

## **EXHIBIT 15-B**

[Date]

To the Board of Directors  
Monterey Peninsula Water Management District  
Monterey, California

We are pleased to present this report related to our audit of the basic financial statements of ***Monterey Peninsula Water Management District*** (the District) for the year ended June 30, 2016. This report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for the District's financial reporting process.

Generally accepted auditing standards (AU-C 260, *The Auditor's Communication with Those Charged with Governance*) require the auditor to promote effective two-way communication between the auditor and those charged with governance. Consistent with this requirement, the following summarizes our responsibilities regarding the financial statement audit as well as observations arising from our audit that are, significant and relevant to your responsibility to oversee the financial reporting process.

### **Our Responsibilities with Regard to the Financial Statement Audit**

Our responsibilities under auditing standards generally accepted in the United States of America and the State Controller's Minimum Audit Requirements for California Special Districts have been described to you in our arrangement letter dated July 11, 2016. Our audit of the financial statements does not relieve management or those charged with governance of their responsibilities, which are also described in that letter.

### **Overview of the Planned Scope and Timing of the Financial Statement Audit**

We have issued a separate communication regarding the planned scope and timing of our audit and have discussed with you our identification of and planned audit response to significant risks of material misstatement.

### **Accounting Policies and Practices**

#### **Preferability of Accounting Policies and Practices**

Under generally accepted accounting principles, in certain circumstances, management may select among alternative accounting practices. In our view, in such circumstances, management has selected the preferable accounting practice.

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### **Adoption of, or Change in, Accounting Policies**

Management has the ultimate responsibility for the appropriateness of the accounting policies used by the District. Following is a description of significant accounting policies or their application that were either initially selected or changed during the year.

In June 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 72, *Fair Value Measurement and Application*. This Statement provides guidance for determining a fair value measurement, applying fair value to certain investments and disclosures related to all fair value measurements. The requirements of this Statement will enhance fair value application guidance, comparability of financial statements among governments, and related disclosures by providing information on valuation techniques and the impact of fair value measurements on a government's financial position. The District implemented this statement as of June 30, 2016. There was no significant effect on the financial statements due to the implementation.

In June 2015, GASB issued Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. This Statement supersedes Statement No. 55, related to GAAP hierarchy. The requirements in this Statement will allow governments to apply financial reporting guidance with less variation, which will improve the usefulness and comparability of financial statement information for making decisions and assessing accountability. The District implemented this statement as of June 30, 2016. There was no significant effect on the financial statements due to the implementation.

In December 2015, GASB issued Statement No. 79, *Certain External Investment Pools and Pool Participants*. This Statement addresses accounting and financial reporting for certain external investment pools and pool participants. Specifically, it establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. An external investment pool qualifies for that reporting if it meets all of the applicable criteria established in this Statement. Significant noncompliance prevents the external investment pool from measuring all of its investments at amortized cost for financial reporting purposes. The District implemented this statement as of June 30, 2016. There was no significant effect on the financial statements due to the implementation.

In March 2016, GASB issued Statement No. 82, *Pension Issues-an amendment of GASB Statements No. 67, No. 68, and No. 73*. The objective of this Statement is to address certain issues that have been raised with respect to Statements No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting and Financial Reporting for Pensions*, and No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The District implemented this statement in fiscal year 2016. As a result of this implementation, the District reported a prior period adjustment to net position in the amount of \$32,661.

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### **Recently Issued Accounting Standards**

The GASB has issued the following statements not yet implemented by the District. The District's management has not yet determined the effect these Statements will have on the District's financial statements. However, the District plans to implement the standards by the required dates:

In June 2015, GASB issued Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. This Statement establishes requirements for defined benefit pensions that are not within the scope of Statement No. 68, *Accounting and Financial Reporting for Pensions*, as well as amends certain provisions of Statement No. 67, *Financial Reporting for Pension Plans*, and Statement 68 for pension plans that are within their respective scopes. This Statement improves the usefulness and comparability of information about pensions by establishing a single framework for the presentation of pensions. The provisions of this Statement that are within the scope of Statement No. 67 or 68 are effective for fiscal years beginning after June 15, 2015. The provisions of this Statement that address employers and governmental non-employer contributing entities for pensions that are not within the scope of Statement 68 are effective for fiscal years beginning after June 15, 2016. Earlier application is encouraged. The District has no plan for early implementation of this Statement.

In June 2015, GASB issued Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. This Statement replaces Statements No. 43 and No. 57 related to postemployment benefits other than pensions, as well as includes requirements for defined contribution (other post-employment benefit) OPEB plans that replace the requirements for those OPEB plans in Statement No. 25, No. 43, and No. 50. Statement No. 74 establishes new accounting and financial reporting requirements for governments whose employees are provided with OPEB, as well as for certain non-employer governments that have a legal obligation to provide financial support for OPEB provided to the employees of other entities. The requirements of this Statement will improve financial reporting primarily through enhanced note disclosures and schedules of required supplementary information that will be presented by OPEB plans that are administered through trusts that meet the specified criteria. The provisions in this Statement are effective for fiscal years beginning after June 15, 2016. Earlier application is encouraged. The District has no plan for early implementation of this Statement.

In June 2015, GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This Statement replaces the requirements of Statements No. 45 and No. 57 related to postemployment benefits other than pensions. Statement No. 75 establishes new accounting and financial reporting requirements for OPEB plans. The requirements of this Statement will improve the decision-usefulness of information in employer and governmental non-employer contributing entity financial reports and will enhance its value for assessing accountability and inter-period equity by requiring recognition of the entire OPEB liability and a more comprehensive measure of OPEB expense. The provisions in this Statement are effective for fiscal years beginning after June 15, 2017. Earlier application is encouraged. The District has no plan for early implementation of this Statement.

In August 2015, GASB issued Statement No. 77, *Tax Abatement Disclosures*. This Statement requires disclosure of tax abatement information about (1) a reporting government's own tax

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abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government's tax revenues. The requirements of this Statement improve financial reporting by requiring disclosures for essential tax abatement information that is not consistently or comprehensively reported to the public at present. The requirements of this Statement are effective for reporting periods beginning after December 15, 2015. Earlier application is encouraged. The District has no plan for early implementation of this Statement.

In December 2015, GASB issued Statement No.78, *Pensions Provided Through Certain Multiple-Employer Defined Benefit Pension Plans*. The objective of this Statement is to address a practice issue regarding the scope and applicability of Statement No. 68, *Accounting and Financial Reporting for Pensions*. This issue is associated with pensions provided through certain multiple-employer defined benefit pension plans and to state or local governmental employers whose employees are provided with such pensions. This Statement amends the scope and applicability of Statement 68 to exclude pensions provided to employees of state or local governmental employers through a cost-sharing multiple-employer defined benefit pension plan that (1) is not a state or local governmental pension plan, (2) is used to provide defined benefit pensions both to employees of state or local governmental employers and to employees of employers that are not state or local governmental employers, and (3) has no predominant state or local governmental employer (either individually or collectively with other state or local governmental employers that provide pensions through the pension plan). This Statement establishes requirements for recognition and measurement of pension expense, expenditures, and liabilities; note disclosures; and required supplementary information for pensions that have the characteristics described above. The requirements of this Statement are effective for reporting periods beginning after December 15, 2015. Earlier application is encouraged. The District has no plan for early implementation of this Statement.

In January 2016, GASB issued Statement No. 80, *Blending Requirements for Certain Component Units – An amendment of GASB Statement No. 14*. The objective of this Statement is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units. This Statement amends the blending requirements established in paragraph 53 of Statement No. 14, *The Financial Reporting Entity, as amended*. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of Statement No. 39, *Determining Whether Certain Organizations Are Component Units*. The requirements of this Statement are effective for reporting periods beginning after June 15, 2016. Earlier application is encouraged. The District has no plan for early implementation of this Statement.

In March 2016, GASB issued Statement No. 81, *Irrevocable Split-Interest Agreements*. The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. This Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. Furthermore, this Statement requires that a government recognize assets representing its beneficial interests in irrevocable split-interest agreements that are administered by a third party, if the government controls the present service capacity of the beneficial interests. This Statement requires that a government recognize revenue when the

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resources become applicable to the reporting period. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2016, and should be applied retroactively. Earlier application is encouraged. The District has no plan for early implementation of this Statement.

### **Significant or Unusual Transactions**

We did not identify any significant or unusual transactions or significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

### **Management Judgments and Accounting Estimates**

Accounting estimates are an integral part of the preparation of financial statements and are based upon management's current judgment. The process used by management encompasses their knowledge and experience about past and current events and certain assumptions about future events. You may wish to monitor throughout the year the process used to determine and record these accounting estimates. The significant accounting estimates reflected in the District's June 30, 2016 basic financial statements include useful lives of depreciable assets, the cost of other post employment benefits and the pension cost and net pension liability.

### **Audit Adjustments**

Audit adjustments proposed by us and recorded by the District are shown on the attached "Adjusting Journal Entries," "Reclassification Journal Entries," "GASB Journal Entries," and "Prepared by Client Journal Entries."

### **Uncorrected Misstatements**

There were no uncorrected misstatements.

### **Disagreements with Management**

We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on any significant matters, the scope of the audit or significant disclosures to be included in the financial statements.

### **Consultations with Other Accountants**

We are not aware of any consultations management had with other accountants about accounting or auditing matters.

### **Significant Issues Discussed with Management**

No significant issues arising from the audit were discussed with or were the subject of correspondence with management.

### **Significant Difficulties Encountered in Performing the Audit**

We did not encounter any significant difficulties in dealing with management during the audit.

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### **Letter Communicating Significant Deficiencies and Material Weaknesses in Internal Control over Financial Reporting**

When significant deficiencies and material weaknesses are identified during our audit of the financial statements, we are required to communicate them to you in writing. For the year ended June 30, 2016 a letter was not required.

### **Other Audit Findings or Issues**

#### **Bank Reconciliations**

**Observation:** We noted that many old outstanding checks, some over one year old, are being carried on monthly cash reconciliations. This causes additional time to be spent by the Accountant to reconcile the bank accounts each month.

**Recommendation:** We recommend that checks that are over one year old be investigated and removed from the bank reconciliation and that the original transaction be reversed in the current year. Research should be done periodically to eliminate large numbers of old items being carried from month to month.

**Status:** The District is in the process of investigating and removing checks that are over a year old. Staff will periodically monitor and remove any checks that are more than a year old.

### **Significant Written Communications between Management and Our Firm**

We have requested certain representations from management that are included in the management representation letter dated \_\_\_\_\_ [Date of Auditor report].

This report is intended solely for the information and use of the Board of Directors the Administrative Committee and management and is not intended to be and should not be used by anyone other than these specified parties. It will be our pleasure to respond to any questions you have regarding this report. We appreciate the opportunity to continue to be of service to the Monterey Peninsula Water Management District.

Sincerely,

Michael T. Briley, CPA, CGMA  
Managing Partner  
Hayashi Wayland

33240/ml

Attachments: Adjusting Journal Entries  
Reclassification Journal Entries  
GASB Journal Entries  
Prepared by Client Journal Entries

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**Monterey Peninsula Water Management District**

**AJE**

Year End: June 30, 2016

Adjusting Journal Entries

Date: 7/1/2015 To 6/30/2016

Account No: AJE-01 To AJE-99

Number	Date	Name	Account No	Debit	Credit	Amount Chg	Net Income (Loss)
		Net Income (Loss) Before Adjustments					(145,386.00)
AJE-01	6/30/2016	Unapportioned/Uncollected Taxes Re	24-10-150100 SRF01				
AJE-01	6/30/2016	Deferred Revenue	24-10-370000 SRF01				
AJE-01	6/30/2016	Unapportioned/Uncollected Taxes Re	26-10-150100 SRF02	44,741.00			
AJE-01	6/30/2016	Deferred Revenue	26-10-370000 SRF02		44,741.00		
AJE-01	6/30/2016	Unapportioned/Uncollected Taxes Re	35-10-150100 CPF01		678.00		
AJE-01	6/30/2016	Deferred Revenue	35-10-370000 CPF01	678.00			
		To record uncollected taxes.					
				45,419.00	45,419.00	0.00	(145,386.00)
				<b>45,419.00</b>	<b>45,419.00</b>	<b>0.00</b>	<b>(145,386.00)</b>

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**Monterey Peninsula Water Management District**

**RJE**

Year End: June 30, 2016

Reclassification Journal Entries

Date: 7/1/2015 To 6/30/2016

Number	Date	Name	Account No	Debit	Credit	Amount Chg	Net Income (Loss)
Net Income (Loss) Before Adjustments						(145,386.00)	
RJE-01	6/30/2016	Property Tax Revenue	24-10-611000 SRF01				
RJE-01	6/30/2016	Interest-Monterey County Taxes	24-10-691500 SRF01				
RJE-01	6/30/2016	Tax Administration fee	24-80-750000 SRF01				
RJE-01	6/30/2016	Property Tax Revenue	26-10-611000 SRF02	1,514.00			
RJE-01	6/30/2016	Interest-Monterey County Taxes	26-10-691500 SRF02		1,514.00		
RJE-01	6/30/2016	TAX ADMINISTRATION FEE	26-80-750000 SRF02				
RJE-01	6/30/2016	Property Tax Revenue	35-10-611000 CPF01	563.00			
RJE-01	6/30/2016	Interest-Monterey County Taxes	35-10-691500 CPF01		563.00		
RJE-01	6/30/2016	Tax Administration Fee	35-80-750000 CPF01				
To allocate tax and admin fee out of property tax revenue.				2,077.00	2,077.00	0.00	(145,386.00)
RJE-02	6/30/2016	Water Supply Charge	35-10-520500 CPF01	9,146.00			
RJE-02	6/30/2016	Interest Income	35-10-691000 CPF01		9,146.00		
To reclass interest/penalty portion received on water supply charge.				9,146.00	9,146.00	0.00	(145,386.00)
				<b>11,223.00</b>	<b>11,223.00</b>	<b>0.00</b>	<b>(145,386.00)</b>



**EXHIBIT 15-B**

**Monterey Peninsula Water Management District**

**GASB**

Year End: June 30, 2016

GASB Journal Entries

Date: 7/1/2015 To 6/30/2016

Account No: GASB-00 To GASB-99

Number	Date	Name	Account No	Debit	Credit	Amount	Chg	Net Income (Loss)
Net Income (Loss) Before Adjustments						(180,715.00)		
GASB-01	6/30/2016	Deferred Outflows - PERS Contributi	51-10-171000 51		66,367.00			
GASB-01	6/30/2016	Beginning Net Position - GASB 68	51-10-283000 51	66,367.00				
To adjust Deferred outflows-PERS Contributions for the change in amount for the measurement period 6/30/2014 due to GASB 82.						66,367.00	66,367.00	0.00 (180,715.00)
GASB-02	6/30/2016	Beginning Net Position - GASB 68	51-10-283000 51		33,706.00			
GASB-02	6/30/2016	Deferred inflows - Actuarial	51-10-371500 51		123,588.00			
GASB-02	6/30/2016	Deferred inflows - Actuarial	51-10-371500 51	33,706.00				
GASB-02	6/30/2016	Net Pension Liability	51-10-383000 51	123,588.00				
To adjust Deferred outflows-Actuarial for the change in difference in contributions for the measurement period 6/30/2014 due to GASB 82.						157,294.00	157,294.00	0.00 (180,715.00)
GASB-03	6/30/2016	Pension expense - GASB 68	24-02-719200 G34G		30,721.00			
GASB-03	6/30/2016	Pension expense - GASB 68	26-02-719200 G34G		17,146.00			
GASB-03	6/30/2016	Pension expense - GASB 68	35-02-719200 G34G		23,576.00			
GASB-03	6/30/2016	Deferred inflows - Actuarial	51-10-371500 51		271,482.00			
GASB-03	6/30/2016	Deferred inflows - Actuarial	51-10-371500 51	71,443.00				
GASB-03	6/30/2016	Net Pension Liability	51-10-383000 51	271,482.00				
To record deferred inflow for changes in assumptions and recognize current amortization. (Tab B)						342,925.00	342,925.00	71,443.00 (109,272.00)
GASB-04	6/30/2016	Pension expense - GASB 68	24-02-719200 G34G	3,247.00				
GASB-04	6/30/2016	Pension expense - GASB 68	26-02-719200 G34G	1,812.00				
GASB-04	6/30/2016	Pension expense - GASB 68	35-02-719200 G34G	2,492.00				
GASB-04	6/30/2016	Deferred Outflows - Actuarial	51-10-172000 51	28,695.00				
GASB-04	6/30/2016	Deferred Outflows - Actuarial	51-10-172000 51		7,551.00			
GASB-04	6/30/2016	Net Pension Liability	51-10-383000 51		28,695.00			
To record deferred outflow for differences between expected and actual experience and recognize current amortization.. (Tab C)						36,246.00	36,246.00	(7,551.00) (116,823.00)
GASB-05	6/30/2016	Pension expense - GASB 68	24-02-719200 G34G		311,940.00			
GASB-05	6/30/2016	Pension expense - GASB 68	26-02-719200 G34G		174,106.00			
GASB-05	6/30/2016	Pension expense - GASB 68	35-02-719200 G34G		239,396.00			
GASB-05	6/30/2016	Deferred Outflows - Actuarial	51-10-172000 51	640,923.00				
GASB-05	6/30/2016	Deferred Outflows - Actuarial	51-10-172000 51		128,185.00			
GASB-05	6/30/2016	Deferred inflows - Actuarial	51-10-371500 51	212,704.00				
To record deferred outflow for differences between projected and actual earnings on pension plan investments and recognize current amortization. (Tab D)								

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**Monterey Peninsula Water Management District**

**GASB-1**

Year End: June 30, 2016

GASB Journal Entries

Date: 7/1/2015 To 6/30/2016

Account No: GASB-00 To GASB-99

Number	Date	Name	Account No	Debit	Credit	Amount Chg	Net Income (Loss)
				853,627.00	853,627.00	725,442.00	608,619.00
GASB-06	6/30/2016	Pension expense - GASB 68	24-02-719200 G34G		26,158.00		
GASB-06	6/30/2016	Pension expense - GASB 68	26-02-719200 G34G		14,600.00		
GASB-06	6/30/2016	Pension expense - GASB 68	35-02-719200 G34G		20,074.00		
GASB-06	6/30/2016	Deferred inflows - Actuarial	51-10-371500 51		70,209.00		
GASB-06	6/30/2016	Deferred inflows - Actuarial	51-10-371500 51	60,832.00			
GASB-06	6/30/2016	Net Pension Liability	51-10-383000 51	70,209.00			
		To record deferred outflow of resources due to the difference between the actual employer contributions made during the measurement period and the employer's proportionate share per the Risk Pool and recognize current amortization. (Tab E)					
				131,041.00	131,041.00	60,832.00	669,451.00
GASB-07	6/30/2016	Deferred Outflows - PERS Contributic	51-10-171000 51		369,874.00		
GASB-07	6/30/2016	Net Pension Liability	51-10-383000 51	369,874.00			
		To reclassify prior year contributions that were paid prior to the measurement date that are associated with the net pension liability to be reported in the financial statements of the current year. (Tab F)					
				369,874.00	369,874.00	0.00	669,451.00
GASB-08	6/30/2016	Pension expense - GASB 68	24-02-719200 G34G		159,405.00		
GASB-08	6/30/2016	Pension expense - GASB 68	26-02-719200 G34G		88,970.00		
GASB-08	6/30/2016	Pension expense - GASB 68	35-02-719200 G34G		122,334.00		
GASB-08	6/30/2016	Deferred Outflows - PERS Contributic	51-10-171000 51	370,709.00			
		To reclassify current year contributions made after the measurement date. (Tab F)					
				370,709.00	370,709.00	370,709.00	1,040,160.00
GASB-09	6/30/2016	Pension expense - GASB 68	24-02-719200 G34G	414,269.00			
GASB-09	6/30/2016	Pension expense - GASB 68	26-02-719200 G34G	231,220.00			
GASB-09	6/30/2016	Pension expense - GASB 68	35-02-719200 G34G	317,927.00			
GASB-09	6/30/2016	Net Pension Liability	51-10-383000 51		963,416.00		
		To record portion of pension expense attributable to changes recognized for the measurement period. (Tab G)					
				963,416.00	963,416.00	(963,416.00)	76,744.00
GASB-10	6/30/2016	Pension expense - GASB 68	24-02-719200 G34G		3,250.00		
GASB-10	6/30/2016	Pension expense - GASB 68	26-02-719200 G34G		1,814.00		
GASB-10	6/30/2016	Pension expense - GASB 68	35-02-719200 G34G		2,494.00		
GASB-10	6/30/2016	Deferred inflows - Actuarial	51-10-371500 51	7,558.00			
GASB-10	6/30/2016	Deferred inflows - Actuarial	51-10-371500 51		18,730.00		
GASB-10	6/30/2016	Net Pension Liability	51-10-383000 51	18,730.00			
		To record deferred outflow/inflow of resources due to the difference in proportions during the measurement period and recognize current amortization. (Tab H)					

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**GASB-2**

Year End: June 30, 2016

GASB Journal Entries

Date: 7/1/2015 To 6/30/2016

Account No: GASB-00 To GASB-99

Number	Date	Name	Account No	Debit	Credit	Amount Chg	Net Income (Loss)
				26,288.00	26,288.00	7,558.00	84,302.00
GASB-11	6/30/2016	Current Year OPEB Cost	24-10-716000 G34G	98,766.00			
GASB-11	6/30/2016	Current Year OPEB Cost	26-10-716000 G34G	55,125.00			
GASB-11	6/30/2016	Current Year OPEB Cost	35-10-716000 G34G	75,797.00			
GASB-11	6/30/2016	L/T Debt OPEB	51-10-282000 51		229,688.00		
		To record current year adjustment to OPEB liability.		229,688.00	229,688.00	(229,688.00)	(145,386.00)
GASB-12	6/30/2016	P.E.R.S.	24-01-714000 SRF01		9,746.00		
GASB-12	6/30/2016	P.E.R.S. - ER PAID PORTION OF EI	24-10-714500 SRF01	9,746.00			
GASB-12	6/30/2016	P.E.R.S.	26-01-714000 SRF02		5,440.00		
GASB-12	6/30/2016	P.E.R.S. - ER PAID PORTION OF EI	26-10-714500 SRF02	5,440.00			
GASB-12	6/30/2016	P.E.R.S.	35-01-714000 CPF01		7,480.00		
GASB-12	6/30/2016	P.E.R.S. - ER PAID PORTION OF EI	35-10-714500 CPF01	7,480.00			
		To separate out Employer paid portion of Employee pension expense per GASB 82.		22,666.00	22,666.00	0.00	(145,386.00)
				<b>3,570,141.00</b>	<b>3,570,141.00</b>	<b>35,329.00</b>	<b>(145,386.00)</b>

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**Monterey Peninsula Water Management District**

**PBC**

Year End: June 30, 2016

Prepared by Client Journal Entries

Date: 7/1/2015 To 6/30/2016

Account No: PBC-01 To PBC-99

Number	Date	Name	Account No	Debit	Credit	Amount	Chg Net Income (Loss)	
		Net Income (Loss) Before Adjustments					(290,539.00)	
PBC-01	6/30/2016	Market Value of Assets	26-10-102490 SRF02	864.00				
PBC-01	6/30/2016	Unrealized Gain/Loss on Investments	26-10-692590 SRF02		864.00			
PBC-01	6/30/2016	Market Value of Assets	35-10-102490 CPF01	6,944.00				
PBC-01	6/30/2016	Unrealized Gain/Loss on Investments	35-10-692590 CPF01		6,944.00			
		To record market value of WF Investments at 6/30/16.			7,808.00	7,808.00	7,808.00	(282,731.00)
PBC-02	6/30/2016	Project Reimbursements Receivable	24-10-130000 SRF01	137,345.00				
PBC-02	6/30/2016	SH Upgrade Grant	24-10-660008 SRF01		137,345.00			
		To accrue SHSRF Grant Reimbursement.			137,345.00	137,345.00	137,345.00	(145,386.00)
				<b>145,153.00</b>	<b>145,153.00</b>	<b>145,153.00</b>	<b>(145,386.00)</b>	