

**MONTEREY PENINSULA REGIONAL PARK DISTRICT**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEAR ENDED JUNE 30, 2024**



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**MONTEREY PENINSULA REGIONAL PARK DISTRICT  
BOARD OF DIRECTORS  
YEAR ENDED JUNE 30, 2024**

<u>NAME</u>	<u>OFFICE</u>	<u>TERM EXPIRES</u>
Kevin Raskoff	President	December 31, 2026
Shane Anderson	Vice President	December 31, 2024
Monta Potter	Secretary/Treasurer	December 31, 2026
Kathleen Lee	Director	December 31, 2026
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 Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the governmental activities and the major fund of the Monterey Peninsula Regional Park District (the District), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the District, as of June 30, 2024, 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.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Monterey Peninsula Regional Park District and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Monterey Peninsula Regional Park District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Monterey Peninsula Regional Park District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Monterey Peninsula Regional Park District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

**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 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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 our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the listing of the Board of Directors and the statistical section but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2024, 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  
December 23, 2024

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**MONTEREY PENINSULA REGIONAL PARK DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2024**

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 2023-24 which ended June 30, 2024. 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 \$3,239,414 for the year ended June 30, 2024. Since the District engages only in governmental-type activities, the increase is fully represented in the category of "governmental activities" net position. Net position was \$105,462,744 as of June 30, 2024, and \$102,223,330 as of June 30, 2023.
- The District's total general revenues were \$8,149,288, with program revenues of \$463,894, and expenses were \$5,373,768 for the Fiscal Year 2023-24.

**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 basic 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; and Notes to Basic Financial Statements. 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.

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. Amounts are reported using the economic resources measurement focus and the accrual basis of accounting. Net position is reported in major categories reflecting any restriction thereon.

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

**MONTEREY PENINSULA REGIONAL PARK DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
YEAR ENDED JUNE 30, 2024**

**COMPARATIVE ANALYSIS**

**Statement of Net Position**

A comparative summary of the District's Statement of Net Position as of June 30, 2024 and 2023, respectively, is as follows:

	2024	2023
<b>ASSETS</b>		
Cash and Investments	\$ 25,955,197	\$ 21,963,123
Restricted Cash and Investments	76,899	71,554
Other receivables	315,982	527,163
Prepaid items	-	18,348
Lease receivable	3,318,851	3,388,888
Net pension asset	77,770	12,514
Net OPEB asset	463,423	290,135
Capital assets	79,994,723	79,724,094
Total assets	110,202,845	105,995,819
<b>DEFERRED OUTFLOWS</b>		
Deferred amounts on pensions	1,056,181	1,476,358
Deferred amounts on OPEB	447,234	466,090
Total deferred outflows	1,503,415	1,942,448
<b>LIABILITIES</b>		
Current	1,708,002	1,373,341
Current portion of long-term liabilities	100,386	106,042
Long-term liabilities	47,998	65,278
Net pension liability	611,582	338,434
Total liabilities	2,467,968	1,883,095
<b>DEFERRED INFLOWS</b>		
Deferred amounts on pensions	128,477	4,552
Deferred amounts on OPEB	579,192	584,104
Deferred amounts on lease	3,067,879	3,243,186
Total deferred inflows	3,775,548	3,831,842
<b>NET POSITION</b>		
Net investment in capital assets	79,666,169	79,490,009
Restricted for:		
Purchase of coastal property	2,721,970	2,584,337
Retirement benefits	618,092	374,203
Unrestricted	22,456,513	19,774,781
Total net position	\$105,462,744	\$102,223,330

**MAJOR FACTORS AFFECTING THE STATEMENT OF NET POSITION**

Net position increased by \$3,239,414 over the prior year primarily from property tax, CFD revenues received, rent revenue, and grants, which were used to improve capital assets.

**CAPITAL ASSETS**

As of June 30, 2024, the District's capital assets totaled \$79,994,723 which is an increase of \$270,629, over the capital asset balance at June 30, 2023, of \$79,724,094. The change is primarily due to the acquisition of a EECO mobile office, equipment, and other land improvements.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
YEAR ENDED JUNE 30, 2024**

**LONG-TERM LIABILITIES**

As of June 30, 2024, the District had \$759,966 in long-term liabilities compared to \$509,754 at June 30, 2023. The increase is primarily due to pension liabilities.

**Statement of Activities**

A comparative summary of the District's Statement of Activities for the years ended June 30, 2024 and 2023, respectively, is as follows:

	2024	2023
<b>GENERAL REVENUES</b>		
Property taxes	\$5,604,479	\$5,261,879
Special taxes and assessments	1,372,972	1,327,760
Investment earnings (loss)	1,171,837	452,556
Total general revenues	8,149,288	7,042,195
<b>PROGRAM REVENUES</b>		
Charges for services	371,860	365,617
Operating contributions and grants	92,034	10,139
Capital contributions and grants	-	520,000
Total program revenues	463,894	895,756
<b>EXPENSES</b>		
General and administrative	1,992,982	2,266,022
Operations and maintenance	2,207,842	2,935,058
Education and outreach	813,425	998,907
Planning and conservation management	359,519	555,039
Total expenses	5,373,768	6,755,026
Change in net position	\$3,239,414	\$1,182,925

**MAJOR FACTORS AFFECTING THE STATEMENT OF ACTIVITIES**

The District collected property taxes of \$5,604,479; special tax and assessment revenues of \$1,372,972; program revenue of \$463,894, and investment income of \$1,171,837; and incurred expenses of \$5,373,768 that resulted in changes in net position of \$3,239,414 for the year ended June 30, 2024.

Of particular note is the change in investment earnings (loss) that resulted from the improved market conditions and higher interest rates on investments that were in existence as of June 30, 2024. The District recognized investment earnings of \$1,171,837 in Fiscal Year 2023-24 as compared to the \$452,556 in the prior year.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
YEAR ENDED JUNE 30, 2024**

**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 the final budget and actual results were as follows:

Revenue Source	Estimated revenues	Actual Revenues	Variance
Property Taxes	\$ 5,003,700	\$ 5,604,479	\$ 600,779
Grants	\$ 549,800	\$ 74,704	\$ (475,096)
Investment Earnings	\$ 160,000	\$ 1,171,837	\$ 1,101,837

  

Expenditure Function	Appropriations	Actual Expenditures	Variance
Operations and Maintenance	\$ 3,696,847	\$ 1,812,401	\$ 1,884,446
Planning and Conservation	\$ 772,300	\$ 316,312	\$ 455,988
Capital Outlay	\$ 1,718,553	\$ 570,400	\$ 1,148,153

The variances in the revenue sources were due to economic conditions, increased interest and dividend earnings and reimbursable grant revenues not received due to inability to complete the work within the fiscal year.

The variances in the expenditure functions were the result of delays in capital project implementation, equipment acquisitions, eucalyptus removal at Garland Ranch, Carmel River Floodplain restoration projects and additional staff hiring.

**FACTORS AFFECTING FUTURE PERIODS AND OTHER ISSUES**

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

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 2024 and Spring/Summer 2025. 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 April of 2025. 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 Coronal 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, 2024**

**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, and has initiated a review and update to the Plan to guide the next five years. The updated plan is expected to be completed by early 2025.

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 will work with the Community Foundation of Monterey County to award transportation funds to applicants through the MPRPD Transportation Grant Special Purpose funds.

In addition, the District will work with the Community Foundation of Monterey County and the newly established LGO! Fund, for charitable donations that will help fund important District and community goals.

The District continues to fund other postemployment health care benefits (OPEB) for its retirees through the California Employer's Retiree Benefit Trust (Trust) prefunding program. Liabilities are 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.

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. The District has been awarded \$35 million dollars to undertake the Carmel River floodplain restoration project spanning a one-mile section of the Carmel River. Work on this historic project is expected to begin in the summer of 2025 and continue for up to three years.

**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.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2024**

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash and Investments	\$ 25,955,197
Restricted Cash and Investments	76,899
Receivables:	
Property and Special Taxes	279,062
Lease Receivable	3,318,851
Other	36,920
Net Pension Asset	77,770
Net OPEB Asset	463,423
Capital Assets, Not Being Depreciated	71,235,237
Capital Assets, Net of Depreciation	<u>8,759,486</u>
Total Assets	<u>110,202,845</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred Amounts on Pensions	1,056,181
Deferred Amounts on OPEB	<u>447,234</u>
Total Deferred Outflows of Resources	<u>1,503,415</u>
<b>LIABILITIES</b>	
Accounts Payable	351,546
Accrued Payroll	224,581
Retentions Payable	133,919
Security Deposits	26,500
Unearned Revenue	971,456
Compensated Absences, Due Within One Year	100,386
Compensated Absences, Due in More Than One Year	47,998
Net Pension Liability	<u>611,582</u>
Total Liabilities	<u>2,467,968</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred Amounts on Pensions	128,477
Deferred Amounts on OPEB	579,192
Deferred Amounts on Lease	<u>3,067,879</u>
Total Deferred Inflows of Resources	<u>3,775,548</u>
<b>NET POSITION</b>	
Net Investment in Capital Assets	79,666,169
Restricted for Purchase of Coastal Property	2,721,970
Restricted for Retirement Benefits	618,092
Unrestricted	<u>22,456,513</u>
Total Net Position	<u>\$ 105,462,744</u>

See accompanying Notes to Basic Financial Statements.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2024**

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
<b>GOVERNMENTAL ACTIVITIES</b>					
General and Administrative	\$ 1,992,982	\$ 371,860	\$ 17,330	\$ -	\$ (1,603,792)
Operations and Maintenance	2,207,842	-	74,704	-	(2,133,138)
Education and Outreach	813,425	-	-	-	(813,425)
Planning and Conservation	359,519	-	-	-	(359,519)
Total Governmental Activities	<u>\$ 5,373,768</u>	<u>\$ 371,860</u>	<u>\$ 92,034</u>	<u>\$ -</u>	(4,909,874)
<b>GENERAL REVENUES</b>					
Property Taxes					5,604,479
Special Taxes and Assessments					1,372,972
Investment Earnings					1,171,837
Total General Revenues					<u>8,149,288</u>
<b>CHANGE IN NET POSITION</b>					
					3,239,414
Net Position - Beginning of Year					<u>102,223,330</u>
<b>NET POSITION - END OF YEAR</b>					<u>\$ 105,462,744</u>

See accompanying Notes to Basic Financial Statements.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT  
BALANCE SHEET – GOVERNMENTAL FUND  
JUNE 30, 2024**

	General Fund
<b>ASSETS</b>	
Cash and Investments	\$ 25,955,197
Restricted Cash and Investments	76,899
Receivables:	
Lease	3,318,851
Property Taxes Receivable	279,062
Administrative Fee	7,749
Interest	1,345
Other	27,826
Total Assets	\$ 29,666,929
<b>LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCE</b>	
<b>LIABILITIES</b>	
Accounts Payable	\$ 351,546
Accrued Payroll	224,581
Retentions Payable	133,919
Security Deposits	26,500
Unearned Revenue	971,456
Total Liabilities	1,708,002
<b>DEFERRED INFLOW OF RESOURCES</b>	
Deferred Inflow Related to Leases	3,067,879
<b>FUND BALANCE</b>	
Nonspendable	250,972
Restricted:	
Retirement Benefits	76,899
Purchase of Coastal Property	2,721,970
Unassigned	21,841,207
Total Fund Balance	24,891,048
Total Liabilities, Deferred Inflow of Resources, and Fund Balance	\$ 29,666,929

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, 2024**

Fund Balances - Total Governmental Fund \$ 24,891,048

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. 79,994,723

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	(148,384)
Net Pension Liability	(611,582)

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	77,770
Net OPEB Asset	463,423

Items related to pensions and OPEB:

Deferred Outflows Related to Pensions	1,056,181
Deferred Outflows Related to OPEB	447,234
Deferred Inflows Related to Pensions	(128,477)
Deferred Inflows to OPEB	(579,192)
	(579,192)

Net Position of Governmental Activities \$ 105,462,744

**MONTEREY PENINSULA REGIONAL PARK DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE – GOVERNMENTAL FUND  
YEAR ENDED JUNE 30, 2024**

	<u>General Fund</u>
<b>REVENUES</b>	
Property Taxes	\$ 5,604,479
Special Taxes and Assessments	1,372,972
Grants	74,704
Investment Earnings	1,171,837
Donations, Fees, and Other Charges	6,706
Rent	253,909
Other Revenue	128,575
Total Revenues	<u>8,613,182</u>
<b>EXPENDITURES</b>	
Current:	
General and Administrative	1,683,488
Operations and Maintenance:	
CFD	618,111
Other	1,194,290
Total Operations and Maintenance:	<u>1,812,401</u>
Education and Outreach	692,082
Planning and Conservation Management	316,312
Capital Outlay:	
CFD	324,989
Other	245,411
Total Capital Outlay	<u>570,400</u>
Total Expenditures	<u>5,074,683</u>
<b>NET CHANGE IN FUND BALANCE</b>	3,538,499
Fund Balance - Beginning of Year	<u>21,352,549</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ 24,891,048</u></u>

See accompanying Notes to Basic Financial Statements.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – GOVERNMENTAL FUND TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2024**

Net Change in Fund Balance - Total Governmental Fund \$ 3,538,499

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	570,400
Depreciation	(299,771)

Changes to the net pension asset and liability (due to differences in actual activity as compared to actuarial assumptions) are reported as expenses in the statement of activities but do not require the use of current financial resources and, therefore, are excluded from governmental fund expenditures. (751,994)

Changes to the net OPEB liability/asset (due to differences in actual activity as compared to actuarial assumptions) are reported as expenses in the statement of activities but do not require the use of current financial resources and, therefore, are excluded from governmental fund expenditures. 159,344

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. 22,936

Change in Net Position of Governmental Activities \$ 3,239,414

**MONTEREY PENINSULA REGIONAL PARK DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**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. 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, 2024**

**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.

**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 and special 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, 2024**

**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, special taxes and 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. 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.

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 to 10 Years

Land and construction in progress are not depreciated.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**F. Leases**

The District is a lessor for a noncancellable lease of land and building. The District recognizes a lease receivable and a deferred inflow of resources in the statement of net position and in the governmental fund balance sheet. At the commencement of a lease, the District initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the District determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) the lease term, and (3) the lease receipts.

The District monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

**G. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The categories of deferred outflows of resources reported in the statement of net position relate to pensions and other postemployment benefits which are more fully discussed in Notes 6, 7, and 9.

In addition to liabilities, the statement of net position and the governmental fund balance sheet include a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until then. The categories of deferred outflows of resources reported in the statement of net position related to pensions and other postemployment benefits are more fully discussed in Notes 6, 7, and 9. The statement of net position and governmental fund balance sheet also report a deferred inflow of resources related to leases which is more fully discussed in Note 1F.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**H. 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.

**I. 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.

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, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**J. 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).

**K. 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.

**L. 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, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**L. 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 positive remaining balances in the general fund.

**M. 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

**N. 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.

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.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**O. 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.

**NOTE 2 CASH AND INVESTMENTS**

**A. Cash and Investments**

Cash and investments are reported in the financial statements, as follows:

Cash and Investments	\$ 25,955,197
Restricted Cash and Investments	76,899
Total Cash and Investments	\$ 26,032,096

Cash and investments consist of deposits and investments, as follows:

Deposits with Financial Institutions	\$ 7,840,896
Investments	18,191,200
Total Cash and Investments	\$ 26,032,096

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

**B. 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.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 2 CASH AND INVESTMENTS (CONTINUED)**

**B. Investments Authorized by the California Government Code and the District's Investment Policy (Continued)**

<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

**C. 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, 2024.

<u>Investment Type</u>	<u>Remaining Maturity (in Months)</u> <u>Less Than 12 Months</u>
CalTRUST Investment Pool	\$ 17,995,523
LAIF	118,778
California Employers' Pension Prefunding Trust *	76,899
Total	<u>\$ 18,191,200</u>

\*Disclosures related to investments in CalPERS' California Employers' Pension Prefunding Trust such as interest rate risk, credit risk, and fair value, are available online.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 2 CASH AND INVESTMENTS (CONTINUED)**

**D. 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, 2024, for each investment type.

Investment Type	Minimum	Total	Not	Aaf	AA-f
	Legal Rating		Rated		
CalTRUST Investment Pool	N/A	\$ 17,995,523	\$ -	\$ 2,721,970	\$ 15,273,553
LAIF	N/A	118,778	118,778	-	-
California Employers' Pension Prefunding Trust *	N/A	76,899	76,899	-	-
Total		<u>\$ 18,191,200</u>	<u>\$ 195,677</u>	<u>\$ 2,721,970</u>	<u>\$ 15,273,553</u>

**E. 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.

**F. 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, 2024, all of the District's deposits with financial institutions were either covered by federal depository insurance limits or were held in collateralized accounts.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 2 CASH AND INVESTMENTS (CONTINUED)**

**G. 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.

**H. 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.

**I. 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 CalTRUST,, LAIF and the California Employers' Pension Prefunding Trust which are not subject to the fair value hierarchy.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 3 LEASE RECEIVABLE**

The District, acting as lessor, leases land, building and structures under a long-term, noncancellable lease agreement. The lease expires December 31, 2031 with lessee having the option to extend the terms for two consecutive extension terms of five years each. During the year ended June 30, 2024, the District recognized \$238,768 (\$175,307 base and \$60,541 variable) in lease revenue and \$76,630 in interest revenue pursuant to this lease agreement.

The lease provides for increases in future minimum annual rent payments, subject to certain minimum increases.

**NOTE 4 CAPITAL ASSETS**

The following is a summary of capital assets for governmental activities for the year ended June 30, 2024:

Governmental Activities

	<u>Balance at July 1, 2023</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at June 30, 2024</u>
Capital Assets, Not Depreciated:				
Land and Improvements	\$ 66,851,245	\$ -	\$ -	\$ 66,851,245
Construction in Progress	<u>4,000,438</u>	<u>478,731</u>	<u>(95,177)</u>	<u>4,383,992</u>
Total Capital Assets, Not Depreciated	70,851,683	478,731	(95,177)	71,235,237
Capital Assets, Being Depreciated:				
Buildings and Improvements	9,973,581	137,759	-	10,111,340
Equipment	<u>1,395,091</u>	<u>49,087</u>	<u>(23,697)</u>	<u>1,420,481</u>
Total Capital Assets, Being Depreciated	11,368,672	186,846	(23,697)	11,531,821
Less Accumulated Depreciation for:				
Buildings and Improvements	(1,513,218)	(200,527)	-	(1,713,745)
Equipment	<u>(983,043)</u>	<u>(99,244)</u>	<u>23,697</u>	<u>(1,058,590)</u>
Total Accumulated Depreciation	<u>(2,496,261)</u>	<u>(299,771)</u>	<u>23,697</u>	<u>(2,772,335)</u>
Total Capital Assets, Being Depreciated, Net	<u>8,872,411</u>	<u>(112,925)</u>	<u>-</u>	<u>8,759,486</u>
Capital Assets, Net	<u>\$ 79,724,094</u>	<u>\$ 365,806</u>	<u>\$ (95,177)</u>	<u>\$ 79,994,723</u>

**MONTEREY PENINSULA REGIONAL PARK DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 4 CAPITAL ASSETS (CONTINUED)**

Governmental Activities (Continued)

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

General and Administrative	\$	87,842	
Operations Maintenance		211,929	
Total Depreciation Expense - Governmental Activities		299,771	

**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, 2024:

	Balance at July 1, 2023	Additions	Deletions	Balance at June 30, 2024	Due Within One Year
Governmental Activities:					
Compensated Absences	\$ 171,320	\$ 100,386	\$ (123,322)	\$ 148,384	\$ 100,386
Total Governmental Activities	\$ 171,320	\$ 100,386	\$ (123,322)	\$ 148,384	\$ 100,386

**A. Compensated Absences**

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

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

**A. General Information About the Pension Plan**

Plan Description

All qualified permanent and probationary employees are eligible to participate in the District's Miscellaneous Employee Pension Plan, a cost-sharing, multiple-employer, defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plan are established by state statute and District resolution. CalPERS issues publicly available reports that include a full description of the pension plan 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, 2024**

**NOTE 6 PENSION PLAN – 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 nonduty 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 Plan’s provisions and benefits in effect for the year ended June 30, 2024, are summarized as follows:

	<u>Hire Date</u>	<u>Miscellaneous</u>	
		<u>Prior to January 1, 2013</u>	<u>On or After January 1, 2013</u>
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 Percent of Eligible Compensation		2.0% to 2.7%	1.0% to 2.5%
Required Employee Contribution Rates		8.00%	8.00%
Required Employer Contribution Rates:			
Normal Cost Rate		16.63%	7.91%
Payment of Unfunded Liability		\$ -	\$ -

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, 2024, the District made contributions to the plan totaling \$215,716.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

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

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

As of June 30, 2024, the District reported a net pension liability for its proportionate shares of the net pension liability of the Plan as follows:

	Proportionate Share of Net Pension Liability
Miscellaneous	\$ 611,582

The District’s net pension liability is measured as the proportionate share of the net pension liability. The net pension liability is measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022 rolled forward to June 30, 2023 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 plan 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, 2022 and 2023 was as follows:

	Miscellaneous
Proportion - June 30, 2022	0.00723%
Proportion - June 30, 2023	0.01223%
Change - Increase (Decrease)	0.00500%

For the year ended June 30, 2024, the District recognized pension expense of \$991,036. At June 30, 2024, 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	\$ 215,716	\$ -
Differences Between Expected and Actual Experience	31,243	4,846
Change in Assumptions	36,924	-
Change in Employer’s Proportion and Differences Between the Employer’s Contributions and the Employer’s Proportionate Share of Contributions	673,276	113,591
Net Differences Between Projected and Actual Earnings on Plan Investments	99,022	-
Total	\$ 1,056,181	\$ 118,437

**MONTEREY PENINSULA REGIONAL PARK DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

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

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

\$215,716 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as an addition to the net pension liability in the year ending June 30, 2025. 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>
2025	\$ 435,513
2026	241,360
2027	42,312
2028	2,843
2029	-
Thereafter	-
Total	<u>\$ 722,028</u>

Actuarial Assumptions

For the measurement period ended June 30, 2023, the total pension liability was determined by rolling forward the June 30, 2022 total pension liability based on the following actuarial methods and assumptions:

	<u>Miscellaneous</u>
Valuation Date	June 30, 2022
Measurement Date	June 30, 2023
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Salary Increases	(1)
Mortality Rate Table	(2)
Post-Retirement Benefit Increase	(3)

(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 2021 CalPERS Experience Study for the period from 2001 to 2019. Pre-retirement and Post-retirement mortality rates includes generational mortality improvement using 80% of Scale MP-2020 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 November 2021, that can be found on the CalPERS website.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

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

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

Actuarial Assumptions (Continued)

(3) The less of contract COLA or 2.30% until Purchasing Power Protection Allowance Floor on purchasing power applies, 2.30% thereafter.

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.

In determining the long term expected rate of return, CalPERS took into account both short-term and long-term market return expectations. Using historical returns of all the funds’ asset classes, expected compound (geometric) returns were calculated over the next 20 years using a building block approach. The expected rate of return was then adjusted to account for assumed administrative expenses of 10 Basis points.

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

<u>Asset Class (1)</u>	<u>Assumed Asset Allocation</u>	<u>Real Return (1), (2)</u>
Global Equity - Cap-Weighted	30.00%	4.54%
Global Equity - Non-Cap-Weighted	12.00%	3.84%
Private Equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-backed Securities	5.00%	0.50%
Investment Grade Corporates	10.00%	1.56%
High Yield	5.00%	2.27%
Emerging Market Debt	5.00%	2.48%
Private Debt	5.00%	3.57%
Real Assets	15.00%	3.21%
Leverage	-5.00%	-0.59%
Total	100.00%	

(1) An expected inflation of 2.3% used for this period.

(2) Figures based on the 2021 Asset Liability Management study.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

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

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

Discount Rate

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan’s 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.

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:

	<u>Miscellaneous</u>
1% Decrease	5.90%
Net Pension Liability	\$ 2,304,231
Current Discount Rate	6.90%
Net Pension Liability	\$ 611,582
1% Increase	7.90%
Net Pension Liability (Asset)	\$ (781,614)

Pension Plans Fiduciary Net Position

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

**C. Payable to the Pension Plans**

At June 30, 2024, the District had no outstanding amount of contributions to the pension plans required for the year ended June 30, 2024.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**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 governmental defined benefit plan and qualified governmental excess benefit program through the agent, multiple-employer, California defined benefit pension plan program offered and administered for the District by Public Agency Retirement Service (PARS). 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, 2024, the District’s contributed \$20,600.

Employees Covered

At June 30, 2024, the following employees were covered by the benefit terms for each Plan:

	<u>Miscellaneous</u>
Inactive Employees or Beneficiaries Currently Receiving Benefits	6
Inactive Employees Entitled to But Not Yet Receiving Benefits	-
Active Employees	2
Total	8

**MONTEREY PENINSULA REGIONAL PARK DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

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

**B. Net Pension Liability (Asset)**

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, 2024, using an annual actuarial valuation as of January 31, 2024 rolled forward to June 30, 2024 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, 2024 actuarial valuation was determined using the following actuarial assumptions:

	<u>Miscellaneous</u>
Valuation Date	January 31, 2024
Measurement Date	June 30, 2024
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, 2024	1.9 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 after 6/30/21
Mortality	Consistent with Non-Industrial rates used to value the Miscellaneous CalPERS Pension Plans after June 30, 2021.
Retirement	Participants are assumed to retire at age 59, or current age, if older.

Change of Assumptions

In the January 31, 2024 valuation, there were no changes of assumptions.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

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

**B. Net Pension Liability (Asset) (Continued)**

Discount Rate

The discount rate used to measure the total pension liability was 6.5%. The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. 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 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, 2024.

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	Estimated Allocation	Long-Term Expected Arithmetic Real Rate of Return	Long-Term Expected Geometric Real Rate of Return
U.S. Cash	Bank of America Merrill Lynch 3-Month T-Bills	2.94%	0.94%	91.00%
U.S. Core Fixed Income	Bloomberg Barclays Aggregate	36.26	2.52	2.36
U.S. Broad Equity Market	Russell 3000 TR	46.98	5.52	3.82
Foreign Developed Equity	MSCI EAFE NR	7.62	6.92	5.12
Emerging Markets Equity	MSCI EM NR	4.14	9.34	6.21
U.S. REITs	FTSE Nareit All Equity REIT	2.06	6.91	4.72
Assumed Inflation - Mean			2.31	2.30
Assumed Inflation - Standard Deviation			1.45	1.45
Portfolio Real Mean Return			4.59	3.91
Portfolio Nominal Mean Return			6.89	6.33
Portfolio Standard Deviation				11.22
Long-Term Expected Rate of Return				6.50

**MONTEREY PENINSULA REGIONAL PARK DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**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, 2023	\$ 654,414	\$ 666,928	\$ (12,514)
Changes in the Year:			
Service Cost	-	-	-
Interest on the Total Pension Liability Assumptions	41,021	-	41,021
Differences Between Expected and Actual Experience	-	-	-
Changes of Assumptions	(2,172)	-	(2,172)
Benefit Payments, Including Refunds of Employee Contributions	(47,388)	(47,388)	-
Contributions - Employer	-	20,600	(20,600)
Net Investment Income (Loss)	-	87,472	(87,472)
Administrative Expenses	-	(3,967)	3,967
Net Changes	<u>(8,539)</u>	<u>56,717</u>	<u>(65,256)</u>
Balance at June 30, 2024	<u>\$ 645,875</u>	<u>\$ 723,645</u>	<u>\$ (77,770)</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 (asset) 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 Net Pension Liability (Asset)	5.50% \$ (17,399)
Current Discount Rate Net Pension Liability (Asset)	6.50% \$ (77,770)
1% Increase Net Pension Liability (Asset)	7.50% \$ (129,639)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position as of June 30, 2024 is not publicly available.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**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, 2024, the District recognized pension income of \$(2,723). At June 30, 2024, 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	\$ -	\$ 10,040
Total	\$ -	\$ 10,040

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
2025	\$ (7,451)
2026	18,481
2027	(12,006)
2028	(9,064)
2029	-
Thereafter	-
Total	\$ (10,040)

**E. Payable to the Pension Plan**

At June 30, 2024, the District had no outstanding amount of contributions to the pension plan required for the year ended June 30, 2024.

**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.

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, 2024**

**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 per month 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 net OPEB liability (asset) under GASB Statement 75.

Employees Covered

As of June 30, 2023; the most recent valuation date, the following current and former employees were covered by the benefit terms under the plan:

Retired Former Employees and Surviving Spouses	7
Active Employees	15
Total	<u>22</u>

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, 2024, the District's contributions to the OPEB plan totaled \$107,953 (\$95,189 in benefit payments and an implied subsidy of \$12,764).

**MONTEREY PENINSULA REGIONAL PARK DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 9 OTHER POSTEMPLOYMENT BENEFIT OBLIGATION (CONTINUED)**

**B. Net OPEB Liability (Asset)**

The District's net OPEB liability (asset) was measured as of June 30, 2023 and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation dated June 30, 2023. A summary of the principal assumptions and methods used to determine the total OPEB liability is shown below.

Actuarial Assumptions

The total OPEB liability at June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	June 30, 2023
Measurement Date	June 30, 2023
Actuarial Cost Method	Entry-Age Normal
Actuarial Assumptions:	
Discount Rate	6.00%
Long-Term Expected Rate of Return on Investments	6.00%
General Inflation	2.75%
Payroll Increases	2.75%
Healthcare Trend	Increase 4% Per Year
Mortality Factors	2021 CalPERS Valuation
Retirement Factors	2021 CalPERS Pension valuation for "public agency miscellaneous 2.7% at 55"

Change in Assumptions

The discount rate/long-term expected rate of return on investments was lowered from 6.5% to 6.0%

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, 2024**

**NOTE 9 OTHER POSTEMPLOYMENT BENEFIT OBLIGATION (CONTINUED)**

**B. Net OPEB Liability (Asset) (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, 2023, measurement period, are summarized in the following table:

Asset Class	Target Allocation	Real Return Next 10 Years
CERBT Trust:		
Public Equity	49.00%	5.25%
Fixed Income	23.00	0.99
Inflation Assets	5.00	0.45
REITS	20.00	4.50
Commodities	3.00	3.90
Total	100.00%	

Discount Rate

The discount rate used to measure the total OPEB liability was 6.00%. 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, 6.00%.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 9 OTHER POSTEMPLOYMENT BENEFIT OBLIGATION (CONTINUED)**

**C. Changes in the Net OPEB Liability (Asset)**

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability (Asset)
Balance at June 30, 2022 (Measurement Date)	\$ 2,547,613	\$ 2,837,748	\$ (290,135)
Changes in the Year:			
Service Cost	34,628	-	34,628
Interest on the Total OPEB Liability	150,044	-	150,044
Differences Between Expected and Actual Experience	(127,448)	-	(127,448)
Changes in Assumptions	44,759	-	44,759
Contributions - Employer	-	93,774	(93,774)
Net Investment Income	-	182,322	(182,322)
Benefit Payments	(93,774)	(93,774)	-
Administrative Expenses	-	(825)	825
Net Changes	<u>8,209</u>	<u>181,497</u>	<u>(173,288)</u>
Balance at June 30, 2023 (Measurement Date)	<u>\$ 2,555,822</u>	<u>\$ 3,019,245</u>	<u>\$ (463,423)</u>

Change of Benefit Terms

There were no changes of benefit terms.

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

The following presents the net OPEB liability (asset) 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 or one percentage point higher than the current discount rate:

	One Percent Decrease (5.0%)	Discount Rate (6.0%)	One Percent Increase (7.0%)
Net OPEB Liability (Asset)	<u>\$ (90,840)</u>	<u>\$ (463,423)</u>	<u>\$ (766,510)</u>

**MONTEREY PENINSULA REGIONAL PARK DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 9 OTHER POSTEMPLOYMENT BENEFIT OBLIGATION (CONTINUED)**

**C. Changes in the Net OPEB Liability (Asset) (Continued)**

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

The following presents the net OPEB liability (asset) of the District, as well as what the District's net OPEB liability (asset) 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:

	One Percent Decrease 3.0%	Current Healthcare Cost Trend Rates 4.0%	One Percent Increase 5.0%
Net OPEB Liability (Asset)	\$ (696,869)	\$ (463,423)	\$ (264,236)

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

For the year ended June 30, 2024, the District recognized OPEB expense (income) of \$(51,391). At June 30, 2024, 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	\$ 107,953	\$ -
Differences Between Actual and Expected Experience	-	572,536
Change in Assumptions	154,359	6,656
Net Differences Between Projected and Actual Earnings	184,922	-
Total	\$ 447,234	\$ 579,192

\$107,953 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 (asset) in the year ending June 30, 2025. 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>
2025	\$ (67,646)
2026	(82,754)
2027	27,906
2028	(105,695)
2029	6,894
Thereafter	(18,616)
Total	\$ (239,911)

**MONTEREY PENINSULA REGIONAL PARK DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 9 OTHER POSTEMPLOYMENT BENEFIT OBLIGATION (CONTINUED)**

**E. Payable to the OPEB Plan**

At June 30, 2024, the District had no outstanding amount of contributions to the OPEB plan required for the year ended June 30, 2024.

**NOTE 10 RISK MANAGEMENT**

**A. 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 126 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.

**B. Self-Insurance Programs of the Insurance Authority**

Each member pays an annual contribution at the beginning of the coverage period. The total funding requirement for primary 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, 2024**

**NOTE 10 RISK MANAGEMENT (CONTINUED)**

**B. 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/>.

Primary 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 2023-24, 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.

**C. 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 \$17,130,282. There is a \$10,000 deductible per occurrence except for nonemergency vehicle insurance which has a \$2,500 deductible.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 10 RISK MANAGEMENT (CONTINUED)**

**D. 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 2023-24.

**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 10 years of the final fee being deposited into the District account.

As the 10-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/NET POSITION RESTRICTIONS**

As of June 30, 2024, the District had restricted fund balance/net position of \$2,721,970, which pertains to the Seawall Mitigation fees discussed in Note 11.

The District also reports a restricted fund balance for retirement benefits of \$76,899 pertaining to its investment in the California Employers' Pension Prefunding Trust.

In addition the District reports a restricted net position for retirement benefits of \$618,092 on the statement of net position that pertains to its net PARS pension asset (\$77,770), net OPEB asset (\$463,423), and investment in the California Employers' Pension Prefunding Trust (\$76,899).

**MONTEREY PENINSULA REGIONAL PARK DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 13 BOARD DESIGNATION OF (UNASSIGNED) GENERAL FUND BALANCE**

As of June 30, 2024, the District had unassigned fund balance of \$21,841,207. 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%)	\$ 9,609,900
Accumulated Depreciation (100%)	2,772,337
Emergency Contingency	<u>1,000,000</u>
Total Board-Designated Reserve	<u>\$ 13,382,237</u>

**REQUIRED SUPPLEMENTARY INFORMATION**

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

Fiscal Year Ended	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>
Measurement Period	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>
Plan's Proportion of the Net Pension Liability (Asset)	0.01223%	0.00723%	0.08935%	0.05855%	0.06907%
Plan's Proportionate Share of the Net Pension Liability (Asset)	\$ 611,582	\$ 338,434	\$ (1,696,564)	\$ 2,469,890	\$ 2,766,108
Plan's Covered Payroll	\$ 1,601,773	\$ 1,450,191	\$ 1,363,054	\$ 1,317,299	\$ 1,287,720
Plan's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	38.18%	23.34%	-124.47%	187.50%	214.81%
Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability (Asset)	95.11%	97.14%	114.22%	78.15%	75.26%
Plan's Proportionate Share of Aggregate Employer Contributions	\$ 494,861	\$ 595,278	\$ 535,830	\$ 394,663	\$ 327,805

Notes to Schedule:

Benefit Changes:

There were no changes in benefits.

Changes in Assumptions:

Fiscal year 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.

Fiscal year June 30, 2017: There were no changes in assumptions.

Fiscal year June 30, 2018: the discount rate was reduced from 7.65% to 7.15%.

Fiscal year 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.

Fiscal years June 30, 2019, 2020, 2021, and 2022: There were no changes in assumptions.

Fiscal year June 30, 2023:

Mortality rates and other assumptions were changed in accordance with the CalPERS Experience Study and Review of Actuarial Assumptions November 2021. Discount rate changed from 7.15% to 6.90% and inflation rate changed from 2.50% to 2.30%.

Fiscal year June 30, 2024: There were no changes in assumptions.

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

Fiscal Year Ended	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Measurement Period	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>	<u>June 30, 2014</u>
Plan's Proportion of the Net Pension Liability	0.07875%	0.07842%	0.07966%	0.08532%	0.07984%
Plan's Proportionate Share of the Net Pension Liability (Asset)	\$ 2,967,787	\$ 3,091,498	\$ 2,767,371	\$ 2,340,633	\$ 1,973,232
Plan's Covered Payroll	\$ 1,276,980	\$ 1,318,917	\$ 1,201,877	\$ 1,018,700	\$ 989,029
Plan's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	232.41%	234.40%	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 (Asset)	75.26%	73.31%	74.60%	78.40%	76.83%
Plan's Proportionate Share of Aggregate Employer Contributions	\$ 273,317	\$ 268,814	\$ 239,757	\$ 226,858	\$ 176,921

**MONTEREY PENINSULA REGIONAL PARK DISTRICT  
SCHEDULE OF CONTRIBUTIONS-CALPERS  
LAST TEN FISCAL YEARS  
(SEE INDEPENDENT AUDITORS' REPORT)**

Fiscal Year Ended	2024	2023	2022	2021	2020
Contractually Required Contribution (Actuarially Determined)	\$ 215,716	\$ 201,181	\$ 180,370	\$ 442,385	\$ 423,750
Contributions in Relation to the Actuarially Determined Contributions	<u>(215,716)</u>	<u>(201,181)</u>	<u>(180,370)</u>	<u>(2,702,308)</u>	<u>(835,133)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,259,923)</u>	<u>\$ (411,383)</u>
Covered Payroll	\$ 1,665,292	\$ 1,601,773	\$ 1,450,191	\$ 1,363,054	\$ 1,317,299
Contributions as a Percentage of Covered Payroll	12.95%	12.56%	12.44%	32.46%	32.17%

Notes to Schedule:

Valuation Date	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
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Methods and Assumptions Used to Determine

Contribution Rates:

Actuarial Cost Method	Entry Age				
Amortization Method	(1)	(1)	(1)	(1)	(1)
Asset Valuation Method	Market Value				

Inflation	2.30%	2.30%	2.50%	2.50%	2.63%
Salary Increases	(2)	(2)	(2)	(2)	(2)
Investment Rate of Return	6.90%	6.90%	7.00% (3)	7.00% (3)	7.25% (3)
Retirement Age	(4)	(4)	(4)	(4)	(4)
Mortality	(5)	(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.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT  
SCHEDULE OF CONTRIBUTIONS-CALPERS (CONTINUED)  
LAST TEN FISCAL YEARS  
(SEE INDEPENDENT AUDITORS' REPORT)**

Fiscal Year Ended	2019	2018	2017	2016	2015
Contractually Required Contribution (Actuarially Determined)	\$ 480,366	\$ 358,807	\$ 340,407	\$ 307,912	\$ 265,789
Contributions in Relation to the Actuarially Determined Contributions	<u>(807,961)</u>	<u>(358,807)</u>	<u>(340,407)</u>	<u>(307,912)</u>	<u>(265,789)</u>
Contribution Deficiency (Excess)	<u>\$ (327,595)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 1,287,720	\$ 1,276,980	\$ 1,318,917	\$ 1,201,877	\$ 1,018,700
Contributions as a Percentage of Covered Payroll	37.30%	28.10%	25.81%	25.62%	26.09%

Notes to Schedule:

Valuation Date	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013	June 30, 2012
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Methods and Assumptions Used to Determine

Contribution Rates:

Actuarial Cost Method	Entry Age				
Amortization Method	(1)	(1)	(1)	(1)	(1)
Asset Valuation Method	Market Value	Market Value	Market Value	Market Value	15-Year Smoothed Market Method
Inflation	2.75%	2.75%	2.75%	2.75%	2.75%
Salary Increases	(2)	(2)	(2)	(2)	(2)
Investment Rate of Return	7.375% (3)	7.50% (3)	7.50% (3)	7.50% (3)	7.50% (3)
Retirement Age	(4)	(4)	(4)	(4)	(4)
Mortality	(5)	(5)	(5)	(5)	(5)

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

	2024	2023	2022	2021	2020
Total Pension Liability:					
Service Cost	\$ -	\$ -	\$ -	\$ 3,931	\$ 3,817
Interest on Total Pension Liability	41,021	41,374	42,553	42,653	39,725
Differences Between Expected and Actual Experience	(2,172)	-	(4,297)	-	43,085
Changes in Assumptions	-	-	(10,737)	-	-
Changes in Benefits	-	-	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	(47,388)	(46,254)	(45,064)	(43,357)	(40,042)
Net Change in Total Pension Liability	<u>(8,539)</u>	<u>(4,880)</u>	<u>(17,545)</u>	<u>3,227</u>	<u>46,585</u>
Total Pension Liability - Beginning of Year	<u>654,414</u>	<u>659,294</u>	<u>676,839</u>	<u>673,612</u>	<u>627,027</u>
Total Pension Liability - End of Year (a)	<u><u>\$ 645,875</u></u>	<u><u>\$ 654,414</u></u>	<u><u>\$ 659,294</u></u>	<u><u>\$ 676,839</u></u>	<u><u>\$ 673,612</u></u>
Plan Fiduciary Net Position:					
Contributions - Employer	\$ 20,600	\$ 20,600	\$ 20,600	\$ 20,600	\$ 20,600
Contributions - Employee	-	-	-	-	-
Net Investment Income (Loss)	87,472	55,834	(102,809)	170,132	20,493
Benefit Payments	(47,388)	(46,254)	(45,064)	(43,357)	(40,042)
Administrative Expenses	(3,967)	(3,741)	(4,507)	(4,274)	(3,789)
Net Change in Plan Fiduciary Net Position	<u>56,717</u>	<u>26,439</u>	<u>(131,780)</u>	<u>143,101</u>	<u>(2,738)</u>
Plan Fiduciary Net Position - Beginning of Year	<u>666,928</u>	<u>640,489</u>	<u>772,269</u>	<u>629,168</u>	<u>631,906</u>
Plan Fiduciary Net Position - End of Year (b)	<u><u>\$ 723,645</u></u>	<u><u>\$ 666,928</u></u>	<u><u>\$ 640,489</u></u>	<u><u>\$ 772,269</u></u>	<u><u>\$ 629,168</u></u>
Net Pension Liability (Asset) - Ending (a)-(b)	<u><u>\$ (77,770)</u></u>	<u><u>\$ (12,514)</u></u>	<u><u>\$ 18,805</u></u>	<u><u>\$ (95,430)</u></u>	<u><u>\$ 44,444</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	112.04%	101.91%	97.15%	114.10%	93.40%
Covered Payroll	\$ 215,096	\$ 295,041	\$ 286,448	\$ 289,272	\$ 280,847
Net Pension (Asset) Liability as a Percentage of Covered Payroll	-36.16%	-4.24%	6.56%	-32.99%	15.82%

Notes to Schedule:

Benefit Changes:

There were no changes in benefits.

Changes in Assumptions:

For fiscal year 2016, disability and pre-retirement mortality assumptions were updated.

For fiscal year 2018, the discount rate was changed from 7.0% to 6.5%.

For fiscal year 2022, pre- and post-retirement mortality, withdrawal, and disability assumptions were updated.

There were no changes in assumptions for fiscal years 2015, 2017, 2019, 2020, 2021, 2023 and 2024.

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

	2019	2018	2017	2016	2015
Total Pension Liability:					
Service Cost	\$ 4,873	\$ 4,567	\$ 4,405	\$ 4,277	\$ 4,360
Interest on Total Pension Liability	39,377	38,873	38,279	34,787	34,341
Differences Between Expected and Actual Experience	-	6,038	-	27,118	-
Changes in Assumptions	-	35,883	-	18,051	-
Changes in Benefits	-	-	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	(35,713)	(34,690)	(34,010)	(34,940)	(29,640)
Net Change in Total Pension Liability	8,537	50,671	8,674	49,293	9,061
Total Pension Liability - Beginning of Year	618,490	509,852	559,145	509,852	500,791
Total Pension Liability - End of Year (a)	<u>\$ 627,027</u>	<u>\$ 560,523</u>	<u>\$ 567,819</u>	<u>\$ 559,145</u>	<u>\$ 509,852</u>
Plan Fiduciary Net Position:					
Contributions - Employer	\$ 20,600	\$ 19,000	\$ 19,000	\$ 19,000	\$ 19,000
Contributions - Employee	-	-	-	-	-
Net Investment Income (Loss)	39,584	47,095	67,466	(5,184)	14,913
Benefit Payments	(35,713)	(34,690)	(34,010)	(34,940)	(29,640)
Administrative Expenses	(3,658)	(3,437)	(2,854)	(2,680)	-
Net Change in Plan Fiduciary Net Position	20,813	27,968	49,602	(23,804)	4,273
Plan Fiduciary Net Position - Beginning of Year	611,093	557,327	533,523	557,327	553,054
Plan Fiduciary Net Position - End of Year (b)	<u>\$ 631,906</u>	<u>\$ 585,295</u>	<u>\$ 583,125</u>	<u>\$ 533,523</u>	<u>\$ 557,327</u>
Net Pension Liability (Asset) - Ending (a)-(b)	<u>\$ (4,879)</u>	<u>\$ (24,772)</u>	<u>\$ (15,306)</u>	<u>\$ 25,622</u>	<u>\$ (47,475)</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	100.78%	104.42%	102.70%	95.42%	109.31%
Covered Payroll	\$ 347,843	\$ 337,819	\$ 325,778	\$ 316,289	\$ 379,340
Net Pension (Asset ) Liability as a Percentage of Covered Payroll	-1.40%	-7.33%	-4.70%	8.10%	-12.52%

**MONTEREY PENINSULA REGIONAL PARK DISTRICT**  
**SCHEDULE OF CONTRIBUTIONS-PARS**  
**LAST TEN FISCAL YEARS**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Actuarially Determined Contribution	\$ -	\$ -	\$ 5,699	\$ 5,533	\$ 661
Contributions in Relation to the Actuarially Determined Contributions	<u>(20,600)</u>	<u>(20,600)</u>	<u>(20,600)</u>	<u>(20,600)</u>	<u>(20,600)</u>
Contribution Deficiency (Excess)	<u>\$ (20,600)</u>	<u>\$ (20,600)</u>	<u>\$ (14,901)</u>	<u>\$ (15,067)</u>	<u>\$ (19,939)</u>
Covered Payroll	\$ -	\$ 295,041	\$ 286,448	\$ 289,272	\$ 280,847
Contributions as a Percentage of Covered Payroll		6.98%	7.19%	7.12%	7.33%

Notes to Schedule:

Valuation Date	1/31/2022	1/31/2022	1/31/2022	1/31/2020	1/31/2020
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Methods and Assumptions Used to

Determine Contribution Rates:

Actuarial Cost Method	Entry Age				
Amortization Method	(1)	(1)	(1)	(1)	(1)
Remaining Amortization Period	3.9 Years	3.9 Years	3.9 Years	5.9 Years	5.9 Years
Asset Valuation Method	None	None	None	None	None
Inflation	2.50%	2.50%	2.50%	2.50%	2.50%
Investment Rate of Return	6.50%	6.50%	6.50%	6.50%	6.50%
Salary Increases	3.00%	3.00%	3.00%	3.00%	3.00%
Cost of Living Adjustment	2.00%	2.00%	2.00%	2.00%	2.00%
Mortality	(2)	(2)	(2)	(2)	(2)
Retirement Age	(3)	(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

**MONTEREY PENINSULA REGIONAL PARK DISTRICT  
SCHEDULE OF CONTRIBUTIONS-PARS (CONTINUED)  
LAST TEN FISCAL YEARS  
(SEE INDEPENDENT AUDITORS' REPORT)**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially Determined Contribution	\$ 642	\$ 10,490	\$ 10,185	\$ 4,492	\$ 4,361
Contributions in Relation to the Actuarially Determined Contributions	<u>(20,600)</u>	<u>(19,000)</u>	<u>(19,000)</u>	<u>(19,000)</u>	<u>(19,000)</u>
Contribution Deficiency (Excess)	<u>\$ (19,958)</u>	<u>\$ (8,510)</u>	<u>\$ (8,815)</u>	<u>\$ (14,508)</u>	<u>\$ (14,639)</u>
Covered Payroll	\$ 347,953	\$ 337,819	\$ 325,778	\$ 316,289	\$ 379,340
Contributions as a Percentage of Covered Payroll	5.92%	5.62%	5.83%	6.01%	5.01%

Notes to Schedule:

Valuation Date	1/31/2018	1/31/2018	1/31/2016	1/31/2016	1/31/2014
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Methods and Assumptions Used to  
Determine Contribution Rates:

Actuarial Cost Method	Entry Age				
Amortization Method	(1)	(1)	(1)	(1)	(1)
Remaining Amortization Period	7.9 Years	7.9 Years	9.9 Years	9.9 Years	11.9 Years
Asset Valuation Method	None	None	None	None	None
Inflation	2.50%	2.50%	2.50%	2.50%	2.50%
Investment Rate of Return	6.50%	6.50%	7.00%	7.00%	7.00%
Salary Increases	3.00%	3.00%	3.00%	3.00%	3.00%
Cost of Living Adjustment	2.00%	2.00%	2.00%	2.00%	2.00%
Mortality	(2)	(2)	(2)	(2)	(2)
Retirement Age	(3)	(3)	(3)	(3)	(3)

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

Fiscal Year-End	2024	2023	2022	2021	2020	2019	2018
Measurement Date	2023	2022	2021	2020	2019	2018	2017
<b>Total OPEB Pension Liability:</b>							
Service Cost	\$ 34,628	\$ 29,480	\$ 27,261	\$ 26,531	\$ 74,479	\$ 72,486	\$ 70,546
Interest	150,044	146,272	188,315	181,949	176,482	167,467	158,389
Differences Between Expected and Actual Experience	(127,448)	-	(771,217)	-	(41,186)	-	-
Changes of Assumptions	44,759	161,796	-	-	(12,821)	-	-
Benefit Payments, Including Refunds of Employee Contributions	(93,774)	(80,558)	(101,781)	(119,309)	(106,387)	(96,136)	(82,412)
Net Change in Total OPEB Liability	8,209	256,990	(657,422)	89,171	90,567	143,817	146,523
Total OPEB Liability - Beginning of Year	2,547,613	2,290,623	2,948,045	2,858,874	2,768,307	2,624,490	2,477,967
Total OPEB Liability - End of Year (a)	2,555,822	2,547,613	2,290,623	2,948,045	2,858,874	2,768,307	2,624,490
<b>Plan Fiduciary Net Position:</b>							
Contributions - Employer	93,774	9,328	101,781	119,309	191,642	183,831	-
Net Investment Income	182,322	(449,653)	724,590	89,992	145,569	162,532	205,459
Administrative Expenses	(825)	(851)	(997)	(1,244)	(499)	(1,105)	(1,000)
Benefit Payments, Including Refunds of Employee Contributions	(93,774)	(80,558)	(101,781)	(119,309)	(106,387)	(96,136)	(82,412)
Net Change in Plan Fiduciary Net Position	181,497	(521,734)	723,593	88,748	230,325	249,122	122,047
Plan Fiduciary Net Position - Beginning of Year	2,837,748	3,359,482	2,635,889	2,547,141	2,316,816	2,067,694	1,945,647
Plan Fiduciary Net Position - End of Year (b)	3,019,245	2,837,748	3,359,482	2,635,889	2,547,141	2,316,816	2,067,694
Net OPEB Liability (Asset) - Ending (a)-(b)	\$ (463,423)	\$ (290,135)	\$ (1,068,859)	\$ 312,156	\$ 311,733	\$ 451,491	\$ 556,796
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	118.13%	111.39%	146.66%	89.41%	89.10%	83.69%	78.78%
Covered - Employee Payroll	\$ 1,601,773	\$ 1,450,191	\$ 1,363,054	\$ 1,317,299	\$ 1,287,720	\$ 1,276,980	\$ 1,293,817
Net OPEB Liability (Asset) as Percentage of Covered - Employee Payroll	-28.93%	-20.01%	-78.42%	23.70%	24.21%	35.36%	43.04%

Notes to Schedule:

Benefit Changes:

There were no changes in benefits.

Changes in Assumptions (as of Measurement Date):

For 2017, 2018, 2020, and 2021, there were no changes in assumptions.

For 2019, the probabilities for retirement, termination and mortality were changed from 2014 CalPERS valuation to the 2017 CalPERS valuation.

For 2022, the discount rate was changed from 6.5% to 6.0%

For 2023, the probabilities for retirement, termination and mortality were updated from 2017 CalPERS valuation to the 2021 CalPERS valuation.

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

**MONTEREY PENINSULA REGIONAL PARK DISTRICT**  
**BUDGETARY COMPARISON SCHEDULE BY DEPARTMENT – GENERAL FUND**  
**YEAR ENDED JUNE 30, 2024**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>REVENUES</b>				
Property Taxes	\$ 5,003,700	\$ 5,003,700	\$ 5,604,479	\$ 600,779
Assessment District	1,360,100	1,360,100	1,372,972	12,872
Grants	549,800	549,800	74,704	(475,096)
Investment Earnings	160,000	160,000	1,171,837	1,011,837
Donations, Fees, and Other Charges	3,000	3,000	6,706	3,706
Rent	250,000	250,000	253,909	3,909
Other Revenue	17,000	17,000	128,575	111,575
Total Revenues	7,343,600	7,343,600	8,613,182	1,269,582
<b>EXPENDITURES</b>				
Current:				
General and Administrative:				
Salaries and Wages	536,300	536,300	554,315	(18,015)
Employee Benefits and Payroll Taxes	245,200	245,200	274,821	(29,621)
Insurance	160,000	160,000	159,302	698
Professional Services	430,000	430,000	455,119	(25,119)
Utilities	100,000	100,000	118,158	(18,158)
Publications and Memberships	21,000	21,000	16,998	4,002
Computer Maintenance and Supplies	32,000	32,000	34,755	(2,755)
Board Compensation	18,000	18,000	11,800	6,200
Travel, Conferences, and Meetings	10,000	10,000	12,323	(2,323)
Equipment Rentals and Leases	5,500	5,500	3,302	2,198
Office Supplies and Equipment	10,000	10,000	8,205	1,795
Legal	7,000	7,000	3,633	3,367
Job Training and Education	8,000	8,000	5,790	2,210
Taxes and Assessments	30,000	30,000	21,682	8,318
Postage	1,000	1,000	-	1,000
Vehicle Maintenance and Fuel	2,000	2,000	727	1,273
Mileage Reimbursement	500	500	291	209
Printing	3,000	3,000	2,164	836
Advertising	1,000	1,000	103	897
Total General and Administrative	1,620,500	1,620,500	1,683,488	(62,988)

See accompanying Note to Required Supplementary Information.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT**  
**BUDGETARY COMPARISON SCHEDULE BY DEPARTMENT – GENERAL FUND (CONTINUED)**  
**YEAR ENDED JUNE 30, 2024**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>EXPENDITURES (CONTINUED)</b>				
Current (Continued):				
Operations and Maintenance:				
CFD:				
Maintenance	\$ 962,000	\$ 962,000	\$ 224,451	\$ 737,549
Seasonal and Contract Services	1,113,034	1,113,034	370,199	742,835
Grant Program	50,000	50,000	-	50,000
Equipment	130,913	130,913	17,693	113,220
Park Security Systems	12,000	12,000	219	11,781
Palo Corona Improvements	-	-	5,549	(5,549)
Subtotal - CFD	<u>2,267,947</u>	<u>2,267,947</u>	<u>618,111</u>	<u>1,649,836</u>
Other:				
Salaries and Wages	738,000	738,000	645,599	92,401
Employee Benefits	350,900	350,900	294,984	55,916
Utilities	70,000	70,000	61,777	8,223
Vehicle Maintenance and Fuel	20,000	20,000	24,646	(4,646)
Supplies	25,000	25,000	23,815	1,185
Building Repairs	22,500	22,500	8,253	14,247
Computer Maintenance and Supplies	27,000	27,000	20,683	6,317
Parking Lot, Signs and Other	118,500	118,500	50,862	67,638
Janitorial Supplies	17,000	17,000	13,613	3,387
Equipment Maintenance	18,000	18,000	33,394	(15,394)
Tools	2,500	2,500	3,233	(733)
Uniforms	3,500	3,500	3,500	-
Miscellaneous	8,000	8,000	4,027	3,973
Job Training and Education	3,000	3,000	4,300	(1,300)
Printing	5,000	5,000	1,604	3,396
Subtotal - Other	<u>1,428,900</u>	<u>1,428,900</u>	<u>1,194,290</u>	<u>234,610</u>
Total Operations and Maintenance	<u>3,696,847</u>	<u>3,696,847</u>	<u>1,812,401</u>	<u>1,884,446</u>
Education and Outreach:				
Salaries and Wages	442,700	442,700	407,559	35,141
Employee Benefits	130,000	130,000	120,884	9,116
Printing	40,000	40,000	38,313	1,687
Postage	27,500	27,500	27,133	367
Professional Services	35,000	35,000	11,162	23,838
Equipment Rental and Leases	10,000	10,000	11,674	(1,674)
Environmental Education - Schools	8,000	8,000	5,642	2,358
Interpretive Programs - Parks	20,000	20,000	8,620	11,380
Computer Maintenance and Supplies	24,000	24,000	22,350	1,650
Docent and Volunteer Programs	7,000	7,000	5,312	1,688
Utilities	20,000	20,000	13,936	6,064
Advertising	8,000	8,000	7,053	947
Miscellaneous	1,700	1,700	1,782	(82)
Supplies	5,000	5,000	4,367	633
Job Training and Education	3,000	3,000	-	3,000
Vehicle Maintenance and Fuel	2,500	2,500	2,127	373
Special Events - Outreach	3,000	3,000	2,796	204
Travel, Conferences, and Meetings	3,000	3,000	541	2,459
Insurance	1,500	1,500	790	710
VC Garden/Arboreum	5,000	5,000	41	4,959
Total Education and Outreach	<u>796,900</u>	<u>796,900</u>	<u>692,082</u>	<u>104,818</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, 2024**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>EXPENDITURES (CONTINUED)</b>				
Current (Continued):				
Planning and Conservation Management:				
Salaries and Wages	\$ 262,700	\$ 262,700	\$ 173,345	\$ 89,355
Employee Benefits	95,600	95,600	62,982	32,618
Professional Services	175,000	175,000	69,261	105,739
Resource Management - Eolian Dunes	10,000	10,000	-	10,000
Resource Management - Cachagua	1,000	1,000	-	1,000
Vehicle Maintenance and Fuel	1,000	1,000	469	531
Computer Maintenance and Supplies	14,200	14,200	4,368	9,832
Miscellaneous	17,800	17,800	5,887	11,913
Conservancy Grant	35,000	35,000	-	35,000
PGE Grant	160,000	160,000	-	160,000
Total Planning and Conservation Management	<u>772,300</u>	<u>772,300</u>	<u>316,312</u>	<u>455,988</u>
Capital Outlay:				
CFD:				
Professional Contract Services	16,966	16,966	16,966	-
Equipment	49,087	49,087	49,087	-
Palo Corona Improvements	350,000	350,000	136,363	213,637
Garland Ranch Improvements	333,000	333,000	122,573	210,427
Land Acquisition/Improvements	549,800	549,800	-	549,800
Subtotal - CFD	<u>1,298,853</u>	<u>1,298,853</u>	<u>324,989</u>	<u>973,864</u>
Other:				
Cachagua Improvements	419,700	419,700	245,411	174,289
Total Capital Outlay	<u>1,718,553</u>	<u>1,718,553</u>	<u>570,400</u>	<u>1,148,153</u>
Total Expenditures	<u>8,605,100</u>	<u>8,605,100</u>	<u>5,074,683</u>	<u>3,530,417</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(1,261,500)	(1,261,500)	3,538,499	4,799,999
Fund Balance - Beginning of Year	<u>21,352,549</u>	<u>21,352,549</u>	<u>21,352,549</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 20,091,049</u>	<u>\$ 20,091,049</u>	<u>\$ 24,891,048</u>	<u>\$ 4,799,999</u>

See accompanying Note to Required Supplementary Information.

**MONTEREY PENINSULA REGIONAL PARK DISTRICT**  
**NOTE TO REQUIRED SUPPLEMENTARY INFORMATION**  
**JUNE 30, 2024**  
**(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.



**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 the major fund of the Monterey Peninsula Regional Park District (the District) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 23, 2024.

**Report on 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) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. 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 or significant deficiencies may exist that were not identified.

**Report on 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 financial statements. 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  
December 23, 2024

## STATISTICAL SECTION

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**MONTEREY PENINSULA REGIONAL PARK DISTRICT  
DESCRIPTION OF STATISTICAL SECTION CONTENTS  
JUNE 30, 2024**

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 District'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.	68 – 71
<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.	72

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

	Fiscal Year Ended June 30,				
	2015	2016	2017	2018	2019
Primary Government-Governmental Activities:					
Net investment in capital assets	\$ 54,741,932	\$ 56,538,897	\$ 58,179,273	\$ 71,394,277	\$ 73,211,509
Restricted	2,314,109	2,329,847	2,348,249	2,382,889	2,448,777
Unrestricted	8,112,689	9,927,792	11,459,961	10,211,894	14,192,860
 Total Primary Government-Governmental Activities Net Position	 <u>\$ 65,168,730</u>	 <u>\$ 68,796,536</u>	 <u>\$ 71,987,483</u>	 <u>\$ 83,989,060</u>	 <u>\$ 89,853,146</u>

Source: District Finance Department

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

	Fiscal Year Ended June 30,				
	2020	2021	2022	2023	2024
Primary Government-Governmental Activities:					
Net investment in capital assets	\$ 74,741,202	\$ 76,390,288	\$ 77,105,719	\$ 79,490,009	\$ 79,666,169
Restricted	2,511,841	2,614,576	5,267,420	2,958,540	3,340,062
Unrestricted	15,918,349	15,907,365	18,667,266	19,774,781	22,456,513
 Total Primary Government-Governmental Activities Net Position	 <u>\$ 93,171,392</u>	 <u>\$ 94,912,229</u>	 <u>\$ 101,040,405</u>	 <u>\$ 102,223,330</u>	 <u>\$ 105,462,744</u>

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

	Fiscal Year Ended June 30,				
	2015	2016	2017	2018	2019
<b>Revenues:</b>					
Property Taxes	\$ 3,253,592	\$ 3,548,890	\$ 3,689,571	\$ 3,913,528	\$ 4,165,633
Special Taxes and Assessments	1,130,794	1,164,640	1,212,450	1,235,679	1,304,840
Grants	2,050,000	1,789,255	1,529,061	11,193,156	2,116,857
Investment Earnings	45,615	153,757	59,066	121,457	539,850
Donations Fees and Other Charges	16,887	10,502	7,819	806,877	4,745
Rent	31,508	33,013	31,765	63,776	109,145
Other	71,036	20,742	9,966	38,223	1,415,337
Total Revenues	<u>6,599,432</u>	<u>6,720,799</u>	<u>6,539,698</u>	<u>17,372,696</u>	<u>9,656,407</u>
<b>Expenditures:</b>					
Current:					
General and Administrative	1,146,076	1,193,396	1,348,342	1,248,363	1,600,282
Operations and Maintenance	786,793	851,986	968,927	2,201,383	1,387,149
Education and Outreach	517,122	424,904	456,683	475,002	488,631
Assessment District	409,365	636,526	545,467	955,804	910,829
Planning and Conservation Management	850,247	426,779	354,598	304,452	183,195
Capital Outlay	6,950,000	-	-	10,237,985	18,995
Debt Service:					
Principal Retirement	1,605,273	1,500,000	1,500,000	1,500,000	1,500,000
Interest and Fiscal Charges	2,483	-	-	-	-
Total Expenditures	<u>12,267,359</u>	<u>5,033,591</u>	<u>5,174,017</u>	<u>16,922,989</u>	<u>6,089,081</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,667,927)	1,687,208	1,365,681	449,707	3,567,326
<b>Other Financing Sources (Uses):</b>					
Issuance of Notes	6,950,000	-	-	-	-
Net Change in Fund Balances	<u>\$ 1,282,073</u>	<u>\$ 1,687,208</u>	<u>\$ 1,365,681</u>	<u>\$ 449,707</u>	<u>\$ 3,567,326</u>

Source: District Finance Department

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

	Fiscal Year Ended June 30,				
	2020	2021	2022	2023	2024
<b>Revenues:</b>					
Property Taxes	\$ 4,476,657	\$ 4,690,007	\$ 4,846,809	\$ 5,261,879	\$ 5,604,479
Special Taxes and Assessments	1,209,399	1,264,476	1,288,833	1,327,760	1,372,972
Grants	950,000	-	40,976	521,639	74,704
Investment Earnings	550,082	63,032	(337,764)	452,556	1,171,837
Donations Fees and Other Charges	4,219	1,120	2,720	2,933	6,706
Rent	133,998	91,764	150,956	259,756	253,909
Other	94,155	102,986	1,252,361	111,428	128,575
Total Revenues	<u>7,418,510</u>	<u>6,213,385</u>	<u>7,244,891</u>	<u>7,937,951</u>	<u>8,613,182</u>
<b>Expenditures:</b>					
Current:					
General and Administrative	1,738,600	3,603,685	1,172,024	1,511,495	1,683,488
Operations and Maintenance	1,118,206	1,189,345	1,241,659	1,186,190	1,812,401
Education and Outreach	489,845	472,865	574,397	681,278	692,082
Assessment District	1,251,266	1,524,832	2,082,568	1,935,841	-
Planning and Conservation Management	295,883	949,863	496,647	440,199	316,312
Capital Outlay	47,135	15,490	2,359	970,235	570,400
Debt Service:					
Principal Retirement	950,200	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
Total Expenditures	<u>5,891,135</u>	<u>7,756,080</u>	<u>5,569,654</u>	<u>6,725,238</u>	<u>5,074,683</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,527,375	(1,542,695)	1,675,237	1,212,713	3,538,499
<b>Other Financing Sources (Uses):</b>					
Issuance of Notes	-	-	-	-	-
Net Change in Fund Balances	<u>\$ 1,527,375</u>	<u>\$ (1,542,695)</u>	<u>\$ 1,675,237</u>	<u>\$ 1,212,713</u>	<u>\$ 3,538,499</u>

**MONTEREY PENINSULA REGIONAL PARK DISTRICT  
FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION  
LAST TEN FISCAL YEARS**

Function	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Administration	3.00	3.50	3.25	3.25	3.75	3.75	3.75	4.25	4.25	4.25
Operations and Maintenance	7.00	7.00	7.25	6.25	7.25	7.25	7.25	7.25	7.25	7.25
Environmental Education Community Outreach	3.25	2.25	2.25	2.25	2.25	3.75	3.25	3.75	4.25	5.25
Planning and Conservation	1.25	1.25	1.25	1.25	0.25	0.25	0.25	0.25	1.25	1.25
Total	<u>14.50</u>	<u>14.00</u>	<u>14.00</u>	<u>13.00</u>	<u>13.50</u>	<u>15.00</u>	<u>14.50</u>	<u>15.50</u>	<u>17.00</u>	<u>18.00</u>

Source: District Records



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