AGENDA ITEM NO. 9-A

MONTEREY PENINSULA REGIONAL PARK DISTRICT
BOARD REPORT

DATE: November 4, 2026
TO: Board of Directors
FROM: Angela Rodriguez, Finance Manager
REVIEWED BY: Eric Morgan, General Manager
SUBJECT: Monthly Financial Report –September 2026

SUMMARY

Attached for review are three reports: Balance Sheet Previous Year Comparison (**ATTACHMENT 1**), Budget vs. Actual Current Year **(ATTACHMENT 2**), and Budget vs. Actual Previous Year Comparison (**ATTACHMENT 3**).

FISCAL IMPACT

Not applicable

FUNDING SOURCE

Not applicable

FUNDING BALANCE

Not applicable

DISCUSSION

Balance Sheet Previous Year Comparison (ATTACHMENT 1)

The Balance Sheet report summarizes the District's financial position at a given point in time, calculating how much the District is worth by subtracting all the money the District owes (liabilities) from everything it owns (assets). The result is what the District is worth. The District operates on a July 1 through June 30 fiscal year.

Assets include items of value that the District owns, such as land, buildings, equipment, accounts receivable, grants receivable, cash, and investments.

The reader of this report should note that of the $20,148,501 reflected in the total for Checking/Savings only $20,114,690.38 can currently be used for the District's operating costs. The MPRPD-Benefit account consists of $33,810.62 of employee funds withheld from employee paychecks for supplemental insurance premiums paid for entirely by employees.

The investment accounts, which can be used for operating costs, are shown under the Other Current Assets category.

The CALTRUST Seawall Mitigation account in the amount of $2,983,617 is restricted for use in acquiring beachfront/dune property for recreational use in the southern Monterey Bay area. The District, in coordination with the California Coastal Commission, sought authorization to carry these funds for a yet to be determined period, in anticipation that a qualifying property may be identified. At the March 3, 2021 Board meeting, the Board authorized donation of these funds to the District, to be held for purchase of a qualifying property.

At the April 7, 2021 Board meeting, the District revised the General Fund (Unassigned) Reserve Policy for these funds to ensure that the District has adequate cash flow funds available to cover operating costs for a 12-month period, payment for pending land acquisitions and a contingency for emergencies and replacement needs. Because the District receives only three property tax installments throughout the fiscal year, with the first receipt occurring in December, it must keep a minimum of one (1) year of operating costs on hand, to cover operations until receipt of the first annual installment.

As of this report, which covers the period July 1, 2026 through October 30, 2026, the current unassigned fund balance target reserve levels from the June 30, 2024 unaudited financial statement unreserved fund balance are:

FY25-26 Annual Operating Budget (100%)	$24,160,700
FY23-24 Accumulated Depreciation	$3,008,487
Emergency Contingency	$1,000,000
Total Board Designated Target Reserve	**$28,169,187**

Staff continue to monitor the current target reserve and what is the appropriate level for the District. This will continue to be considered with the Finance Committee and Board for further consideration at least annually.

Assigned fund balances encompass the portion of net fund resources reflecting the District's intended use of the 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 District's Board of Directors has the authority to assign fund balance. There are currently no Assigned fund balances.

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 governmental entities, as well as restrictions imposed by law through constitutional provisions or enabling legislation.

Current (restricted) fund balance:	
Purchase of coastal property (CalTRUST Seawall Mitigation)	$2,971,129
Total Restricted fund balance	**$2,983,617**

Liabilities include accounts payable (bills we have not yet paid, including CALCard expenses), unpaid expenses that we owe, loans (notes payable), and future expenses.

The attached balance sheet compares the District's financial position as of June 30, 2026.

The "% Change" column shows the difference in dollars between the two fiscal years as of October 30,2026.

The "% Change" column shows the amount as a percentage of change over the prior year. Any variance from last fiscal year to this fiscal year, greater than 10% is footnoted with a corresponding explanation on the final page of the Balance Sheet.

Budget vs. Actual (ATTACHMENT 2)
This report shows how well the District is meeting its budget for income and expenses in the current fiscal year. It is often referred to as a Profit & Loss report in the not-for-profit and for-profit business world. For each type of income or expense, the report compares the budgeted amounts to the actual income and expenses.

The "Actual Revenue & Expenditures" column reports the amount of revenue received or the expenditures made as of the date in the column. The attached report was prepared to compare twelve (12) months of fiscal year activity against the annual budget.

The "Adopted Budget" column reflects the Board approved budget for the fiscal year which runs from July 1 to June 30 each year. There may be amendments to the budget throughout the year. These upward or downward budget adjustments are reflected in the total of this column.

The "*$* Over/Under Budget" column shows the difference in dollars between the budgeted amount and the actual amount. A negative amount means that the District is under budget for the year; a positive amount means that it is over budget.

The "% of Budget" column shows the actual amount as a percentage of the budgeted amount. Less than 100% means that the District is under budget for the year; more than 100% means that it is over budget.

Government agencies use a double entry accounting method. The Other Income/Expense Contra Accounts section at the bottom of the report reflects a prior auditor request that we use contra accounts for our journal entry adjustments to assist the auditors in their review and examination of the financial statements.

Budget vs. Actual Previous Year Comparison (ATTACHMENT 3)
This report compares the District's actual revenue and expenditures for a particular period (July through June) for the current fiscal year with that of the same period of the prior fiscal year.

The "July '26 – Oct. '26" column reflects the current fiscal year revenue and expenditures for the month of September.

The "July '25 – Oct. '25" column shows revenue and expenditures last fiscal year for the month of September.

The "$ Change" shows the difference between the two fiscal years.

The "% Change" column shows the difference between the two fiscal years as a percentage.

Any percentage of change greater than 100% is footnoted on the last page of the report. The large variances between the two years can be the result of new projects, new and unexpected events, or seasonal timing of work.

Government agencies use a double entry accounting method. The Other Income/Expense Contra Accounts section at the bottom of the report reflects a prior auditor request that we use contra accounts for our journal entry adjustments to assist the auditors in their review and examination of the financial statements. Contra accounts allow the District to retain the original value recorded on the General Ledger and track any reduction to that value for other accounting entries.

Income Accounts
Property and Community Facilities District Taxes

The Districts income consists mainly of property taxes and Community Facilities District revenue.

Interest

Interest earnings are derived from the District's Mechanics Bank Public Interest Checking and Money Market Accounts as well as LAIF, a pooled money investment account, operated by the California State Treasurer.

Dividends

Dividend earnings are derived from the District's investment accounts: CALTRUST, a joint powers authority (JPA).

The District prepares a quarterly investment report as required by Policy for the Boards review in October/November, January/February, April/May, and July/August depending on the timing of Board meetings and availability of bank statements and investment reports at staff reporting deadline.

Rent

The former Rancho Cañada Golf property in Carmel Valley has a tenant which pays monthly rent to the District, as well as a percentage of their gross revenue.

In addition, rental income comes from housing that exists on District owned land. Currently there are two out of five properties being rented. One is occupied by a District employee, and one is occupied by a member of the public. Two properties are currently unoccupied and awaiting possible repairs.

Donations

Donations are generally received from donations for maps and memorial benches.

Other Revenue

Combined into the category of Other Revenue are reimbursements, which may include items such as claims, rebates, and state mandated costs, along with revenue from partnership advertising opportunities in the LGO catalogue. When available this income is recorded in this category as well as any charges collected for Special Use Permits and utility reimbursements from tenants.

Grant Income

The District regularly pursues grant funding opportunities. These grants which have been awarded and received are recorded in this category.

It is important to note that these reports are unaudited, and the numbers are subject to and do change as the District closes its books on June 30, each fiscal year end and not on a monthly basis. In addition, these reports are due and prepared for inclusion in the Board packet prior to all activity for the month being received and recorded. Final adjusting accounting entries are made at the close of the annual audit which generally occurs in December.

RECOMMENDED ACTION

Staff respectfully recommend that the Board of Directors receive, review and file the attached financial transaction reports.

ATTACHMENTS

1. Balance Sheet Previous Year Comparison report
2. Budget vs. Actual report
3. Budget vs. Actual Previous Year Comparison report