



**REGULAR MEETING AGENDA  
PAJARO DUNES GEOLOGIC HAZARD ABATEMENT DISTRICT  
VIRTUAL MEETING via ZOOM**

**Governor Newsom through CA Executive Order N-33-20 (issued on March 19<sup>th</sup>, 2020) issued a shelter-in-place order for the State of California. The order was further strengthened by the County of Santa Cruz Health Officer Order issued on March 31<sup>st</sup>, 2020 which discourages residents from traveling (even between their own properties) for non-essential reasons. CA Executive Order N-25-20 allows for modifications to the Brown Act ensuring that public meetings can continue under this order through telephone or video conferencing.**

**Saturday, December 12th, 2020 9:00 a.m.**

**Join Zoom Meeting**

**<https://us02web.zoom.us/j/85393063361?pwd=bnRzeTAxWDIWK2dvK2VReGFNRlhgdz09>**

**Phone in:+1 669 900 9128 US**

**Meeting ID: 853 9306 3361  
Passcode: 655751**

**See below the agenda for how to download Zoom for a computer or smartphone (both audio and video available) or to participate via dial-in telephone (audio only). Also, please review the etiquette guidelines and reminders. If you have any questions please contact the District Clerk at [pdghad@gmail.com](mailto:pdghad@gmail.com)**

**A. OPEN SESSION CALL TO ORDER – PLEDGE OF ALLEGIANCE**

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**Roll Call**

John Cullen, President  
David Ferrari, Vice-President  
Jim Griffin, Secretary

Raphael Kraw, Treasurer  
Jack Feinstein, Director  
Sarah Mansergh, Clerk

**B. MEMBER COMMENTS**

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Matters under the jurisdiction of the Board and not on the posted agenda, may be addressed by members of the public before the Board for consideration. However, California law prohibits the Board from taking action on any matter which is not on the posted agenda unless it is determined to be an emergency by the Board of PDGHAD. Any person wishing to address the Board during the Member Comment period shall

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be permitted to be heard for up to 3 minutes, A) individuals may speak only once and B) the Board is unable to address any owner comments in depth, but may choose to direct the Clerk to follow-up on the matter for a future meeting.

### **C. PRESIDENT'S REMARKS**

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The President will use this opportunity to inform the public of issues affecting the District and other items of a general nature not otherwise provided for on this agenda.

#### **1. 2021 Meeting Dates**

February 13<sup>th</sup>, 2021

April 10<sup>th</sup>, 2021

May 15<sup>th</sup>, 2021

August 7<sup>th</sup>, 2021 (Proposed date: Allows for meeting before County paperwork is due)

November 14<sup>th</sup>

December 12th

### **D. CONSENT CALENDAR**

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All matters listed on the Consent Calendar are considered to be routine by the Board of Directors and will be enacted by one motion at the appropriate time. There will be no separate discussion on these items. If discussion is desired, that item will be removed from the Consent Calendar and will be considered separately.

1. Approval of meeting minutes of August 8, 2020.

### **E. TREASURER'S REPORT**

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#### **2. Financial Reports**

- Financial Report through October 30th, 2020
- Warrant listing

### **F. MEETING reports**

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3. Meetings attended by Directors at District expense since the last meeting of the Board (per AB1234 requirements). Such reports may be made orally or in writing.

### **G. NEW BUSINESS**

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#### **4. ITEM-Update on County application for grading permit**

- a. Board report
- b. Public comment
- c. Board discussion
- d. Board action /direction

#### **5. ITEM-Review 2019/2020 Audit report**

- a. Board report

- b. Public comment
- c. Board discussion
- d. Board action /direction

6. ITEM-Consider Resolution thanking Jim Griffin for his years of service as a Director on the PDGHAD Board.

- a. Board report
- b. Public comment
- c. Board discussion
- d. Board action /direction

7. ITEM – Appoint new Board Member

- a. Board report
- b. Public comment
- c. Board discussion
- d. Board action /direction

8. ITEM – Review Emergency Procedures and Contact Information Sheets

- a. Board report
- b. Public comment
- c. Board discussion
- d. Board action /direction

9. ITEM – Discuss ideas for outreach to members regarding the grading permit plans

- a. Board report
- b. Public comment
- c. Board discussion
- d. Board action /direction

## **H. DIRECTORS COMMENTS AND CONCERNS**

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Members of the Board of Directors may address items of concern at this time, and may request that items be placed on future agendas in accordance with the By-laws of the Board.

## **I. ADJOURNMENT**

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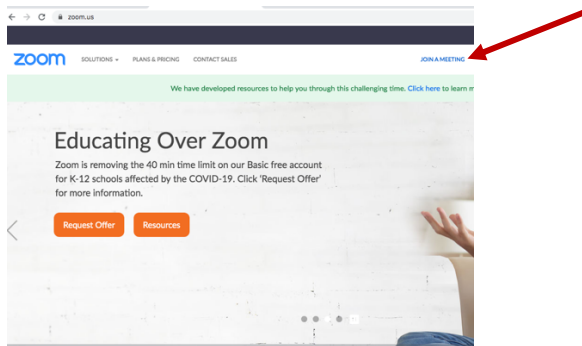
The next Meeting of the Board of Directors is scheduled for February 13th, 2021, at 9:00 a.m. online via Zoom and if possible at the offices of the Pajaro Dunes Geologic Hazard Abatement District, Board Room, Pajaro Dunes, 2661 Beach Road, Watsonville, CA 95076. Individuals who require special accommodations are requested to contact the District Clerk by calling (831) 818-9253, no less than 72 hours prior to the meeting or in the case of a Special Meeting, as soon as possible after the Agenda is posted. Copies of the agenda will be available 72 hours prior to the meeting and may be obtained by contacting the District at (831) 761-7744. All meetings are noticed and conducted in accordance with the Ralph M. Brown Act

## Zoom Meeting Set-up for PDGHAD meeting

You can join Zoom with your computer or with your smartphone. Please download the program (as described below) for your preferred instrument and call Sarah to verify usability.

### Computer:

- 1) Go to zoom.us



- 2) Click Join a Meeting (red arrow)
- 3) It will prompt you to download and run Zoom (The program should open automatically. If it doesn't then go to your programs and start it manually)
- 4) Click Join a Meeting
- 5) Meeting ID: see agenda
- 6) Choose a Name and Click Join
- 7) Test Password: see agenda
- 8) You will be admitted to the meeting and can use the designated public participation times to ask a question verbally or the chat feature (bubble icon on lower menu) at any time to ask questions that can be read out during the public comment period.

### Smartphone:

- 1) Go to your application download center
- 2) Download "Zoom Cloud Meetings" by Meet Happy



- 3) Click "Join a Meeting"
- 4) Enter Meeting ID: see agenda

- 5) Enter Password: see agenda
- 6) You will be admitted to the meeting and can use the designated public participation times to ask a question verbally or the chat feature (click on the 3 dots More button on the bottom right and select chat) at any time to ask questions that can be read out during the public comment period.

### **Telephone (audio only):**

- 1) Call: Dial by your location
  - 669 900 9128 US (San Jose)
  - 888 788 0099 US Toll-free
  - 877 853 5247 US Toll-free
- 2) Enter the Meeting ID: See agenda
- 3) Enter the Meeting PW: See agenda
- 4) Follow the instructions
- 5) You can send questions (or ask for assistance) outside of the public comment period to [pdghad@gmail.org](mailto:pdghad@gmail.org) to be read during the discussion public comment time.

### **Some etiquette-**

- 1) We can see you:
  - a. Warn your household members they may be on video
  - b. Leave the phone/computer where it is when taking a break
- 2) Turn down ambient music/noises
- 3) Mute yourself when you are not speaking to us (you will be muted upon entering the meeting and during presentations). You can use the chat feature to ask questions when muted.
- 4) Unmute when you are speaking to us

Some common solutions:

### **Want to see everyone in gallery view (everyone at once)?**

**Computer:** Click Gallery View on the top right menu

**Smart phone:** Swipe left

### **Camera not showing the correct view?**

**Computer:** Go to the Video icon on the bottom left of your computer screen and click on the ^ to open the menu to switch your camera.

**Smartphone:** Click the camera reverse button on the top menu

# PDGHAD

## REGULAR MEETING MINUTES PAJARO DUNES GEOLOGIC HAZARD ABATEMENT DISTRICT VIRTUAL MEETING via ZOOM

Governor Newsom through CA Executive Order N-33-20 (issued on March 19<sup>th</sup>, 2020) issued a shelter-in-place order for the State of California. The order was further strengthened by the County of Santa Cruz Health Officer Order issued on March 31<sup>st</sup>, 2020 which discourages residents from traveling (even between their own properties) for non-essential reasons. CA Executive Order N-25-20 allows for modifications to the Brown Act ensuring that public meetings can continue under this order through telephone or video conferencing.

Saturday, August 8<sup>th</sup>, 2020 9:00 a.m.

Zoom Meeting ID: 886 7764 1868

Zoom Meeting PW: 206798

See below the agenda for how to download Zoom for a computer or smartphone (both audio and video available) or to participate via dial-in telephone (audio only). Also, please review the etiquette guidelines and reminders. If you have any questions please contact the District Clerk at [pdghad@gmail.com](mailto:pdghad@gmail.com)

### A. OPEN SESSION CALL TO ORDER – PLEDGE OF ALLEGIANCE

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#### Roll Call

John Cullen, President-present

David Ferrari, Vice-President-present

Jim Griffin, Secretary-present

Raphael Kraw, Treasurer-present

Jack Feinstein, Director-

Sarah Mansergh, Clerk-present

Other attendees: Dan Peluso (engineer of record), Wendy Cumming (accountant), Mike Rodriguez (lawyer), Michael Butner P73 and Jean Locke.

### B. MEMBER COMMENTS

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Matters under the jurisdiction of the Board and not on the posted agenda, may be addressed by members of the public before the Board for consideration. However, California law prohibits the Board from taking action on any matter which is not on the posted agenda unless it is determined to be an emergency by the Board of PDGHAD. Any person wishing to address the Board during the Member Comment period shall be permitted to be heard for up to 3 minutes, A) individuals may speak only once and B) the Board is

unable to address any owner comments in depth, but may choose to direct the Clerk to follow-up on the matter for a future meeting.

### **C. PRESIDENT'S REMARKS**

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The President will use this opportunity to inform the public of issues affecting the District and other items of a general nature not otherwise provided for on this agenda.

#### **1. 2020 Regular Meeting Dates**

November 14<sup>th</sup>  
December 12<sup>th</sup>

**No additional items.**

### **D. CONSENT CALENDAR**

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All matters listed on the Consent Calendar are considered to be routine by the Board of Directors and will be enacted by one motion at the appropriate time. There will be no separate discussion on these items. If discussion is desired, that item will be removed from the Consent Calendar and will be considered separately.

1. Approval of meeting minutes of May 16<sup>th</sup>, 2020 and July 28<sup>th</sup>, 2020.

**Raphael moves to approve the minutes as updated and David seconds. All approve**

### **E. TREASURER'S REPORT**

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#### **2. Financial Reports**

- Financial Report through June 30<sup>th</sup>, 2020
- Warrant listing

**Wendy provided an update on the financials**

### **F. MEETING reports**

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3. Meetings attended by Directors at District expense since the last meeting of the Board (per AB1234 requirements). Such reports may be made orally or in writing.

**No meetings were attended.**

### **G. NEW BUSINESS**

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#### **4. ITEM-Update on County application for grading permit**

- a. Board report
- b. Public comment
- c. Board discussion
- d. Board action /direction

**Dan Peluso provided an update and review of the 30% plans for submission to the County for preliminary review. Also discussed underpinning and will need to review homes that might need this additional work. Next steps include following up with Carolyn at the County, starting to review funding mechanisms and pulling together the documentation for 65% and 100% plans.**

5. ITEM-Review Conflict of Interest Code for the PDGHAD Board

- a. Board report
- b. Public comment
- c. Board discussion
- d. Board action /direction

**The committee reviewed the conflict of interest code and found that no modifications were needed.**

6. ITEM-Consider continuing Line of Credit with Santa Cruz County Bank

- a. Board report
- b. Public comment
- c. Board discussion
- d. Board action /direction

**David Ferrari moves to approve the continuation of the line of credit with Santa Cruz County Bank under the terms presented. Jim seconds. Roll vote: John Cullen-aye, Raphael Kraw-aye, David Ferrari-aye, Jim Griffin-aye, Jack Feinstein-aye.**

7. ITEM – Consider engaging Hutchinson and Bloodgood to perform the annual audit for the fiscal year ending June 30<sup>th</sup>, 2020

- a. Board report
- b. Public comment
- c. Board discussion
- d. Board action /direction

**Raphael moves to approve engaging H&B to prepare the yearly audit. David F. seconds. Roll vote: John Cullen-aye, Raphael Kraw-aye, David Ferrari-aye, Jim Griffin-aye, Jack Feinstein-aye.**

8. ITEM – Consider contract update for District Clerk

- a. Board report
- b. Public comment
- c. Board discussion
- d. Board action /direction

**Raphael moves to approve updating contract with Sarah Mansergh for \$45 an hour. David F. seconds. Roll vote: John Cullen-aye, Raphael Kraw-aye, David Ferrari-aye, Jim Griffin-aye, Jack Feinstein-aye.**

## **H. DIRECTORS COMMENTS AND CONCERNS**

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Members of the Board of Directors may address items of concern at this time, and may request that items be placed on future agendas in accordance with the By-laws of the Board.

## **I. ADJOURNMENT**

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**Adjourned at 10:06am**



The next Meeting of the Board of Directors is scheduled for November 14th, 2020, at 9:00 a.m. online via Zoom and if possible at the offices of the Pajaro Dunes Geologic Hazard Abatement District, Board Room, Pajaro Dunes, 2661 Beach Road, Watsonville, CA 95076. Individuals who require special accommodations are requested to contact the District Clerk by calling (831) 818-9253, no less than 72 hours prior to the meeting or in the case of a Special Meeting, as soon as possible after the Agenda is posted. Copies of the agenda will be available 72 hours prior to the meeting and may be obtained by contacting the District at (831) 761-7744. All meetings are noticed and conducted in accordance with the Ralph M. Brown Act

DRAFT

**Pajaro Dunes Geologic Hazard Abatement District**

**Balance Sheet**

As of November 30, 2020

Nov 30, 20

**ASSETS**

**Current Assets**

**Checking/Savings**

100000 · SCCB Zone 1 - 3957	68,602
100001 · SCCB Zone 2 - 3965	67,166
100002 · SCCB Z1 Emerg - 1877	319,350
100003 · SCCB LTD- 0208	49,159
100400 · Union Bank Bond Holding	266,567

**Total Checking/Savings** 770,844

**Accounts Receivable**

120000 · Assessments Receivable	267,529
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**Total Accounts Receivable** 267,529

**Other Current Assets**

121500 · Prepaid Insurance	4,727
121600 · Prepaid Expenses	1,000

**Total Other Current Assets** 5,727

**Total Current Assets** 1,044,100

**Fixed Assets**

150000 · Riverwall	3,000,000
160000 · Accumulated Depreciation	-1,591,665

**Total Fixed Assets** 1,408,335

**TOTAL ASSETS** 2,452,435

**LIABILITIES & EQUITY**

**Liabilities**

**Current Liabilities**

**Accounts Payable**

200000 · Accounts Payable	10,738
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**Total Accounts Payable** 10,738

**Other Current Liabilities**

220000 · Accrued Interest	14,699
255000 · Unearned Revenue	3,547

**Total Other Current Liabilities** 18,246

**Total Current Liabilities** 28,984

**Long Term Liabilities**

285000 · Bonds Payable Z2	1,085,000
286000 · Bonds Payable Discount Z2	-52,250
286500 · Amort. Bond Discount Z2	32,731

**Total Long Term Liabilities** 1,065,481

**Total Liabilities** 1,094,465

**Equity**

30000 · Opening Balance Equity	608,448
32000 · Retained Earnings	612,830
Net Income	136,693

**Total Equity** 1,357,971

**TOTAL LIABILITIES & EQUITY** 2,452,436

Note ~ GHAD owns \$15k of rock that is stored at Granite Rock

**Pajaro Dunes Geologic Hazard Abatement District**  
**Profit & Loss Budget vs. Actual**  
 July through November 2020

	Zone 1			
	Jul - Nov 20	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
410000 · Assessment Income	88,157	88,157		100%
410020 · Emergency Reserve Fund	72,917	72,917		100%
410050 · Assess. Income PDA Stairs	6,128	6,356	-228	96%
<b>Total Income</b>	<u>167,202</u>	<u>167,430</u>	<u>-228</u>	<u>100%</u>
<b>Expense</b>				
610155 · Postage and Mailings	311	750	-439	41%
61510 · Advertising				
615115 · Office Expense		210	-210	
615140 · Audit Expense	7,700	10,331	-2,631	75%
61518 · Clerk		3,616	-3,616	
615415 · Accounting	5,737	11,000	-5,263	52%
615416 · Assessment Admin. Expense	1,752	8,265	-6,513	21%
615617 · Website Maintenance		750	-750	
615650 · Officer Election		2,557	-2,557	
615655 · Dues				
615656 · Board/Clerk Education				
616500 · Legal Fees	740	7,748	-7,008	10%
619010 · Technical Consulting Costs		50,955	-50,955	
628500 · Insurance Expense	6,300	6,457	-157	98%
629030 · SBA Repayment to PHA Z2				
629900 · Bond Fee Expense				
650000 · Bank Service Charges	1,025			
750000 · Depreciation Expense Z2				
<b>Total Expense</b>	<u>23,565</u>	<u>102,639</u>	<u>-79,074</u>	<u>23%</u>
<b>Net Ordinary Income</b>	<u>143,637</u>	<u>64,791</u>	<u>78,846</u>	<u>222%</u>
<b>Other Income/Expense</b>				
<b>Other Income</b>				
410070 · Interest & Penalty Income	88	21	67	419%
<b>Total Other Income</b>	<u>88</u>	<u>21</u>	<u>67</u>	<u>419%</u>
<b>Other Expense</b>				
855000 · Interest Expense				
955500 · Interest Bond Discount				
<b>Total Other Expense</b>	<u></u>	<u></u>	<u></u>	<u></u>
<b>Net Other Income</b>	<u>88</u>	<u>21</u>	<u>67</u>	<u>419%</u>
<b>Net Income</b>	<u><u>143,725</u></u>	<u><u>64,812</u></u>	<u><u>78,913</u></u>	<u><u>222%</u></u>

**Pajaro Dunes Geologic Hazard Abatement District**  
**Profit & Loss Budget vs. Actual**  
 July through November 2020

	Zone 2			
	Jul - Nov 20	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
410000 · Assessment Income	99,116	99,116		100%
410020 · Emergency Reserve Fund				
410050 · Assess. Income PDA Stairs	1,267	1,267		100%
<b>Total Income</b>	<u>100,383</u>	<u>100,383</u>		<u>100%</u>
<b>Expense</b>				
610155 · Postage and Mailings				
61510 · Advertising				
615115 · Office Expense				
615140 · Audit Expense				
61518 · Clerk	887	1,118	-231	79%
615415 · Accounting				
615416 · Assessment Admin. Expense	228	1,073	-845	21%
615617 · Website Maintenance				
615650 · Officer Election				
615655 · Dues				
615656 · Board/Clerk Education				
616500 · Legal Fees				
619010 · Technical Consulting Costs				
628500 · Insurance Expense				
629030 · SBA Repayment to PHA Z2	38,690	38,690		100%
629900 · Bond Fee Expense				
650000 · Bank Service Charges	39	215	-176	18%
750000 · Depreciation Expense Z2	41,665	41,667	-2	100%
<b>Total Expense</b>	<u>81,509</u>	<u>82,763</u>	<u>-1,254</u>	<u>98%</u>
<b>Net Ordinary Income</b>	<u>18,874</u>	<u>17,620</u>	<u>1,254</u>	<u>107%</u>
<b>Other Income/Expense</b>				
<b>Other Income</b>				
410070 · Interest & Penalty Income	29	63	-34	46%
<b>Total Other Income</b>	<u>29</u>	<u>63</u>	<u>-34</u>	<u>46%</u>
<b>Other Expense</b>				
855000 · Interest Expense	25,065	25,065	0	100%
955500 · Interest Bond Discount	870		870	100%
<b>Total Other Expense</b>	<u>25,935</u>	<u>25,065</u>	<u>870</u>	<u>103%</u>
<b>Net Other Income</b>	<u>-25,906</u>	<u>-25,002</u>	<u>-904</u>	<u>104%</u>
<b>Net Income</b>	<u><u>-7,032</u></u>	<u><u>-7,382</u></u>	<u><u>350</u></u>	<u><u>95%</u></u>

**Pajaro Dunes Geologic Hazard Abatement District**  
**Profit & Loss Budget vs. Actual**  
 July through November 2020

	TOTAL			
	Jul - Nov 20	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
410000 · Assessment Income	187,273	187,273		100%
410020 · Emergency Reserve Fund	72,917	72,917		100%
410050 · Assess. Income PDA Stairs	7,395	7,623	-228	97%
<b>Total Income</b>	<u>267,585</u>	<u>267,813</u>	<u>-228</u>	<u>100%</u>
<b>Expense</b>				
610155 · Postage and Mailings	311	750	-439	41%
61510 · Advertising				
615115 · Office Expense		210	-210	
615140 · Audit Expense	7,700	10,331	-2,631	75%
61518 · Clerk	887	4,734	-3,847	19%
615415 · Accounting	5,737	11,000	-5,263	52%
615416 · Assessment Admin. Expense	1,980	9,338	-7,358	21%
615617 · Website Maintenance		750	-750	
615650 · Officer Election		2,557	-2,557	
615655 · Dues				
615656 · Board/Clerk Education				
616500 · Legal Fees	740	7,748	-7,008	10%
619010 · Technical Consulting Costs		50,955	-50,955	
628500 · Insurance Expense	6,300	6,457	-157	98%
629030 · SBA Repayment to PHA Z2	38,690	38,690		100%
629900 · Bond Fee Expense				
650000 · Bank Service Charges	1,064	215	849	495%
750000 · Depreciation Expense Z2	41,665	41,667	-2	100%
<b>Total Expense</b>	<u>105,074</u>	<u>185,402</u>	<u>-80,328</u>	<u>57%</u>
<b>Net Ordinary Income</b>	<u>162,511</u>	<u>82,411</u>	<u>80,100</u>	<u>197%</u>
<b>Other Income/Expense</b>				
<b>Other Income</b>				
410070 · Interest & Penalty Income	117	84	33	139%
<b>Total Other Income</b>	<u>117</u>	<u>84</u>	<u>33</u>	<u>139%</u>
<b>Other Expense</b>				
855000 · Interest Expense	25,065	25,065	0	100%
955500 · Interest Bond Discount	870		870	100%
<b>Total Other Expense</b>	<u>25,935</u>	<u>25,065</u>	<u>870</u>	<u>103%</u>
<b>Net Other Income</b>	<u>-25,818</u>	<u>-24,981</u>	<u>-837</u>	<u>103%</u>
<b>Net Income</b>	<u><u>136,693</u></u>	<u><u>57,430</u></u>	<u><u>79,263</u></u>	<u><u>238%</u></u>

**Pajaro Dunes Geologic Hazard Abatement District**  
**Bank Account Activity**  
As of November 30, 2020

Type	Date	Num	Name	Debit	Credit	Balance
<b>100000 - SCCB Zone 1 - 3957</b>						<b>49,891.45</b>
Bill Pmt -Check	07/03/2020	1393	Cal Engineering & Geology		5,867.75	44,023.70
Bill Pmt -Check	07/03/2020	1394	Jarvis, Fay, & Gibson, LLP		240.00	43,783.70
Bill Pmt -Check	07/03/2020	1395	Wendy L. Cumming, CPA		2,601.11	41,182.59
Bill Pmt -Check	07/07/2020	1396	Sarah Mansergh		955.99	40,226.60
Deposit	08/20/2020			51,551.54		91,778.14
Deposit	08/20/2020			183.85		91,961.99
Bill Pmt -Check	08/24/2020	1397	Cal Engineering & Geology		10,495.00	81,466.99
Bill Pmt -Check	08/24/2020	1398	Jarvis, Fay, & Gibson, LLP		260.00	81,206.99
Bill Pmt -Check	08/24/2020	1399	Sarah Mansergh		994.12	80,212.87
Bill Pmt -Check	08/24/2020	1400	Wendy L. Cumming, CPA		2,465.93	77,746.94
Deposit	09/03/2020			53.50		77,800.44
Bill Pmt -Check	10/26/2020	1401	Hutchinson & Bloodgood		4,700.00	73,100.44
Bill Pmt -Check	10/26/2020	1402	Jarvis, Fay, & Gibson, LLP		500.00	72,600.44
Bill Pmt -Check	10/26/2020	1403	Wendy L. Cumming, CPA		3,998.13	68,602.31
Total 100000 - SCCB Zone 1 - 3957				51,788.89	33,078.03	68,602.31
<b>100001 - SCCB Zone 2 - 3965</b>						<b>68,723.83</b>
Bill Pmt -Check	07/03/2020	1338	MUFG Union Bank, N.A.		635.00	68,088.83
Bill Pmt -Check	07/03/2020	1339	Pelican Home Owner's Association		7,738.00	60,350.83
Bill Pmt -Check	07/03/2020	1340	Wendy L. Cumming, CPA		161.29	60,189.54
Bill Pmt -Check	07/07/2020	1341	Sarah Mansergh		88.28	60,101.26
Deposit	08/20/2020			92,026.33		152,127.59
Deposit	08/20/2020			141.96		152,269.55
Bill Pmt -Check	08/24/2020	1342	Pajaro Dunes Geologic Abatement District		53,809.47	98,460.08
Bill Pmt -Check	08/24/2020	1343	Pelican Home Owner's Association		15,476.00	82,984.08
Bill Pmt -Check	08/24/2020	1344	Sarah Mansergh		203.93	82,780.15
Bill Pmt -Check	08/24/2020	1345	Wendy L. Cumming, CPA		132.82	82,647.33
Deposit	09/03/2020			41.82		82,689.15
Bill Pmt -Check	10/26/2020	1346	Pelican Home Owner's Association		15,476.00	67,213.15
Bill Pmt -Check	10/26/2020	1347	Wendy L. Cumming, CPA		47.44	67,165.71
Total 100001 - SCCB Zone 2 - 3965				92,210.11	93,768.23	67,165.71
<b>100002 - SCCB Z1 Emerg - 1877</b>						<b>254,193.23</b>
Deposit	08/20/2020			66,182.08		320,375.31
Check	09/16/2020	ATM	Union Bank		25.00	320,350.31
Check	09/16/2020	ATM	Union Bank		1,000.00	319,350.31
Total 100002 - SCCB Z1 Emerg - 1877				66,182.08	1,025.00	319,350.31
<b>100400 - Union Bank Bond Holding</b>						<b>323,881.34</b>
Check	07/28/2020	atm	Union Bank Bond Holding		111,097.50	212,783.84
Check	07/31/2020				39.09	212,744.75
Deposit	07/31/2020			13.09		212,757.84
Bill	08/25/2020		Pajaro Dunes Geologic Abatement District	53,809.47		266,567.31
Total 100400 - Union Bank Bond Holding				53,822.56	111,136.59	266,567.31
<b>TOTAL</b>				<b>264,003.64</b>	<b>239,007.85</b>	<b>721,685.64</b>



November 11, 2020

To the Board of Directors  
and Management of  
Pajaro Dunes Geologic Hazard Abatement District

We have audited the financial statements of the Pajaro Dunes Geologic Hazard Abatement District for the year ended June 30, 2020. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you dated July 29, 2020. Professional standards also require that we communicate to you the following information related to our audit:

Significant Audit Findings

*Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the reporting period. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. We noted no particularly sensitive accounting estimates.

The disclosures in the financial statements are neutral, consistent, and clear.

*Difficulties Encountered in Performing the Audit*

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

### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. The following material misstatements detected as a result of audit procedures:

- Adjustments were made to the government fund financial statements as follows:
  - To adjust beginning fund balance to actual, to eliminate current year depreciation, and to eliminate debt that will not be paid with current financial resources.
    - *While District personnel is capable of preparing these entries, they place reliance on the auditor to record the adjustments necessary to prepare the governmental fund statements.*

No other misstatements detected as a result of our audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

### *Disagreements with Management*

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

### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated November 11, 2020.

### *Management Consultations with Other Independent Accountants*

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

### *Other Audit Findings or Issues*

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



Other Matters

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

This information is intended solely for the use of the Board of Directors and Management of the Pajaro Dunes Geologic Hazard Abatement District and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

HUTCHINSON AND BLOODGOOD LLP

A handwritten signature in black ink that reads "Kim Said". The signature is written in a cursive, flowing style.

Kim Said, CPA  
Partner

**PAJARO DUNES GEOLOGIC HAZARD  
ABATEMENT DISTRICT**

Financial Report

June 30, 2020

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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
Pajaro Dunes Geologic Hazard Abatement District  
Watsonville, California

We have audited the accompanying financial statements of Pajaro Dunes Geologic Hazard Abatement District (the District) as of and for the year ended June 30, 2020, and the related notes to the financial statements, as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Pajaro Dunes Geologic Hazard Abatement District as of June 30, 2020, and the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters***Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 9 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of 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*

Our audit was conducted for the purpose of forming an opinion on the basic financial statements. The information included in the accompanying Schedule I (page 24) is presented for additional analysis and is not a required part of the basic financial statements.

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



November 11, 2020

# PAJARO DUNES GEOLOGIC HAZARD ABATEMENT DISTRICT

## *Management's Discussion and Analysis* For the Year Ended June 30, 2020

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As management of the Pajaro Dunes Geologic Hazard Abatement District (District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities and performance of the District for the year ended June 30, 2020. Please read this in conjunction with the District's basic financial statements.

### **Using This Financial Report**

This annual report consists of management's discussion and analysis, the basic financial statements and notes to financial statements. Management's discussion and analysis provides a narrative of the District's financial performance and activities for the year ended June 30, 2020. The basic financial statements provide readers with a broad overview of the District's finances, in a manner similar to private-sector business. The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

### **Government-Wide Financial Statements –**

#### **Statement of Net Position and Statement of Activities and Changes in Net Position**

One of the most important questions asked about the District's finances is, "Is the District better off, or worse off as a result of this year's activities?" The Statement of Net Position and the Statement of Activities and Changes in Net Position report information about the District in a way that helps answer this question. These statements include all assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private sector companies. All of the current year's revenues and expenses are taken into account regardless of when the cash is received or paid.

These two statements report the District's *net position* and changes in it. Think of the District's net position – the difference between assets and liabilities – as one way to measure the District's financial health, or *financial position*. Over time, *increases or decreases* in the District's net position are one indicator of whether its *financial health* is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the District's property tax base to assess the *overall health* of the District.

### **Government Fund Financial Statements –**

#### **Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances**

*Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the year. Such information may be useful in evaluating a government's near term financial requirements.

## PAJARO DUNES GEOLOGIC HAZARD ABATEMENT DISTRICT

*Management's Discussion and Analysis*  
For the Year Ended June 30, 2020

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### **Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)**

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

### **Notes to the Basic Financial Statements**

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

### **Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information regarding the District's budgetary information.

## PAJARO DUNES GEOLOGIC HAZARD ABATEMENT DISTRICT

Management's Discussion and Analysis  
For the Year Ended June 30, 2020

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### Government-wide Financial Analysis

#### Statements of Net Position (page 10)

#### Condensed Statements of Net Position

	6/30/2020	6/30/2019
<b>Assets:</b>		
Current and other assets	\$ 962,983	\$ 763,642
Capital assets net of depreciation	<u>1,450,000</u>	<u>1,550,000</u>
<b>Total assets</b>	<u><u>\$ 2,412,983</u></u>	<u><u>\$ 2,313,642</u></u>
<b>Liabilities:</b>		
Current liabilities	\$ 123,462	\$ 96,982
Long-term debt	<u>1,069,611</u>	<u>1,142,523</u>
<b>Total liabilities</b>	<u>1,193,073</u>	<u>1,239,505</u>
<b>Deferred Inflows of Resources:</b>		
Prepaid assessments	<u>3,547</u>	<u>10,675</u>
<b>Net Position:</b>		
Investment in capital assets, net of related debt	305,389	332,477
Restricted for debt service	144,825	144,825
Unrestricted	<u>766,149</u>	<u>586,160</u>
<b>Total net position</b>	<u>1,216,363</u>	<u>1,063,462</u>
	<u><u>\$ 2,412,983</u></u>	<u><u>\$ 2,313,642</u></u>

As noted earlier in this analysis, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets of the District exceeded liabilities and deferred inflows by \$1,216,363 as of June 30, 2020. At June 30, 2020, the District reflected an accumulated balance in its unrestricted net position of \$766,149.



## PAJARO DUNES GEOLOGIC HAZARD ABATEMENT DISTRICT

*Management's Discussion and Analysis*  
For the Year Ended June 30, 2020

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### Government-wide Financial Analysis (Continued)

The District has 200 tons of riprap, which is stored at a site provided by Granite Rock. The cost of the rock and storage was \$15,000 and was incurred and expensed in September 2012. The agreement with Granite Rock expires December 31, 2022, at which point any unused rock is to be forfeited unless a new agreement is reached.

### Statements of Activities and Changes in Net Position (page 11)

#### Condensed Statements of Activities and Changes in Net Position

	6/30/2020	6/30/2019
<b>Expenditures:</b>		
Hazard abatement program	\$ 225,091	\$ 157,393
Interest on long-term obligations	64,908	71,039
Depreciation	100,000	100,000
<b>Total expenditures</b>	<u>389,999</u>	<u>328,432</u>
<b>General Revenues</b>	<u>542,900</u>	<u>541,891</u>
<b>Change in net position</b>	152,901	213,459
Net position - beginning of year	<u>1,063,462</u>	<u>850,003</u>
Net position - end of year	<u>\$ 1,216,363</u>	<u>\$ 1,063,462</u>

The statement of activities and changes in net position shows how the government's net position changed during the year. In the case of the District, net position increased by \$152,901 during the current year.

### Governmental Funds Financial Analysis

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financial requirements. In particular, the unreserved fund balance may serve as a useful measure of the government's net resources for spending at the end of the fiscal year.

As of June 30, 2020, the District's General Fund reported a fund balance of \$562,221. The fund balance is not available for future spending because it has already been reserved for specific provisions (page 12).

### Financial Highlights

- The District's general fund balance increased \$152,435, from \$409,786 to \$562,221 (page 14).
- The District's debt service fund balance increased by \$19,176, from \$353,856 to \$373,032 (page 14).
- Assessment revenues of \$533,501 were above prior year by \$195.

## PAJARO DUNES GEOLOGIC HAZARD ABATEMENT DISTRICT

### *Management's Discussion and Analysis* For the Year Ended June 30, 2020

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- General fund operating expenses of \$225,091 (before depreciation) were above the prior reporting period by 43.01%, or \$67,698, due to expenditures incurred for technical planning and consulting cost in the current year.

#### **General Fund Budgetary Highlights**

- Total revenues over expenditures for the District's general fund operations were above budget by \$81,292. Actual assessment revenues were below budget by \$6,541.
- General fund operating expenses were below budget by \$87,833 or 28.06%. The underbudget variance is primarily due lower general and administrative expenditure as well as lower technical planning expenditures.

#### **Capital Asset Administration**

Changes in capital assets for the year were as follows:

	<u>Balance</u> <u>6/30/2019</u>	<u>Additions/</u> <u>Transfers</u>	<u>Balance</u> <u>6/30/2020</u>
Depreciable capital asset	\$ 3,000,000	\$ --	\$ 3,000,000
Less accumulated depreciation	<u>(1,450,000)</u>	<u>(100,000)</u>	<u>(1,550,000)</u>
Total capital assets, net	<u>\$ 1,550,000</u>	<u>\$ (100,000)</u>	<u>\$ 1,450,000</u>

## PAJARO DUNES GEOLOGIC HAZARD ABATEMENT DISTRICT

*Management's Discussion and Analysis*  
For the Year Ended June 30, 2020

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### Capital Asset Administration (Continued)

As of June 30, 2020, the District's investment in capital assets amounted to \$1,450,000 (net of accumulated depreciation). This investment in capital assets consists solely of a riverwall. See note 3 for further information on the District's capital assets.

### Debt Administration

Changes in long-term debt for the year were as follows:

	<u>Balance</u> <u>6/30/2019</u>	<u>Additions</u>	<u>Principal</u> <u>Payments</u>	<u>Balance</u> <u>6/30/2020</u>
Ltd Obligation improvement bonds	\$ 1,240,000	\$ --	\$ (75,000)	\$ 1,165,000
				--
Total liabilities, net	<u>\$ 1,240,000</u>	<u>\$ --</u>	<u>\$ (75,000)</u>	<u>\$ 1,165,000</u>

### Future Plans

The District has developed a preliminary application to Santa Cruz County (SCC) for a permit to repair and maintain the seawall. The District through our new Engineer of Record (EOR) has both verified and completed several studies, gathered technical information and considered construction alternatives. Based on that analysis, we adopted a 'repair and maintenance' versus 'replacement' approach to seawall fortification, which is now the basis for our going-forward efforts.

Resource-wise as has been reported, the District held a successful 218 election and has begun collecting revenue that can be utilized for any future emergencies should there be a failure of the seawall. We also secured a Letter of Credit for \$600,000, should additional funds be necessary in an emergency. Our operating budgets also allocate a greater percentage of our budget to the professional services necessary for work related to applications and permits.

This past year, the District has successfully added two new Directors with skill sets that complement the work-tasks before us. Our new and existing Directors and Staff will continue working very closely with our EOR and SCC officials to process our application and make changes necessary to secure local agreements before moving our request forward to state agencies. Once SCC negotiations are successfully completed, a new timeline will be developed for our next 218 election which will raise funds for the construction work, as well as a projection of timeline for seawall repairs. The District will also begin the community education groundwork necessary to keep our District members informed of our progress and future requirements for a successful repair and maintenance project.

Overall, we are leveraging on our successful capacity building efforts and have articulated our seawall repair goals and construction details into a permit application. In the upcoming year we will commit our efforts to managing the refinement of our application and negotiating approvals with the various oversight agencies. We look forward to accomplishing a great deal in 2021 forward.

## **PAJARO DUNES GEOLOGIC HAZARD ABATEMENT DISTRICT**

*Management's Discussion and Analysis*  
For the Year Ended June 30, 2020

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### **Contacting the District's Financial Management**

The financial report is designed to provide a general overview of the District's accountability for the District's assets. If you have questions about this report or need additional financial information, contact the Pajaro Dunes Geologic Hazard Abatement District at 2661 Beach Road, Watsonville, California 95076 or (831) 761-7744.

# PAJARO DUNES GEOLOGIC HAZARD ABATEMENT DISTRICT

Government-Wide  
Statement of Net Position  
June 30, 2020

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Cash and cash equivalents, unrestricted (Note 2)	\$ 601,015
Cash and cash equivalents, restricted (Note 2)	144,825
Assessments receivable	205,116
Prepaid expenses	12,027
Capital assets, net of accumulated depreciation (Note 3)	<u>1,450,000</u>
Total assets	<u>\$ 2,412,983</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>	
Liabilities:	
Accrued interest	\$ 20,732
Accounts payable	27,730
Long-term obligations:	
Long-term obligations - due within one year (Note 4)	80,000
Long-term obligations - due in more than one year (Note 4)	<u>1,064,611</u>
Total liabilities	<u>1,193,073</u>
Deferred Inflows of Resources:	
Prepaid assessments	<u>3,547</u>
<b>COMMITMENTS AND CONTINGENCIES (Note 6)</b>	
Net Position:	
Invested in capital assets, net of related debt	305,389
Restricted for debt service	144,825
Unrestricted	<u>766,149</u>
Total net position	<u>1,216,363</u>
	<u>\$ 2,412,983</u>

**PAJARO DUNES GEOLOGIC HAZARD ABATEMENT DISTRICT**

Government-Wide  
 Statement of Activities and Changes in Net Position  
 Year Ended June 30, 2020

Function	Expenses	Revenue	Total
Hazard abatement program	\$ 225,091	\$ --	\$ (225,091)
Interest on long-term obligations	64,908	--	(64,908)
Depreciation	100,000	--	(100,000)
	<u>\$ 389,999</u>	<u>\$ --</u>	<u>(389,999)</u>
<b>General Revenues:</b>			
Assessment income			365,629
Emergency reserve fund assessments			175,000
Interest earnings			<u>2,271</u>
Total general revenues			<u>542,900</u>
Change in net position			152,901
Net position - beginning of year			<u>1,063,462</u>
Net position - end of year			<u>\$ 1,216,363</u>

**PAJARO DUNES GEOLOGIC HAZARD ABATEMENT DISTRICT**

Balance Sheet-Governmental Funds

June 30, 2020

	<b>Governmental Fund Types</b>		<b>Total</b>
	<b>General</b>	<b>Debt Service</b>	<b>(Memorandum Only)</b>
<b>ASSETS</b>			
Cash and cash equivalents, unrestricted (Note 2)	\$ 372,808	\$ 228,207	\$ 601,015
Cash and cash equivalents, restricted (Note 2)	--	144,825	144,825
Assessments receivable	205,116	--	205,116
Prepaid expenses	12,027	--	12,027
<b>Total assets</b>	<b>\$ 589,951</b>	<b>\$ 373,032</b>	<b>\$ 962,983</b>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accounts payable	\$ 27,730	\$ --	\$ 27,730
<b>COMMITMENTS AND CONTINGENCIES (Note 6)</b>			
Fund balances:			
Fund balance - reserved for debt service	--	373,032	373,032
Fund balance - reserved for reimbursement	562,221	--	562,221
<b>Total fund balances</b>	<b>562,221</b>	<b>373,032</b>	<b>935,253</b>
	<b>\$ 589,951</b>	<b>\$ 373,032</b>	<b>\$ 962,983</b>

## PAJARO DUNES GEOLOGIC HAZARD ABATEMENT DISTRICT

Reconciliation of the Governmental Funds Balance Sheet to the  
Government-Wide Statement of Net Position  
June 30, 2020

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<b>Total fund balances of governmental funds</b>	\$ 935,253
Amounts reported for governmental activities in the Statement of Activities are different because:	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the Governmental Funds Balance Sheet.	1,450,000
Accrued interest on debt that will not be paid with current financial resources are not considered in the Governmental Funds Balance Sheet.	(20,732)
Prepaid property assessments for limited obligation bonds were considered other financing sources in the year they were received in the Statement of Revenues, Expenditures, and Changes in Fund Balances. These funds are considered deferred inflows of resources of the District on the Statement of Net Position and are recognized as assessment income over a fifteen year period in the Statement of Activities and Changes in Net Position.	(3,547)
Long-term obligations are not due and payable in the current period and therefore they are not reported in the Governmental Funds Balance Sheet. The long-term obligations were adjusted as follows:	
Long-term obligations - due within one year	(80,000)
Long-term obligations - due in more than one year	<u>(1,064,611)</u>
<b>Net position of governmental activities</b>	<u><u>\$ 1,216,363</u></u>



## PAJARO DUNES GEOLOGIC HAZARD ABATEMENT DISTRICT

Statement of Revenues, Expenditures, and Changes in Fund Balances  
Year Ended June 30, 2020

	General	Debt Service	Total (Memorandum Only)
<b>PROGRAM REVENUES</b>			
Assessment income	\$ 222,727	\$ 135,774	\$ 358,501
Emergency reserve fund assessments	175,000	--	175,000
Interest income	2,271	--	2,271
	<u>399,998</u>	<u>135,774</u>	<u>535,772</u>
Total revenues	<u>399,998</u>	<u>135,774</u>	<u>535,772</u>
<b>EXPENDITURES</b>			
Insurance	14,996	--	14,996
Legal	9,240	--	9,240
Accounting	14,396	--	14,396
Clerk	4,628	--	4,628
Assessment administration	3,836	--	3,836
Office	1,422	--	1,422
Website maintenance	660	--	660
Audit	9,000	--	9,000
Bond fee	635	--	635
Seawall annual inspection	2,506	--	2,506
Technical planning	70,916	--	70,916
Reimbursements:			
Pelican Homeowners Association	92,856	--	92,856
Debt service:			
Principal	--	75,000	75,000
Interest	--	64,070	64,070
	<u>225,091</u>	<u>139,070</u>	<u>364,161</u>
Total expenditures	<u>225,091</u>	<u>139,070</u>	<u>364,161</u>
<b>Excess (deficiency) of revenue over expenditures</b>	<u>174,907</u>	<u>(3,296)</u>	<u>171,611</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfer out	(22,472)	--	(22,472)
Operating transfer in	--	22,472	22,472
	<u>(22,472)</u>	<u>22,472</u>	<u>--</u>
Total other financing sources (uses)	<u>(22,472)</u>	<u>22,472</u>	<u>--</u>
<b>NET CHANGE IN FUND BALANCE</b>	152,435	19,176	171,611
<b>BEGINNING FUND BALANCE</b>	<u>409,786</u>	<u>353,856</u>	<u>763,642</u>
<b>ENDING FUND BALANCE</b>	<u>\$ 562,221</u>	<u>\$ 373,032</u>	<u>\$ 935,253</u>

## PAJARO DUNES GEOLOGIC HAZARD ABATEMENT DISTRICT

Reconciliation of the Governmental Funds Statement of Revenues,  
Expenditures, and Changes in Fund Balances to the Government-Wide  
Statement of Activities and Changes in Net Position  
Year Ended June 30, 2020

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<b>Net change in fund balances of governmental funds</b>	\$ 171,611
Amounts reported for governmental activities in the Statement of Activities are different because:	
Depreciation expense on capital assets is reported in the Government-Wide Statement of Activities and Changes in Net Position, but they do not require the use of current financial resources. Therefore, depreciation expense is not reported as expenditures in Governmental Funds.	(100,000)
The bond discount is reported as amortizable interest expense in the Government-Wide Statement of Activities and Changes in Net Position, but it does not require the use of current financial resources. Therefore, the discount was reported as an expenditure the year the bonds were issued in Governmental Funds.	(2,088)
Accrued interest on long-term debt is reported as interest expense in the Government-Wide Statement of Activities and Changes in Net Position, but it does not require the use of current financial resources. Therefore, the accrued interest relating to the special assessment bonds is not reported in Governmental Funds.	1,250
The prepaid assessment revenue is classified as deferred inflows of resources in the Government-Wide Statement of Net Position and is recognized as assessment income over fifteen years in the Statement of Activities and Changes in Net Position. The prepaid assessments were considered other financing sources in the year they were paid and recognized entirely during that period in the Statement of Revenues, Expenditures, and Changes in Fund Balances.	7,128
Debt proceeds provide current financial resources to Governmental Funds, but issuing debt increases long-term liabilities in the Government-Wide Statement of Net Position. Repayment of debt principal is an expenditure in Governmental Funds, but the repayment reduces long-term liabilities in the Government-Wide Statement of Net Position.	
Current year principal debt repayments	<u>75,000</u>
<b>Change in net position of governmental activities</b>	<u><u>\$ 152,901</u></u>

**PAJARO DUNES GEOLOGIC HAZARD ABATEMENT DISTRICT**

Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual  
Year Ended June 30, 2020

	General Fund			Debt Service Fund		
	Original and Final Budget	Actual	Variance	Original and Final Budget	Actual	Variance
<b>REVENUES</b>						
Assessment income	\$ 231,339	\$ 222,727	\$ (8,612)	\$ 141,159	\$ 135,774	\$ (5,385)
Emergency reserve fund	175,000	175,000	--	--	--	--
Interest income	200	2,271	2,071	--	--	--
<b>Total revenues</b>	<b>406,539</b>	<b>399,998</b>	<b>(6,541)</b>	<b>141,159</b>	<b>135,774</b>	<b>(5,385)</b>
<b>EXPENDITURES</b>						
Insurance	15,000	14,996	(4)	--	--	--
Legal	18,000	9,240	(8,760)	--	--	--
Accounting	23,194	14,396	(8,798)	--	--	--
Clerk	8,400	4,628	(3,772)	--	--	--
Assessment administration	9,039	3,836	(5,203)	--	--	--
Office	5,250	1,422	(3,828)	--	--	--
Officer election	2,475	--	(2,475)	--	--	--
Board and clerk training	2,200	--	(2,200)	--	--	--
Website maintenance	1,500	660	(840)	--	--	--
Audit	10,000	9,000	(1,000)	--	--	--
Bond fee	635	635	--	--	--	--
Seawall annual inspection	6,000	2,506	(3,494)	--	--	--
Technical planning	118,375	70,916	(47,459)	--	--	--
Reimbursements (Note 6)						
Pelican Homeowners Association	92,856	92,856	--	--	--	--
Debt service:						
Principal	--	--	--	75,000	75,000	--
Interest	--	--	--	66,159	64,070	(2,089)
<b>Total expenditures</b>	<b>312,924</b>	<b>225,091</b>	<b>(87,833)</b>	<b>141,159</b>	<b>139,070</b>	<b>(2,089)</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>93,615</b>	<b>174,907</b>	<b>81,292</b>	<b>--</b>	<b>(3,296)</b>	<b>(3,296)</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Operating transfer out	--	(22,472)	(22,472)	--	--	--
Operating transfer in	--	--	--	--	22,472	22,472
<b>Total other financing sources (uses)</b>	<b>--</b>	<b>(22,472)</b>	<b>(22,472)</b>	<b>--</b>	<b>22,472</b>	<b>22,472</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ 93,615</b>	<b>152,435</b>	<b>\$ 58,820</b>	<b>\$ --</b>	<b>19,176</b>	<b>\$ 19,176</b>
<b>BEGINNING FUND BALANCE</b>		<b>409,786</b>			<b>353,856</b>	
<b>ENDING FUND BALANCE</b>		<b>\$ 562,221</b>			<b>\$ 373,032</b>	

## PAJARO DUNES GEOLOGIC HAZARD ABATEMENT DISTRICT

Notes to Basic Financial Statements  
June 30, 2020

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Nature of the District:** The Pajaro Dunes Geologic Hazard Abatement District (the District) was formed October 27, 1998 to reduce damage caused by severe storms to the Pajaro Dunes area located in southern Santa Cruz County. The District maintains two areas as follows:

- Zone 1, the boundaries of which are coterminous with the development known as Pajaro Dunes, the District maintains a rock revetment seawall.
- Zone 2, the boundaries of which are coterminous with the Pelican Point Condominium Project, the District maintains a sheet pile river wall.

Both of those structures were designed to reduce damage from 30-year storm events.

**Basis of Accounting:** The accounts of the District are organized and operated on the basis of fund accounting. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements.

**Basis of Presentation:** Management's Discussion and Analysis – Government auditing standards require the financial statements be accompanied by a narrative introduction and analytical overview of the District's financial activities in the form of management's discussion and analysis (MD&A).

The District Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities and Changes in Net Position. These two statements present summaries of Governmental Activities.

Government-Wide Financial Statements:

These statements are presented on an "economic resource" measurement focus and the accrual basis of accounting. Accordingly, all of the District's assets and liabilities, including capital assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities and Changes in Net Position presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The types of transactions reported as program revenues for the District are reported in three categories: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions. Assessments and other items not properly included among program revenues are reported instead as general revenues.

## PAJARO DUNES GEOLOGIC HAZARD ABATEMENT DISTRICT

Notes to Basic Financial Statements  
June 30, 2020

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### **Basis of Presentation (continued):**

##### Governmental Fund Financial Statements:

Governmental Fund Financial Statements include a Balance Sheet and a Statement of Revenues, Expenditures, and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in government fund balances as presented in these statements to the net position presented in the Government-Wide Financial Statements. The District has presented all major funds that met the applicable criteria.

All governmental funds are accounted for on a spending or “current financial resources” measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net position. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are “measurable and available”). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to pay liabilities of the current period (the District considers all revenues available if they are collected within 60 days after year-end). Property taxes are susceptible to accrual. Other receipts and taxes become measurable and available when cash is received by the government and recognized as revenue at that time. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest, which is recognized when due, and certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

**Budgets:** The District’s Board of Directors annually adopts the budget for the District. Board of Directors action is required for the approval of budget revisions.

**Property Assessment Revenue:** Property assessments are governed by Proposition 218, which requires that assessments to operate the District be put to a vote of the members of the District. Property assessments are due November 1 and February 1 and are delinquent if not paid by December 10 and April 10, respectively. Santa Cruz County bills, collects, and remits the property assessments to the District. Taxes remitted within 60 days of year-end are accrued as assessments receivable.

**Estimates:** The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

## PAJARO DUNES GEOLOGIC HAZARD ABATEMENT DISTRICT

Notes to Basic Financial Statements  
June 30, 2020

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**Capital Assets:** The District's capital assets are capitalized at historic cost. The District does not have a capitalization threshold for reporting capital assets. Donations or contributions of capital assets are recorded at fair market value when received.

Depreciation is recorded on a straight-line basis over the estimated useful life of the capital asset as follows:

Riverwall	30 years
-----------	----------

Depreciation expense totaled \$100,000 for the year ended June 30, 2020.

**Total Columns on Governmental Fund Financial Statement:** Total columns on the Governmental Fund financial statements are captioned "Memorandum Only" to indicate they are presented only to facilitate financial analysis. Data in these columns do not present financial position and results of operations in conformity with accounting principles generally accepted in the United States of America.

**Classification of Net Position:** In the Government-Wide financial statements, net position is classified in the following categories:

Invested in capital assets, net of related debt – This category groups all capital assets into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of these assets reduce this category.

Restricted net position – This category presents external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or the District's enabling legislation.

Unrestricted net position – This category represents the net position of the District, which is not restricted for any project or other purpose.

**Use of Restricted/Unrestricted Net Position:** When an expense is incurred for purposes for which both restricted and unrestricted net position is available, the District's policy is to apply restricted net position first.

### NOTE 2. CASH AND CASH EQUIVALENTS

The District maintains cash balances at two financial institutions and, from time to time during the year, the cash balances may be in excess of the amount insured by the Federal Deposit Insurance Corporation (FDIC). In the event of insolvency by the financial institution, deposits in excess of insured amounts are potentially subject to unrecoverable loss.

## PAJARO DUNES GEOLOGIC HAZARD ABATEMENT DISTRICT

Notes to Basic Financial Statements  
June 30, 2020

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### NOTE 2. CASH AND CASH EQUIVALENTS (Continued)

As described in Note 1, the District uses the County of Santa Cruz to bill, collect, and remit property assessments. During the time the County holds the District's funds, the County maintains those funds in a cash and investment pool that is available for use by all funds with various financial institutions and a safekeeping agent. Each fund type's portion of this pool is displayed on the combined balance sheet as "cash and cash equivalents". Statutes authorize the County to invest in obligations of the U.S Treasury, agencies, and instrumentalities, commercial paper rated A-1 by Standard & Poor's Corporation or P-1 by Moody's Commercial Paper Record, banker's acceptances, repurchase agreements, and the State Treasurer's investment pool.

As detailed in the 2005 Limited Obligation Bond issuance statement the District is required to maintain a reserve fund in the amount of \$144,825 for the benefit of the District and the owners of the bonds as a reserve for the payment of principal and interest on the bonds.

### NOTE 3. CAPITAL ASSETS

In accordance with government auditing standards, the District reported all capital assets in the Government-Wide Statement of Net Position. The District elected to use the "basic approach", whereby accumulated depreciation and depreciation expense have been recorded.

District capital assets consist solely of a riverwall. Title to the riverwall transferred from the Pelican Homeowners Association to the District in 2009 after the issuance date of the 2005 Limited Obligation Improvement Bonds. The contribution of this asset is recorded in the Government-Wide financial statements as donated capital. The District currently does not anticipate constructing additional capital assets.

Capital assets of the District for the year ended June 30, 2020, consist of the following:

	Balance June 30, 2019	Additions	Deletions	Balance June 30, 2020
Riverwall	\$ 3,000,000	\$ --	\$ --	\$ 3,000,000
Less accumulated depreciation	1,450,000	100,000	--	1,550,000
	<u>\$ 1,550,000</u>	<u>\$ (100,000)</u>	<u>\$ --</u>	<u>\$ 1,450,000</u>

**PAJARO DUNES GEOLOGIC HAZARD ABATEMENT DISTRICT**

Notes to Basic Financial Statements  
June 30, 2020

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**NOTE 4. LONG-TERM OBLIGATIONS**

Long-term obligations and the related current portion as of June 30, 2020, consist of the following:

*Bonds:*

2005 Limited Obligation Improvement Bonds, variable interest at 3.2% - 5.1%, payable on March 2 and September 2; final payment September 2, 2030	\$ 1,165,000
Less bond discount, net	(20,389)
Less current portion	<u>(80,000)</u>
	<u><u>\$ 1,064,611</u></u>

Changes in long-term obligations for the year ended June 30, 2020, are as follows:

Debt	Balance June 30, 2019	Additions	Reductions	Balance June 30, 2020	Due within one year
2005 Ltd Oblig.					
Improv. Bonds	<u>\$ 1,240,000</u>	<u>\$ --</u>	<u>\$ 75,000</u>	<u>\$ 1,165,000</u>	<u>\$ 80,000</u>



## PAJARO DUNES GEOLOGIC HAZARD ABATEMENT DISTRICT

Notes to Basic Financial Statements  
June 30, 2020

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### NOTE 4. LONG-TERM OBLIGATIONS (Continued)

Aggregate maturities or payments required on principal and interest for each of the succeeding five years and thereafter in five -year increments are as follows:

Year	Bond Principal	Bond Interest	Total
2021	\$ 80,000	\$ 60,155	\$ 140,155
2022	85,000	55,862	140,862
2023	90,000	51,225	141,225
2024	95,000	46,322	141,322
2025	100,000	41,155	141,155
2026-2031	715,000	121,582	836,582
Total	<u>\$ 1,165,000</u>	<u>\$ 376,301</u>	<u>\$ 1,541,301</u>

### NOTE 5. INSURANCE

The District carries directors' and officers' coverage.

### NOTE 6. COMMITMENTS AND CONTINGENCIES

Pelican Homeowners Association:

The District entered into a contract on December 9, 2000 with the Pelican Homeowners Association, Inc. The terms of the contract call for the Pelican Homeowners Association, Inc. to obtain the necessary funds to repair the river wall, and for the District to reimburse the Pelican Homeowners Association, Inc. through Zone 2 property assessments.

The District is obligated to reimburse the Homeowners Association with funds received from property assessments for the following obligation:

The Pelican Homeowners Association note is payable in monthly installments of \$7,738, including interest at 4.0%. Final payment is due in February 2025. The District will reimburse the Pelican Homeowners Association's monthly payments as long as Zone 2 property assessments are collected.

## PAJARO DUNES GEOLOGIC HAZARD ABATEMENT DISTRICT

Notes to Basic Financial Statements  
June 30, 2020

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### NOTE 6. COMMITMENTS AND CONTINGENCIES (Continued)

Reimbursements for the note listed above for each of the succeeding five years are:

	Principal	Interest	Total
2021	\$ 78,980	\$ 13,875	\$ 92,855
2022	82,198	10,658	92,856
2023	85,547	7,309	92,856
2024	89,032	3,824	92,856
2025	<u>47,071</u>	<u>288</u>	<u>47,359</u>
	<u>\$ 382,828</u>	<u>\$ 35,954</u>	<u>\$ 418,782</u>

California Department of Parks and Recreation:

The District has been in discussions with the Department of Parks and Recreation, regarding the "Right of Entry Permit" connected with the existing seawall. At present there are insufficient funds to respond to permit application questions from the County of Santa Cruz. In order to move forward with the permit the District would need to conduct an assessment election to raise approximately \$300,000 to respond to the County. Additionally, the Department of Parks and Recreation assessed a penalty fee for not removing the rip-rap rocks buried in State Parks property adjacent to the revetment. The Department of Parks and Recreation has verbally agreed to hold the rip-rap rocks buried issues in abeyance until the permit is resolved. The District's management believes the matter will be settled without material adverse financial impact to the District as long as an assessment election is held.

### NOTE 7. LINE OF CREDIT

The District entered into a borrowing agreement with Santa Cruz County Bank for a line of credit with an established limit of \$600,000, which expires on August 24, 2021. The interest rate on the line of credit was a fixed rate determined by the Bank to be 1.00% above Prime. The interest rate as of June 30, 2020 was 4.25%. There was no balance outstanding under the line of credit at June 30, 2020.

### NOTE 8. SUBSEQUENT EVENTS

The District's Management has evaluated its June 30, 2020 financial statements for subsequent events through November 11, 2020, the date of issuance of the financial statements. On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and on March 11, 2020, declared it to be a pandemic. The pandemic in the United States and throughout the world has resulted in substantial volatility in financial markets, which could lead to an adverse impact on the District's future financial results.

**PAJARO DUNES GEOLOGIC HAZARD ABATEMENT DISTRICT**

Schedule I - Revenues and Expenditures by Zone - Budget to Actual  
Year Ended June 30, 2020

	ZONE 1			ZONE 2			TOTAL		
	Original and Final Budget	Actual	Variance	Original and Final Budget	Actual	Variance	Original and Final Budget	Actual	Variance
<b>PROGRAM REVENUES</b>									
Assessment income	\$ 135,950	\$ 126,740	\$ (9,210)	\$ 236,547	\$ 231,761	\$ (4,786)	\$ 372,497	\$ 358,501	\$ (13,996)
Emergency reserve fund	175,000	175,000	--	--	--	--	175,000	175,000	--
Interest income	50	1,371	1,321	150	900	750	200	2,271	2,071
<b>Total revenues</b>	<b>311,000</b>	<b>303,111</b>	<b>(7,889)</b>	<b>236,697</b>	<b>232,661</b>	<b>(4,036)</b>	<b>547,697</b>	<b>535,772</b>	<b>(11,925)</b>
<b>EXPENDITURES</b>									
Insurance	15,000	14,996	(4)	--	--	--	15,000	14,996	(4)
Legal	18,000	9,240	(8,760)	--	--	--	18,000	9,240	(8,760)
Accounting	18,000	14,396	(3,604)	2,597	--	(2,597)	20,597	14,396	(6,201)
Clerk	8,400	3,923	(4,477)	--	705	705	8,400	4,628	(3,772)
Assessment administration	8,000	3,394	(4,606)	1,039	442	(597)	9,039	3,836	(5,203)
Office	3,050	397	(2,653)	500	1,025	525	3,550	1,422	(2,128)
Officer election	2,475	--	(2,475)	--	--	--	2,475	--	(2,475)
Board and clerk training	2,200	--	(2,200)	--	--	--	2,200	--	(2,200)
Website maintenance	1,500	660	(840)	--	--	--	1,500	660	(840)
Audit	10,000	9,000	(1,000)	--	--	--	10,000	9,000	(1,000)
Bond fee	--	--	--	635	635	--	635	635	--
Seawall annual inspection	6,000	2,506	(3,494)	--	--	--	6,000	2,506	(3,494)
Technical planning	118,375	70,916	(47,459)	--	--	--	118,375	70,916	(47,459)
Reimbursements (Note 6):									
Pelican HOA	--	--	--	92,856	92,856	--	92,856	92,856	--
Debt service:									
Principal	--	--	--	75,000	75,000	--	75,000	75,000	--
Interest	--	--	--	64,070	64,070	--	64,070	64,070	--
<b>Total expenditures</b>	<b>211,000</b>	<b>129,428</b>	<b>(81,572)</b>	<b>236,697</b>	<b>234,733</b>	<b>(1,964)</b>	<b>447,697</b>	<b>364,161</b>	<b>(83,536)</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>100,000</b>	<b>173,683</b>	<b>73,683</b>	<b>--</b>	<b>(2,072)</b>	<b>(2,072)</b>	<b>100,000</b>	<b>171,611</b>	<b>71,611</b>
<b>NET CHANGE IN ZONE BALANCE</b>	<b>\$ 100,000</b>	<b>173,683</b>	<b>\$ 73,683</b>	<b>\$ --</b>	<b>(2,072)</b>	<b>\$ (2,072)</b>	<b>\$ 100,000</b>	<b>171,611</b>	<b>\$ 71,611</b>
<b>BEGINNING ZONE BALANCE</b>		<b>262,535</b>			<b>501,107</b>			<b>763,642</b>	
<b>ENDING ZONE BALANCE</b>		<b>\$ 436,218</b>			<b>\$ 499,035</b>			<b>\$ 935,253</b>	

**BOARD OF DIRECTORS  
PAJARO DUNES GEOLOGIC HAZARD ABATEMENT DISTRICT**

**Resolution Thanking Jim Griffin for his service as a Director on the Board of the  
Pajaro Dunes Geologic Hazard Abatement District**

**RESOLUTION NO. 2020-xx**

**WHEREAS**, the Board of the Pajaro Dunes Geologic Hazard Abatement District (PDGHAD) would like to express sincere gratitude and appreciation for the services of Jim Griffin during his time serving as a Director on the PDGHAD Board, and

**WHEREAS**, the PDGHAD Board would like to invite Jim to drop by at any future meeting to say hello and offer invaluable insights on PDGHAD history, and

**WHEREAS**, the PDGHAD Board would further like to extend their best wishes for Jim's future endeavors.

**NOW THEREFORE BE IT RESOLVED** that the Board of Directors of the Pajaro Dunes GHAD is adopting this resolution to officially certify our appreciation of Jim Griffin's service to the Pajaro Dunes Geologic Hazard Abatement District.

**PASSED AND ADOPTED** by the Board of Directors of the Pajaro Dunes Geologic Hazard Abatement District of the County of Santa Cruz, State of California, this 12<sup>th</sup> day of December, 2020 by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

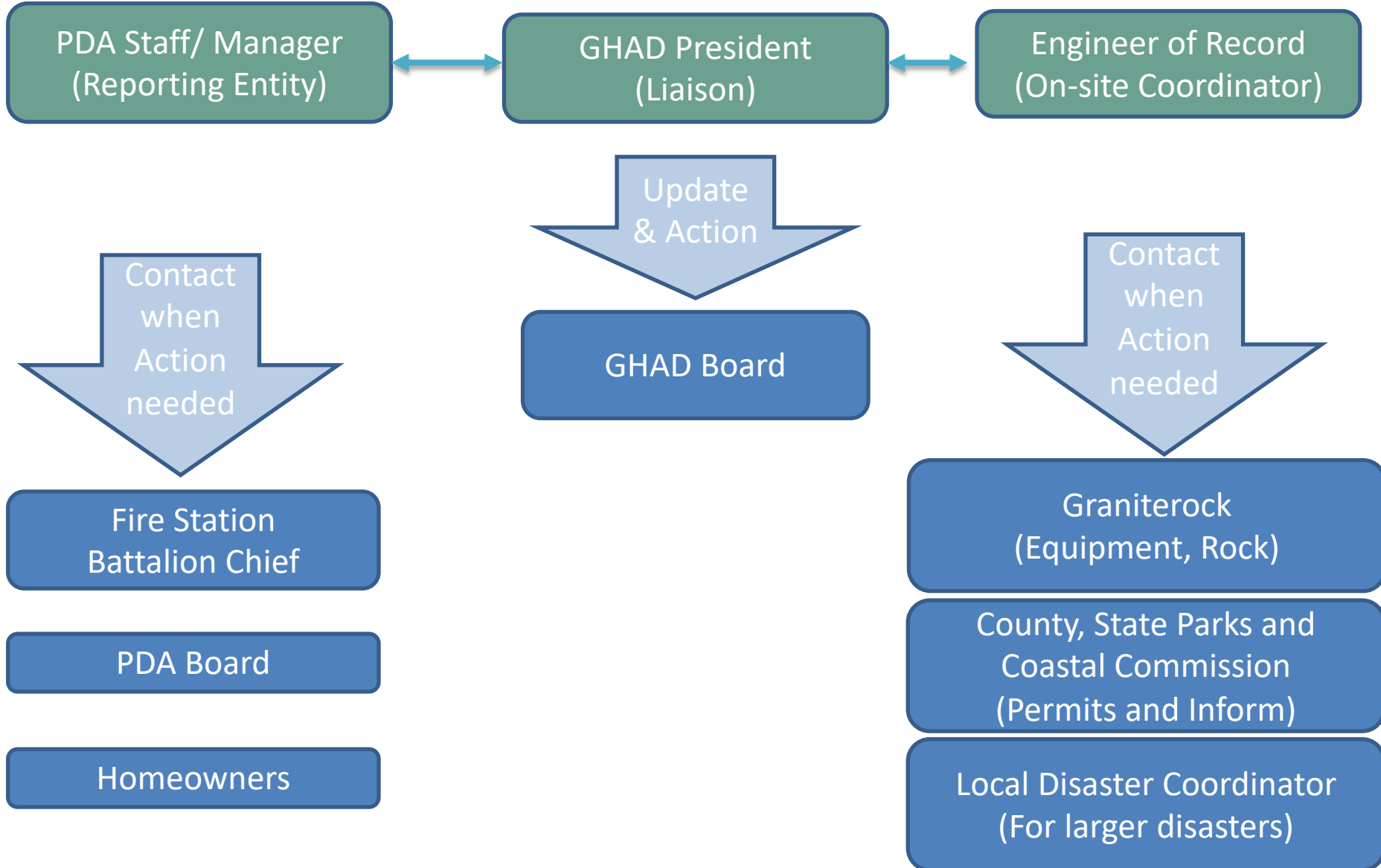
---

John Cullen, President, Board of Directors

ATTEST: \_\_\_\_\_  
Sarah Mansergh, Clerk of the Board

## Emergency Action Plan

### Contact Tree



## ***Responsibilities***

**PDA Staff/ Manager  
(Reporting Entity)**

- 1) Identifies event
- 2) Locate and document (pics, video)
- 3) Contact GHAD President (or other active member)
- 4) Contact Board President and Fire Station
- 4) Provide access for Engineer and work teams
- 5) Contact Homeowners after decisions

**GHAD President  
(Liaison)**

- 1) Assesses and chooses action
- 2) Consults with the EOR and determines actions needed.
- 3) Calls Emergency GHAD Board meeting or Updates GHAD Board
- 4) Communicates with PDA Staff/Manager and or Board President during incident
- 5) Releases Emergency Funds

**Engineer of Record  
(On-site Coordinator)**

- 1) Coordinates with GHAD President
- 2) Determines urgency and severity of the incident
- 3) Acts as on-site coordinator
- 4) Determines contractors, supplies, equip needed and coordinates delivery etc.
- 5) Assess if permits needed and coordinates applications
- 6) Informs PDA Gatehouse of List of contractors coming on-site