

**McKinleyville Community Services District**

**Management Report**

**June 30, 2023**



**C.J. Brown & Company CPAs**  
An Accountancy Corporation

**McKinleyville Community Services District**

**Management Report**

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# C.J. Brown & Company CPAs

## An Accountancy Corporation

Christopher J. Brown, CPA, CGMA  
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Board of Directors  
McKinleyville Community Services District  
McKinleyville, California

### **Dear Members of the Board:**

In planning and performing our audit of the basic financial statements of the McKinleyville Community Services District (District) as of and for the year ended June 30, 2023, 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, we considered 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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we do not express an opinion on the effectiveness of District's internal control over financial reporting.

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 over financial reporting, 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 reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

- *Reasonably possible.* The chance of the future event or events occurring is more than remote but less than likely.
- *Probable.* The future event or events are likely to occur.

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

### **Current Year Comment and Recommendation**

#### ***Disclosure of Audit Adjustments and Reclassifications***

As your external auditor, we assume that the books and records of the District are properly adjusted before the start of the audit. In many cases, however, audit adjustments and reclassifications are made in the normal course of the audit process to present the District's financial statements in conformity with accounting principles generally accepted in the United States of America. For the Board of Directors to gain a full and complete understanding and appreciation of the scope and extent of the audit process we have presented these audit adjustments and reclassifications as an attachment to this letter. There can be very reasonable explanations for situations of having numerous adjustments as well as having no adjustments at all.

**Current Year Comment and Recommendation, continued**

***Management's Response***

We have reviewed and approved all of the audit adjustment and reclassification entries provided by the auditor and have entered those entries into the District's accounting system to close-out the District's year-end trial balance as of June 30, 2023.

**Prior Year Comments and Recommendations**

***Disclosure of Audit Adjustments and Reclassifications***

As your external auditor, we assume that the books and records of the District are properly adjusted before the start of the audit. In many cases, however, audit adjustments and reclassifications are made in the normal course of the audit process to present the District's financial statements in conformity with accounting principles generally accepted in the United States of America. For the Board of Directors to gain a full and complete understanding and appreciation of the scope and extent of the audit process we have presented these audit adjustments and reclassifications as an attachment to this letter. There can be very reasonable explanations for situations of having numerous adjustments as well as having no adjustments at all.

***Management's Response***

We have reviewed and approved all of the audit adjustment and reclassification entries provided by the auditor and have entered those entries into the District's accounting system to close-out the District's year-end trial balance as of June 30, 2022.

\* \* \* \* \*

The purpose of this communication, which is an integral part of our audit, is to describe, for management and those charged with governance, the scope of our testing of internal control and the results of that testing. Accordingly, this communication is not intended to be and should not be used for any other purpose.

*C.J. Brown & Company, CPAs*

**C.J. Brown & Company, CPAs**  
Cypress, California  
January 10, 2024

**APPENDIX**

**McKinleyville Community Services District**

**Audit/Finance Committee Letter**

**June 30, 2023**



# C.J. Brown & Company CPAs

## An Accountancy Corporation

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Board of Directors  
McKinleyville Community Services District  
McKinleyville, California

We have audited the financial statements of the McKinleyville Community Services District (District) as of and for the year ended June 30, 2023, and have issued our report thereon dated January 10, 2024. Professional standards require that we advise you of the following matters relating to our audit.

### **Our Responsibility in Relation to the Financial Statement Audit**

As communicated in our engagement letter dated May 20, 2023, our responsibility, as described by professional standards, is to form and express opinions about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, as part of our audit, we considered the internal control of the District solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our findings regarding significant control deficiencies over financial reporting and material weaknesses, if any, and material noncompliance, and other matters noted during our audit in a separate letter to you dated January 10, 2024.

### **Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

### **Compliance with All Ethics Requirements Regarding Independence**

The engagement team, others in our firm, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence.

An auditor that is not involved in the engagement performed an independent review of the financial statements that was prepared by us based on the information provided by management. This safeguard reduces the threat of self-review risk to an acceptable level.

### **Required Risk Assessment Procedures per Auditing Standards:**

As auditors of the District, we are required per AU-C Section 240, “Consideration of Fraud in a Financial Statement Audit”, to “ordinarily” presume and consider the following risks in designing our audit procedures:

- Management override of controls
- Revenue recognition

### **Qualitative Aspects of the Entity’s Significant Accounting Practices**

#### *Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the District is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during 2023. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

#### *Significant Accounting Estimates*

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management’s current judgments. The most sensitive accounting estimates affecting the financial statements are as follows:

- Management’s estimate of the fair value of cash and investments which is based on information provided by financial institutions. We evaluated the key factors and assumptions used to develop the fair value of cash and investments in determining that it is reasonable in relation to the financial statements taken as a whole.
- Management’s estimate of capital assets depreciation which is based on historical estimates of each capitalized item’s useful life expectancy or cost recovery period. We evaluated the key factors and assumptions used to develop the capital asset depreciation calculations in determining that they are reasonable in relation to the financial statements taken as a whole.
- Management’s estimate of the net other post-employment benefit (OPEB) liability, OPEB expense, and deferred OPEB outflows/inflows which are based on an actuarial valuation that was conducted by a third-party actuary. We evaluated the basis, methods, and assumptions used by the actuary in calculating these amounts for the District to determine that they are reasonable in relation to the financial statements taken as a whole.
- Management’s estimate of the defined benefit pension plan’s net pension liability, pension expense, and deferred pension outflows/inflows which are based on an actuarial valuation which was conducted by a third-party actuary. We evaluated the basis, methods, and assumptions used by the actuary to calculate these amounts for the District to determine that they are reasonable in relation to the financial statements taken as a whole.

## **Qualitative Aspects of the Entity's Significant Accounting Practices, continued**

### *Financial Statement Disclosures*

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the District's financial statements relate to:

- The disclosure of fair value of cash and investments in Note 2 to the basic financial statements which represents amounts susceptible to market fluctuations.
- The disclosure of capital assets, net in Note 4 to the basic financial statements which is based on historical information which could differ from actual useful lives of each capitalized item.
- The disclosure of the District's net OPEB liability in Note 7 to the basic financial statements which is based on actuarial assumptions which could differ from actual costs.
- The disclosure of the District's defined benefit pension plan in Note 8 to the basic financial statements is based on actuarial assumptions which could differ from actual costs.

### **Significant Unusual Transactions**

For purposes of this communication, professional standards require us to communicate to you significant unusual transactions identified during our audit. No significant unusual transactions were identified as a result of our audit procedures that were brought to the attention of management:

### **Identified or Suspected Fraud**

We have not identified or have not obtained information that indicates that fraud may have occurred.

### **Significant Difficulties Encountered during the Audit**

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

### **Uncorrected and Corrected Misstatements**

For purposes of this communication, professional standards also require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. All misstatements, including material misstatements (if any), that we identified as a result of our audit procedures are included on the Schedule of Adjusting and Reclassifying Journal Entries on pages 5 through 10. The journal entries were brought to the attention of, and corrected by, management.

### **Disagreements with Management**

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



### **Circumstances that Affect the Form and Content of the Auditor's Report**

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditor's report. There were no circumstances that affect the form and content of the auditor's report.

### **Representations Requested from Management**

We have requested certain written representations from management, which are included in the attached letter dated January 10, 2024.

### **Management's Consultations with Other Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

### **Other Significant Matters, Findings, or Issues**

In the normal course of our professional association with the District, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the District's auditors.

We appreciate the cooperation extended us by Patrick Kaspari, General Manager, and Nicole Alvarado, Finance Director, in the performance of our audit testwork. We will be pleased to respond to any questions you have about the foregoing. We appreciate the opportunity to continue to be of service to the District.

This information is intended solely for the information and use of the Board of Directors and management of the District and is not intended to be, and should not be, used by anyone other than these specified parties. This restriction is not intended to limit the distribution of this letter, which is a matter of public record.

*C.J. Brown & Company, CPAs*

**C.J. Brown & Company, CPAs**  
Cypress, California  
January 10, 2024

*McKinleyville Community Services District  
 Schedule of Audit Adjusting Journal Entries  
 June 30, 2023*

Account	Description	Debit	Credit
<b>Adjusting Journal Entries</b>			
<b>Adjusting Journal Entries JE # 1</b>			
AJE - To adjust net position for fund 501 for immaterial balance for the purpose of FS			
501-32001-000	FUND BALANCE - UNRES. UNDESIG.	58.41	
501-52000-000	OTHER INCOME		58.41
<b>Total</b>		<b>58.41</b>	<b>58.41</b>
<b>Adjusting Journal Entries JE # 2</b>			
AJE - To record lease debt service paid for June 30, 2023.			
951-23090-000	Umpqua Loan 70034514 - Meas. B	98,767.00	
951-19011-000	AMT TO BE PROVIDED-MEAS.B GLTL		98,767.00
<b>Total</b>		<b>98,767.00</b>	<b>98,767.00</b>
<b>Adjusting Journal Entries JE # 3</b>			
AJE - To correct Fund 99 cash balance offset to zero out 999-10011 and 999-10099.			
001-10099-000	FUND CASH BALANCE	35.00	
999-62196-000	WEB BAD CK INC	35.00	
001-52000-902	OTHER INCOME		35.00
999-10099-000	FUND CASH BALANCE		35.00
<b>Total</b>		<b>70.00</b>	<b>70.00</b>
<b>Adjusting Journal Entries JE # 4</b>			
AJE - To correct vehicle addition and disposal allocation to ending G/L per District schedule at June 30, 2023.			
501-10099-000	FUND CASH BALANCE	444.89	
551-12420-000	AUTOS AND TRUCKS	444.89	
501-12420-000	AUTOS AND TRUCKS		444.89
551-10099-000	FUND CASH BALANCE		444.89
<b>Total</b>		<b>889.78</b>	<b>889.78</b>
<b>Adjusting Journal Entries JE # 5</b>			
AJE - To correct depreciation recorded from recalculation on client prepared schedule for accumulated depreciation account 551-13310.			
551-62130-000	DEPRECIATION	362,793.37	
551-13310-000	ALLOW. FOR DEP.-SWR DISPOSAL		362,793.37
<b>Total</b>		<b>362,793.37</b>	<b>362,793.37</b>
<b>Adjusting Journal Entries JE # 6</b>			
AJE - To adjust general fund depreciation per review and corrections made to District detail support.			
901-30011-000	DEPRECIATION OF GFA	6,891.81	
901-13101-000	ALLOW FOR DPR'N OF GFA		6,891.81
<b>Total</b>		<b>6,891.81</b>	<b>6,891.81</b>
<b>Adjusting Journal Entries JE # 7</b>			
AJE - To accrue June check 41627 vendor Kennedy Jenks noted during search for unrecorded liabilities at June 30, 2023.			
501-14001-38	CIP: 4.5M TANK DESIGN.CONSTR	34,672.73	
501-21001-000	ACCOUNTS PAYABLE		34,672.73
<b>Total</b>		<b>34,672.73</b>	<b>34,672.73</b>

*McKinleyville Community Services District  
 Schedule of Audit Adjusting Journal Entries  
 June 30, 2023*

<b>Account</b>	<b>Description</b>	<b>Debit</b>	<b>Credit</b>
<b>Adjusting Journal Entries JE # 8</b>			
CPE - To reclassify Check 19035 ACWA/JPIA July Health insurance from expense to prepaids at June 30, 2023. Noted during our testing of outstanding checks.			
001-10500-902	PREPAID INS.	13,375.92	
004-10500-000	Prepaid Ins.	2,376.78	
005-10500-000	PREPAID INS.	789.20	
501-10500-000	PREPAID INS.	17,360.61	
551-10500-000	PREPAID INS.	24,059.30	
001-61012-000	GRP. HEALTH INS		13,375.92
004-61002-902	MEASURE B ASSMT CLERICAL SALARY ADMIN./GENERAL		2,376.78
005-61012-000	GRP. HEALTH INS		789.20
501-61012-000	GRP. HEALTH INS		17,360.61
551-61012-000	GRP. HEALTH INS		24,059.30
<b>Total</b>		<b>57,961.81</b>	<b>57,961.81</b>
<b>Adjusting Journal Entries JE # 9</b>			
CPE - To remove health insurance payable related to FY23/24 from AP and expense at June 30, 2023.			
001-21001-000	ACCOUNTS PAYABLE	53,500.97	
501-21001-000	ACCOUNTS PAYABLE	251.96	
551-21001-000	ACCOUNTS PAYABLE	4,208.87	
001-61012-000	GRP. HEALTH INS		53,500.97
501-61012-000	GRP. HEALTH INS		251.96
551-61012-000	GRP. HEALTH INS		4,208.87
<b>Total</b>		<b>57,961.80</b>	<b>57,961.80</b>
<b>Adjusting Journal Entries JE # 10</b>			
AJE - To remove voided check written for wrong amount which was recorded to payables.			
501-21001-000	ACCOUNTS PAYABLE	409,071.50	
551-21001-000	ACCOUNTS PAYABLE	3,025.00	
501-14001-70	WTR/SWR MAIN REHAB & REPLACEMT		409,071.50
551-14001-70	WTR/SWR MAIN REHAB & REPLACEMT		3,025.00
<b>Total</b>		<b>412,096.50</b>	<b>412,096.50</b>
<b>Adjusting Journal Entries JE # 11</b>			
GASB 68 Entry #1 - To reclassify FY21/22 pension contributions against net pension liability at June 30, 2023.			
501-23210-000	Pension Liability	101,722.00	
551-23210-000	Pension Liability	115,005.00	
951-23210-000	Pension Liability	95,690.00	
501-15500-000	Pension Deferred Outflows		101,722.00
551-15500-000	Pension Deferred Outflows		115,005.00
951-15500-000	Pension Deferred Outflows		95,690.00
<b>Total</b>		<b>312,417.00</b>	<b>312,417.00</b>
<b>Adjusting Journal Entries JE # 12</b>			
GASB 68 Entry #2 - To reclassify FY22/23 pension contributions from expense to deferred outflows of resources at June 30, 2023.			
501-15500-000	Pension Deferred Outflows	97,051.00	
551-15500-000	Pension Deferred Outflows	117,059.00	
951-15500-000	Pension Deferred Outflows	135,340.00	
501-61050-000	WATER PensionExp Act		97,051.00
551-61050-000	SEWER PensionExp Act		117,059.00
951-32101-000	FUND BALANCE - RESTRICTED		135,340.00
<b>Total</b>		<b>349,450.00</b>	<b>349,450.00</b>

*McKinleyville Community Services District  
 Schedule of Audit Adjusting Journal Entries  
 June 30, 2023*

<b>Account</b>	<b>Description</b>	<b>Debit</b>	<b>Credit</b>
<b>Adjusting Journal Entries JE # 13</b>			
GASB 68 Entry #3 - To adjust net pension liability, outflows, and inflows from calculation based on CalPERS valuation, allocation, and fund allocation.			
501-15500-000	Pension Deferred Outflows	171,580.76	
501-23500-000	Pension Deferred Inflows	424,030.76	
551-15500-000	Pension Deferred Outflows	210,767.00	
551-23500-000	Pension Deferred Inflows	413,042.37	
951-15500-000	Pension Deferred Outflows	262,172.33	
951-23500-000	Pension Deferred Inflows	166,390.88	
951-32101-000	FUND BALANCE - RESTRICTED	192,269.74	
501-23210-000	Pension Liability		476,475.79
501-61050-000	WATER PensionExp Act		119,135.73
551-23210-000	Pension Liability		574,837.26
551-61050-000	SEWER PensionExp Act		48,972.11
951-23210-000	Pension Liability		620,832.95
<b>Total</b>		<b>1,840,253.84</b>	<b>1,840,253.84</b>
<b>Adjusting Journal Entries JE # 14</b>			
GASB 75 Entry #1 - To adjust OPEB to actual per valuation report at June 30, 2023.			
501-15550-000	OPEB Deferred Outflows	42,858.00	
501-23200-000	OPEB LIABILITY - RETIREE MED	329,046.82	
501-23510-000	OPEB Deferred Inflows	736,976.35	
551-15550-000	OPEB Deferred Outflows	51,693.00	
551-23510-000	OPEB Deferred Inflows	451,281.70	
551-61060-000	SEWER OPEBexActuarial	98,032.02	
951-15550-000	OPEB Deferred Outflows	59,766.00	
951-23200-000	OPEB LIABILITY - RETIREE MED	50,852.63	
951-32101-000	FUND BALANCE - RESTRICTED	635,612.84	
501-15550-000	OPEB Deferred Outflows		404,301.29
501-61060-000	WATER OPEBexActuarial		661,721.88
501-61060-000	WATER OPEBexActuarial		42,858.00
551-15550-000	OPEB Deferred Outflows		289,957.60
551-23200-000	OPEB LIABILITY - RETIREE MED		259,356.12
551-61060-000	SEWER OPEBexActuarial		51,693.00
951-15550-000	OPEB Deferred Outflows		63,428.12
951-23510-000	OPEB Deferred Inflows		623,037.35
951-32101-000	FUND BALANCE - RESTRICTED		59,766.00
<b>Total</b>		<b>2,456,119.36</b>	<b>2,456,119.36</b>
<b>Adjusting Journal Entries JE # 15</b>			
AJE - To adjust unbilled receivable general ledger balance to agree with schedule recalculation at June 30, 2023.			
501-40001-000	MTR. WATER SALE	5,972.69	
551-40002-000	SWR SVC CHGS.	11,464.05	
501-10104-000	UNPROCESSED UTILITY BILLS		5,972.69
551-10104-000	UNPROCESSED UTILITY BILLS		11,464.05
<b>Total</b>		<b>17,436.74</b>	<b>17,436.74</b>

*McKinleyville Community Services District  
 Schedule of Audit Adjusting Journal Entries  
 June 30, 2023*

Account	Description	Debit	Credit
<b>Adjusting Journal Entries JE # 16</b>			
AJE - To remove prior year stale entry in 001-10151 and reclass to 001 and 004 interest income at 75% and 25%, respectively.			
001-10099-000	FUND CASH BALANCE	3,231.01	
001-50001-000	INT. REVENUE	9,693.02	
004-50001-000	INT. REVENUE	3,231.01	
001-10151-000	PROPERTY TAXES RECEIVABLE		12,924.03
004-10099-000	FUND CASH BALANCE		3,231.01
<b>Total</b>		<b><u>16,155.04</u></b>	<b><u>16,155.04</u></b>

Board of Directors  
 McKinleyville Community Services District  
 Page 9

McKinleyville Community Services District  
 Schedule of Audit Adjusting Journal Entries  
 June 30, 2023

Account	Description	Debit	Credit
<b>Adjusting Journal Entries JE # 17</b>			
AJE - To adjust fund 951 pooled cash to zero for internal service fund and allocate negative cash among existing funds based on propriety of balance.			
001-61012-000	GRP. HEALTH INS	12,405.25	
001-61012-302	GRP. HEALTH INS	243.66	
001-61012-303	GRP. HEALTH INS	4,404.41	
001-61012-304	GRP. HEALTH INS	370.36	
001-61012-305	GRP. HEALTH INS	47.76	
001-61012-307	GRP. HEALTH INS	239.76	
001-61012-308	GRP. HEALTH INS	517.54	
001-61012-310	GRP. HEALTH INS	147.17	
001-61012-311	GRP. HEALTH INS	109.16	
001-61012-312	GRP. HEALTH INS	418.12	
001-61012-313	GRP. HEALTH INS	758.27	
001-61012-314	GRP. HEALTH INS	52.63	
001-61012-315	GRP. HEALTH INS	126.70	
001-61012-317	GRP. HEALTH INS	167.64	
001-61012-318	GRP. HEALTH INS	54.58	
001-61012-319	GRP. HEALTH INS	1,663.72	
001-61012-320	GRP. HEALTH INS	815.78	
001-61012-321	GRP. HEALTH INS	375.24	
001-61012-322	GRP. HEALTH INS	633.52	
001-61012-324	GRP. HEALTH INS	10.72	
001-61012-325	GRP. HEALTH INS	179.33	
001-61012-326	GRP. HEALTH INS	1,586.72	
001-61012-327	GRP. HEALTH INS	79.92	
001-61012-333	GRP. HEALTH INS	687.12	
001-61012-377	GRP. HEALTH INS	718.31	
001-61012-405	GRP. HEALTH INS	4,784.52	
001-61012-451	GRP. HEALTH INS	2,082.81	
001-61012-452	GRP. HEALTH INS	11,492.99	
001-61012-470	GRP. HEALTH INS	1,634.48	
001-61012-471	GRP. HEALTH INS	5,969.69	
001-61012-473	GRP. HEALTH INS	4,372.25	
001-61012-475	GRP. HEALTH INS	479.52	
001-61012-476	GRP. HEALTH INS	5,435.58	
001-61012-477	GRP. HEALTH INS	1,422.98	
001-61012-479	GRP. HEALTH INS	8.77	
001-61012-480	GRP. HEALTH INS	853.79	
001-61012-485	GRP. HEALTH INS	1,036.05	
001-61012-491	GRP. HEALTH INS	1,909.33	
001-61012-493	GRP. HEALTH INS	2,768.96	
001-61012-494	GRP. HEALTH INS	1,717.32	
001-61012-496	GRP. HEALTH INS	1,263.14	
001-61012-499	GRP. HEALTH INS	1,470.74	
001-61012-650	GRP. HEALTH INS	1,538.96	
001-61012-700	GRP. HEALTH INS	95.51	
001-61012-800	GRP. HEALTH INS	2,144.21	
001-61012-902	GRP. HEALTH INS	74,950.03	
004-61012-650	GRP. HEALTH INS	32,521.88	
004-61012-700	GRP. HEALTH INS	2,957.07	
004-62295-000	MEASURE B ASSMT OTHER	2,462.28	
004-64001-000	INT. EXPENSE	871.42	
005-61012-000	GRP. HEALTH INS	4,748.46	
005-61012-902	GRP. HEALTH INS	9,032.99	
501-61012-000	GRP. HEALTH INS	82,938.21	
501-61012-501	GRP. HEALTH INS	142,215.98	
501-61012-502	GRP. HEALTH INS	10,893.58	
501-61012-503	GRP. HEALTH INS	4,008.71	
501-61012-902	GRP. HEALTH INS	113,126.79	
551-61012-000	GRP. HEALTH INS	92,683.66	
551-61012-551	GRP. HEALTH INS	76,069.90	
551-61012-552	GRP. HEALTH INS	18,750.18	
551-61012-553	GRP. HEALTH INS	18,113.74	
551-61012-554	GRP. HEALTH INS	114.03	
551-61012-555	GRP. HEALTH INS	98,498.38	
551-61012-902	GRP. HEALTH INS	113,724.26	
951-10099-000	FUND CASH BALANCE	977,976.54	
001-10099-000	FUND CASH BALANCE		154,245.02
004-10099-000	FUND CASH BALANCE		35,478.95
004-10099-000	FUND CASH BALANCE		2,462.28
004-10099-000	FUND CASH BALANCE		871.42
005-10099-000	FUND CASH BALANCE		13,781.45
501-10099-000	FUND CASH BALANCE		353,183.27
551-10099-000	FUND CASH BALANCE		417,954.15
951-32101-000	FUND BALANCE - RESTRICTED		977,976.54
<b>Total</b>		<b>1,955,953.08</b>	<b>1,955,953.08</b>
<b>Total Adjusting Journal Entries</b>		<b>7,979,948.27</b>	<b>7,979,948.27</b>

*McKinleyville Community Services District  
 Schedule of Audit Adjusting Journal Entries  
 June 30, 2023*

Account	Description	Debit	Credit
<b>Proposed Journal Entries</b>			
<b>Proposed Journal Entries JE # 100</b>			
PAJE - To adjust LAIF to fair market value per State Controller market value factor at June			
551-50001-000	INT. REVENUE	2,148.35	
551-10030-071	Market Value LAIF		2,148.35
<b>Total</b>		<u><b>2,148.35</b></u>	<u><b>2,148.35</b></u>
	<b>Total Proposed Journal Entries</b>	<u><b>2,148.35</b></u>	<u><b>2,148.35</b></u>
	<b>Total All Journal Entries</b>	<u><b>7,982,096.62</b></u>	<u><b>7,982,096.62</b></u>

**Legend:**

AJE	Audit Adjusting Journal Entry
GASB 68	GASB 68 Adjusting Journal Entry (Pension)
GASB 75	GASB 75 Adjusting Journal Entry (OPEB)
CPE	Client Prepared Adjusting Journal Entry
PAJE	Proposed Adjusting Journal Entry - Not Posted