic Development Bank				
For the Fiscal Year Ending June 30	Principal	Interest	Annual	
			Administrative Fee	Total
2020	\$ 165,777	\$ 99,792	\$ 10,064	\$ 275,633
2021	170,834	94,659	9,567	275,060
2022	176,044	89,369	9,054	274,467
2023	181,413	83,918	8,526	273,857
2024	186,946	78,301	7,982	273,229
2025-2029	1,023,819	301,058	31,148	1,356,025
2030-2034	1,189,770	132,574	14,825	1,337,169
2035	260,163	3,969	782	264,914
Total	<u>\$ 3,354,766</u>	<u>\$ 883,640</u>	<u>\$ 91,948</u>	<u>\$ 4,330,354</u>

NOTE 7 – PENSION PLANS

A. General Information about the Pension Plans

Plan Descriptions

All qualified permanent and probationary employees are eligible to participate in the District's separate Safety and Miscellaneous Employee Pension Plans, cost-sharing multiple employer defined benefit plans administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and District resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Miscellaneous Classic Plan and all Safety Plan members with five years of total service are eligible to retire at age 50 and new Miscellaneous members/PEPRA Plan members with five years of total service are eligible to retire at age 52, with statutorily reduced benefits. The death benefit is one of the following: the Basic Death Benefit, the 1959 Survivor Benefit, or the Pre-Retirement Option Settlement. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

Contribution rates are based on the Actuarial Valuation Report as of June 30, 2017. The Plans' provisions and benefits in effect at June 30, 2019, are summarized as follows:

Hire Date	Miscellaneous	
	Hired Prior to January 1, 2013*	New Member Hired On or after January 1, 2013
Benefit formula	2.0% @ 55	2% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50-63	52-67
Monthly benefits, as a % of eligible compensation	1.46% to 2.418%	1.0% to 2.5%
Required employee contribution rates	7%	6.50%
Required employer contribution rates	10.152% + \$43,069	7.266% + \$313

LOS OSOS COMMUNITY SERVICES DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 7 – PENSION PLANS (Continued)

A. General Information about the Pension Plans (Continued)

	Safety	
	Hired Prior to January 1, 2013*	New Member Hired On or after January 1, 2013
Hire Date		
Benefit formula	2% @ 50	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50-55	50-57
Monthly benefits, as a % of eligible compensation	2.0-2.7%	2.0% to 2.7%
Required employee contribution rates	9%	12.25%
Required employer contribution rates	\$ 16,508	12.965% +\$226

* A new employee may transfer into the Classic Member formula if he/she comes from another agency participating in the CalPERS or reciprocal retirement system and did not have more than a six month break in service.

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan is determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Contributions to the pension plan from the District were \$20,897 for the Safety Plan and \$103,229 for the Miscellaneous Plan for the fiscal year ended June 30, 2019.

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

At June 30, 2019, the District reported net pension liabilities for its proportionate shares of the net position liability of each

	Proportionate Share of Net Pension Liability
Miscellaneous	\$ 699,523
Safety	408,702
	<u>\$ 1,108,225</u>

Plan as follows:

The net pension liability was measured as of June 30, 2018 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2017 rolled forward to June 30, 2018 using standard update procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all Pension Plan participants, actuarially determined. At June 30, 2018, the District's proportionate share of the net pension liability for each Plan as of June 30, 2017 and June 30, 2018 was as follows:

	Miscellaneous	Safety
Proportion-June 30, 2017	0.01835%	0.00666%
Proportion-June 30, 2018	0.01856%	0.00697%
Change-Increase (Decrease)	<u>0.00021%</u>	<u>0.00031%</u>

For the fiscal year ended June 30, 2019, the District recognized pension expense of \$69,687. Pension expense represents the change in the net pension liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, actuarial gain/loss, actuarial assumptions or method, and plan benefits. At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

LOS OSOS COMMUNITY SERVICES DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 7 – PENSION PLANS (Continued)

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 35,621	\$ 9,167
Changes in assumptions	119,848	24,955
Net difference between projected and actual earnings on retirement plan investments	6,225	
Adjustment due to differences in proportion	63,392	18,166
Changes in proportion and differences between District contributions and proportionate share of contributions	4,730	67,704
District contributions subsequent to the measurement date	124,126	
	<u>\$ 353,942</u>	<u>\$ 119,992</u>

Deferred outflows of resources and deferred inflows of resources above represent the unamortized portion of changes to net pension liability to be recognized in future periods in a systematic and rational manner.

\$124,126 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2020.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in the pension expenses as follows:

Fiscal year ending June 30	Amount
2020	\$ 99,536
2021	52,750
2022	(33,338)
2023	(9,124)
	<u>\$ 109,824</u>

Actuarial Assumptions

The total pension liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	Miscellaneous <u>June 30, 2017</u>
Measurement Date	June 30, 2018
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Salary Increases	Varies by Entry Age and Service
Investment Rate of Return	7.0% Net Pension Plan Investment and Administrative Expenses; includes Inflation
Mortality	Derived using CalPERS' Membership Data for all Funds (1)
Post Retirement Benefit Increase	Contract COLA up to 2.50% until Purchasing Power Protection Allowance Floor on Purchasing Power applies; 2.75% thereafter

- (1) The mortality table used was developed based on CalPERS' specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of scale MP 2016. For more details on this table please refer to December 2017 experience study report.

LOS OSOS COMMUNITY SERVICES DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 7 – PENSION PLANS (Continued)

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

Change in Assumptions

In December 2017, the CalPERS Board adopted new mortality assumptions for plans participating in the Public Employees' Retirement Fund (PERF). The mortality table was developed from the December 2017 experience study and includes 15 years of projected ongoing mortality improvement using 90 percent scale MP 2016 published by the Society of Actuaries. The inflation assumption was reduced from 2.75 percent to 2.50 percent. The assumptions for individual salary increase and overall payroll growth were reduced from 3.00 percent to 2.75 percent.

Discount Rate

The discount rate used to measure the total pension liability was 7.15 percent. To determine whether the municipal bond rate should be used in the calculation of the discount rate for public agency plans (including PERF C), CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on testing the plans, the tests revealed the assets would not run out. Therefore, the current 7.15 percent discount rate is appropriate and the use of municipal bond rate calculation is not deemed necessary. The long-term expected discount rate of 7.15 percent is applied to all plans in the Public Employees Retirement Fund, including PERF C. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS' website under the GASB No. 68 section.

CalPERS is scheduled to review all actuarial assumptions as part of its regular Asset Liability Management (ALM) review cycle that is scheduled to be completed in February 2022. Any changes to the discount rate will require Board action and proper stakeholder outreach. For these reasons, CalPERS expects to continue using a discount rate net of administrative expenses for GASB No. 67 and No. 68 calculations through at least the 2021-22 fiscal year. CalPERS will continue to check the materiality of the difference in calculation until such time as we have changed our methodology.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits were calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1-10(a)	Real Return Years 11+(b)
Global Equity	50.0%	4.80%	5.98%
Global Fixed Income	28.0%	1.00%	2.62%
Inflation Sensitive	0.0%	0.77%	1.81%
Private Equity	8.0%	6.30%	7.23%
Real Assets	13.0%	3.75%	4.93%
Liquidity	1.0%	0.00%	-0.92%
Total	100.0%		

(a) An expected inflation of 2.0% was used for this period.

(b) An expected inflation of 2.92% was used for this period.

LOS OSOS COMMUNITY SERVICES DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 7 – PENSION PLANS (Continued)

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in Discount Rate

The following represents the District's proportionate share of the net pension liability calculated using the discount rate of 7.15 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.15 percent) or 1- percentage point higher (8.15 percent) than the current rate:

	<u>Miscellaneous</u>	<u>Safety</u>
1% Decrease	6.15%	6.15%
Net Pension Liability	\$ 1,151,473	\$ 640,429
Current Discount Rate	7.15%	7.15%
Net Pension Liability	\$ 699,523	\$ 408,702
1% Increase	8.15%	8.15%
Net Pension Liability	\$ 326,445	\$ 218,843

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

C. Payable to the Pension Plan

At June 30, 2019, the District had no amount outstanding for contributions to the pension plan required for the fiscal year ended June 30, 2019.

NOTE 8 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan Description

Plan administration. The District provides post-retirement medical coverage through CalPERS under the Public Employees Medical and Hospital Care Act (PEMHCA), also referred to as PERS Health.

Benefits provided. The District offers the same medical plans to its retirees as to its active employees, with the general exception that upon reaching age 65 and becoming eligible for Medicare, the retiree must join one of the Medicare Supplement coverages offered under PEMHCA.

Employees become eligible to retire and receive District-paid healthcare benefits upon attainment of age 50 and 5 years of covered PERS service, or by attaining qualifying disability retirement status. The District's contribution on behalf of retirees is the same as for active employees - 100% of the PEMHCA premium for retiree and covered dependents, but not to exceed \$133 per month. Benefits continue for the lifetime of the retiree with survivor benefits extended to surviving spouses for PERS annuitants who elect pension options with survivor benefits.

The District pays a 0.31% of premium administrative fee on behalf of employees and retirees.

Employees Covered

As of June 30, 2017, actuarial valuation, the following current and former employees were covered by the benefit terms under the District's Plan:

Active plan members	7
Inactive plan members or beneficiaries currently receiving benefits	3
Total	<u>10</u>

Contributions

The District currently finances benefits on a pay-as-you-go basis. No assts are held in trust.

LOS OSOS COMMUNITY SERVICES DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 8 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

Net OPEB Liability

The District's Net OPEB Liability was measured as of June 30, 2018 and the total OPEB liability used to calculate the Net OPEB Liability was determined by an actuarial valuation as of June 30, 2017. Standard actuarial update procedures were used to project/discount from valuation to measurement dates.

Actuarial assumptions. The total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Salary increases	3.00%
Healthcare cost trend rate	5.00% for 2018 and later years
PEMHCA Minimum increase rate	4.00% for 2019 and later

Pre-retirement mortality rates were based on the RP-2014 Employee Mortality Table for Males or Females, as appropriate, without projection. Post-retirement mortality rates were based on the RP-2014 Health Annuitant Mortality Table for Males or Females, as appropriate, without projection.

Actuarial assumptions used in the June 30, 2017 valuation were based on a review of plan experience during the period July 1, 2015 to June 30, 2017.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. To achieve the goal set by the investment policy, plan assets will be managed to earn, on a long-term basis, a rate of return equal to or in excess of the target rate of return of 3.62 percent.

Discount rate. GASB 75 requires a discount rate that reflects the following:

- a) The long-term expected rate of return on OPEB plan investments — to the extent that the OPEB plan's fiduciary net position (if any) is projected to be sufficient to make projected benefit payments and assets are expected to be invested using a strategy to achieve that return;
- b) A yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher — to the extent that the conditions in (a) are not met.

To determine a resulting single (blended) rate, the amount of the plan's projected fiduciary net position (if any) and the amount of projected benefit payments is compared in each period of projected benefit payments. The discount rate used to measure the District's total OPEB liability is based on these requirements and the following information:

Reporting Date	Measurement Date	Long-Term	Municipal Bond	Discount Rate
		Expected Return of Plan Investments (if any)	20 Year High Grade Rate Index	
June 30, 2018	June 30, 2017	4.00%	3.13%	3.13%
June 30, 2019	June 30, 2018	4.00%	3.62%	3.62%

LOS OSOS COMMUNITY SERVICES DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019
NOTE 8 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

Changes in the OPEB Liability

	<u>Total OPEB Liability</u>
Balance at June 30, 2018 (Valuation Date June 30, 2017)	<u>\$ 334,651</u>
Changes recognized for the measurement period:	
Service cost	16,561
Interest	10,271
Changes of assumptions	(22,494)
Contributions - employer	(13,120)
Net investment income	
Benefit payments	
Administrative expense	
Net Changes	<u>(8,782)</u>
Balance at June 30, 2019 (Measurement Date June 30, 2018)	<u>\$ 325,869</u>

Sensitivity of the net OPEB liability to changes in the discount rate. The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (2.62 percent) or 1-percentage-point higher (4.62 percent) than the current discount rate:

	<u>1% Decrease 2.62%</u>	<u>Discount Rate 3.62%</u>	<u>1% Increase 4.62%</u>
Net OPEB Liability	\$ 374,453	\$ 325,869	\$ 286,531

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates. The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (5.00 percent decreasing to 4.00 percent) or 1-percentage-point higher (7.00 percent decreasing to 6.00 percent) than the current healthcare cost trend rates:

	<u>1% Decrease 4.00%</u>	<u>Trend Rate 5.00%</u>	<u>1% Increase 6.00%</u>
Net OPEB Liability	\$ 280,600	\$ 325,869	\$ 382,502

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2019, the District recognized OPEB expense of \$22,893. As of the fiscal year ended June 30, 2019, the District reported deferred outflows and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
OPEB contributions subsequent to measurement date	\$ 4,943	\$ -
Changes in assumptions		18,555
	<u>\$ 4,943</u>	<u>\$ 18,555</u>

LOS OSOS COMMUNITY SERVICES DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 8 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB (Continued)

Amounts reported as deferred outflows and deferred inflows of resources will be recognized in OPEB expense as follows:

Fiscal year ending June 30,	Amount
2020	\$ (3,939)
2021	(3,939)
2022	(3,939)
2023	(3,939)
2024	(2,799)
	<u>\$ (18,555)</u>

The \$4,943 deferred outflow for OPEB contributions subsequent to the measurement date will be recognized in OPEB expense in the fiscal year ended June 30, 2020.

NOTE 9 – OPERATING LEASES

The District has commitments to lease certain office equipment and facilities. The District leases its administrative facilities for \$2,900 a month. A new five-year lease began in November 2016 for Suites 102 and 106. The District leases a copier at \$374 a month. This lease is renewable annually at the District's option in September each year.

NOTE 10 – FUND DEFICITS

As of June 30, 2019, the following funds had a fund deficit:

Non-major Governmental Funds:

Bayridge Fund	\$ 5,757
Vista de Oro Fund	29,360
Total	<u>\$ 35,117</u>

NOTE 11 – FIDUCIARY BONDED DEBT – NON-DISTRICT DEBT

This debt is held in a trustee capacity for the homeowners of the Wastewater Assessment District No. 1 where the assessments are received from the Assessment District's property owners as collected on the County tax roll in order to pay the 2002 Wastewater Improvement Bonds debt service payments. The 2002 bonds were refunded on February 14, 2019 for a total savings of \$1,211,139.

Wastewater Improvement Bonds

Wastewater Improvement Refunding Bonds			
For the Fiscal Year Ending June 30	Principal	Interest	Total
2020	\$ -	\$ 219,513	\$ 219,513
2021	580,000	430,325	1,010,325
2022	600,000	409,625	1,009,625
2023	625,000	385,125	1,010,125
2024	645,000	359,725	1,004,725
2025-2029	3,715,000	1,287,750	5,002,750
2030-2034	4,635,000	383,712	5,018,712
Total	<u>\$ 10,800,000</u>	<u>\$ 3,475,775</u>	<u>\$ 14,275,775</u>

LOS OSOS COMMUNITY SERVICES DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 12 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, property loss and damage, errors and omissions, and employee injury. The District carries all its insurance coverage over these risks and also for Workers' Compensation through the Special Districts Risk Management Authority (SDRMA). This agency is a Joint Powers Authority (JPA) consisting of special districts in the State of California. It is governed by a seven-member Board of Directors. All seven are elected at large from the membership to serve four year terms. It has about 507 public agencies participating in the Property/Liability program and 447 agencies in its Workers' Compensation program. SDRMA's audit report for the fiscal year 2017-18 shows it had Net Position of about \$54.6 million.

The District has never incurred any uninsured losses since its inception.

NOTE 13 – CONTINGENCIES AND COMMITMENTS

Commitment to Pay into the 2002 Bond Reserve

On September 2, 2006, the District used \$714,268 of fiduciary fund bond reserves for the Wastewater Project. As part of the Amended Bankruptcy Plan, the Class 5 Secured Claim of MBIA Insurance Corp. arose out of the bonds that were issued by LOCSD Wastewater Assessment District No. 1 to fund part of the Wastewater Project (Old Project).

MBIA was the insurer of those bonds. As stated above the District used bond reserves for District purposes. The District has committed to pay at least \$25,000 per year. This amount plus any investment income earned by all funds held by the bond trustee was to be used to bring the reserve account to its required level of \$1,158,500.

In FY 2014/2015 the District in cooperation with US Bank conducted a full audit of this fund from its inception through June 30, 2015. For FY 2015/2016 the LOCSD Board authorized a \$12 per parcel administrative charge be included on the San Luis Obispo Tax Rolls as allowed by the bond documents. Consistent with the bankruptcy order these funds were to be used to pay the MBIA claim by making the payments annually to US Bank to restore the fund in the Improvement Bond Reserve. As of February 14, 2019, the remaining balance owed to the Reserve Account of \$222,334 was paid off as part of the Wastewater Bond Refunding.

Other Commitments

In September 2007, the District entered into an Interlocutory Stipulated Judgment (ISJ) with three other water purveyors in the community. The judgment was intended to provide a coordinated effort of all parties to manage the water basin by first preparing a comprehensive plan to address deficiencies that threaten the long-term viability of the water basin. The judgment provided for an equitable sharing of costs. The District's share is thirty-nine percent (39%). The District is current on this commitment which is funded in its annual budget.

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REQUIRED SUPPLEMENTARY INFORMATION

LOS OSOS COMMUNITY SERVICES DISTRICT
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Revenues:				
Service charges and fees	\$ 20	\$ 20	\$ 24	\$ 4
Other			1,069	1,069
Total revenues	20	20	1,093	1,073
Expenditures:				
Personnel	176,382	176,382	166,478	9,904
Clothing and uniforms			44	(44)
Contract services	49,500	49,500	53,616	(4,116)
Financial services	3,100	3,100	7,248	(4,148)
Insurance, licenses, and regulatory fees	29,354	29,354	30,879	(1,525)
Legal and professional	217,126	217,126	239,556	(22,430)
Office expenses	16,700	16,700	35,429	(18,729)
Other expenses	5,400	5,400	4,906	494
Rent and utilities	42,650	42,650	44,757	(2,107)
Repairs and maintenance	110	110	73	37
Travel and training	4,000	4,000	1,267	2,733
Total expenditures	544,322	544,322	584,253	(39,931)
Excess of revenues over (under) expenditures	(544,302)	(544,302)	(583,160)	(38,858)
Other Financing Sources (Uses)				
Transfers in	544,302	544,302	583,160	38,858
Total other financing sources (uses)	544,302	544,302	583,160	38,858
Net change in fund balance				
Fund balance - July 1	31,866	31,866	31,866	
Fund balance - June 30	\$ 31,866	\$ 31,866	\$ 31,866	\$ -

LOS OSOS COMMUNITY SERVICES DISTRICT
FIRE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Property taxes	\$ 2,122,686	\$ 2,122,686	\$ 2,227,120	\$ 104,434
Special taxes and assessments	586,771	586,771	475,454	(111,317)
Intergovernmental	4,000	4,000	10,247	6,247
Public services fees	67,134	67,134	74,141	7,007
Use of money and property	38,665	38,665	49,263	10,598
Other			22,500	22,500
Total revenues	<u>2,819,256</u>	<u>2,819,256</u>	<u>2,858,725</u>	<u>39,469</u>
Expenditures:				
Personnel	176,575	176,575	192,861	(16,286)
Clothing and uniforms	3,100	3,100	3,103	(3)
Contract services	8,855	8,855	8,126	729
Contract services - Schedule A	2,192,419	2,192,419	2,167,208	25,211
Equipment and tools	63,450	63,450	39,831	23,619
Financial services	130	130	15	115
Insurance, licenses, and regulatory fees	24,400	24,400	26,942	(2,542)
Legal and professional	1,825	1,825	1,880	(55)
Office expenses	5,475	5,475	4,220	1,255
Other expenses	1,850	1,850	1,520	330
Rent and utilities	15,246	15,246	17,065	(1,819)
Repairs and maintenance	9,615	9,615	9,297	318
Travel and training	3,670	3,670	950	2,720
Capital outlay	124,545	124,545	161,543	(36,998)
Total expenditures	<u>2,631,155</u>	<u>2,631,155</u>	<u>2,634,561</u>	<u>(3,406)</u>
Excess of revenues over (under) expenditures	<u>188,101</u>	<u>188,101</u>	<u>224,164</u>	<u>36,063</u>
Other Financing Sources (Uses)				
Transfers out	<u>(54,432)</u>	<u>(54,432)</u>	<u>(58,316)</u>	<u>(3,884)</u>
Total other financing sources (uses)	<u>(54,432)</u>	<u>(54,432)</u>	<u>(58,316)</u>	<u>(3,884)</u>
Net change in fund balance	133,669	133,669	165,848	32,179
Fund balance - July 1	<u>2,143,981</u>	<u>2,143,981</u>	<u>2,143,981</u>	
Fund balance - June 30	<u>\$ 2,277,650</u>	<u>\$ 2,277,650</u>	<u>\$ 2,309,829</u>	<u>\$ 32,179</u>

LOS OSOS COMMUNITY SERVICES DISTRICT
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
 Last 10 Years*
 As of June 30, 2019

The following table provides required supplementary information regarding the District's Pension Plan.

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Proportion of the net pension liability	0.01150%	0.01131%	0.01108%	0.00994%
Proportionate share of the net pension liability	\$ 1,108,225	\$ 1,121,683	\$ 958,726	\$ 682,047
Covered payroll	\$ 557,148	\$ 554,757	\$ 655,035	\$ 619,826
Proportionate share of the net pension liability as a percentage of covered payroll	198.91%	202.19%	146.36%	110.04%
Plan's total pension liability	\$ 38,944,855,364	\$ 37,161,348,332	\$ 33,358,627,624	\$ 31,771,217,402
Plan's fiduciary net position	\$ 29,308,589,559	\$ 27,244,095,376	\$ 24,705,532,291	\$ 24,907,305,871
Plan fiduciary net position as a percentage of the total pension liability	75.26%	73.31%	74.06%	78.40%
	<u>2015</u>			
Proportion of the net pension liability	0.00998%			
Proportionate share of the net pension liability	\$ 621,010			
Covered payroll	\$ 413,539			
Proportionate share of the net pension liability as a percentage of covered payroll	150.17%			
Plan's total pension liability	\$ 30,829,966,631			
Plan's fiduciary net position	\$ 24,607,502,515			
Plan fiduciary net position as a percentage of the total pension liability	79.82%			

Notes to Schedule:

Changes in assumptions

In 2018, inflation was changed from 2.75 percent to 2.50 percent and individual salary increases and overall payroll growth was reduced from 3.00 percent to 2.75 percent.

In 2017, as part of the Asset Liability Management review cycle, the discount rate was changed from 7.65% to 7.15%.

In 2016, the discount rate was changed from 7.5% (net of administrative expense) to 7.65% to correct for an adjustment to exclude administrative expense.

In 2015, amounts reported as changes in assumptions resulted primarily from adjustments to expected retirement ages of general employees.

*- Fiscal year 2015 was the 1st year of implementation, therefore only five years are shown.

LOS OSOS COMMUNITY SERVICES DISTRICT
SCHEDULE OF CONTRIBUTIONS
 Last 10 Years*
 As of June 30, 2019

The following table provides required supplementary information regarding the District's Pension Plan.

	<u>2019</u>	<u>2018</u>	<u>2,017</u>	<u>2,016</u>
Contractually required contribution (actuarially determined)	\$ 124,126	\$ 97,967	\$ 89,855	\$ 109,190
Contribution in relation to the actuarially determined contributions	(124,126)	(97,967)	(89,855)	(109,190)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 647,852	\$ 557,148	\$ 554,757	\$ 655,035
Contributions as a percentage of covered payroll	19.16%	17.58%	16.20%	16.67%
	<u>2015</u>			
Contractually required contribution (actuarially determined)	\$ 95,817			
Contribution in relation to the actuarially determined contributions	(95,817)			
Contribution deficiency (excess)	<u>\$ -</u>			
Covered payroll	\$ 619,826			
Contributions as a percentage of covered payroll	15.46%			

Notes to Schedule

Valuation Date: 6/30/2016

The actuarial methods and assumptions used to set the actuarially determined contributions for fiscal year 2016/2017 were derived from the June 30, 2016 funding valuation report.

Actuarial Cost Method	Entry Age Normal
Amortization Method/Period	For details, see June 30, 2016 funding valuation report.
Inflation	2.75%
Salary Increases	Varies by entry age and service
Payroll Growth	3.00%
Investment Rate of Return	7.0% net of pension plan investment and administrative expenses; includes inflation.
Retirement Age	The probabilities of retirement are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007.
Mortality	The probabilities of mortality are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007. Pre-retirement and post-retirement mortality rates include 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries.

*- Fiscal year 2015 was the 1st year of implementation, therefore only five years are shown.

LOS OSOS COMMUNITY SERVICES DISTRICT
SCHEDULE OF CHANGES IN THE OPEB LIABILITY AND RELATED RATIOS
 Last 10 Years*
 As of June 30, 2019

Measurement Period	<u>2019</u>	<u>2018</u>
Total OPEB Liability		
Service cost	\$ 16,561	\$ 16,079
Interest on the total OPEB liability	10,271	9,870
Actual and expected experience difference		
Changes in assumptions	(22,494)	
Changes in benefit terms		
Benefit payments	<u>(13,120)</u>	<u>(13,190)</u>
Net change in total OPEB Liability	(8,782)	12,759
Total OPEB liability- beginning	<u>334,651</u>	<u>321,892</u>
Total OPEB liability- ending (a)	<u>\$ 325,869</u>	<u>\$ 334,651</u>
Covered payroll	<u>\$ 567,108</u>	<u>\$ 430,762</u>
Total OPEB liability as a percentage of covered payroll	57.46%	77.69%

*- Fiscal year 2018 was the 1st year of implementation, therefore only two years are shown.

LOS OSOS COMMUNITY SERVICES DISTRICT
SCHEDULE OF OPEB CONTRIBUTIONS
Last 10 Years*
As of June 30, 2019

As of June 30, 2019, the plan is not administered through a qualified trust. Therefore there is no Actuarially Determined Contribution (ADC). Benefit payments of \$4,943 were made on a pay-as-you-basis for the fiscal year ended June 30, 2019.

As of June 30, 2018, the plan is not administered through a qualified trust. Therefore there is no Actuarially Determined Contribution (ADC). Benefit payments of \$4,698 were made on a pay-as-you-basis for the fiscal year ended June 30, 2018.

SUPPLEMENTARY INFORMATION

LOS OSOS COMMUNITY SERVICES DISTRICT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
 June 30, 2019

	<u>Bayridge</u>	<u>Vista de Oro</u>	<u>Drainage</u>	<u>Parks and Recreation</u>	<u>Total</u>
ASSETS					
Cash and investments	\$ 72,953	\$ -	\$ 363,221	\$ -	\$ 436,174
Restricted cash and investments				279,129	279,129
Accounts receivable	562	447	2,215		3,224
Total assets	<u>\$ 73,515</u>	<u>\$ 447</u>	<u>\$ 365,436</u>	<u>\$ 279,129</u>	<u>\$ 718,527</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 932	\$ 48	\$ 196	\$ -	\$ 1,176
Loan from Water Fund	78,340	18,802			97,142
Due to other funds		10,957			10,957
Total liabilities	<u>79,272</u>	<u>29,807</u>	<u>196</u>		<u>109,275</u>
Fund Balances:					
Restricted			365,240	279,129	644,369
Unassigned	(5,757)	(29,360)			(35,117)
Total fund balances (deficit)	<u>(5,757)</u>	<u>(29,360)</u>	<u>365,240</u>	<u>279,129</u>	<u>609,252</u>
Total liabilities and fund balances	<u>\$ 73,515</u>	<u>\$ 447</u>	<u>\$ 365,436</u>	<u>\$ 279,129</u>	<u>\$ 718,527</u>

LOS OSOS COMMUNITY SERVICES DISTRICT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended June 30, 2019

	<u>Bayridge</u>	<u>Vista de Oro</u>	<u>Drainage</u>	<u>Parks and Recreation</u>	<u>Total</u>
Revenues:					
Property taxes	\$ 9,325	\$ -	\$ 54,323	\$ -	\$ 63,648
Special taxes and assessments			95,328		95,328
Service charges and fees	54,831	15,768			70,599
Use of money and property	12	12	5,266	6,606	11,896
Other			246	2,437	2,683
Total revenues	<u>64,168</u>	<u>15,780</u>	<u>155,163</u>	<u>9,043</u>	<u>244,154</u>
Expenditures:					
Personnel			18,611		18,611
Equipment and tools			227		227
Insurance, licenses, and regulatory fees	304		6,934		7,238
Legal and professional	678	634	1,288	15,295	17,895
Office expenses			281	443	724
Other expenses			250		250
Rent and utilities	6,243	2,284	4,470		12,997
Repairs and maintenance	3,978		3,292		7,270
Travel and training			1,937		1,937
Vehicle maintenance and repairs			1,901		1,901
Capital outlay			77,204		77,204
Debt service:					
Interest	5,428	1,303			6,731
Total expenditures	<u>16,631</u>	<u>4,221</u>	<u>116,395</u>	<u>15,738</u>	<u>152,985</u>
Excess of revenues over (under) expenditures	<u>47,537</u>	<u>11,559</u>	<u>38,768</u>	<u>(6,695)</u>	<u>91,169</u>
Other Financing Sources (Uses)					
Transfers out	<u>(2,916)</u>	<u>(2,916)</u>	<u>(11,663)</u>	<u>(5,832)</u>	<u>(23,327)</u>
Total other financing sources (uses)	<u>(2,916)</u>	<u>(2,916)</u>	<u>(11,663)</u>	<u>(5,832)</u>	<u>(23,327)</u>
Net change in fund balances	44,621	8,643	27,105	(12,527)	67,842
Fund balances - July 1	<u>(50,378)</u>	<u>(38,003)</u>	<u>338,135</u>	<u>291,656</u>	<u>541,410</u>
Fund balances (deficit) - June 30	<u>\$ (5,757)</u>	<u>\$ (29,360)</u>	<u>\$ 365,240</u>	<u>\$ 279,129</u>	<u>\$ 609,252</u>