

MONTEREY PENINSULA REGIONAL PARK DISTRICT

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED JUNE 30, 2021

Draft

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**MONTEREY PENINSULA REGIONAL PARK DISTRICT
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2021**

BOARD OF DIRECTORS	1
INDEPENDENT AUDITORS' REPORT	1
MANAGEMENT'S DISCUSSION AND ANALYSIS (REQUIRED SUPPLEMENTARY INFORMATION)	4
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	9
STATEMENT OF ACTIVITIES	10
FUND FINANCIAL STATEMENTS	
BALANCE SHEET – GOVERNMENTAL FUND	11
RECONCILIATION OF THE BALANCE SHEET OF THE GOVERNMENTAL FUND TO THE STATEMENT OF NET POSITION	12
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – GOVERNMENTAL FUND	13
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – GOVERNMENTAL FUND TO THE STATEMENT OF ACTIVITIES	14
NOTES TO BASIC FINANCIAL STATEMENTS	15
REQUIRED SUPPLEMENTARY INFORMATION	
CALPERS PENSION PLANS	
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY	51
SCHEDULE OF CONTRIBUTIONS	53

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2021**

PARS PENSION PLANS	
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS	55
SCHEDULE OF CONTRIBUTIONS	57
OTHER POSTEMPLOYMENT BENEFIT PLAN	
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS	59
BUDGETARY COMPARISON SCHEDULE BY DEPARTMENT – GENERAL FUND	60
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION	63
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 <i>GOVERNMENT AUDITING STANDARDS</i>	64
STATISTICAL SECTION	
DESCRIPTION OF STATISTICAL SECTION CONTENTS	68
FINANCIAL TRENDS	
NET POSITION BY COMPONENT – LAST TEN FISCAL YEARS	69
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS – LAST TEN FISCAL YEARS	71
OPERATING INFORMATION	
FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION – LAST TEN FISCAL YEARS	73

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
BOARD OF DIRECTORS
YEAR ENDED JUNE 30, 2021**

<u>NAME</u>	<u>OFFICE</u>	<u>TERM EXPIRES</u>
Monta Potter	President	December 31, 2022
Kathleen Lee	Vice President	December 31, 2022
Kevin Raskoff	Secretary/Treasurer	December 31, 2022
Shane Anderson	Director	December 31, 2024
Kelly Sorenson	Director	December 31, 2024

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Monterey Peninsula Regional Park District
Monterey, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and major fund of the Monterey Peninsula Regional Park District (the District), as of and for the year ended June 30, 2021, 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 auditors consider internal control relevant to the District'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 District'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 and major fund of the District, as of June 30, 2021, and the respective changes in financial position for the 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, the schedule of proportionate share of the net pension liability and the schedule of contributions for the CalPERS pension plans, the schedule of changes in net pension liability and related ratios and the schedule for contributions for the PARS pension plan, the schedule of changes in the net OPEB liability and related ratios and the budgetary comparison schedule by department - general fund, identified as Required Supplementary Information (RSI) in the accompanying table of contents, 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 RSI in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during the audit of the basic financial statements. We do not express an opinion or provide any assurance on the RSI because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The statistical section, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The statistical section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated REPORT DATE, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely 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 the effectiveness of the District's 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.

CliftonLarsonAllen LLP

Irvine, California
REPORT DATE

Draft

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2021**

This section of Monterey Peninsula Regional Park District's (or, the District) annual financial report presents Management's Discussion and Analysis (MD&A) of the District's financial performance during Fiscal Year 2020-21 which ended June 30, 2021. Since the MD&A is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the District's basic financial statements. Comparisons to and analysis of the prior year are incorporated where appropriate.

FINANCIAL HIGHLIGHTS

- The District's net position increased by \$1,740,837 for the year ended June 30, 2021. Since the District engages only in governmental-type activities, the increase is fully represented in the category of "governmental-type" net position. Net position was \$94,912,229 as of June 30, 2021, and \$93,171,392 for FY2019-20 which ended June 30, 2020.
- The District's total program revenues were \$1,264,476, total general revenues were \$4,948,909 and total expenses were \$4,472,548 for the Fiscal Year 2020-21 which ended June 30, 2021.

OVERVIEW OF THE FINANCIAL STATEMENTS

The District has chosen to present its basic financial statements using the reporting model for special-purpose governments engaged only in a single governmental program. This model allows the fund financial statements and the government-wide financial statements to be combined. The effect of internal activity between funds or groups of funds has been eliminated from these financial statements. The financial statements include: a Statement of Net Position; Statement of Activities; Balance Sheet – Governmental Fund; Reconciliation of the Balance Sheet of the Governmental Fund to the Statement of Net Position; Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Fund; Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of the Governmental Fund to the Statement of Activities; Notes to Basic Financial Statements; an Independent Auditor's Report thereon; a Budgetary Comparison Statement by Department – General Fund; and, this MD&A. Readers of these financial statements are encouraged to consider the report as a whole to obtain a complete understanding of the District's financial condition.

Statement of Net Position

The Statement of Net Position is a report of the District's assets, deferred outflow of resources, liabilities, deferred inflows of resources and net position. Assets and liabilities are reported at book value on an accrual basis as of the statement date. Net position is reported in major categories reflecting any restriction thereon.

Statement of Activities

The Statement of Activities presents the District's revenues earned and expenses incurred during the year on an accrual basis.

The District has adopted Governmental Accounting Standard's Board (GASB) Statement 54, Fund Balance Reporting and Governmental Fund Type Definitions, as part of its fiscal reporting. The reporting standard establishes a hierarchy for fund balance classifications and the constraints imposed on the uses of those resources.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

COMPARATIVE ANALYSIS

Statement of Net Position

A comparative summary of the District's Statement of Net Position as of June 30, 2021 and 2020, respectively, is as follows:

	2021	2020
ASSETS		
Cash	932,838	\$ 2,213,189
Investments	17,821,023	17,717,056
Other receivables	65,795	220,085
Prepaid expenses	-	103,320
Property acquisition deposit	-	600,000
Pension asset	95,430	-
Capital assets	76,390,288	74,741,202
Total assets	95,305,374	95,594,852
DEFERRED OUTFLOWS		
Deferred amounts on pensions	2,973,945	1,254,636
Deferred amounts on OPEB	138,141	124,847
Total deferred outflows	3,112,086	1,379,483
LIABILITIES		
Current	394,127	285,426
Current portion of long-term debt	92,708	92,724
Long-term liabilities	62,019	53,936
Pension liability	2,469,890	2,810,552
OPEB Liability	312,156	311,733
Total liabilities	3,330,900	3,544,371
DEFERRED INFLOWS		
Deferred amounts on pensions	130,710	155,255
Deferred amounts on OPEB	43,621	93,317
Total deferred inflows	174,331	248,572
NET ASSETS		
Invested in capital assets, net of related debt	76,390,288	74,741,202
Restricted for:		
Purchase of coastal property	2,519,146	2,511,841
Unrestricted	16,002,795	15,918,349
Total net assets	\$94,912,229	\$93,171,392

MAJOR FACTORS AFFECTING THE STATEMENT OF NET POSITION

Net position increased by \$1,740,837 over the prior year primarily from property tax and CFD assessment revenues received, which were used to acquire capital assets. Capital assets acquired are capitalized as an asset and are no longer considered an expense in the statement of activities.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

CAPITAL ASSETS

As of June 30, 2021, the District's capital assets totaled \$76,390,288 which is an increase of \$1,649,086, over the capital asset balance at June 30, 2020, of \$74,741,202. The change is primarily due to the acquisition of vehicles & equipment, as well as land improvements.

LONG-TERM DEBT

As of June 30, 2021, the District had \$2,844,065 in outstanding long-term liabilities compared to \$3,176,221 at June 30, 2020. The decrease is primarily due to reduced pension and OPEB liabilities.

Statement of Activities

A comparative summary of the District's Statement of Activities for the years ended June 30, 2021 and 2020, respectively, is as follows:

	2021	2020
GENERAL REVENUES		
Property taxes	4,690,007	\$4,476,657
Other	154,796	550,082
Donations, fees and other charges	104,106	232,374
Total general revenues	4,948,909	5,259,111
PROGRAM REVENUES		
Community Facilities District	1,264,476	1,209,399
Capital Contributions and Grants	-	950,000
Total program revenues	1,264,476	2,159,399
EXPENSES		
Operations and maintenance	1,547,104	1,605,997
General and administrative	1,311,480	1,344,237
Education and outreach	456,703	479,485
Planning and conservation management	915,262	292,393
Assessment district	241,999	378,152
Total expenses	4,472,548	4,100,264
Change in net position	\$1,740,837	\$3,318,246

MAJOR FACTORS AFFECTING THE STATEMENT OF ACTIVITIES

The District collected property taxes of \$4,690,007; Community Facility District tax assessment revenues of \$1,264,476; other income of \$258,902; and, expenses of \$4,472,548 that resulted in changes in net position of \$1,740,837 for the year ended June 30, 2021.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

GENERAL FUND BUDGETARY HIGHLIGHTS

Original Budget compared to final budget. During the year, there was no need for any amendments to increase either the original estimated revenues or original budgeted appropriations.

Final budget compared to actual results. The most significant differences between estimated revenues and actual revenues were as follows:

Revenue Source	Estimated revenues	Actual Revenues	Difference
Grants	\$ 1,500,000	\$ 0.00	\$ (1,500,000)

The shortfall in the above revenue source was due to not receiving an anticipated grant during the current year.

FACTORS AFFECTING FUTURE PERIODS AND OTHER ISSUES

Significant factors noted by management affecting future periods are as follows:

The District continues to face uncertainties related to the COVID-19 virus. The District relies on property taxes, collected by the County of Monterey, for its main source of revenue. While it did not experience a downturn in FY20-21 property tax revenue, the economic situation of the District's residents and businesses may have an impact on their ability to make property tax payments in the future. The District generally receives its first annual fiscal year installment of property tax collections at the end of December. It is unknown at the writing of this MD&A what the coming December will look like. It is also anticipated to affect the following fiscal year(s) as property tax assessments may remain lower than previously anticipated and the ability of residents to pay those taxes may remain uncertain for some time into the future.

The District finalized the acquisition of two 40-acre parcels in Carmel Valley in FY20-21 and will continue to look at other property acquisitions that may expand or enhance existing parks in the future.

The Environmental Education and Community Outreach (EECO) program continues to develop school and public programs, activities, and volunteer endeavors. Moving towards in person programming, the EECO Division continues to invest staff resources in the development of online and mobile educational programs and events. To remain connected with the community, outreach includes two seasons of the LGO! Guide, Winter 2022 and Spring/Summer 2022. Staff is working on the annual CA Wildlife Day event, which is anticipated to draw 600-800 participants to the Palo Corona Regional Park property. In cooperation with other local agencies and organizations, the District's aim is to offer a variety of environmental education and outdoor recreation programs to residents. It is also developing temporary and permanent exhibits for display at the Garland Ranch Regional Park Visitor Center and the Palo Coronel Regional Park Discovery Center. The District is in the process of developing a comprehensive interpretive master plan. This plan will guide the development of individual park site master and management plans.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

FACTORS AFFECTING FUTURE PERIODS AND OTHER ISSUES (CONTINUED)

The District continues to explore the acquisition of open space, particularly as it relates to the expansion of existing parks and preserves in parts of the District where the District may be under-represented or where it may help expand or enhance recreational, environmental education, and natural and cultural resource protection opportunities.

The District is actively working to meet the Goals and Objectives developed in the 2021- 2025 Strategic Plan, to guide the next four-year period.

The District will endeavor to enhance K-12 student access to programs, parks, and open spaces. Subject to availability of funding, it will provide transportation grants to schools within MPRPD's boundaries for student participation at MPRPD's properties and collaborators' sites.

The District continues to fund other postemployment health care benefit (OPEB) liabilities for its retirees under GASB Statement 45, through the California Employer's Retiree Benefit Trust (Trust) prefunding program. Liabilities were determined by an independent actuarial consultant. The District will continue to make contributions to the trust as needed to continue pre-funding this future liability.

As of the writing of this MD&A, the District has paid off its entire unfunded pension liability and will continue to monitor annually in an effort to keep this paid in full.

The District is continuing to aggressively search and apply for grants and other revenue generating opportunities. To meet this Strategic Plan Goal, the District is working with a grant writing consultant.

REQUEST FOR INFORMATION

The financial report is designed to provide a general overview of the Monterey Peninsula Regional Park District's finances to all interested parties. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Monterey Peninsula Regional Park District, Attn: Finance Manager, P.O. Box 223340, Carmel, CA 93922.

MONTEREY PENINSULA REGIONAL PARK DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2021

	Governmental Activities
ASSETS	
Cash	\$ 932,838
Investments	17,821,023
Receivables:	
Other	65,795
Net Pension Asset	95,430
Capital Assets, Not Being Depreciated	67,657,570
Capital Assets, Net of Depreciation	8,732,718
Total Assets	95,305,374
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Amounts on Pensions	2,973,945
Deferred Amounts on OPEB	138,141
Total Deferred Outflows of Resources	3,112,086
LIABILITIES	
Accounts Payable	185,573
Accrued Payroll	180,854
Security Deposits	27,700
Noncurrent Liabilities:	
Compensated Absences, Due Within One Year	92,708
Compensated Absences, Due in More Than One Year	62,019
Net Pension Liability	2,469,890
Net OPEB Liability	312,156
Total Liabilities	3,330,900
DEFERRED INFLOWS OF RESOURCES	
Deferred Amounts on Pensions	130,710
Deferred Amounts on OPEB	43,621
Total Deferred Inflows of Resources	174,331
NET POSITION	
Net Investment in Capital Assets	76,390,288
Restricted for Purchase of Coastal Property	2,519,146
Unrestricted	16,002,795
Total Net Position	\$ 94,912,229

See accompanying Notes to Basic Financial Statements.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021**

Functions/programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants	Revenue and Changes in Net Position
					Governmental Activities
GOVERNMENTAL ACTIVITIES					
Operations and Maintenance	\$ 1,547,104	\$ -	\$ -	\$ -	\$ (1,547,104)
General and Administrative	1,311,480	-	-	-	(1,311,480)
Education and Outreach	456,703	-	-	-	(456,703)
Planning and Conservation	915,262	-	-	-	(915,262)
Assessment District	241,999	-	1,264,476	-	1,022,477
Total Governmental Activities	<u>\$ 4,472,548</u>	<u>\$ -</u>	<u>\$ 1,264,476</u>	<u>\$ -</u>	(3,208,072)
GENERAL REVENUES					
Property Taxes					4,690,007
Investment Earnings					63,032
Rent					91,764
Other Revenues					104,106
Total General Revenues					<u>4,948,909</u>
CHANGE IN NET POSITION					
					1,740,837
Net Position - Beginning of Year					<u>93,171,392</u>
NET POSITION - END OF YEAR					
					<u>\$ 94,912,229</u>

See accompanying Notes to Basic Financial Statements.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
BALANCE SHEET – GOVERNMENTAL FUND
JUNE 30, 2021**

		<u>General Fund</u>
ASSETS		
Cash and Checking	\$	932,838
Investments		17,821,023
Receivables:		
Other		<u>60,889</u>
Total Assets		<u><u>\$ 18,819,656</u></u>
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accounts Payable	\$	185,573
Accrued Payroll		180,854
Security Deposits		<u>27,700</u>
Total Liabilities		394,127
FUND BALANCE		
Restricted:		
Purchase of Coastal Property		2,519,146
Unassigned		<u>15,906,383</u>
Total Fund Balance		<u>18,425,529</u>
Total Liabilities and Fund Balance		<u><u>\$ 18,819,656</u></u>

See accompanying Notes to Basic Financial Statements.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
RECONCILIATION OF THE BALANCE SHEET OF THE
GOVERNMENTAL FUND TO THE STATEMENT OF NET POSITION
JUNE 30, 2021**

Fund Balances - Total Governmental Fund \$ 18,425,529

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets net of depreciation have not been included as financial resources in the governmental fund activity. 76,390,288

Long-term liabilities do not consume resources to pay for current period expenditures and, therefore, are not reported in the governmental fund. Long-term liabilities consist of the following:

Compensated Absences	(154,727)
Net Pension Liability	(2,469,890)
Net OPEB Liability	(312,156)

Long-term assets are not available to pay for current period expenditures of the governmental fund and, therefore, are not reported as assets in the governmental fund:

Net Pension Asset	95,430
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Items related to pensions and OPEB:

Deferred Outflows Related to Pensions	2,973,945
Deferred Outflows Related to OPEB	138,141
Deferred Inflows Related to Pensions	(130,710)
Deferred Inflows to OPEB	<u>(43,621)</u>

Net Position of Governmental Activities	<u><u>\$ 94,912,229</u></u>
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**MONTEREY PENINSULA REGIONAL PARK DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – GOVERNMENTAL FUND
YEAR ENDED JUNE 30, 2021**

	General Fund
REVENUES	
Property Taxes	\$ 4,690,007
Assessments	1,264,476
Investment Earnings	63,032
Donations, Fees, and Other Charges	1,120
Rent	91,764
Other Revenue	102,986
Total Revenues	6,213,385
EXPENDITURES	
Current:	
General and Administrative	3,603,685
Operations and Maintenance	1,189,345
Education and Outreach	472,865
Assessment District	1,524,832
Planning and Conservation Management	949,863
Capital Outlay	15,490
Total Expenditures	7,756,080
NET CHANGE IN FUND BALANCE	(1,542,695)
Fund Balance - Beginning of Year	19,968,224
FUND BALANCE - END OF YEAR	\$ 18,425,529

See accompanying Notes to Basic Financial Statements.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE OF THE GOVERNMENTAL FUND TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021**

Net Change in Fund Balance - Total Governmental Fund \$ (1,542,695)

Amounts reported for governmental activities in the Statement of Activities are different because:

The governmental fund reports capital outlays as expenditures. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period:

Capital Outlay	1,335,852
Depreciation	(286,766)

Changes to pension related debt (due to differences in actual activity as compared to actuarial assumptions) are reported as changes in expenses in the statement of activities but do not require the use of current financial resources and, therefore, are excluded from governmental fund expenditures.	2,179,946
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Changes to OPEB related debt (due to differences in actual activity as compared to actuarial assumptions) are reported as changes in expenses in the statement of activities but do not require the use of current financial resources and, therefore, are excluded from governmental fund expenditures.	62,567
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Compensated absences expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental fund.	<u>(8,067)</u>
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Change in Net Position of Governmental Activities	<u><u>\$ 1,740,837</u></u>
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MONTEREY PENINSULA REGIONAL PARK DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Reporting Entity

The Monterey Peninsula Regional Park District (the District) was created in 1972 by a local voter initiative with the primary purpose of protecting and preserving open space and historical lands within Monterey County and adjacent areas. The District acquires lands through purchases, donation, and joint partnership with other agencies and nonprofit organizations. The District is supported primarily through revenues from property taxes, donor contributions and grants from governmental agencies. Since 1972, the District has acquired and helped acquire over 20,000 acres of land, parks and preserves.

On June 6, 2016, the District established Community Facilities District No. 2016-01 (Parks, Open Space and Coastal Preservation) (CFD No. 2016-01) under the Mello-Roos Community Facilities Act of 1982 in order to finance the acquisition, maintenance, improvement, servicing, protection, and preservation of parks, open space, coastal lands and facilities owned or managed by the District within the CFD No. 2016-01. On November 8, 2016, the election on the levy of special taxes within the CFD No. 2016-01 was approved by the voters. On January 11, 2017, the District declared CFD No. 2016-01 to be fully formed with authority to levy the special tax. The CFD No. 2016-01 is a blended component unit of the District since it has a common governing board and provides a financial benefit to the District. As a result, the activities of CFD No. 2016-01 are included as part of the financial reporting of the District.

The financial statements of the District have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The Government Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the District. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The District has no business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-Wide and Fund Financial Statements (Continued)

Fund Financial Statements

The underlying accounting system of the District is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues and expenditures, or expenses, as appropriate. District resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The fund financial statements provide information about the District's funds. Separate financial statements for the District's governmental fund are presented after the government-wide financial statements. These statements display information about the major fund individually. The District reports the following major governmental fund:

The General Fund is used to account for all financial activity in the District except for that which is required to be accounted for in other funds.

C. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the current financial resources measurement focus, current assets, deferred outflows of resources, current liabilities, and deferred inflows of resources are generally included on the balance sheets. The reported fund balance is considered to be a measure of "available spendable resources." Governmental fund financial statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in fund balance. Accordingly, they are said to present a summary of sources and uses of "available spending resources" during a period.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus and Basis of Accounting (Continued)

Under the modified accrual basis of accounting, revenues are recognized as soon as they are both measurable and available. Measurable means that amounts can be estimated, or otherwise determined. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

Property taxes, assessments, rental income, charges for services, and investment earnings associated with the current fiscal period are all considered to be measurable and available and have been recognized as revenues of the current fiscal period. All other revenue items are recorded as revenue when cash is received by the District.

D. Investments

Investments are reported at fair value, which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All investment earnings, including changes in the fair value of investments, are recognized as revenue in the operating statement.

E. Receivables

Management has determined that all receivables are collectible for the year ended June 30, 2021.

F. Capital Assets

Capital assets, which include land, buildings, improvements and machinery and equipment, are reported in the Government-wide Financial Statements. Capital assets are defined by the District as an individual cost \$5,000 or more and an estimated useful life more than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated or annexed capital assets are recorded at acquisition value at the date of donation or annexation.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Capital Assets (Continued)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Depreciation is recorded in the Government-wide Financial Statements on a straight-line basis over the estimated useful life of the assets as follows:

Building and Improvements	50 Years
Equipment	7-10 Years

G. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense) until that time. The District has the following items that qualify for reporting in this category:

- Deferred outflows related to CalPERS pension plan and OPEB plan equal to employer contributions made after the measurement date of the net pension and OPEB liability.
- Deferred outflows related to pensions for differences between expected and actual experience, and changes in employer's proportion and differences between employer's contributions and the employer's proportionate share of contributions. These amounts are amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the respective CalPERS plan.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time. The District has the following items that qualify for reporting in this category:

- Deferred inflows related to CalPERS pension plan and OPEB plan for differences between expected and actual experience, changes in assumptions, and the changes in employer's proportion and differences between employer's contributions and the employer's proportionate share of contributions. These amounts are amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with the respective CalPERS pension and OPEB plans.
- Deferred inflow related to the PARS pension plan and OPEB plans resulting from the net differences between projected and actual earnings on investments of the plans' fiduciary net position. These amounts are amortized over five years.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Claims and Judgments

When it is probable that a claim liability has been incurred and the amount of the loss can be reasonably estimated, the District records the loss, net of any insurance coverage. In the opinion of District Counsel, the District had no material claims that require a provision to be made in these financial statements.

I. Compensated Absences

Compensated absences (vacation, compensatory time off, and sick leave) are reported as expenditures in the general fund when paid. Any remaining unpaid liability at year-end is recorded on the statement of net position since such obligation is not payable with currently available financial resources and paid by resources in the District's General Fund.

District employees accumulate vacation and sick leave hours for subsequent use or for payment upon termination, retirement, or death. Accumulated vacation pay to a maximum of twice the annual accrual rate of an employee may be paid upon termination of employment. Accumulated sick pay is not paid at termination.

J. Property and Special Taxes

Property taxes are levied by Monterey County on January 1 and are payable in two installments on April 10 and December 10. Monterey County bills and collects the property taxes. Property tax revenues are recognized when levied to the extent they result in current receivables.

The County assesses properties and bills for and collects property tax as follows:

	Secured	Unsecured
Valuation/Lien Dates	January 1	January 1
Levy Dates	January 1	January 1
Due Dates	50% on November 1 (December 10)	March 1 (August 31)
(Delinquent as of)	50% on February 1 (April 10)	

The term "unsecured" refers to taxes on personal property other than land and buildings. These taxes are secured by liens on the property being taxed. Property tax revenues are recognized in the fiscal year for which they are levied, provided they are due and collected within 60 days after fiscal year-end.

CFD No. 2016-01 special taxes are levied annually by the District. Monterey County bills and collects the special tax concurrently with the property taxes based on the time frames described above.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Net Position Flow Assumption

Sometimes the District will fund outlays for a particular purpose from both restricted (e.g., restricted grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted - net position and unrestricted - net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the District's practice to consider restricted - net position to have been depleted before unrestricted - net position is applied (if eligible).

L. Net Position

In the government-wide financial statements, net position may be classified in the following categories:

Net Investment in Capital Assets – This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that is attributed to the acquisition, construction, or improvement of the capital assets.

Restricted Net Position – This amount is restricted by external creditors, grantors, contributors, laws, or regulations of other governments.

Unrestricted Net Position – This amount is all net position that does not meet the definition of “net investment in capital assets” or “restricted net position” as defined above.

M. Fund Balances

In the governmental fund financial statements, fund balances are classified in the following categories:

Nonspendable – Items that cannot be spent because they are not in spendable form, such as prepaid items that are legally or contractually required to be maintained intact, such as principal of an endowment or revolving loan funds.

Restricted – Restricted fund balances encompass the portion of net fund resources subject to externally enforceable legal restrictions. This includes externally imposed restrictions by creditors, such as through debt covenants, grantors, contributors, laws, or regulations of other governments, as well as restrictions imposed by law through constitutional provisions or enabling legislation.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Fund Balances (Continued)

Committed – Committed fund balances encompass the portion of net fund resources, the use of which is constrained by limitations that the government imposes upon itself at its highest level of decision making, normally the governing body through council resolutions, etc., and that remain binding unless removed in the same manner. The Board of Directors is considered the highest authority for the District.

Assigned – Assigned fund balances encompass the portion of net fund resources reflecting the government's intended use of resources. Assignment of resources can be done by the highest level of decision making or by a committee or official designated for that purpose. The Board of Directors has the authority to assign fund balance.

Unassigned – This category is for any balances that have no restrictions placed upon them.

N. Spending Policy

When expenditures are incurred for purposes for which all restricted, committed, assigned, and unassigned fund balances are available, the District's policy is to apply in the following order:

- Restricted
- Committed
- Assigned
- Unassigned

O. Pensions and OPEB

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 District's California Public Employees' Retirement System (CalPERS) and the Public Agency Retirement System (PARS) plans (collectively, the Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS and PARS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

MONTEREY PENINSULA REGIONAL PARK DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Pensions and OPEB (Continued)

Postemployment Benefits Other Than Pensions (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 OPEB Plan and additions to/deductions from the OPEB Plans' fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the District's OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Q. Use of Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and the disclosure of contingent assets and liabilities. In addition, estimates affect the reported amount of expenses. Actual results could differ from these estimates and assumptions.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 2 CASH AND INVESTMENTS

Cash and Investments

Cash and investments consist of deposits and investments, as noted below:

Deposits with Financial Institutions	\$ 932,838
Investments	17,821,023
Total Cash and Investments	<u>\$ 18,753,861</u>

The District has adopted an investment policy which authorizes it to invest in various investments.

Investments Authorized by the California Government Code and the District's Investment Policy

The District's Investment Policy is reviewed and adopted by the Board of Directors each year. Investment vehicles not specifically mentioned in the District's investment policy, are not authorized unless the policy is amended by the Board of Directors. The table below identifies the investment types that are authorized for the District by the California Government Code (or the District's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the District's investment policy, where more restrictive) that address interest rate risk, credit risk and concentration of credit risk.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
United States Treasury Issues	5 Years	None	None
United States Government Sponsored Agency Securities	5 Years	None	50%
Banker's Acceptance	180 Days	None	30%
Certificates of Deposit	5 Years	None	None
Local Agency Investment Fund (LAIF)	N/A	None	N/A
California Pooled Investment Authority	None	None	None
The Investment Trust of California (CalTRUST)	N/A	None	None
Money Market Mutual Funds	N/A	None	10%

N/A - Not Applicable

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Disclosures Relating to Interest Rate Risk

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

Information about the sensitivity of the fair values of the District's investments (including investments held by bond trustee) to market interest rate fluctuations is provided by the following table that shows the distribution of the District's investments by maturity as of June 30, 2021.

Investment Type	Remaining Maturity (in Months) <u>Less Than 12 Months</u>
CalTRUST Investment Pool	\$ 17,708,457
LAIF	112,566
Total	\$ 17,821,023

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented in the following table are the minimum rating required by (where applicable) the California Government Code, the District's investment policy, or debt agreements and the actual Standard & Poor's credit rating as of June 30, 2021, for each investment type.

Investment Type	Minimum Legal Rating	Total	Not Rated	Aaf	AA-f
CalTRUST Investment Pool	N/A	\$ 17,708,457	\$ -	\$ 8,656,467	\$ 9,051,990
LAIF	N/A	112,566	112,566	-	-
Total		\$ 17,821,023	\$ 112,566	\$ 8,656,467	\$ 9,051,990

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.

MONTEREY PENINSULA REGIONAL PARK DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, the District 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 custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, the District will not be able to recover the value of its investment or collateral securities that are in the possession of another party. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF and CalTRUST Investment Pool).

The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

As of June 30, 2021, all of the District's deposits with financial institutions were either covered by federal depository insurance limits or were held in collateralized accounts.

Investment in State Investment Pool

The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Investment in CalTRUST Investment Pool

CalTRUST is a Joint Powers Agency Authority created by local public agencies to provide a convenient method for local public agencies to pool their assets for investment purposes. CalTRUST is governed by a Board of Trustees made up of experienced local agency treasurers and investment officers. The Board sets overall policies for the program and selects and supervises the activities of the investment manager and other agents. CalTRUST maintains and administers four pooled accounts within the program: Money Market, Short-Term, Medium-Term, and Long-Term. The Money Market account permits daily transactions, with same-day liquidity (provided redemption requests are received by 1:00 p.m. Pacific time), with no limit on the amount of funds that may be invested. The Short-Term account permits an unlimited number of transactions per month (with prior day notice), with no limit on the amount of funds that may be invested. The Medium- and Long-Term accounts permit investments, withdrawals, and transfers once per month, with five days advance notice. The District has invested in the Short-Term and Medium-Term funds. All CalTRUST accounts comply with the limits and restrictions placed on local agency investments by the California Government Code. CalTRUST imposes a \$250,000 minimum investment; however, there is no maximum limit. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's percentage interest of the fair value provided by CalTRUST for the CalTRUST accounts (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by CalTRUST.

Fair Value Measurements

The District categorizes its fair value measurement within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the relative inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are quoted prices for similar assets in active markets, and Level 3 inputs are significant unobservable inputs.

The District's investments are in LAIF and CalTRUST, which are not subject to the fair value hierarchy.

NOTE 3 OTHER LONG-TERM ASSET – OPTION TO PURCHASE

In January 2008, the District entered into a lease for the Sherar property which consists of approximately 30 acres in Carmel Valley. The lease is for five years with an option to purchase the property for \$1.2 million. The District paid \$60,000 for an option to purchase the property, and paid annual rent of \$60,000 until June 30, 2012. Rent payments starting after the first five-year period and until close of escrow shall be applied to the final purchase price. Total amount paid in towards the option to purchase at June 30, 2020, was \$600,000. On October 22, 2020, the District exercised its option and purchased the Sherar property by paying the remaining \$600,000 on the purchase price.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 4 CAPITAL ASSETS

The following is a summary of capital assets for governmental activities for the year ended June 30, 2021:

Governmental Activities

	<u>Balance at July 1, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at June 30, 2021</u>
Capital Assets, Not Depreciated:				
Land and Improvements	\$ 65,650,220	\$ 1,201,025	\$ -	\$ 66,851,245
Construction in Progress	655,877	595,227	(444,779)	806,325
Total Capital Assets, Not Depreciated	<u>66,306,097</u>	<u>1,796,252</u>	<u>(444,779)</u>	<u>67,657,570</u>
Capital Assets, Being Depreciated:				
Buildings and Improvements	8,864,932	471,711	-	9,336,643
Equipment	1,271,223	112,668	-	1,383,891
Total Capital Assets, Being Depreciated	10,136,155	584,379	-	10,720,534
Less accumulated depreciation for:				
Buildings and Improvements	(947,571)	(178,693)	-	(1,126,264)
Equipment	(753,479)	(108,073)	-	(861,552)
Total Accumulated Depreciation	<u>(1,701,050)</u>	<u>(286,766)</u>	<u>-</u>	<u>(1,987,816)</u>
Total Capital Assets, Being Depreciated, Net	<u>8,435,105</u>	<u>297,613</u>	<u>-</u>	<u>8,732,718</u>
Capital Assets, Net	<u>\$ 74,741,202</u>	<u>\$ 2,093,865</u>	<u>\$ (444,779)</u>	<u>\$ 76,390,288</u>

Depreciation expense was charged to functions/programs of the governmental activities as follows:

General and Administrative	\$ 334
Operations Maintenance	254,606
Education and Outreach	31,826
Total Depreciation Expense - Governmental Activities	<u>\$ 286,766</u>

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

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, 2021:

	Balance at July 1, 2020	Additions	Deletions	Balance at June 30, 2021	Due Within One Year
Governmental Activities:					
Compensated Absences	\$ 146,660	\$ 91,598	\$ (83,531)	\$ 154,727	\$ 92,708
Total Governmental Activities	<u>\$ 146,660</u>	<u>\$ 91,598</u>	<u>\$ (83,531)</u>	<u>\$ 154,727</u>	<u>\$ 92,708</u>

Compensated Absences

The District employees accumulate earned but unused vacation and sick pay benefits, which can be converted to cash at termination of employment.

NOTE 6 PENSION PLANS – PUBLIC EMPLOYEES’ RETIREMENT SYSTEM (CalPERS)

A. General Information About the Pension Plans

Plan Descriptions

All qualified permanent and probationary employees are eligible to participate in the District's 2.7% at 55 and 2.0% at 62 (PEPRA) and Miscellaneous (all other) Employee Pension Plans, cost-sharing, multiple-employer, defined benefit pension 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.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

**NOTE 6 PENSION PLANS – PUBLIC EMPLOYEES’ RETIREMENT SYSTEM (CalPERS)
(CONTINUED)**

A. General Information About the Pension Plans (Continued)

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. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law.

The Plans’ provisions and benefits in effect at June 30, 2021, are summarized as follows:

	Miscellaneous	
	Prior to January 1, 2013	On or After January 1, 2013
Hire Date		
Benefit Formula	2.7%@55	2%@62
Benefit Vesting Schedule	5 Years of Service	5 Years of Service
Benefit Payments	Monthly for Life	Monthly for Life
Retirement Age	50 - 67	52 - 67
Monthly Benefits, as a % of Eligible Compensation	2.0% to 2.7%	1.0% to 2.5%
Required Employee Contribution Rates	8%	7.25%
Required Employer Contribution Rates:		
Normal Cost Rate	15.20%	7.85%
Payment of Unfunded Liability	\$ 284,382	\$ 2,023

Contributions

Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS’s annual actuarial valuation process. 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. District contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contributions requirements are classified as plan member contributions. For the year ended June 30, 2021, the District made contributions to the plan totaling \$2,702,308.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

**NOTE 6 PENSION PLANS – PUBLIC EMPLOYEES’ RETIREMENT SYSTEM (CalPERS)
(CONTINUED)**

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

As of June 30, 2021, the District reported net pension liabilities for its proportionate shares of the net pension liability of the Plan as follows:

	Proportionate Share of Net Pension Liability
Miscellaneous	\$ 2,469,890

The District’s net pension liability for each Plan is measured as the proportionate share of the net pension liability. The net pension liability of each of the Plans is measured as of June 30, 2020, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019 rolled forward to June 30, 2020 using standard update procedures. The District’s proportionate share of the net pension liability was based on a projection of the District’s long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

The District’s proportionate share of the net pension liability for the Plan as of the measurement dates ended June 30, 2020 and 2019 was as follows:

	Miscellaneous
Proportion - June 30, 2019	0.06907%
Proportion - June 30, 2020	0.05855%
Change - Increase (Decrease)	-0.01052%

For the year ended June 30, 2021, the District recognized pension expense of \$561,948. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension Contributions Subsequent to Measurement Date	\$ 2,702,308	\$ -
Differences Between Expected and Actual Experience	127,281	-
Change in Assumptions	-	(17,616)
Change in Employer’s Proportion and Differences Between the Employer’s Contributions and the Employer’s Proportionate Share of Contributions	70,984	(20,112)
Net Differences Between Projected and Actual Earnings on Plan Investments	73,372	-
Total	\$ 2,973,945	\$ (37,728)

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

**NOTE 6 PENSION PLANS – PUBLIC EMPLOYEES’ RETIREMENT SYSTEM (CalPERS)
(CONTINUED)**

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

\$2,702,308 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2022	\$ 40,063
2023	94,751
2024	63,903
2025	35,192
2026	-
Thereafter	-
Total	<u>\$ 233,909</u>

Actuarial Assumptions

For the measurement period ended June 30, 2020, the total pension liability was determined by rolling forward the June 30, 2019 total pension liability determined in the June 30, 2019 actuarial accounting valuation. The June 30, 2019 total pension liability was based on the following actuarial methods and assumptions:

Valuation Date	<u>Miscellaneous</u>
Measurement Date	June 30, 2019
Actuarial Cost Method	June 30, 2020
	Entry-Age
	Normal
	Cost Method
 Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Salary Increases	(1)
Mortality Rate Table	(2)
Post-Retirement Benefit Increase	(3)

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

**NOTE 6 PENSION PLANS – PUBLIC EMPLOYEES’ RETIREMENT SYSTEM (CalPERS)
(CONTINUED)**

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

Actuarial Assumptions (Continued)

- (1) Varies by entry age and service.
- (2) The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates includes 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from December 2017, that can be found on the CalPERS website.
- (3) The less of contract COLA or 2.50% until Purchasing Power Protection Allowance Floor on purchasing power applies, 2.50% thereafter.

Discount Rate

The discount rate used to measure the total pension liability was 7.15% for each Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plans’ fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Long-term Expected Rate of Return

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

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

**NOTE 6 PENSION PLANS – PUBLIC EMPLOYEES’ RETIREMENT SYSTEM (CalPERS)
(CONTINUED)**

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

Long-term Expected Rate of Return (Continued)

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 (geometric) returns were calculated over the short term (first 10 years) and the long-term (11+ years) using a building block approach. Using the expected nominal returns for both short term and long term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded 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 adjusted to account for assumed administrative expenses.

The expected real rates of return by asset class are as follows:

Asset Class	New Strategic Allocation	Real Return Years 1 - 10 (b)	Real Return Years 11+ (c)
Global Equity	50.00%	4.80%	5.98%
Fixed Income	28.00	1.00	2.62
Inflation Assets	0.00	0.77	1.81
Private Equity	8.00	6.30	7.23
Real Estate	13.00	3.75	4.93
Liquidity	1.00	0.00	-0.92
Total	<u>100.00%</u>		

- (a) In the CalPERS CAFR, fixed income is included in Global Debt Securities; liquidity is included in short-term investments; and inflation assets are included in both Global Equity Securities and Global Debt Securities.
- (b) An expected inflation of 2.0% used for this period.
- (c) An expected inflation of 2.92% used for this period.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

**NOTE 6 PENSION PLANS – PUBLIC EMPLOYEES’ RETIREMENT SYSTEM (CalPERS)
(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 the Discount Rate

The following presents the District’s proportionate share of the net pension liability for all Plans, calculated using the discount rate for each Plan, 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 one percentage point lower or one percentage point higher than the current rate:

1% Decrease		6.15%
Net Pension Liability	\$	3,974,053
Current Discount Rate		7.15%
Net Pension Liability	\$	2,469,890
1% Increase		8.15%
Net Pension Liability	\$	1,227,048

Pension Plans Fiduciary Net Position

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

C. Payable to the Pension Plans

At June 30, 2021, the District had no outstanding amount of contributions to the pension plans required for the year ended June 30, 2021.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 7 PENSION PLAN – PUBLIC AGENCY RETIREMENT SYSTEM (PARS)

A. General Information About the Pension Plan

Plan Description and Benefits

Effective July 1, 2006, pursuant to sections 401(a), 415(m) and 501(a) of the Internal Revenue Code, the District adopted a tax-qualified single-employer governmental defined benefit plan and qualified governmental excess benefit program that is to be administered for the District by Public Agency Retirement Service (PARS), a third-party administrator. The plan was established to provide eligible employees employed on or after January 1, 2006 supplemental retirement benefits in addition to the benefits employees will receive from the California Public Employees Retirement System (CalPERS). Eligible employees are those who have accumulated prior CalPERS service credit from previous employers before employment with the District. For those employees whose combined CalPERS and PARS benefit exceed the Section 415(b) limitations for defined benefit plans, PARS benefits shall be paid through the Section 415(m) excess benefit plan established by the District instead of the 401(a) plan. This benefit has been discontinued for employees hired after May 15, 2012.

The supplemental benefit for covered employees is equal to the difference between the CalPERS “2.7% at 55” formula and the CalPERS “2% at 55” formula for years of CalPERS service with other CalPERS covered agencies, up to a maximum of 10 years. Employees will be eligible for the benefit upon attaining age 55 and concurrently retiring under CalPERS with either (a) at least five years of District service and 20 or more years of prior CalPERS services, or (b) at least seven years of District service.

Contributions

The Board establishes rates based on an actuarially determined rate recommended by an independent actuary. 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 actuarially determined rate. For the year ended June 30, 2021, the District’s contribution rate is 1.5% of covered CalPERS payroll which totaled \$20,600.

Employees Covered

At June 30, 2021, the following employees were covered by the benefit terms for each Plan:

	<u>Miscellaneous</u>
Inactive Employees or Beneficiaries Currently Receiving Benefits	5
Inactive Employees Entitled to But Not Yet Receiving Benefits	-
Active Employees	3
Total	8

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 7 PENSION PLAN – PUBLIC AGENCY RETIREMENT SYSTEM (PARS) (CONTINUED)

B. Net Pension Liability

The District's net pension liability (asset) for the Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability (asset) of the Plan is measured as of June 30, 2021, using an annual actuarial valuation as of January 31, 2020 rolled forward to June 30, 2021 using standard update procedures. There were no significant changes between the valuation date and the measurement date. A summary of principal assumptions and methods used to determine the net pension liability (asset) is shown below.

Actuarial Assumptions

The total pension liability in the January 31, 2020 actuarial valuation was determined using the following actuarial assumptions:

	<u>Miscellaneous</u>
Valuation Date	January 31, 2020
Measurement Date	June 30, 2021
Actuarial Cost Method	Entry-Age Normal Cost Method
Amortization Method:	
Level Percent or Level Dollar	Level Dollar
Closed, Open, or Layered Periods	Closed
Amortization Period at January 31, 2020	5.9 Years
Amortization Growth Rate	0.00%
Inflation	2.50%
Salary Increases	3.00%
Investment Rate of Return	6.50%
Cost of Living Adjustments	2.00%
Withdrawal/Disability	Consistent with Non-Industrial rates used to value the Miscellaneous CalPERS Pension Plans.
Mortality	Consistent with Non-Industrial rates used to value the Miscellaneous CalPERS Pension Plans after June 3, 2017.
Retirement	Participants are assumed to retire at age 59, or current age, if older.

Change of Assumptions

There were no changes in assumptions in the January 31, 2020 valuation.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 7 PENSION PLAN – PUBLIC AGENCY RETIREMENT SYSTEM (PARS) (CONTINUED)

B. Net Pension Liability (Continued)

Discount Rate

GASB 67 and 68 generally require that a blended discount rate be used to measure the Total Pension Liability (the Actuarial Accrued Liability calculated using the Individual Entry Age Normal Cost Method). The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan's Fiduciary Net Position (fair market value of assets) is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the Fiduciary Net Position is not projected to cover benefit payments and administrative expenses. Determining the discount rate under GASB 67 and 68 will often require that the actuary perform complex projections of future benefit payments and asset values. GASB 67 and 68 (paragraph 29) do allow for alternative evaluations of projected solvency, if such evaluation can reliably be made. GASB does not contemplate a specific method for making an alternative evaluation of sufficiency; it is left to professional judgment.

The following circumstances justify an alternative evaluation of sufficiency for the District:

- The District has at least a 5-year history of paying at least 100% of the Actuarially Determined Contribution (previously termed the Annual Required Contribution).
- The Actuarially Determined Contribution is based on a closed amortization period, which means that payment of the Actuarially Determined Contribution each year will bring the plan to a 100% funded position by the end of the amortization period.
- GASB 67 and 68 specify that the projections regarding future solvency assume that plan assets earn the assumed rate of return and there are no future changes in the plan provisions or actuarial methods and assumptions, which means that the projections would not reflect any adverse future experience which might impact the plan's funded position.

Based on these circumstances, it is the actuary's opinion that the detailed depletion date projections outlined in GASB 67 and 68 will show that the Fiduciary Net Position is always projected to be sufficient to cover benefit payments and administrative expenses.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 7 PENSION PLAN – PUBLIC AGENCY RETIREMENT SYSTEM (PARS) (CONTINUED)

B. Net Pension Liability (Continued)

Long-term Expected Rate of Return

The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are per the actuary's investment consulting practice as of June 30, 2021.

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	Index	Target Allocation	Long-Term Expected Arithmetic Real Rate of Return	Long-Term Expected Geometric Real Rate of Return
Cash	Bank of America Merrill Lynch 3-Month T-Bills	0.99%	-0.32%	-0.32%
U.S. Core Fixed Income	Bloomberg Barclays Aggregate	36.12	1.37	1.26
U.S. Equity Market	Russell 3000	47.36	5.33	3.70
Foreign Developed Equity	MSCI EAFE NR	7.99	6.27	4.52
Emerging Markets Equity	MSCI EM NR	5.54	8.64	4.95
U.S. REITs	FTSW NAREIT Equity REIT	2.00	5.75	3.57
Assumed Inflation - Mean			2.30	2.30
Assumed Inflation - Standard Deviation			1.16	1.16
Portfolio Real Mean Return			4.11	3.44
Portfolio Nominal Mean Return			6.41	5.82
Portfolio Standard Deviation				11.21
Long-Term Expected Rate of Return				6.50

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 7 PENSION PLAN – PUBLIC AGENCY RETIREMENT SYSTEM (PARS) (CONTINUED)

C. Changes in the Net Pension Liability (Asset)

The changes in the net pension liability (asset) for the Plan are as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balance at June 30, 2020	\$ 673,612	\$ 629,168	\$ 44,444
Changes in the Year:			
Service Cost	3,931	-	3,931
Interest on the Total Pension Liability	42,653	-	42,653
Differences Between Expected and Actual Experience	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	(43,357)	(43,357)	-
Contributions - Employer	-	20,600	(20,600)
Net Investment Income	-	170,132	(170,132)
Administrative Expenses	-	(4,274)	4,274
Net Changes	<u>3,227</u>	<u>143,101</u>	<u>(139,874)</u>
Balance at June 30, 2021	<u>\$ 676,839</u>	<u>\$ 772,269</u>	<u>\$ (95,430)</u>

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the net pension liability (asset) of the District for the Plan, calculated using the discount rate for the Plan, as well as what the District's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	<u>Miscellaneous</u>
1% Decrease	5.50%
Net Pension Liability (Asset)	\$ (23,088)
Current Discount Rate	6.50%
Net Pension Liability (Asset)	\$ (95,430)
1% Increase	7.50%
Net Pension Liability (Asset)	\$ (156,808)

Pension Plan Fiduciary Net Position

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

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 7 PENSION PLAN – PUBLIC AGENCY RETIREMENT SYSTEM (PARS) (CONTINUED)

D. Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

For the year ended June 30, 2021, the District recognized pension expense (income) of \$(18,897). At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net Differences Between Projected and Actual Earnings on Plan Investments	\$ -	\$ (92,982)
Total	\$ -	\$ (92,982)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as a reduction of pension expense as follows:

Year Ending June 30,	Amount
2022	\$ (23,215)
2023	(21,963)
2024	(21,874)
2025	(25,930)
Thereafter	-
Total	\$ (92,982)

E. Payable to the Pension Plan

At June 30, 2021, the District had no outstanding amount of contributions to the pension plan required for the year ended June 30, 2021.

NOTE 8 DEFERRED COMPENSATION PLAN

The District offers a deferred compensation plan in accordance with the Internal Revenue Code Section 457 for its eligible employees wherein amounts earned by the employee are paid at a future date. All full-time, regular, salaried employees are permitted to participate in the Plan beginning on the first day of the month following their hire date. The employee may elect to make contributions up to the limits established by the Internal Revenue Service for this type of plan. The employees become 100% vested in their own contributions from the first date of participation. The District does not make contributions to the plan. As of June 30, 2021, plan assets totaled \$1,420,584.

Federal law requires deferred compensation assets to be held in trust for the exclusive benefit of participants. Accordingly, the District is in compliance with this legislation. Therefore, these assets are not the legal property of the District and are not subject to claims of the District's general creditors and, therefore, are excluded from these financial statements.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 9 OTHER POSTEMPLOYMENT BENEFIT OBLIGATION

A. General Information About the OPEB Plan

Plan Description

The District has established an agent multiple-employer Defined Benefit Postemployment Healthcare Plan (DPHP) that provides post-retirement medical benefits to retirees through the California Public Employees Medical and Hospital Care Act (PEMCHA) and managed through the California Retiree Benefit Trust (CEBRT). The Plan provides benefits for its retirees, spouses and survivors. The District is obligated to contribute toward health insurance premiums for certain employees retired from the District at the age of 55 or older with at least five years of continuous employment with the District. The District pays a maximum contribution of \$1,592 for health insurance premiums for all eligible employees and retirees. For non-Medicare eligible retirees, premiums are the same as for active employees. Reduced premiums are applied for Medicare eligible retirees and the coverage is adjusted to supplement Medicare.

The District Plan does not issue a separate financial report. The District contracts with an actuarial consultant to provide an actuarial valuation of the District's OPEB liability under GASB Statement 75.

Employees Covered

As of the June 30, 2021; the following current and former employees were covered by the benefit terms under the plan:

Inactive Employees or Beneficiaries Currently	
Receiving Benefits	8
Active Employees	11
Total	19

Contributions

The OPEB plan and its contribution requirements are established by District policy and may be amended by the District, District's Board of Directors and/or the employee associations. Currently, contributions are not required from plan members. The District has established a trust to fund future OPEB benefits with California Employers' Retiree Benefit Trust (CERBT). CERBT issues financial statements that are available on the CalPERS website. The annual contribution is based on the actuarially determined contribution. For the year ended June 30, 2021, the District's contributions to the OPEB plan totaled \$101,781 (\$83,982 in benefit payments and an implied subsidy of \$17,799).

B. Net OPEB Liability

The District's net OPEB liability was measured as of June 30, 2020 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2019 rolled forward to June 30, 2020 using standard update procedures. A summary of the principal assumptions and methods used to determine the total OPEB liability is shown below.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 9 OTHER POSTEMPLOYMENT BENEFIT OBLIGATION (CONTINUED)

B. Net OPEB Liability (Continued)

Actuarial Assumptions

The total OPEB liability at June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Actuarial Cost Method	Entry-Age Normal
Actuarial Assumptions:	
Discount Rate	6.50%
Long-Term Expected Rate of Return on Investments	6.50%
General Inflation	2.75%
Payroll Increases	2.75%
Healthcare Trend	Increase 4% Per Year
Mortality Factors	2017 CalPERS OPEB assumptions model for public agency miscellaneous
Retirement Factors	2017 CalPERS OPEB assumptions model for public agency miscellaneous

Change in Assumptions

The probabilities for retirement, termination and mortality were changed from the 2014 CalPERS assumptions to the 2017 CalPERS assumptions. All other actuarial assumptions are unchanged from the July 1, 2017 valuation.

Long-Term Expected Rate of Return on Investments

The long-term expected rate of return on 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. The asset class percentages are taken from the current composition of the CERBT trust, and the expected yields are taken from a recent CalPERS publication for the Pension Fund.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 9 OTHER POSTEMPLOYMENT BENEFIT OBLIGATION (CONTINUED)

B. Net OPEB Liability (Continued)

Long-Term Expected Rate of Return on Investments (Continued)

The long-term expected real rates of return for each major asset class in the CERBT, included in the OPEB plan's target asset allocation as of June 30, 2020 measurement period, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Real Return Next 10 Years</u>
CERBT Trust:		
Global equity	59.00%	5.25%
Fixed income	25.00	0.99
Treasury securities	5.00	0.45
Real estate trusts	8.00	4.50
Commodities	3.00	3.90
Total	<u>100.00%</u>	

The estimated yield of 3.9% for commodities was obtained from various sources and is an estimated. Using these figures, the weighted-average real rate of return is estimated to be 3.73%. Adding estimated inflation of 2.75%, we obtain 6.48% as an estimate of the expected rate of return, which is rounded to 6.50%.

Discount Rate

The discount rate used to measure the total OPEB liability was 6.50%. The cash flows of the OPEB plan were projected to future years, assuming that the District will contribute an amount so the assets always exceed expected benefits to retirees. Under that projection, the plan assets are projected to be adequate to pay all benefits to retirees in all future years, so the discount rate has been set equal to the long-term expected rate of return on investments, 6.50%.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 9 OTHER POSTEMPLOYMENT BENEFIT OBLIGATION (CONTINUED)

C. Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balance at June 30, 2019 (Measurement Date)	\$ 2,858,874	\$ 2,547,141	\$ 311,733
Changes in the Year:			
Service Cost	26,531	-	26,531
Interest on the Total OPEB Liability	181,949	-	181,949
Differences Between Expected and Actual Experience	-	-	-
Changes in Assumptions			
Contributions - Employer	-	119,309	(119,309)
Net Investment Income	-	89,992	(89,992)
Benefit Payments	(119,309)	(119,309)	-
Administrative Expenses	-	(1,244)	1,244
Net Changes	<u>89,171</u>	<u>88,748</u>	<u>423</u>
Balance at June 30, 2020 (Measurement Date)	<u>\$ 2,948,045</u>	<u>\$ 2,635,889</u>	<u>\$ 312,156</u>

Change of Benefit Terms

There were no changes of benefit terms.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (5.5%) or one percentage point higher (7.5%) than the current discount rate:

	1% Decrease (5.50%)	Discount Rate (6.50%)	1% Increase (7.50%)
Net OPEB Liability (Asset)	<u>\$ 710,281</u>	<u>\$ 312,156</u>	<u>\$ (15,476)</u>

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 9 OTHER POSTEMPLOYMENT BENEFIT OBLIGATION (CONTINUED)

C. Changes in the Net OPEB Liability (Continued)

Sensitivity of the Net OPEB Liability to Changes in Healthcare Cost Trend Rates

The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current healthcare cost trend rates:

	1% Decrease 3.0%	Current Healthcare Cost Trend Rates 4.0%	1% Increase 5.0%
Net OPEB Liability	\$ 88,000	\$ 312,156	\$ 478,069

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

For the year ended June 30, 2021, the District recognized OPEB expense of \$33,676. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB Contributions Subsequent to Measurement Date	\$ 101,781	\$ -
Differences Between Actual and Expected Experience	-	(33,266)
Change in Assumptions	-	(10,355)
Differences Between Projected and Actual Earnings	36,360	-
Total	\$ 138,141	\$ (43,621)

The net difference between projected and actual earnings on plan investments is amortized over a five-year period.

\$101,781 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2022	\$ (10,523)
2023	5,283
2024	10,913
2025	9,915
2026	(5,193)
Thereafter	(17,656)
Total	\$ (7,261)

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 9 OTHER POSTEMPLOYMENT BENEFIT OBLIGATION (CONTINUED)

E. Payable to the OPEB Plan

At June 30, 2021, the District had no outstanding amount of contributions to the OPEB plan required for the year ended June 30, 2021.

NOTE 10 RISK MANAGEMENT

Description of Self-Insurance Pool Pursuant to Joint Powers Agreement

The Monterey Peninsula Regional Park District is a member of the California Joint Powers Insurance Authority (Insurance Authority). The Insurance Authority is composed of 123 California public entities and is organized under a joint powers agreement pursuant to California Government Code §6500 et seq.

The purpose of the Insurance Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance and to arrange for group purchased insurance for property and other lines of coverage. The Insurance Authority began covering claims of its members in 1978. Each member government has an elected official as its representative on the Board of Directors which operates through a nine-member Executive Committee.

Self-Insurance Programs of the Insurance Authority

Each member pays an annual contribution to cover estimated losses for the coverage period. A retrospective adjustment is then conducted annually thereafter, for coverage years 2012-13 and prior. Coverage years 2013-14 and forward are not subject to routine annual retrospective adjustment. The total funding requirement for self-insurance programs is based on an actuarial analysis. Costs are allocated to individual agencies based on payroll and claims history, relative to other members of the risk-sharing pool.

Primary Liability Program

In the primary liability program, claims are pooled separately between police and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$100,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$100,000 to \$500,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from \$500,000 to \$50 million, are distributed based on the outcome of cost allocation within the first and second loss layers.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 10 RISK MANAGEMENT (CONTINUED)

Self-Insurance Programs of the Insurance Authority (Continued)

Primary Liability Program (Continued)

The overall coverage limit for each member, including all layers of coverage, is \$50 million per occurrence. Subsidence losses also have a \$50 million per occurrence limit. The coverage structure is composed of a combination of pooled self-insurance, reinsurance, and excess insurance. Additional information concerning the coverage structure is available on the Authority's website: <https://cjpia.org/coverage/risk-sharing-pools/>.

Workers' Compensation Program

The District also participates in the workers' compensation pool administered by the Insurance Authority. In the workers' compensation program claims are pooled separately between public safety (police and fire) and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$75,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second of losses includes incurred costs from \$75,000 to \$200,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs in excess from \$200,000 to statutory limits are distributed based on the outcome of cost allocation within the first and second loss layers.

For 2020-21, the Insurance Authority's pooled retention is \$1 million per occurrence, with reinsurance to statutory limits under California Workers' Compensation Law. Employer's Liability losses are pooled among members to \$1 million. Coverage from \$1 million to \$5 million is purchased as part of a reinsurance policy, and Employer's Liability losses from \$5 million to \$10 million are pooled among members.

Purchased Insurance

Crime Insurance

The District purchases crime insurance coverage in the amount of \$1,000,000 with a \$2,500 deductible. The fidelity coverage is provided through the Insurance Authority.

Property Insurance

The District participates in the all-risk property protection program of the Authority. This insurance protection is underwritten by several insurance companies. The currently insured according to a schedule of covered property submitted by the District to the Authority. The District property currently has all-risk property insurance protection in the amount of \$7,968,877. There is a \$10,000 deductible per occurrence except for non-emergency vehicle insurance which has a \$2,500 deductible.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 10 RISK MANAGEMENT (CONTINUED)

Adequacy of Protection

During the past three fiscal years, none of the above programs of protection experienced settlements or judgments that exceeded pooled or insured coverage. There were no significant reductions in pooled or insured liability coverage in the fiscal year 2020-21.

NOTE 11 SEAWALL MITIGATION FEE

The District was notified on September 22, 2009 by California Coastal Commission that the District is assigned as a beneficiary of Irrevocable Standby Letter of Credit No. LCCA 20-14882, dated March 19, 2007. Three annual drafts were received and deposited by the District totaling \$2,225,241. The final draft was received by the District on March 21, 2011.

California Coastal Commission assigned the Letter of Credit to the District on September 22, 2009, with the condition of purchase of beachfront/dune property for public recreational use in the southern Monterey Bay area. The entire fee and any accrued interest shall be used for the above stated purpose, in consultation with the Executive Director of California Coastal Commission, within ten years of the final fee being deposited into the District account.

As the ten-year time frame was set to expire in March 2021 and the purchase of the beachfront/dune property had not been completed, the District successfully negotiated with the California Coastal Commission to eliminate the time requirement and allow for the expenditure of the funds for the purpose of coastal land acquisition(s) in general.

Any portion of the fee that remains after the coastal land acquisition(s) will be donated to one or more of the State Parks located along southern Monterey Bay (Fort Ord State Park, Marina State Beach, Monterey State Beach), or other organization acceptable to the Executive Director of California Coastal Commission, for the purpose of providing public access and recreation improvements to and along the shoreline, including improvements to the California Coastal Trail.

NOTE 12 FUND BALANCE ASSIGNMENTS/RESTRICTIONS

As of June 30, 2021, the District had restricted fund balances/net position of \$2,519,146, which pertains to the Seawall Mitigation fees.

During the year ended June 30, 2021, the Directors of the District removed the \$600,000 assignment of fund balance for the purpose of funding the acquisition of the Sherar property as the acquisition had occurred.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 13 BOARD DESIGNATION OF (UNASSIGNED) GENERAL FUND BALANCE

As of June 30, 2021, the District had unassigned fund balance of \$15,901,014. The District's Board approved a policy to establish prudent target reserve levels to assist the District in managing financial risks. The Board's designated (unassigned) fund balance reserves are as follows:

	<u>Amount</u>
Operating Budget (100%)	\$ 8,798,655
Accumulated Depreciation (100%)	1,987,816
Emergency Contingency	<u>1,000,000</u>
Total Board-Designated Reserve	<u>\$ 11,786,471</u>

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MONTEREY PENINSULA REGIONAL PARK DISTRICT
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
CalPERS PENSION PLANS
(LAST TEN FISCAL YEARS*)
(SEE INDEPENDENT AUDITORS' REPORT)

Fiscal Year Ended	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>
Measurement Period	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Plan's Proportion of the Net Pension Liability	0.00000%	0.02699%	0.03080%	0.03117%
Plan's Proportionate Share of the Net Pension Liability	\$ 2,469,890	\$ 2,766,108	\$ 2,967,787	\$ 3,091,498
Plan's Covered - Employee Payroll	\$ 1,317,299	\$ 1,287,720	\$ 1,276,980	\$ 1,318,917
Plan's Proportionate Share of the Net Pension Liability as a Percentage of its Covered - Employee Payroll	187.50%	214.81%	232.41%	234.40%
Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	78.15%	75.26%	75.26%	73.31%
Plan's Proportionate Share of Aggregate Employer Contributions	\$ 394,663	\$ 327,805	\$ 273,317	\$ 268,814

Notes to Schedule:

Benefit Changes:

There were no changes in benefits.

Changes in Assumptions:

From fiscal year June 30, 2015 to June 30, 2016:

GASB 68, paragraph 68 states that the long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. The discount rate of 7.50% used for the June 30, 2014 measurement date was net of administrative expenses. The discount rate of 7.65% used for the June 30, 2015 measurement date is without reduction of pension plan administrative expense.

From fiscal year June 30, 2016 to June 30, 2017:

There were no changes in assumptions.

From fiscal year June 30, 2017 to June 30, 2018:

The discount rate was reduced from 7.65% to 7.15%.

From fiscal year June 30, 2018 to June 30, 2019:

Demographic assumptions and inflation rate were changed in accordance with the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate.

From fiscal year June 30, 2019 to June 30, 2020:

There were no changes in assumptions.

* Fiscal year 2015 was the first year of implementation and, therefore, only seven years are shown.

MONTEREY PENINSULA REGIONAL PARK DISTRICT
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
CaIPERS PENSION PLANS (CONTINUED)
(LAST TEN FISCAL YEARS*)
(SEE INDEPENDENT AUDITORS' REPORT)

Fiscal Year Ended	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Measurement Period	<u>June 30, 2016</u>	<u>June 30, 2015</u>	<u>June 30, 2014</u>
Plan's Proportion of the Net Pension Liability	0.03198%	0.03410%	0.03171%
Plan's Proportionate Share of the Net Pension Liability	\$ 2,767,371	\$ 2,340,633	\$ 1,973,232
Plan's Covered - Employee Payroll	\$ 1,201,877	\$ 1,018,700	\$ 989,029
Plan's Proportionate Share of the Net Pension Liability as a Percentage of its Covered - Employee Payroll	230.25%	229.77%	199.51%
Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	74.60%	78.40%	76.83%
Plan's Proportionate Share of Aggregate Employer Contributions	\$ 239,757	\$ 226,858	\$ 176,921

MONTEREY PENINSULA REGIONAL PARK DISTRICT
SCHEDULE OF CONTRIBUTIONS
CalPERS PENSION PLANS
YEAR ENDED JUNE 30,
(LAST TEN FISCAL YEARS*)
(SEE INDEPENDENT AUDITORS' REPORT)

Fiscal Year Ended	2021	2020	2019	2018
Contractually Required Contribution (Actuarially Determined)	\$ 442,385	\$ 423,750	\$ 480,366	\$ 358,807
Contributions in Relation to the Actuarially Determined Contributions	<u>(2,702,308)</u>	<u>(835,133)</u>	<u>(807,961)</u>	<u>(358,807)</u>
Contribution Deficiency (Excess)	<u>\$ (2,259,923)</u>	<u>\$ (411,383)</u>	<u>\$ (327,595)</u>	<u>\$ -</u>
Covered - Employee Payroll	\$ 1,363,054	\$ 1,317,299	\$ 1,287,720	\$ 1,276,980
Contributions as a Percentage of Covered - Employee Payroll	32.46%	32.17%	37.30%	28.10%

Notes to Schedule:

Valuation Date	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Methods and Assumptions Used to Determine Contribution Rates:				
Actuarial Cost Method	Entry Age	Entry Age	Entry Age	Entry Age
Amortization Method	(1)	(1)	(1)	(1)
Asset Valuation Method	Market Value	Market Value	Market Value	Market Value
Inflation	2.50%	2.63%	2.75%	2.75%
Salary Increases	(2)	(2)	(2)	(2)
Investment Rate of Return	7.00% (3)	7.25% (3)	7.375% (3)	7.50% (3)
Retirement Age	(4)	(4)	(4)	(4)
Mortality	(5)	(5)	(5)	(5)

- (1) Level percentage of payroll, closed
- (2) Depending on age, service, and type of employment
- (3) Net of pension plan investment expense, including inflation
- (4) 2.7% @ 55 and 2% at 62
- (5) Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board.

* Fiscal year 2015 was the first year of implementation and, therefore, only seven years are shown.

MONTEREY PENINSULA REGIONAL PARK DISTRICT
SCHEDULE OF CONTRIBUTIONS
CaIPERS PENSION PLANS (CONTINUED)
YEAR ENDED JUNE 30,
(LAST TEN FISCAL YEARS*)
(SEE INDEPENDENT AUDITORS' REPORT)

Fiscal Year Ended	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution (Actuarially Determined)	\$ 340,407	\$ 307,912	\$ 265,789
Contributions in Relation to the Actuarially Determined Contributions	<u>(340,407)</u>	<u>(307,912)</u>	<u>(265,789)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered - Employee Payroll	\$ 1,318,917	\$ 1,201,877	\$ 1,018,700
Contributions as a Percentage of Covered - Employee Payroll	25.81%	25.62%	26.09%

Notes to Schedule:

Valuation Date	June 30, 2014	June 30, 2013	June 30, 2012
Methods and Assumptions Used to Determine Contribution Rates:			
Actuarial Cost Method	Entry Age	Entry Age	Entry Age
Amortization Method	(1)	(1)	(1)
Asset Valuation Method	Market Value	Market Value	15-Year Smoothed Market Method
Inflation	2.75%	2.75%	2.75%
Salary Increases	(2)	(2)	(2)
Investment Rate of Return	7.50% (3)	7.50% (3)	7.50% (3)
Retirement Age	(4)	(4)	(4)
Mortality	(5)	(5)	(5)

MONTEREY PENINSULA REGIONAL PARK DISTRICT
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
PARS PENSION PLAN
YEAR ENDED JUNE 30,
(LAST TEN FISCAL YEARS*)
(SEE INDEPENDENT AUDITORS' REPORT)

	2021	2020	2019	2018
Total Pension Liability:				
Service Cost	\$ 3,931	\$ 3,817	\$ 4,873	\$ 4,567
Interest on Total Pension Liability	42,653	39,725	39,377	38,873
Differences Between Expected and Actual Experience	-	43,085	-	6,038
Changes in Assumptions	-	-	-	35,883
Changes in Benefits	-	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	(43,357)	(40,042)	(35,713)	(34,690)
Net Change in Total Pension Liability	3,227	46,585	8,537	50,671
Total Pension Liability - Beginning of Year	673,612	627,027	618,490	567,819
Total Pension Liability - End of Year (a)	<u>\$ 676,839</u>	<u>\$ 673,612</u>	<u>\$ 627,027</u>	<u>\$ 618,490</u>
Plan Fiduciary Net Position:				
Contributions - Employer	\$ 20,600	\$ 20,600	\$ 20,600	\$ 19,000
Contributions - Employee	-	-	-	-
Net Investment Income (Loss)	170,132	20,493	39,584	47,095
Benefit Payments	(43,357)	(40,042)	(35,713)	(34,690)
Administrative Expenses	(4,274)	(3,789)	(3,658)	(3,437)
Net Change in Plan Fiduciary Net Position	143,101	(2,738)	20,813	27,968
Plan Fiduciary Net Position - Beginning of Year	629,168	631,906	611,093	583,125
Plan Fiduciary Net Position - End of Year (b)	<u>\$ 772,269</u>	<u>\$ 629,168</u>	<u>\$ 631,906</u>	<u>\$ 611,093</u>
Net Pension Liability (Asset) - Ending (a)-(b)	<u>\$ (95,430)</u>	<u>\$ 44,444</u>	<u>\$ (4,879)</u>	<u>\$ 7,397</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	114.10%	93.40%	100.78%	98.80%
Covered - Employee Payroll	\$ 289,272	\$ 280,847	\$ 347,843	\$ 337,819
Net Pension (Asset) Liability as a Percentage of Covered - Employee Payroll	-32.99%	15.82%	-1.40%	2.19%

Notes to Schedule:

Benefit Changes:

There were no changes in benefits.

Changes in Assumptions:

There were no changes in assumptions.

* Fiscal year 2015 was the first year of implementation and, therefore, only seven years are shown.

MONTEREY PENINSULA REGIONAL PARK DISTRICT
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
PARS PENSION PLAN (CONTINUED)
YEAR ENDED JUNE 30,
(LAST TEN FISCAL YEARS*)
(SEE INDEPENDENT AUDITORS' REPORT)

	2017	2016	2015
Total Pension Liability:			
Service Cost	\$ 4,405	\$ 4,277	\$ 4,360
Interest on Total Pension Liability	38,279	34,787	34,341
Differences Between Expected and Actual Experience	-	27,118	-
Changes in Assumptions	-	18,051	-
Changes in Benefits	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	(34,010)	(34,940)	(29,640)
Net Change in Total Pension Liability	<u>8,674</u>	<u>49,293</u>	<u>9,061</u>
Total Pension Liability - Beginning of Year	<u>559,145</u>	<u>509,852</u>	<u>500,791</u>
Total Pension Liability - End of Year (a)	<u>\$ 567,819</u>	<u>\$ 559,145</u>	<u>\$ 509,852</u>
Plan Fiduciary Net Position:			
Contributions - Employer	\$ 19,000	\$ 19,000	\$ 19,000
Contributions - Employee	-	-	-
Net Investment Income (Loss)	67,466	(5,184)	14,913
Benefit Payments	(34,010)	(34,940)	(29,640)
Administrative Expenses	(2,854)	(2,680)	-
Net Change in Plan Fiduciary Net Position	<u>49,602</u>	<u>(23,804)</u>	<u>4,273</u>
Plan Fiduciary Net Position - Beginning of Year	<u>533,523</u>	<u>557,327</u>	<u>553,054</u>
Plan Fiduciary Net Position - End of Year (b)	<u>\$ 583,125</u>	<u>\$ 533,523</u>	<u>\$ 557,327</u>
Net Pension Liability (Asset) - Ending (a)-(b)	<u>\$ (15,306)</u>	<u>\$ 25,622</u>	<u>\$ (47,475)</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	102.70%	95.42%	109.31%
Covered - Employee Payroll	\$ 325,778	\$ 316,289	\$ 379,340
Net Pension (Asset) Liability as a Percentage of Covered - Employee Payroll	-4.70%	8.10%	-12.52%

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
SCHEDULE OF CONTRIBUTIONS
PARS PENSION PLAN
YEAR ENDED JUNE 30,
(LAST TEN FISCAL YEARS*)
(SEE INDEPENDENT AUDITORS' REPORT)**

	2021	2020	2019	2018
Actuarially Determined Contribution	\$ 5,533	\$ 661	\$ 642	\$ 10,490
Contributions in Relation to the Actuarially Determined Contributions	<u>(20,600)</u>	<u>(20,600)</u>	<u>(20,600)</u>	<u>(19,000)</u>
Contribution Deficiency (Excess)	<u>\$ (15,067)</u>	<u>\$ (19,939)</u>	<u>\$ (19,958)</u>	<u>\$ (8,510)</u>
Covered - Employee Payroll	\$ 289,272	\$ 280,847	\$ 347,953	\$ 337,819
Contributions as a Percentage of Covered - Employee Payroll	7.12%	7.33%	5.92%	5.62%

Notes to Schedule:

Valuation Date	1/31/2020	1/31/2020	1/31/2018	1/31/2018
Methods and Assumptions Used to Determine Contribution Rates:				
Actuarial Cost Method	Entry Age	Entry Age	Entry Age	Entry Age
Amortization Method	(1)	(1)	(1)	(1)
Remaining Amortization Period	5.9 Years	5.9 Years	7.9 Years	7.9 Years
Asset Valuation Method	None	None	None	None
Inflation	2.50%	2.50%	2.50%	2.50%
Investment Rate of Return	6.50%	6.50%	6.50%	6.50%
Salary Increases	3.00%	3.00%	3.00%	3.00%
Cost of Living Adjustment	2.00%	2.00%	2.00%	2.00%
Mortality	(2)	(2)	(2)	(2)
Retirement Age	(3)	(3)	(3)	(3)

(1) Level dollar, closed

(2) Consistent with Non-Industrial rates used to value the CalPERS Miscellaneous Public Agency Pension Plans.

(3) Age 59 or current age, if older

* Fiscal year 2015 was the first year of implementation and, therefore, only seven years are shown.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
SCHEDULE OF CONTRIBUTIONS
PARS PENSION PLAN (CONTINUED)
YEAR ENDED JUNE 30,
(LAST TEN FISCAL YEARS*)
(SEE INDEPENDENT AUDITORS' REPORT)**

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially Determined Contribution	\$ 10,185	\$ 4,492	\$ 4,361
Contributions in Relation to the Actuarially Determined Contributions	<u>(19,000)</u>	<u>(19,000)</u>	<u>(19,000)</u>
Contribution Deficiency (Excess)	<u>\$ (8,815)</u>	<u>\$ (14,508)</u>	<u>\$ (14,639)</u>
Covered - Employee Payroll	\$ 325,778	\$ 316,289	\$ 379,340
Contributions as a Percentage of Covered - Employee Payroll	5.83%	6.01%	5.01%

Notes to Schedule:

Valuation Date	1/31/2016	1/31/2016	1/31/2014
Methods and Assumptions Used to Determine Contribution Rates:			
Actuarial Cost Method	Entry Age	Entry Age	Entry Age
Amortization Method	(1)	(1)	(1)
Remaining Amortization Period	9.9 Years	9.9 Years	11.9 Years
Asset Valuation Method	None	None	None
Inflation	2.50%	2.50%	2.50%
Investment Rate of Return	7.00%	7.00%	7.00%
Salary Increases	3.00%	3.00%	3.00%
Cost of Living Adjustment	2.00%	2.00%	2.00%
Mortality	(2)	(2)	(2)
Retirement Age	(3)	(3)	(3)

MONTEREY PENINSULA REGIONAL PARK DISTRICT
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
YEAR ENDED JUNE 30,
(LAST TEN FISCAL YEARS*)
(SEE INDEPENDENT AUDITORS' REPORT)

Fiscal Year End	2021	2020	2019	2018
Measurement Date	2020	2019	2018	2017
Total OPEB Pension Liability:				
Service Cost	\$ 26,531	\$ 74,479	\$ 72,486	\$ 70,546
Interest	181,949	176,482	167,467	158,389
Differences Between Expected and Actual Experience	-	(41,186)	-	-
Changes of Assumptions	-	(12,821)	-	-
Benefit Payments, Including Refunds of Employee Contributions	(119,309)	(106,387)	(96,136)	(82,412)
Net Change in Total OPEB Liability	89,171	90,567	143,817	146,523
Total OPEB Liability - Beginning of Year	2,858,874	2,768,307	2,624,490	2,477,967
Total OPEB Liability - End of Year (a)	2,948,045	2,858,874	2,768,307	2,624,490
Plan Fiduciary Net Position:				
Contributions - Employer	119,309	191,642	183,831	-
Net Investment Income	89,992	145,569	162,532	205,459
Administrative Expenses	(1,244)	(499)	(1,105)	(1,000)
Benefit Payments, Including Refunds of Employee Contributions	(119,309)	(106,387)	(96,136)	(82,412)
Net Change in Plan Fiduciary Net Position	88,748	230,325	249,122	122,047
Plan Fiduciary Net Position - Beginning of Year	2,547,141	2,316,816	2,067,694	1,945,647
Plan Fiduciary Net Position - End of Year (b)	2,635,889	2,547,141	2,316,816	2,067,694
Net OPEB Liability - Ending (a)-(b)	<u>\$ 312,156</u>	<u>\$ 311,733</u>	<u>\$ 451,491</u>	<u>\$ 556,796</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	89.41%	89.10%	83.69%	78.78%
Covered - Employee Payroll	\$ 1,317,299	\$ 1,287,720	\$ 1,276,980	\$ 1,293,817
Net OPEB Liability as Percentage of Covered - Employee Payroll	23.70%	24.21%	35.36%	43.04%

Notes to Schedule:

Benefit Changes:

There were no changes in benefits.

Changes in Assumptions:

For the fiscal years ended June 30, 2018, 2019, and 2021, there were no changes in assumptions.

For fiscal year ended June 30, 2020, the probabilities for retirement, termination and mortality were changed from 2014 CalPERS assumptions to the 2017 CalPERS assumptions.

* Fiscal year 2018 was the first year of implementation and, therefore, only four years are shown.

MONTEREY PENINSULA REGIONAL PARK DISTRICT
BUDGETARY COMPARISON SCHEDULE BY DEPARTMENT – GENERAL FUND
YEAR ENDED JUNE 30, 2021
(SEE INDEPENDENT AUDITORS' REPORT)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Property Taxes	\$ 4,061,700	\$ 4,061,700	\$ 4,690,007	\$ 628,307
Assessment District	1,246,800	1,246,800	1,264,476	17,676
Grants	1,500,000	1,500,000	-	(1,500,000)
Investment Earnings	207,500	207,500	63,032	(144,468)
Donations, Fees, and Other Charges	3,000	3,000	1,120	(1,880)
Rent	100,000	100,000	91,764	(8,236)
Other Revenue	32,000	32,000	102,986	70,986
Total Revenues	<u>7,151,000</u>	<u>7,151,000</u>	<u>6,213,385</u>	<u>(937,615)</u>
EXPENDITURES				
Current:				
General and Administrative:				
Salaries and Wages	448,800	448,800	440,648	8,152
Employee Benefits and Payroll Taxes	795,400	795,400	2,743,631	(1,948,231)
Insurance	130,000	130,000	123,690	6,310
Professional Services	250,000	250,000	144,545	105,455
Other Postemployment Benefits	35,000	35,000	-	35,000
Utilities	85,000	85,000	69,070	15,930
Publications and Memberships	20,000	20,000	14,663	5,337
Computer Maintenance and Supplies	25,000	25,000	22,722	2,278
Board Compensation	7,000	7,000	7,200	(200)
Travel, Conferences, and Meetings	10,000	10,000	1,914	8,086
Equipment Rentals and Leases	5,500	5,500	3,251	2,249
Office Supplies and Equipment	25,000	25,000	3,471	21,529
Legal	8,000	8,000	3,519	4,481
Job Training and Education	10,000	10,000	3,234	6,766
Taxes and Assessments	30,000	30,000	19,852	10,148
Postage	3,000	3,000	1,305	1,695
Vehicle Maintenance and Fuel	2,000	2,000	108	1,892
Mileage Reimbursement	1,000	1,000	-	1,000
Printing	5,000	5,000	862	4,138
Advertising	5,000	5,000	-	5,000
Total General and Administrative	<u>1,900,700</u>	<u>1,900,700</u>	<u>3,603,685</u>	<u>(1,702,985)</u>

See accompanying Note to Required Supplementary Information.

MONTEREY PENINSULA REGIONAL PARK DISTRICT
BUDGETARY COMPARISON SCHEDULE BY DEPARTMENT – GENERAL FUND (CONTINUED)
YEAR ENDED JUNE 30, 2021
(SEE INDEPENDENT AUDITORS' REPORT)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES (CONTINUED)				
Current (Continued):				
Operations and Maintenance:				
Salaries and Wages	\$ 673,400	\$ 673,400	\$ 635,455	\$ 37,945
Employee Benefits	309,200	309,200	293,250	15,950
Other Postemployment Benefits	60,000	60,000	-	60,000
Utilities	60,000	60,000	55,186	4,814
Vehicle Maintenance and Fuel	16,500	16,500	20,744	(4,244)
Supplies	22,500	22,500	20,672	1,828
Building Repairs	12,000	12,000	4,322	7,678
Computer Maintenance and Supplies	12,500	12,500	15,537	(3,037)
Parking Lot, Signs and Other	31,000	31,000	28,053	2,947
Janitorial Supplies	15,000	15,000	7,733	7,267
Equipment Maintenance	16,000	16,000	30,588	(14,588)
Tools	2,500	2,500	1,798	702
Uniforms	3,000	3,000	3,000	-
Miscellaneous	5,950	5,950	535	5,415
Job Training and Education	3,000	3,000	762	2,238
COVID-19 Response	75,000	75,000	65,995	9,005
Carmel Fire	250,000	250,000	199	249,801
Printing	5,000	5,000	5,516	(516)
Total Operations and Maintenance	1,572,550	1,572,550	1,189,345	383,205
Education and Outreach:				
Salaries and Wages	380,700	380,700	297,050	83,650
Employee Benefits	119,200	119,200	100,240	18,960
Other Postemployment Benefits	13,000	13,000	-	13,000
Printing	32,000	32,000	13,020	18,980
Postage	25,000	25,000	11,315	13,685
Professional Services	15,000	15,000	4,661	10,339
Equipment Rental and Leases	6,200	6,200	644	5,556
Environmental Education - Schools	3,000	3,000	709	2,291
Interpretive Programs - Parks	110,000	110,000	6,220	103,780
Computer Maintenance and Supplies	11,000	11,000	16,142	(5,142)
Docent and Volunteer Programs	7,000	7,000	743	6,257
Utilities	15,000	15,000	11,332	3,668
Advertising	7,000	7,000	4,387	2,613
Miscellaneous	1,600	1,600	880	720
Supplies	5,600	5,600	433	5,167
Job Training and Education	3,200	3,200	1,326	1,874
Vehicle Maintenance and Fuel	3,500	3,500	1,677	1,823
Special Events - Outreach	3,000	3,000	1,326	1,674
Travel, Conferences, and Meetings	2,000	2,000	175	1,825
Insurance	1,500	1,500	-	1,500
VC Garden/Arboreum	5,000	5,000	585	4,415
Total Education and Outreach	769,500	769,500	472,865	296,635

See accompanying Note to Required Supplementary Information.

MONTEREY PENINSULA REGIONAL PARK DISTRICT
BUDGETARY COMPARISON SCHEDULE BY DEPARTMENT – GENERAL FUND (CONTINUED)
YEAR ENDED JUNE 30, 2021
(SEE INDEPENDENT AUDITORS' REPORT)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES (CONTINUED)				
Current (Continued):				
Assessment District:				
Palo Corona Improvements	\$ 1,602,000	\$ 1,602,000	\$ 332,528	\$ 1,269,472
Seasonal and Contract Services	325,400	325,400	129,545	195,855
Professional Services	327,100	327,100	295,980	31,120
Maintenance	585,400	585,400	51,290	534,110
Equipment	60,000	60,000	101,147	(41,147)
Trail Construction and Rehabilitation	10,000	10,000	1,832	8,168
Park Security Systems	10,000	10,000	10,755	(755)
Land acquisition/improvements	630,000	630,000	601,755	28,245
Total Assessment District	<u>3,549,900</u>	<u>3,549,900</u>	<u>1,524,832</u>	<u>2,025,068</u>
Planning and Conservation Management:				
Salaries and Wages	51,200	51,200	51,162	38
Resource Management - PCRCP	35,000	35,000	46,251	(11,251)
Employee Benefits	31,100	31,100	22,968	8,132
Other Postemployment Benefits	6,800	6,800	-	6,800
Professional Services	661,800	661,800	791,383	(129,583)
Resource Management - Marina Dunes	45,000	45,000	38,099	6,901
Total Planning and Conservation Management	<u>830,900</u>	<u>830,900</u>	<u>949,863</u>	<u>(118,963)</u>
Capital Outlay	<u>85,000</u>	<u>85,000</u>	<u>15,490</u>	<u>69,510</u>
Total Expenditures	<u>8,708,550</u>	<u>8,708,550</u>	<u>7,756,080</u>	<u>952,470</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,557,550)</u>	<u>(1,557,550)</u>	<u>(1,542,695)</u>	<u>14,855</u>
Fund Balance - Beginning of Year	<u>19,968,224</u>	<u>19,968,224</u>	<u>19,968,224</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 18,410,674</u></u>	<u><u>\$ 18,410,674</u></u>	<u><u>\$ 18,425,529</u></u>	<u><u>\$ 14,855</u></u>

See accompanying Note to Required Supplementary Information.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2021
(SEE INDEPENDENT AUDITORS' REPORT)**

NOTE 1 BUDGETS

The Board of Directors of the District legally adopts an annual budget on a basis consistent with generally accepted accounting principles. The budget may be amended by the Board of Directors throughout the year. The budget is prepared on the modified accrual basis of accounting.

Budget amounts reflect the original budget adopted by the Board of Directors and the final budget after all applicable amendments. The Board approves all budget amendments. The budget appropriations lapse at year-end.

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**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
Monterey Peninsula Regional Park District
Monterey, 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 and major fund of the Monterey Peninsula Regional Park District (the District) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated REPORT DATE.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) 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 District's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the 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*.

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 District’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 District’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CliftonLarsonAllen LLP

Irvine, California
REPORT DATE

STATISTICAL SECTION

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**MONTEREY PENINSULA REGIONAL PARK DISTRICT
DESCRIPTION OF STATISTICAL SECTION CONTENTS
JUNE 30, 2021**

This part of the District's financial statements presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information say about the government's overall financial health.

Contents:

	<u>Pages</u>
<u>Financial Trends</u> these schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	75 – 78
<u>Operating Information</u> this schedule contains service and infrastructure data to help the reader understand how the information in the District's financial statements relates to the services the District provides and the activities it performs.	79

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
NET POSITION BY COMPONENT
YEAR ENDED JUNE 30,
(LAST TEN FISCAL YEARS)
(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year Ended June 30,				
	2012	2013	2014	2015	2016
Primary Government-Governmental Activities:					
Net investment in capital assets	\$ 49,332,358	\$ 50,426,792	\$ 52,536,873	\$ 54,741,932	\$ 56,538,897
Restricted	2,385,409	2,349,824	2,306,896	2,314,109	2,329,847
Unrestricted	6,217,644	8,803,133	9,498,442	8,112,689	9,927,792
 Total Primary Government-Governmental Activities Net Position	 <u>\$ 57,935,411</u>	 <u>\$ 61,579,749</u>	 <u>\$ 64,342,211</u>	 <u>\$ 65,168,730</u>	 <u>\$ 68,796,536</u>

Source: District Finance Department

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
NET POSITION BY COMPONENT (CONTINUED)
YEAR ENDED JUNE 30,
(LAST TEN FISCAL YEARS)
(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year Ended June 30,				
	2017	2018	2019	2020	2021
Primary Government-Governmental Activities:					
Net investment in capital assets	\$ 58,179,273	\$ 71,394,277	\$ 73,211,509	\$ 74,741,202	\$ 76,390,288
Restricted	2,348,249	2,382,889	2,448,777	2,511,841	2,519,146
Unrestricted	11,459,961	10,211,894	14,192,860	15,918,349	16,002,795
 Total Primary Government-Governmental Activities Net Position	 <u>\$ 71,987,483</u>	 <u>\$ 83,989,060</u>	 <u>\$ 89,853,146</u>	 <u>\$ 93,171,392</u>	 <u>\$ 94,912,229</u>

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**MONTEREY PENINSULA REGIONAL PARK DISTRICT
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUND
YEAR ENDED JUNE 30,
(LAST TEN FISCAL YEARS)
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year Ended June 30,				
	2012	2013	2014	2015	2016
Revenues:					
Property taxes	\$ 2,865,447	\$ 3,119,076	\$ 3,197,620	\$ 3,253,592	\$ 3,548,890
Assessment district	1,020,075	1,021,218	1,095,396	1,130,794	1,164,640
Grants	1,546,420	2,116,417	1,570,788	2,050,000	1,789,255
Investment earnings	89,641	25,305	83,355	45,615	153,757
Donations fees and other charges	76,425	55,476	36,269	16,887	10,502
Rent	37,863	36,749	38,869	31,508	33,013
Other	5,930	4,186	95,126	71,036	20,742
Total revenues	<u>5,641,801</u>	<u>6,378,427</u>	<u>6,117,423</u>	<u>6,599,432</u>	<u>6,720,799</u>
Expenditures:					
Current:					
General and administrative	781,479	2,558,532	951,459	1,146,076	1,193,396
Operations and maintenance	1,000,000	917,210	924,291	786,793	851,986
Education and outreach	578,002	566,533	609,113	517,122	424,904
Assessment district	254,563	295,428	963,643	409,365	636,526
Planning and conservation management	547,523	484,503	490,366	850,247	426,779
Capital outlay	914,689	4,222,877	-	6,950,000	-
Debt service:					
Principal retirement	1,148,242	2,067,807	1,587,233	1,605,273	1,500,000
Interest and fiscal charges	91,018	55,626	15,848	2,483	-
Total expenditures	<u>5,315,516</u>	<u>11,168,516</u>	<u>5,541,953</u>	<u>12,267,359</u>	<u>5,033,591</u>
Excess (deficiency) of revenues over (under) expenditures	326,285	(4,790,089)	695,470	(5,667,927)	1,687,208
Other financing sources (uses):					
Issuance of notes	-	4,000,000	-	6,950,000	-
Net change in fund balances, before extraordinary item	326,285	(790,089)	695,470	1,282,073	1,687,208
Extraordinary loss	-	-	-	-	-
Net change in fund balances	<u>\$ 326,285</u>	<u>\$ (790,089)</u>	<u>\$ 695,470</u>	<u>\$ 1,282,073</u>	<u>\$ 1,687,208</u>

Source: District Finance Department

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
 CHANGES IN FUND BALANCES OF GOVERNMENTAL FUND (CONTINUED)
 YEAR ENDED JUNE 30,
 (LAST TEN FISCAL YEARS)
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year Ended June 30,				
	2017	2018	2019	2020	2021
Revenues:					
Property taxes	\$ 3,689,571	\$ 3,913,528	\$ 4,165,633	\$ 4,476,657	\$ 4,690,007
Assessment district	1,212,450	1,235,679	1,304,840	1,209,399	1,264,476
Grants	1,529,061	11,193,156	2,116,857	950,000	-
Investment earnings	59,066	121,457	539,850	550,082	63,032
Donations fees and other charges	7,819	806,877	4,745	4,219	1,120
Rent	31,765	63,776	109,145	133,998	91,764
Other	9,966	38,223	1,415,337	94,155	102,986
Total revenues	<u>6,539,698</u>	<u>17,372,696</u>	<u>9,656,407</u>	<u>7,418,510</u>	<u>6,213,385</u>
Expenditures:					
Current:					
General and administrative	1,348,342	1,248,363	1,600,282	1,738,600	3,603,685
Operations and maintenance	968,927	2,201,383	1,387,149	1,118,206	1,189,345
Education and outreach	456,683	475,002	488,631	489,845	472,865
Assessment district	545,467	955,804	910,829	1,251,266	1,524,832
Planning and conservation management	354,598	304,452	183,195	295,883	949,863
Capital outlay	-	10,237,985	18,995	47,135	15,490
Debt service:					
Principal retirement	1,500,000	1,500,000	1,500,000	950,200	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	<u>5,174,017</u>	<u>16,922,989</u>	<u>6,089,081</u>	<u>5,891,135</u>	<u>7,756,080</u>
Excess (deficiency) of revenues over (under) expenditures	1,365,681	449,707	3,567,326	1,527,375	(1,542,695)
Other financing sources (uses):					
Issuance of notes	-	-	-	-	-
Net change in fund balances, before extraordinary item	1,365,681	449,707	3,567,326	1,527,375	(1,542,695)
Extraordinary loss	-	-	-	-	-
Net change in fund balances	<u>\$ 1,365,681</u>	<u>\$ 449,707</u>	<u>\$ 3,567,326</u>	<u>\$ 1,527,375</u>	<u>\$ (1,542,695)</u>

**MONTEREY PENINSULA REGIONAL PARK DISTRICT
 FULL-TIME EQUIVALENT EMPLOYEES
 BY FUNCTION
 YEAR ENDED JUNE 30,
 (LAST TEN FISCAL YEARS)**

Function	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Administration	3.00	3.00	3.00	2.50	3.00	3.25	3.25	3.75	3.75	3.75
Operations and Maintenance	8.15	7.00	7.00	7.00	7.50	7.25	7.25	8.25	8.25	8.25
Environmental Education Community Outreach	4.25	4.25	4.25	3.25	2.25	2.25	2.25	4.25	4.25	4.25
Planning and Conservation	1.25	1.25	1.25	1.25	1.25	1.25	1.25	0.25	0.25	0.25
Total	<u>16.65</u>	<u>15.50</u>	<u>15.50</u>	<u>14.00</u>	<u>14.00</u>	<u>14.00</u>	<u>14.00</u>	<u>16.50</u>	<u>16.50</u>	<u>16.50</u>

Source: District Approved Operating Budgets