

**NOTICE AND AGENDA**  
**Regular Board Meeting**  
**at Sanitary District No. 5 of Marin County Meeting Room**  
**2001 Paradise Drive, Tiburon, CA 94920**  
**Thursday, March 21, 2019**

**5:00 P.M. REGULAR BOARD MEETING**

**CALL TO ORDER**

**ROLL CALL**

**PUBLIC COMMENTS:** The public is invited to address the Board on items that do not appear on the agenda and that are within the subject matter jurisdiction of the Board. The Brown Act does not allow the Board to take action on any public comment. Please limit public comments to no more than three minutes.

**DIRECTORS' COMMENTS AND/OR AGENDA REQUESTS:**

**CONSENT CALENDAR:**

1. Approval of February 21, 2019, Regular Board Meeting Minutes (Dohrmann)
2. Review and Receive all Electronic Fund Transfers (EFT) and Approve Warrants for February 15<sup>th</sup> through March 14<sup>th</sup>, 2019; JP Morgan Chase Bank Check No. 6778 through Check No. 6827, all transactions totaling in the amount of \$332413.79; and, Review and Receive February 2019 Payroll, in the amount of \$122,222.77 (Dohrmann)
3. Receipt of Financial Reports for February 2019 (Dohrmann)

**MANAGEMENT REPORTS:**

4. District Management Summary Report (Rubio)

**NEW BUSINESS:**

5. Review and Approval of Resolution No. 2019-01: A Resolution Approving and Ratifying Expenditures Used, in the Amount of \$14,508.23, for Emergency Repairs Made at the Vistazo West Slide, On February 14<sup>th</sup> through February 28<sup>th</sup>, 2019 – Action, Rubio
6. Election for LAFCO Special District Member – Action, Dohrmann
7. Discussion re Zero Property Tax Exchange Master Agreement for Jurisdictional Changes for Annexation Filed with LAFCO, Involving Special Districts and the County of Marin - Discussion Item, No Action, Rubio

**UNFINISHED BUSINESS:**

8. Review and Discuss Letter from Caprice Restaurant (February 13, 2019), re Valet Parking – Action, Rubio

**COMMITTEE REPORTS:**

- 9. Capital Improvement Program Committee (Lasky/Carapiet)
- 10. Governance Committee (Snyder/Benediktsson)
- 11. Finance & Fiscal Oversight Committee (Benediktsson/Carapiet)
- 12. Personnel Committee (Moody/Snyder)

**OTHER BUSINESS:**

**ENVIRONMENTAL:**

**CORRESPONDENCE:**

**INFORMATIONAL ITEMS:**

- 13. California Sanitation Risk Management Authority (CSRMA) 2018 Annual Report
- 14. California Sanitation Risk Management Authority (CSRMA) FY2017-2018 Comprehensive Annual Financial Report
- 15. 2019 Revised Nute Hourly Rate Schedule

**ADJOURNMENT**

The Board will be asked to adjourn the meeting to a Regular Board Meeting on April 18<sup>th</sup>, 2019, at 5:00 p.m. at the Main Plant of Sanitary District No. 5 of Marin County, located at 2001 Paradise Drive, Tiburon, California.

*The Board of Directors may, at its discretion, consider agenda items out of the order in which they appear above.*

*Accessible public meetings:* *Upon request, the District will provide written agenda materials in appropriate alternate formats, or disability-related modification or accommodation, including auxiliary aids or services to enable individual with disabilities to participate in public meetings. Requests are to be submitted in writing to the District at P.O. Box 227, Tiburon, CA 94920 or rdohrmann@sani5.org at least two days prior to the meeting.*

**Minutes of a Regular Board Meeting  
at Sanitary District No. 5 of Marin County Meeting Room  
2001 Paradise Drive, Tiburon, CA 94920  
Thursday, February 21, 2019**

**5:00 P.M. REGULAR BOARD MEETING**

**CALL TO ORDER** by Vice President John Carapiet at 5:00 P.M.

<b>ROLL CALL</b>	Directors present:	John Carapiet, Vice President Michael Lasky, Secretary Catharine Benediktsson, Director Richard Snyder, Director
	Directors Absent:	Tod Moody, President
	Staff present:	Tony Rubio, District Manager Robin Dohrmann, Office Manager

**PUBLIC COMMENTS:** The public is invited to address the Board on items that do not appear on the agenda and that are within the subject matter jurisdiction of the Board. The Brown Act does not allow the Board to take action on any public comment. Please limit public comments to no more than three minutes.

There were no public comments at this time.

**DIRECTORS' COMMENTS AND/OR AGENDA REQUESTS:**

- Director Benediktsson requested SD5 establish a policy in response to County of Marin's Zero Property Tax Exchange Master Agreement for Jurisdictional Changes for Annexation Filed with LAFCO Affecting Special Districts (Issued February 25, 2014)

**CONSENT CALENDAR:**

1. Approval of January 17, 2019, Regular Board Meeting Minutes (Dohrmann)
2. Review and Receive all Electronic Fund Transfers (EFT) and Approve Warrants for January 16<sup>th</sup> through February 14<sup>th</sup>, 2019; JP Morgan Chase Bank Check No. 6730 through Check No. 6777, all transactions totaling in the amount of \$295,331.37; and, Review and Receive January 2019 Payroll, in the amount of \$123,323.63 (Dohrmann)
3. Receipt of Financial Reports for January 2019 (Dohrmann)

Discussion by the Board. Motion (Snyder/Lasky) to approve Items No. 1 through No. 3 on the Consent Calendar. Passed 4-0-0-1.

**MANAGEMENT REPORTS:**

4. District Management Summary Report (Rubio)

District Manager, Tony Rubio, presented a written and verbal report on current District issues, responding to questions from the Board. Discussion by the Board.

**NEW BUSINESS:**

5. Review and Discuss 2019 SD5 Weather Event Activities, as of February 18, 2019

District Manager, Tony Rubio, presented a written and verbal report on the Vistazo West Slide Repair and a manhole in Tiburon, which overflowed due to the storms and saturated surrounding grounds. DM Rubio responded to questions from the Board. Discussion by the Board.

6. Review and Discuss Letter from Caprice Restaurant (February 13, 2019), re Valet Parking – Action, Rubio

Discussion by the Board. Consensus to table until March 2019 Board Meeting.

7. Review and Select Nominee for CSDA Board of Directors Call for Nominations, Seat B – Action, Dohrmann

Discussion by the Board. Motion (Snyder/Benediktsson) to Nominate SD5 Board Member, Tod Moody, for California Sanitary District's Association (CSDA) Bay Area Seat B. Passed 4-0-0-1.

**UNFINISHED BUSINESS:**

**COMMITTEE REPORTS:**

8. Capital Improvement Program Committee (Lasky/Carapiet) – Written & verbal report provided

9. Governance Committee (Snyder/Benediktsson) – None

10. Finance & Fiscal Oversight Committee (Benediktsson/Carapiet) – Verbal report provided

11. Personnel Committee (Moody/Snyder) – None

**OTHER BUSINESS:** None

**ENVIRONMENTAL:** None

**CORRESPONDENCE:** None

**INFORMATIONAL ITEMS:**

12. Review Finalized Financial Transaction Reports Submitted to CA SCO, on Behalf of SD5 and Tiburon-Belvedere Wastewater Financing Authority, by Perotti & Carrade

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13. Review of CalPERS CERBT 75 Schedule of Changes in Fiduciary Net Position by Employer, as of June 30, 2018 (Electronic SD5-Specified copy provided for Finance Meeting; Full Hard-Copy Report Available upon Request)

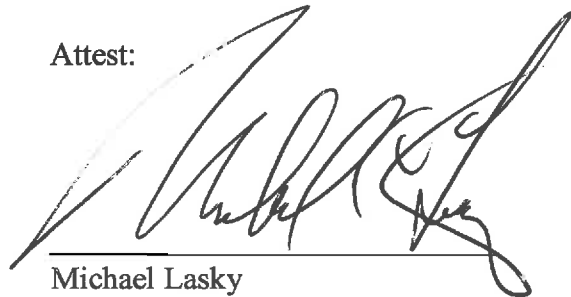
**ADJOURNMENT**

The Board adjourned at 5:50 p.m. to a Regular Board Meeting on March 21, at 5:00 p.m. at the Main Plant of Sanitary District No. 5 of Marin County, located at 2001 Paradise Drive, Tiburon, California.

Approved:

  
\_\_\_\_\_  
John Carapiet  
Vice President, Board of Directors

Attest:

  
\_\_\_\_\_  
Michael Lasky  
Secretary, Board of Directors

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**Sanitary Distr. No.5 of Marin Co.**  
**Warrant List Summary**  
**February 15 through March 14, 2019**

03/18/19

Date	Num	Name	Memo	Amount
<b>JP Morgan Chase - Primary 7399</b>				
03/04/19	EFT	CalPERS	EFT Health Premium, Mar '19, Cust #4163206459	-16,091.81
03/04/19	EFT	PERS	EFT PERS Retirement, Spec Comp for MLK Day, 2019	-595.33
03/04/19	EFT	PERS	EFT PERS Retirement, Feb '19	-16,209.62
02/15/19	6779	Swett, Drake	Reimb. for CWEA Membership, Jan '19	-188.00
02/21/19	6780	Comcast Business	Acct# 8155 30 11 0149465, Bus. Voice, Internet & Cable, Feb '19 - Mar '19	-487.57
02/21/19	6781	Verizon Wireless	Acct #0342125502-00001: iPhones, Feb '19 - Mar '19	-315.85
02/21/19	6782	Univar	Cust ID #STD001, Sodium Bisulfite, Feb '19	-5,317.32
02/21/19	6783	Bilborough, Chad	Reimb. for PPE & FY18-19 Boot Allowance, Feb '19	-357.30
02/21/19	6784	O'Day, Tim	Standby Mi. Reimb.+ FY18-19 Boot Allowance, thru Feb '19	-1,228.36
02/21/19	6785	Rosser, John	Standby Mi. Reimb., Jan - Feb '19	-126.99
03/14/19	6786	Access Answering Service	Acct #4080C, Answering Service, Mar '19	-60.00
03/14/19	6787	Alhambra	Acct #547945611762129, Water, Jan - Feb '19	-113.99
03/14/19	6788	AT&T	Acct #960732-76375559, Feb - Mar '19	-766.91
03/14/19	6789	ATP Group, Inc.	M.P. & P.C. Plant Chemicals, Feb '19	-1,933.05
03/14/19	6790	Banshee Networks, Inc.	Computer/IT Support, Jan '19	-1,143.75
03/14/19	6791	Burke, Williams & Sorensen, LLP	Legal Advice, Jan '19	-1,957.50
03/14/19	6792	Caltest Analytical Laboratory	M.P. Lab Sampling, Jan - Feb '19	-5,702.00
03/14/19	6793	Cassandra Prudhel Consulting, LLC	Consulting, Mar '19	-1,469.68
03/14/19	6794	Cintas Corporation #626	Acct #626-00821, PPE/Safetywear + Service, Feb - Mar '19	-1,560.22
03/14/19	6795	CWEA	Cert Renewal, T Rubio, ID#395321, Mar '19 (AJE FY19-20)	-87.00
03/14/19	6797	Goodman Building Supply Co.	Acct #20070, P&L, MP Supplies, Feb '19	-177.93
03/14/19	6798	Harrington Industrial Plastics LLC	Cust #044227, SD5 ER Trailer Supply Replenishment, Feb '19	-2,214.37
03/14/19	6799	HireRight, LLC	Acct #:272761, Background Check for D. Swett, Jan '19	-69.58
03/14/19	6800	Home Depot Credit Services	Acct #6035 3220 0516 4334, M.P. & P&L Supplies, Feb - Mar '19	-205.97
03/14/19	6801	Jackson's Hardware, Inc.	Acct #7601, M.P. Grounds + Safetywear/PPE, Feb '19	-1,893.24
03/14/19	6802	Marin County Registrar of Voters	Two Seats (Long + Short Term) - Nov '18	-2,199.28
03/14/19	6803	Marin Municipal Water District	Water, Dec - Feb '18	-764.58
03/14/19	6804	Medical Center of Marin, ES A/R	Acct #:SDN5_B1, Swett Vacc. (#1), Feb '19	-100.00
03/14/19	6805	Novato Chevrolet	Acct #220-15626, Truck Maintenance	-175.00
03/14/19	6806	Nute Engineering Corp.	Consulting & Engr. Svcs - Cove Rd Force Main Implementation, Jan '19	-3,916.00
03/14/19	6807	Office Depot	Acct #6011 5642 0308 4271, Off. + Janitorial Supplies, Feb '19	-592.91
03/14/19	6808	Pacific Gas & Electric	Acct #2908031411-4, Utilities, Jan - Feb '19	-18,615.50
03/14/19	6809	Roy's Sewer Service, Inc.	Belv. P&L & P.C. Sludge Disposal, Jan - Feb '19	-8,315.00
03/14/19	6810	Special District Risk Management Authorit	Member #7665, Life, Vision, DDS & LTD Ins., Mar '19	-1,125.27
03/14/19	6811	Staples, Inc.	Acct #601110007147010, Archiving & Office supplies, Jan - Feb '19	-131.80
03/14/19	6812	State Water Resources Control Board	C. Bilborough - SWRCB Application Fee, Mar '19 (AJE FY19-20)	-125.00
03/14/19	6813	Team Ghilotti, Inc.	Job #1353, Vistazo W. ER Slide Repair, Feb '19	-14,508.23
03/14/19	6814	Telstar Instrument, Inc.	Cust #SANDI, BPS Comm Upgrades, Jan - Feb '19	-17,772.44
03/14/19	6815	The Bank of New York Mellon Trust Compa...	BNYLOANS/TIB-BELV2012, MPR Rev Bond Payment Due 4/1/19	-167,675.00
03/14/19	6816	The Bank of New York Mellon Trust Compa...	Acct#: TIB/BELV2012, MPR Bond Admin & Dissem Fee, Feb '19 - Feb '20 (...)	-1,000.00
03/14/19	6817	U.S. Bank	Acct#:4246-0441-0158-3635, Jan - Feb '19	-2,288.63
03/14/19	6818	Univar	Cust ID #STD001, Chemicals, Jan - Feb '19	-14,197.22
03/14/19	6819	USA BlueBook	Cust #933682, Lab Supplies, Feb '19	-10,570.12
03/14/19	6820	Waste Management of Redwood Landfill	Acct #507-0000190-1507-2, Sludge Disposal, Feb '19	-1,038.12
03/14/19	6821	Wintersun Chemical	M.P. Chemicals, Feb - Mar '19	-2,271.37
03/14/19	6822	WorkSmart Automation, Inc.	SCADA System Maintenance, Dec '18 + Mar '19	-2,939.75
03/14/19	6823	Dohrmann, Robin	Prescriptive Safety Glasses Reimb., Feb '19	-300.00
03/14/19	6824	Driscoll, Stephen	Reimb. for CWEA Collections Syst, TCP Seminar, Feb '19	-75.00
03/14/19	6825	Rosser, John	Standby Mi. Reimb., thru 2.16.19	-50.80
03/14/19	6826	Swett, Drake	PPE Reimb., Feb '19	-43.43
03/14/19	6827	eNPDES.com & Associates	M.P. & P.C. Palnt, NPDES Permit Software, Aug '18 - July '19 (AJE FY18-20)	-1,350.00
Total JP Morgan Chase - Primary 7399				-332,413.79
<b>TOTAL</b>				<b>-332,413.79</b>

**Sanitary Distr. No.5 of Marin Co.**  
**Warrant List Detail**  
February 15 through March 14, 2019

03/18/19

Date	Num	Name	Memo	Account	Class	Paid Amount
03/04/19	EFT	CalPERS	EFT Health Premium, Mar '19, Cust #4163206459	JP Morgan Chase - Primary 7399		
			Active Employee Health Premium - Mar '19	8020.05 · Employee Health	Belvedere	-5,545.23
			Active Employee Health Premium - Mar '19	8020.05 · Employee Health	Tiburon:Paradise Cove	-328.81
			Active Employee Health Premium - Mar '19	8020.05 · Employee Health	Tiburon	-9,490.95
			Retiree Health Premium - Mar '19	8022.05 · Retiree Health	Belvedere	-245.41
			Retiree Health Premium - Mar '19	8022.05 · Retiree Health	Tiburon:Paradise Cove	-14.55
			Retiree Health Premium - Mar '19	8022.05 · Retiree Health	Tiburon	-420.04
			Active Employee Health Premium - Mar '19 - Admin Fee	8020.05 · Employee Health	Belvedere	-12.75
			Active Employee Health Premium - Mar '19 - Admin Fee	8020.05 · Employee Health	Tiburon:Paradise Cove	-0.76
			Active Employee Health Premium - Mar '19 - Admin Fee	8020.05 · Employee Health	Tiburon	-21.83
			Retiree Health Premium - Mar '19 - Admin Fee	8022.05 · Retiree Health	Belvedere	-4.14
			Retiree Health Premium - Mar '19 - Admin Fee	8022.05 · Retiree Health	Tiburon:Paradise Cove	-0.25
			Retiree Health Premium - Mar '19 - Admin Fee	8022.05 · Retiree Health	Tiburon	-7.09
TOTAL						-16,091.81
03/04/19	EFT	PERS	EFT PERS Retirement, Spec Comp for MLK Day, 2019	JP Morgan Chase - Primary 7399		
			Special Comp - Holiday Pay: MLK Day, 2019 (Classic 1600 Rate)	8019.05 · PERS Retirement	Belvedere	-179.98
			Special Comp - Holiday Pay: MLK Day, 2019 (Classic 1600 Rate)	8019.05 · PERS Retirement	Tiburon:Paradise Cove	-10.67
			Special Comp - Holiday Pay: MLK Day, 2019 (Classic 1600 Rate)	8019.05 · PERS Retirement	Tiburon	-308.05
			Special Comp - Holiday Pay: MLK Day, 2019 (PEPRA Rate)	8019.05 · PERS Retirement	Belvedere	-34.87
			Special Comp - Holiday Pay: MLK Day, 2019 (PEPRA Rate)	8019.05 · PERS Retirement	Tiburon:Paradise Cove	-2.07
			Special Comp - Holiday Pay: MLK Day, 2019 (PEPRA Rate)	8019.05 · PERS Retirement	Tiburon	-59.69
TOTAL						-595.33
03/04/19	EFT	PERS	EFT PERS Retirement, Feb '19	JP Morgan Chase - Primary 7399		
			Retirement February 2019 (Classic 1600 Rate)	8019.05 · PERS Retirement	Belvedere	-4,611.52
			Retirement February 2019 (Classic 1600 Rate)	8019.05 · PERS Retirement	Tiburon:Paradise Cove	-273.45
			Retirement February 2019 (Classic 1600 Rate)	8019.05 · PERS Retirement	Tiburon	-7,892.86
			Retirement February 2019 (PEPRA Rate)	8019.05 · PERS Retirement	Belvedere	-1,238.54
			Retirement February 2019 (PEPRA Rate)	8019.05 · PERS Retirement	Tiburon:Paradise Cove	-73.44
			Retirement February 2019 (PEPRA Rate)	8019.05 · PERS Retirement	Tiburon	-2,119.81
TOTAL						-16,209.62
02/15/19	6779	Swett, Drake	Reimb. for CWEA Membership, Jan '19	JP Morgan Chase - Primary 7399		
			Reimb. for CWEA Membership, Jan '19	6025 · Dues & Subscriptions	Belvedere	-67.85
			Reimb. for CWEA Membership, Jan '19	6025 · Dues & Subscriptions	Tiburon:Paradise Cove	-4.02
			Reimb. for CWEA Membership, Jan '19	6025 · Dues & Subscriptions	Tiburon	-116.13
TOTAL						-188.00
02/21/19	6780	Comcast Business	Acct# 8155 30 11 0149465, Bus. Voice, Internet & Cable, Feb '19 - Mar '19	JP Morgan Chase - Primary 7399		
			Bundle: Internet & Cable, 2.12.19 - 3.11.19	8510 · Data/Alarms/IT Supp & Licensing	Belvedere	-81.28
			Bundle: Internet & Cable, 2.12.19 - 3.11.19	8510 · Data/Alarms/IT Supp & Licensing	Tiburon:Paradise Cove	-4.82
			Bundle: Internet & Cable, 2.12.19 - 3.11.19	8510 · Data/Alarms/IT Supp & Licensing	Tiburon	-139.14
			Bundle: Land Line Phones, 2.12.19 - 3.11.19	8531 · Main Plant Telephones	Belvedere	-94.68
			Bundle: Land Line Phones, 2.12.19 - 3.11.19	8532 · Paradise Cove Telephones	Tiburon:Paradise Cove	-5.62

**Sanitary Distr. No.5 of Marin Co.**  
**Warrant List Detail**  
February 15 through March 14, 2019

03/18/19

Date	Num	Name	Memo	Account	Class	Paid Amount
			Bundle: Land Line Phones, 2.12.19 - 3.11.19	8531 · Main Plant Telephones	Tiburon	-162.03
TOTAL						-487.57
02/21/19	6781	Verizon Wireless	Acct #0342125502-00001: iPhones, Feb '19 - Mar '19	JP Morgan Chase - Primary 7399		
			Inv #9823750530: Equipment charges(w/ data plan \$55.41), 2.9.18 - 3.8.19	8531 · Main Plant Telephones	Belvedere	-20.00
			Inv #9823750530: Equipment charges(w/ data plan \$55.41), 2.9.18 - 3.8.19	8532 · Paradise Cove Telephones	Tiburon:Paradise Cove	-1.19
			Inv #9823750530: Equipment charges(w/ data plan \$55.41), 2.9.18 - 3.8.19	8531 · Main Plant Telephones	Tiburon	-34.22
			Inv #9823750530: Monthly Charges	8531 · Main Plant Telephones	Belvedere	-87.92
			Inv #9823750530: Monthly Charges	8532 · Paradise Cove Telephones	Tiburon:Paradise Cove	-5.21
			Inv #9823750530: Monthly Charges	8531 · Main Plant Telephones	Tiburon	-150.47
			Inv #9823750530: Taxes, Gov't Surcharges & Fees	8531 · Main Plant Telephones	Belvedere	-6.08
			Inv #9823750530: Taxes, Gov't Surcharges & Fees	8532 · Paradise Cove Telephones	Tiburon:Paradise Cove	-0.36
			Inv #9823750530: Taxes, Gov't Surcharges & Fees	8531 · Main Plant Telephones	Tiburon	-10.40
TOTAL						-315.85
02/21/19	6782	Univar	Cust ID #STD001, Sodium Bisulfite, Feb '19	JP Morgan Chase - Primary 7399		
			Inv #SJ926253, Sodium Bisulfite 25% (\$1.057/Gal), 2.13.19	7024 · Main Plant Chemicals	Belvedere	-1,919.02
			Inv #SJ926253, Sodium Bisulfite 25% (\$1.057/Gal), 2.13.19	7042 · Paradise Supplies & Chemicals	Tiburon:Paradise Cove	-113.79
			Inv #SJ926253, Sodium Bisulfite 25% (\$1.057/Gal), 2.13.19	7024 · Main Plant Chemicals	Tiburon	-3,284.51
TOTAL						-5,317.32
02/21/19	6783	Billsborough, Chad	Reimb. for PPE & FY18-19 Boot Allowance, Feb '19	JP Morgan Chase - Primary 7399		
			Reimb. boot allowance FY2018-2019	8520 · Personal Protection/Safety Wear	Belvedere	-61.35
			Reimb. boot allowance FY2018-2019	8520 · Personal Protection/Safety Wear	Tiburon:Paradise Cove	-3.64
			Reimb. boot allowance FY2018-2019	8520 · Personal Protection/Safety Wear	Tiburon	-105.00
			Reimb. for PPE wear (3 pairs/Pants), 2.18.19	8520 · Personal Protection/Safety Wear	Belvedere	-67.60
			Reimb. for PPE wear (3 pairs/Pants), 2.18.19	8520 · Personal Protection/Safety Wear	Tiburon:Paradise Cove	-4.01
			Reimb. for PPE wear (3 pairs/Pants), 2.18.19	8520 · Personal Protection/Safety Wear	Tiburon	-115.70
TOTAL						-357.30
02/21/19	6784	O'Day, Tim	Standby MI. Reimb.+ FY18-19 Boot Allowance, thru Feb '19	JP Morgan Chase - Primary 7399		
			M.P. Standby/callout Mileage, 12.23.18 - 12.31.18	6018.2 · Standby Mileage Expense Reimb	Belvedere	-96.48
			M.P. Standby/callout Mileage, 12.23.18 - 12.31.18	6018.2 · Standby Mileage Expense Reimb	Tiburon	-165.12
			M.P. Standby/callout Mileage, 1.1.19 - 2.14.19	6018.2 · Standby Mileage Expense Reimb	Tiburon	-282.78
			M.P. Standby/callout Mileage, 1.1.19 - 2.14.19	6018.2 · Standby Mileage Expense Reimb	Belvedere	-483.98
			Boot Allowance for FY18-19 (\$200)	8520 · Personal Protection/Safety Wear	Belvedere	-72.18
			Boot Allowance for FY18-19 (\$200)	8520 · Personal Protection/Safety Wear	Tiburon:Paradise Cove	-4.28
			Boot Allowance for FY18-19 (\$200)	8520 · Personal Protection/Safety Wear	Tiburon	-123.54
TOTAL						-1,228.36
02/21/19	6785	Rosser, John	Standby MI. Reimb., Jan - Feb '19	JP Morgan Chase - Primary 7399		
			M.P. Standby + Stormwatch, 1.1.19 - 2.2.19	6018.2 · Standby Mileage Expense Reimb	Belvedere	-28.10
			M.P. Standby + Stormwatch + SSO @ Tiburon, 1.1.19-2.2.19	6018.2 · Standby Mileage Expense Reimb	Tiburon	-98.89



03/18/19

**Sanitary Distr. No.5 of Marin Co.**  
**Warrant List Detail**  
February 15 through March 14, 2019

Date	Num	Name	Memo	Account	Class	Paid Amount
TOTAL						-126.99
03/14/19	6786	Access Answering Service	Acct #4080C, Answering Service, Mar '19	JP Morgan Chase - Primary 7399		
			Inv #19356, Answering Service, March '19 - SSO & Alarm Notifications	8510 · Data/Alarms/IT Supp & Licensing	Belvedere	-21.65
			Inv #19356, Answering Service, March '19 - SSO & Alarm Notifications	8510 · Data/Alarms/IT Supp & Licensing	Tiburon:Paradise Cove	-1.28
			Inv #19356, Answering Service, March '19 - SSO & Alarm Notifications	8510 · Data/Alarms/IT Supp & Licensing	Tiburon	-37.07
TOTAL						-60.00
03/14/19	6787	Alhambra	Acct #547945611762129, Water, Jan - Feb '19	JP Morgan Chase - Primary 7399		
			Inv #12012314 011119, Water, 12.12.18 - 01.09.19	7023 · Janitorial Supplies & Service	Belvedere	-41.14
			Inv #12012314 011119, Water, 12.12.18 - 01.09.19	7042 · Paradise Supplies & Chemicals	Tiburon:Paradise Cove	-2.44
			Inv #12012314 011119, Water, 12.12.18 - 01.09.19	7023 · Janitorial Supplies & Service	Tiburon	-70.41
TOTAL						-113.99
03/14/19	6788	AT&T	Acct #960732-76376569, Feb - Mar '19	JP Morgan Chase - Primary 7399		
			PC Plant Telephones, 2.28.19 - 3.27.19	8532 · Paradise Cove Telephones	Tiburon:Paradise Cove	-288.13
			PC Pumps & Lines Telephones, 2.28.19 - 3.27.19	8533 · Pumps & Lines Telephones	Tiburon:Paradise Cove	-173.46
			Tib Pumps & Lines Telephones, 2.28.19 - 3.27.19	8533 · Pumps & Lines Telephones	Tiburon	-305.32
TOTAL						-766.91
03/14/19	6789	ATP Group, Inc.	M.P. & P.C. Plant Chemicals, Feb '19	JP Morgan Chase - Primary 7399		
			Inv #1205127, M.P., Caustic soda beads (Sodium Hydroxide) for foul air scrub...	7042 · Paradise Supplies & Chemicals	Belvedere	-697.64
			Inv #1205127, P.C., Caustic soda beads (Sodium Hydroxide) for foul air scrub...	7042 · Paradise Supplies & Chemicals	Tiburon:Paradise Cove	-41.37
			Inv #1205127, M.P., Caustic soda beads (Sodium Hydroxide) for foul air scrub...	7024 · Main Plant Chemicals	Tiburon	-1,194.04
TOTAL						-1,933.05
03/14/19	6790	Banshee Networks, Inc.	Computer/IT Support, Jan '19	JP Morgan Chase - Primary 7399		
			Inv #13731, Monthly System back-ups, Maint. & Troubleshooting, January '19	8510 · Data/Alarms/IT Supp & Licensing	Belvedere	-412.78
			Inv #13731, Monthly System back-ups, Maint. & Troubleshooting, January '19	8510 · Data/Alarms/IT Supp & Licensing	Tiburon:Paradise Cove	-24.48
			Inv #13731, Monthly System back-ups, Maint. & Troubleshooting, January '19	8510 · Data/Alarms/IT Supp & Licensing	Tiburon	-706.49
TOTAL						-1,143.75
03/14/19	6791	Burke, Williams & Sorensen, LLP	Legal Advice, Jan '19	JP Morgan Chase - Primary 7399		
			Inv #237648, SD5 DCS, Jan '19	6039 · Legal	Belvedere	-490.46
			Inv #237648, SD5 DCS, Jan '19	6039 · Legal	Tiburon:Paradise Cove	-29.08
			Inv #237648, SD5 DCS, Jan '19	6039 · Legal	Tiburon	-839.46
			Inv #237648, Tib, Jan '19	6039 · Legal	Tiburon	-283.50
			Inv #237648, CoM Annxn, Jan '19	6039 · Legal	Tiburon:Paradise Cove	-315.00
TOTAL						-1,957.50
03/14/19	6792	Caltest Analytical Laboratory	M.P. Lab Sampling, Jan - Feb '19	JP Morgan Chase - Primary 7399		

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			#6174, 5580, 6344, 6291, 6290, M.P. Testing, 2.19.19, 2.5.19, 2.12.19, 2.26.19 Inv #5507, #6035, #6382, P.C. Testing, 1.22.19, 1.22.19, 2.12.19 #6174, 5580, 6344, 6291, 6290, M.P. Testing, 2.19.19, 2.5.19, 2.12.19, 2.26.19	7051 · Main Plant Lab Monitoring 7052 · Paradise Cove Monitoring 7051 · Main Plant Lab Monitoring	Belvedere Tiburon:Paradise Cove Tiburon	-958.51 -3,103.00 -1,640.49
TOTAL						-5,702.00
03/14/19	6793	Cassandra Prudhel Consulting, L...	Consulting, Mar '19	JP Morgan Chase - Primary 7399		
			Inv #2019-1 Tiburon, ELAP & Lab Testing Consulting, Dec '18 - Feb '19 Inv #2019-1 Tiburon, ELAP & Lab Testing Consulting, Dec '18 - Feb '19 Travel Fees through 2.20.19 Travel Fees through 2.20.19	6017 · Consulting Fees 6017 · Consulting Fees 6017 · Consulting Fees 6017 · Consulting Fees	Belvedere Tiburon Belvedere Tiburon	-475.14 -813.19 -66.88 -114.47
TOTAL						-1,469.68
03/14/19	6794	Cintas Corporation #626	Acct #626-00821, PPE/Safetywear + Service, Feb - Mar '19	JP Morgan Chase - Primary 7399		
			Inv #7123, #2203, #2800, #7337, PPE/Safetywear, 2.15.19, 2.22.19, 3.1.19, 3... Inv #7123, #2203, #2800, #7337, PPE/Safetywear, 2.15.19, 2.22.19, 3.1.19, 3... Inv #7123, #2203, #2800, #7337, PPE/Safetywear, 2.15.19, 2.22.19, 3.1.19, 3...	8520 · Personal Protection/Safety Wear 8520 · Personal Protection/Safety Wear 8520 · Personal Protection/Safety Wear	Belvedere Tiburon:Paradise Cove Tiburon	-563.08 -33.39 -963.75
TOTAL						-1,560.22
03/14/19	6795	CWEA	Cert Renewal, T Rubio, ID#395321, Mar '19 (AJE FY19-20)	JP Morgan Chase - Primary 7399		
			ID#0000395321, T Rubio, Lab Analyst, Grade 1 Cert Renewal, 4.1.19-6.30.19 ID#0000395321, T Rubio, Lab Analyst, Grade 1 Cert Renewal, 4.1.19-6.30.19 ID#0000395321, T Rubio, Lab Analyst, Grade 1 Cert Renewal, 4.1.19-6.30.19 ID#0000395321, T Rubio, Lab Analyst, Grade 1 Cert Renewal, 7.1.19 - 3.30.2... ID#0000395321, T Rubio, Lab Analyst, Grade 1 Cert Renewal, 7.1.19 - 3.30.2... ID#0000395321, T Rubio, Lab Analyst, Grade 1 Cert Renewal, 7.1.19 - 3.30.2...	6025 · Dues & Subscriptions 6025 · Dues & Subscriptions 6025 · Dues & Subscriptions 6025 · Dues & Subscriptions 6025 · Dues & Subscriptions 6025 · Dues & Subscriptions	Belvedere Tiburon:Paradise Cove Tiburon Belvedere Tiburon:Paradise Cove Tiburon	-7.85 -0.47 -13.43 -23.55 -1.40 -40.30
TOTAL						-87.00
03/14/19	6797	Goodman Building Supply Co.	Acct #20070, P&L, MP Supplies, Feb '19	JP Morgan Chase - Primary 7399		
			Inv #770066, MP Misc. Supplies, 2.8.19 Inv #770066, MP Misc. Supplies, 2.8.19	7021 · Plant Maintenance Supplies 7021 · Plant Maintenance Supplies	Belvedere Tiburon	-65.62 -112.31
TOTAL						-177.93
03/14/19	6798	Harrington Industrial Plastics LLC	Cust #:044227, SD5 ER Trailer Supply Replenishment, Feb '19	JP Morgan Chase - Primary 7399		
			Inv #6K8796, #6K8652, #6K8623, SD5 Emergency Trailer Supply Replenish... Inv #6K8796, #6K8652, #6K8623, SD5 Emergency Trailer Supply Replenish...	7021 · Plant Maintenance Supplies 7021 · Plant Maintenance Supplies	Belvedere Tiburon	-816.66 -1,397.71
TOTAL						-2,214.37
03/14/19	6799	HireRight, LLC	Acct #:272761, Background Check for D. Swett, Jan '19	JP Morgan Chase - Primary 7399		
			Inv #G2638619, Background Check for New Hire D. Swett, 1.31.19 Inv #G2638619, Background Check for New Hire D. Swett, 1.31.19	6017 · Consulting Fees 6017 · Consulting Fees	Belvedere Tiburon:Paradise Cove	-25.11 -1.49

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			Inv #G2638619, Background Check for New Hire D. Swett, 1.31.19	6017 · Consulting Fees	Tiburon	-42.98
TOTAL						-69.58
03/14/19	6800	Home Depot Credit Services	Acct #6035 3220 0516 4334, M.P. & P&L Supplies, Feb - Mar '19	JP Morgan Chase - Primary 7399		
			P&L Supplies, 2.21.19	7011 · Pumps & Lines Maintenance	Belvedere	-49.94
			P&L Supplies, 2.21.19	7011 · Pumps & Lines Maintenance	Tiburon:Paradise Cove	-2.96
			P&L Supplies, 2.21.19	7011 · Pumps & Lines Maintenance	Tiburon	-85.48
			M.P. Maint supplies - heat gun, 3.5.19	7021 · Plant Maintenance Supplies	Belvedere	-24.92
			M.P. Maint supplies - heat gun, 3.5.19	7021 · Plant Maintenance Supplies	Tiburon	-42.67
TOTAL						-205.97
03/14/19	6801	Jackson's Hardware, Inc.	Acct #7601, M.P. Grounds + Safetywear/PPE, Feb '19	JP Morgan Chase - Primary 7399		
			Inv #18377, #20299, #20297, Personal Protection/Safety Wear, Incl. D Swett ...	8520 · Personal Protection/Safety Wear	Belvedere	-179.75
			Inv #18377, #20299, #20297, Personal Protection/Safety Wear, Incl. D Swett ...	8520 · Personal Protection/Safety Wear	Tiburon:Paradise Cove	-10.66
			Inv #18377, #20299, #20297, Personal Protection/Safety Wear, Incl. D Swett ...	8520 · Personal Protection/Safety Wear	Tiburon	-307.64
			Inv #44259, #44237, Honda Portable Generator (EU2200ITA), Vistazo West ...	7013 · Emergency Line Repair	Tiburon:Paradise Cove	-1,395.19
TOTAL						-1,893.24
03/14/19	6802	Marin County Registrar of Voters	Two Seats (Long + Short Term) - Nov '18	JP Morgan Chase - Primary 7399		
			Board Elections (1 4-yr, 1 2-yr), CoM Charges, Nov '18	6026 · Elections	Belvedere	-793.72
			Board Elections (1 4-yr, 1 2-yr), CoM Charges, Nov '18	6026 · Elections	Tiburon:Paradise Cove	-47.06
			Board Elections (1 4-yr, 1 2-yr), CoM Charges, Nov '18	6026 · Elections	Tiburon	-1,358.50
TOTAL						-2,199.28
03/14/19	6803	Marin Municipal Water District	Water, Dec - Feb '18	JP Morgan Chase - Primary 7399		
			Cust #:424791, Cove Rd. BPS - Water, 12.6.18 - 2.5.19	8541 · Water	Belvedere	-46.57
			Cust #:424793, Golden Gate BPS - Water, 12.6.18 - 2.5.19	8541 · Water	Belvedere	-46.57
			Cust #138856, Mar West TPS - Water, 12.6.18 - 2.5.19	8541 · Water	Tiburon	-50.55
			Cust #100098, M.P. - Water, 12.6.18 - 2.5.19	8541 · Water	Belvedere	-228.98
			Cust #100098, M.P. - Water, 12.6.18 - 2.5.19	8541 · Water	Tiburon	-391.91
TOTAL						-764.58
03/14/19	6804	Medical Center of Marin, ES A/R	Acct #:SDN5_B1, Swett Vacc. (#1), Feb '19	JP Morgan Chase - Primary 7399		
			Inv #113099-00, Employee Health: Hep B Vacc. Injection 1 for D Swett, 2.6.19	8020.05 · Employee Health	Belvedere	-36.09
			Inv #113099-00, Employee Health: Hep B Vacc. Injection 1 for D Swett, 2.6.19	8020.05 · Employee Health	Tiburon:Paradise Cove	-2.14
			Inv #113099-00, Employee Health: Hep B Vacc. Injection 1 for D Swett, 2.6.19	8020.05 · Employee Health	Tiburon	-61.77
TOTAL						-100.00
03/14/19	6805	Novato Chevrolet	Acct #220-15626, Truck Maintenance	JP Morgan Chase - Primary 7399		
			Inv #CTCS1100756, 2012 Chevy Silverado 2500 (Boom Truck) - Turbocharge...	7072 · Truck Maintenance	Belvedere	-63.16
			Inv #CTCS1100756, 2012 Chevy Silverado 2500 (Boom Truck) - Turbocharge...	7072 · Truck Maintenance	Tiburon:Paradise Cove	-3.75

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			Inv #CTCS1100756, 2012 Chevy Silverado 2500 (Boom Truck) - Turbocharge...	7072 · Truck Maintenance	Tiburon	-108.09
TOTAL						-175.00
03/14/19	6806	Nute Engineering Corp.	Consulting & Engr. Svcs - Cove Rd Force Main Implementation, Jan '19	JP Morgan Chase - Primary 7399		
			Inv #20208, Cove Rd Force Main Implementation, 2.6.19	6017 · Consulting Fees	Belvedere	-3,916.00
TOTAL						-3,916.00
03/14/19	6807	Office Depot	Acct #6011 5642 0308 4271, Off. + Janitorial Supplies, Feb '19	JP Morgan Chase - Primary 7399		
			Inv#264025088, #264022207, Archiving/ Supplies, 1.23.19, 1.25.19	6047 · Office Supplies	Belvedere	-56.51
			Inv#264025088, #264022207, Archiving/ Supplies, 1.23.19, 1.25.19	6047 · Office Supplies	Tiburon:Paradise Cove	-3.35
			Inv#264025088, #264022207, Archiving/ Supplies, 1.23.19, 1.25.19	6047 · Office Supplies	Tiburon	-96.73
			Inv #270979264, #270979263, Janitorial Supplies, 2.7.19, 2.11.19	7023 · Janitorial Supplies & Service	Belvedere	-160.91
			Inv #270979264, #270979263, Janitorial Supplies, 2.7.19, 2.11.19	7023 · Janitorial Supplies & Service	Tiburon	-275.41
TOTAL						-592.91
03/14/19	6808	Pacific Gas & Electric	Acct #2908031411-4, Utilities, Jan - Feb '19	JP Morgan Chase - Primary 7399		
			Acct #2908031411-4, Main Plant Utilities, 1.22.98 - 2.21.19	8542 · Main Plant Utilities	Belvedere	-4,921.64
			Acct #2908031411-4, P.C. Plant Utilities, 1.22.98 - 2.21.19	8543 · Paradise Cove Utilities	Tiburon:Paradise Cove	-1,213.44
			Acct #2908031411-4, Main Plant Utilities, 1.22.98 - 2.21.19	8542 · Main Plant Utilities	Tiburon	-8,423.38
			Acct #2908031411-4, Belv Pump St Utilities, 1.22.98 - 2.21.19	8544 · Pump Station Utilities	Belvedere	-1,781.05
			Acct #2908031411-4, P.C. Pump St Utilities, 1.22.98 - 2.21.19	8544 · Pump Station Utilities	Tiburon:Paradise Cove	-237.74
			Acct #2908031411-4, Tib Pump St Utilities, 1.22.98 - 2.21.19	8544 · Pump Station Utilities	Tiburon	-2,038.25
TOTAL						-18,615.50
03/14/19	6809	Roy's Sewer Service, Inc.	Belv. P&L & P.C. Sludge Disposal, Jan - Feb '19	JP Morgan Chase - Primary 7399		
			Inv #203991, Clear line at 495 San Rafael Ave., 2.11.19	7011 · Pumps & Lines Maintenance	Belvedere	-330.00
			Inv #204032, Clear Line from Main St to TPS#9 (24 hrs), 1.29.19, 1.30.19, 1...	7011 · Pumps & Lines Maintenance	Tiburon	-7,800.00
			Inv #204018, M.P. Clearance of BR line, 2.19.19	7011 · Pumps & Lines Maintenance	Belvedere	-68.23
			Inv #204018, M.P. Clearance of BR line, 2.19.19	7011 · Pumps & Lines Maintenance	Tiburon	-116.77
TOTAL						-8,315.00
03/14/19	6810	Special District Risk Management...	Member #7665, Life, Vision, DDS & LTD Ins., Mar '19	JP Morgan Chase - Primary 7399		
			Employee Life Insurance - Inv #28399, Mar '19	8020.05 · Employee Health	Belvedere	-46.66
			Employee Life Insurance - Inv #28399, Mar '19	8020.05 · Employee Health	Tiburon:Paradise Cove	-2.77
			Employee Life Insurance - Inv #28399, Mar '19	8020.05 · Employee Health	Tiburon	-79.86
			Employee DDS Insurance - Inv #28399, Mar '19	8020.05 · Employee Health	Belvedere	-230.25
			Employee DDS Insurance - Inv #28399, Mar '19	8020.05 · Employee Health	Tiburon:Paradise Cove	-13.65
			Employee DDS Insurance - Inv #28399, Mar '19	8020.05 · Employee Health	Tiburon	-394.09
			Employee Vision Insurance - Inv #28399, Mar '19	8020.05 · Employee Health	Belvedere	-40.54
			Employee Vision Insurance - Inv #28399, Mar '19	8020.05 · Employee Health	Tiburon:Paradise Cove	-2.40
			Employee Vision Insurance - Inv #28399, Mar '19	8020.05 · Employee Health	Tiburon	-69.38
			Employee LTD Insurance - Inv #28399, Mar '19	8020.05 · Employee Health	Belvedere	-88.66
			Employee LTD Insurance - Inv #28399, Mar '19	8020.05 · Employee Health	Tiburon:Paradise Cove	-5.26

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			Employee LTD Insurance - Inv #28399, Mar '19	8020.05 · Employee Health	Tiburon	-151.75
TOTAL						-1,125.27
03/14/19	6811	Staples, Inc.	Acct #601110007147010, Archiving & Office supplies, Jan - Feb '19	JP Morgan Chase - Primary 7399		
			Inv #2227471711, #2232305361, #2239412431, Archiving & Office Supplies, ...	6047 · Office Supplies	Belvedere	-47.57
			Inv #2227471711, #2232305361, #2239412431, Archiving & Office Supplies, ...	6047 · Office Supplies	Tiburon:Paradise Cove	-2.82
			Inv #2227471711, #2232305361, #2239412431, Archiving & Office Supplies, ...	6047 · Office Supplies	Tiburon	-81.41
TOTAL						-131.80
03/14/19	6812	State Water Resources Control B...	C. Bilborough - SWRCB Application Fee, Mar '19 (AJE FY19-20)	JP Morgan Chase - Primary 7399		
			C. Bilborough - SWRCB Application Fee: WWTP Operator, OIT I, 4.1.19 - 6....	6025 · Dues & Subscriptions	Belvedere	-11.28
			C. Bilborough - SWRCB Application Fee: WWTP Operator, OIT I, 4.1.19 - 6....	6025 · Dues & Subscriptions	Tiburon:Paradise Cove	-0.67
			C. Bilborough - SWRCB Application Fee: WWTP Operator, OIT I, 4.1.19 - 6....	6025 · Dues & Subscriptions	Tiburon	-19.30
			C. Bilborough - SWRCB Application Fee: WWTP Operator, OIT I, 7.1.19 - 3....	6025 · Dues & Subscriptions	Belvedere	-33.83
			C. Bilborough - SWRCB Application Fee: WWTP Operator, OIT I, 7.1.19 - 3....	6025 · Dues & Subscriptions	Tiburon:Paradise Cove	-2.01
			C. Bilborough - SWRCB Application Fee: WWTP Operator, OIT I, 7.1.19 - 3....	6025 · Dues & Subscriptions	Tiburon	-57.91
TOTAL						-125.00
03/14/19	6813	Team Ghilotti, Inc.	Job #1353, Vistazo W. ER Slide Repair, Feb '19	JP Morgan Chase - Primary 7399		
			Inv #135301, Emergency Slide Repair at Vistazo West, 2.14.19-2.18.19	7013 · Emergency Line Repair	Tiburon:Paradise Cove	-14,508.23
TOTAL						-14,508.23
03/14/19	6814	Telstar Instrument, Inc.	Cust #SANDI, BPS Comm Upgrades, Jan - Feb '19	JP Morgan Chase - Primary 7399		
			Inv #98037, Inv #98205, Network Upgrade due to BPS Communication Ugrad...	9310 · BPS #13&#14 Communication Proj	Belvedere	-17,772.44
TOTAL						-17,772.44
03/14/19	6815	The Bank of New York Mellon Tru...	BNYLOANS/TIB-BELV2012, MPR Rev Bond Payment Due 4/1/19	JP Morgan Chase - Primary 7399		
			TAS#:631745 - MPR Project Bond Pmt - Interest (MPR Split)	9732 · Debt Service MPR Bond Interest	Belvedere	-59,055.14
			TAS#:631745 - MPR Project Bond Pmt - Interest (MPR Split)	9732 · Debt Service MPR Bond Interest	Tiburon	-108,619.86
TOTAL						-167,675.00
03/14/19	6816	The Bank of New York Mellon Tru...	Acct#: TIB/BELV2012, MPR Bond Admin & Dissem Fee, Feb '19 - Feb '20 ...	JP Morgan Chase - Primary 7399		
			Inv #: 252-2005067, MPR Rev Bond - Administration & Dissemination Agent ...	6025 · Dues & Subscriptions	Belvedere	-117.40
			Inv #: 252-2005067, MPR Rev Bond - Administration & Dissemination Agent ...	6025 · Dues & Subscriptions	Tiburon	-215.93
			Inv #: 252-2005067, MPR Rev Bond - Administration & Dissemination Agent ...	6025 · Dues & Subscriptions	Belvedere	-234.80
			Inv #: 252-2005067, MPR Rev Bond - Administration & Dissemination Agent ...	6025 · Dues & Subscriptions	Tiburon	-431.87
TOTAL						-1,000.00
03/14/19	6817	U.S. Bank	Acct#:4246-0441-0158-3635, Jan - Feb '19	JP Morgan Chase - Primary 7399		

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Date	Num	Name	Memo	Account	Class	Paid Amount
			#9545: Amazon - 2019 Planners, 1.23.19	6047 - Office Supplies	Belvedere	-22.45
			#9545: Amazon - 2019 Planners, 1.23.19	6047 - Office Supplies	Tiburon:Paradise Cove	-1.33
			#9545: Amazon - 2019 Planners, 1.23.19	6047 - Office Supplies	Tiburon	-38.42
			#9545: Lucinda's, Woodlands, Amazon - Staff, Brd & Finance Mtgs	6018.1 - Meetings & Travel	Belvedere	-51.96
			#9545: Lucinda's, Woodlands, Amazon - Staff, Brd & Finance Mtgs	6018.1 - Meetings & Travel	Tiburon:Paradise Cove	-3.08
			#9545: Lucinda's, Woodlands, Amazon - Staff, Brd & Finance Mtgs	6018.1 - Meetings & Travel	Tiburon	-88.93
			#0822+#9545: Vistazo W ER Slide Repair - Food & Lodging (2 days), 2.14.19...	7013 - Emergency Line Repair	Tiburon:Paradise Cove	-696.07
			#9545: USPO - Stamps + Certified Ltrs, 1.29.19, 2.19.19, 2.21.19	6056 - Postage	Belvedere	-68.68
			#9545: USPO - Stamps + Certified Ltrs, 1.29.19, 2.19.19, 2.21.19	6056 - Postage	Tiburon:Paradise Cove	-4.07
			#9545: USPO - Stamps + Certified Ltrs, 1.29.19, 2.19.19, 2.21.19	6056 - Postage	Tiburon	-117.55
			#9545: Chevron - BlueTec Deisel - Forklift, 2.5.19	7072 - Truck Maintenance	Belvedere	-3.51
			#9545: Chevron - BlueTec Deisel - Forklift, 2.5.19	7072 - Truck Maintenance	Tiburon:Paradise Cove	-0.21
			#9545: Chevron - BlueTec Deisel - Forklift, 2.5.19	7072 - Truck Maintenance	Tiburon	-6.01
			#9545: Amazon - Fist Aid Kit: AED Battery Replacement, 2.7.19	8515 - Safety	Belvedere	-45.83
			#9545: Amazon - Fist Aid Kit: AED Battery Replacement, 2.7.19	8515 - Safety	Tiburon:Paradise Cove	-2.72
			#9545: Amazon - Fist Aid Kit: AED Battery Replacement, 2.7.19	8515 - Safety	Tiburon	-78.45
			#9545: CVS - Janitorial supplies, 2.7.19	7023 - Janitorial Supplies & Service	Belvedere	-13.21
			#9545: CVS - Janitorial supplies, 2.7.19	7023 - Janitorial Supplies & Service	Tiburon	-22.61
			#9545: Airgas - M.P. Supplies, 2.7.19	7021 - Plant Maintenance Supplies	Belvedere	-29.11
			#9545: Airgas - M.P. Supplies, 2.7.19	7021 - Plant Maintenance Supplies	Tiburon	-49.82
			#9545: Friedman's - PPE for DL, JT, RC & DS, 2.6.19	8520 - Personal Protection/Safety Wear	Belvedere	-136.55
			#9545: Friedman's - PPE for DL, JT, RC & DS, 2.6.19	8520 - Personal Protection/Safety Wear	Tiburon:Paradise Cove	-8.10
			#9545: Friedman's - PPE for DL, JT, RC & DS, 2.6.19	8520 - Personal Protection/Safety Wear	Tiburon	-233.71
			#9545: Amazon + New Egg - New Cell phones + protection equipment (various)	8531 - Main Plant Telephones	Belvedere	-204.36
			#9545: Amazon + New Egg - New Cell phones + protection equipment (various)	8531 - Main Plant Telephones	Tiburon:Paradise Cove	-12.12
			#9545: Amazon + New Egg - New Cell phones + protection equipment (various)	8531 - Main Plant Telephones	Tiburon	-349.77
			<b>TOTAL</b>			<b>-2,288.63</b>
03/14/19	6818	Univar	<b>Cust ID #STDT001, Chemicals, Jan - Feb '19</b>	<b>JP Morgan Chase - Primary 7399</b>		
			Inv #SJ923359, #SJ927840, Sodium Bisulfite 25% (\$1.057/Gal), 1.24.19, 2.2...	7024 - Main Plant Chemicals	Belvedere	-3,823.89
			Inv #SJ923359, #SJ927840, Sodium Bisulfite 25% (\$1.057/Gal), 1.24.19, 2.2...	7042 - Paradise Supplies & Chemicals	Tiburon:Paradise Cove	-226.74
			Inv #SJ923359, #SJ927840, Sodium Bisulfite 25% (\$1.057/Gal), 1.24.19, 2.2...	7024 - Main Plant Chemicals	Tiburon	-6,544.79
			Inv #SJ924898, #SJ928344, Sodium Hypochlorite 12.5% (\$0.6653/Gal), 2.4.1...	7024 - Main Plant Chemicals	Belvedere	-1,299.89
			Inv #SJ924898, #SJ928344, Sodium Hypochlorite 12.5% (\$0.6653/Gal), 2.4.1...	7042 - Paradise Supplies & Chemicals	Tiburon:Paradise Cove	-77.08
			Inv #SJ924898, #SJ928344, Sodium Hypochlorite 12.5% (\$0.6653/Gal), 2.4.1...	7024 - Main Plant Chemicals	Tiburon	-2,224.83
			<b>TOTAL</b>			<b>-14,197.22</b>
03/14/19	6819	USA BlueBook	<b>Cust #933682, Lab Supplies, Feb '19</b>	<b>JP Morgan Chase - Primary 7399</b>		
			Inv #823467, #824332, Lab Supplies + Gloves, 2.26.19, 2.27.19	7025 - Lab Supplies & Chemicals	Belvedere	-386.33
			Inv #823467, #824332, Lab Supplies + Gloves, 2.26.19, 2.27.19	7025 - Lab Supplies & Chemicals	Tiburon	-661.21
			Inv #814532, #813956, P&L - Flygt pumps & float systems, 2.15.19, 2.14.19	7011 - Pumps & Lines Maintenance	Belvedere	-1,277.63
			Inv #814532, #813956, P&L - Flygt pumps & float systems, 2.15.19, 2.14.19	7011 - Pumps & Lines Maintenance	Tiburon:Paradise Cove	-75.76
			Inv #814532, #813956, P&L - Flygt pumps & float systems, 2.15.19, 2.14.19	7011 - Pumps & Lines Maintenance	Tiburon	-2,186.73
			Inv #487965, Lab Chemicals - Big Blue Bio Block, 2.6.19	7025 - Lab Supplies & Chemicals	Belvedere	-336.58
			Inv #487965, Lab Chemicals - Big Blue Bio Block, 2.6.19	7025 - Lab Supplies & Chemicals	Tiburon:Paradise Cove	-19.96
			Inv #487965, Lab Chemicals - Big Blue Bio Block, 2.6.19	7025 - Lab Supplies & Chemicals	Tiburon	-576.06
			Inv #821051, #820326, P&L - Testing and Replacement parts, 2.22.19, 2.25.19	7011 - Pumps & Lines Maintenance	Belvedere	-1,822.49
			Inv #821051, #820326, P&L - Testing and Replacement parts, 2.22.19, 2.25.19	7011 - Pumps & Lines Maintenance	Tiburon:Paradise Cove	-108.07
			Inv #821051, #820326, P&L - Testing and Replacement parts, 2.22.19, 2.25.19	7011 - Pumps & Lines Maintenance	Tiburon	-3,119.30
			<b>TOTAL</b>			<b>-10,570.12</b>

**Sanitary Distr. No.5 of Marin Co.**  
**Warrant List Detail**  
**February 15 through March 14, 2019**

03/18/19

Date	Num	Name	Memo	Account	Class	Paid Amount
03/14/19	6820	Waste Management of Redwood ...	Acct #507-0000190-1507-2, Sludge Disposal, Feb '19	JP Morgan Chase - Primary 7399		
			Inv #0096825-1507-8 Sludge Disposal - 3 pick-ups, 27.5 tons, Feb '19	7029 · Main Plant Sludge Disposal	Belvedere	-374.66
			Inv #0096825-1507-8 Sludge Disposal - 3 pick-ups, 27.5 tons, Feb '19	7043 · Paradise Sludge Disposal	Tiburon:Paradise Cove	-22.22
			Inv #0096825-1507-8 Sludge Disposal - 3 pick-ups, 27.5 tons, Feb '19	7029 · Main Plant Sludge Disposal	Tiburon	-641.24
TOTAL						-1,038.12
03/14/19	6821	Wintersun Chemical	M.P. Chemicals, Feb - Mar '19	JP Morgan Chase - Primary 7399		
			Inv #1712717-11, Inv #1902072-01, M.P. Odor Control - Ferrous Chloride Sol...	7024 · Main Plant Chemicals	Belvedere	-837.68
			Inv #1712717-11, Inv #1902072-01, M.P. Odor Control - Ferrous Chloride Sol...	7024 · Main Plant Chemicals	Tiburon	-1,433.69
TOTAL						-2,271.37
03/14/19	6822	WorkSmart Automation, Inc.	SCADA System Maintenance, Dec '18 + Mar '19	JP Morgan Chase - Primary 7399		
			Inv #4788 + #4812, SCADA Interface with TelStar & BPS Communication Up...	9225.95 · SCADA Upgrade & Replacem...	Belvedere	-1,084.18
			Inv #4788 + #4812, SCADA Interface with TelStar & BPS Communication Up...	9225.95 · SCADA Upgrade & Replacem...	Tiburon	-1,855.57
TOTAL						-2,939.75
03/14/19	6823	Dohrmann, Robin	Prescriptive Safety Glasses Reimb., Feb '19	JP Morgan Chase - Primary 7399		
			Prescriptive Safety Glasses Reimb., Feb '19	8520 · Personal Protection/Safety Wear	Belvedere	-108.27
			Prescriptive Safety Glasses Reimb., Feb '19	8520 · Personal Protection/Safety Wear	Tiburon:Paradise Cove	-6.42
			Prescriptive Safety Glasses Reimb., Feb '19	8520 · Personal Protection/Safety Wear	Tiburon	-185.31
TOTAL						-300.00
03/14/19	6824	Driscoll, Stephen	Reimb. for CWEA Collections Syst, TCP Seminar, Feb '19	JP Morgan Chase - Primary 7399		
			Reimb. for CWEA Collection System (TCP) Seminar, 2.13.19	6025 · Dues & Subscriptions	Belvedere	-27.07
			Reimb. for CWEA Collection System (TCP) Seminar, 2.13.19	6025 · Dues & Subscriptions	Tiburon:Paradise Cove	-1.61
			Reimb. for CWEA Collection System (TCP) Seminar, 2.13.19	6025 · Dues & Subscriptions	Tiburon	-46.32
TOTAL						-75.00
03/14/19	6825	Rosser, John	Standby MI. Reimb., thru 2.16.19	JP Morgan Chase - Primary 7399		
			Belvedere P&L, thru 2.16.19	6018.2 · Standby Mileage Expense Reimb	Belvedere	-50.80
TOTAL						-50.80
03/14/19	6826	Swett, Drake	PPE Reimb., Feb '19	JP Morgan Chase - Primary 7399		
			PPE Reimbursement, 2.24.19	8520 · Personal Protection/Safety Wear	Belvedere	-15.67
			PPE Reimbursement, 2.24.19	8520 · Personal Protection/Safety Wear	Tiburon:Paradise Cove	-0.93
			PPE Reimbursement, 2.24.19	8520 · Personal Protection/Safety Wear	Tiburon	-26.83
TOTAL						-43.43

03/18/19

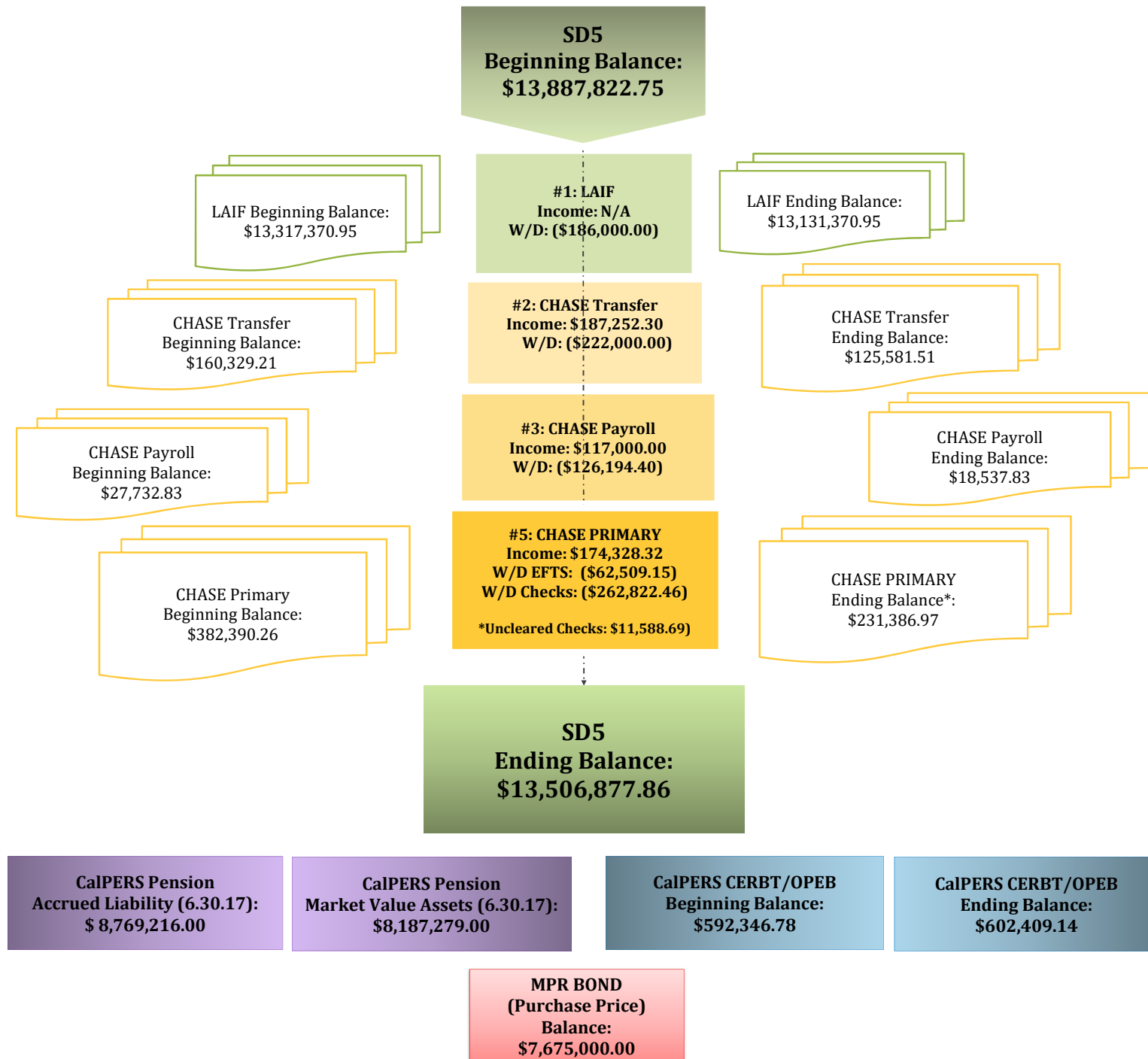
**Sanitary Distr. No.5 of Marin Co.**  
**Warrant List Detail**  
 February 15 through March 14, 2019

Date	Num	Name	Memo	Account	Class	Paid Amount
03/14/19	6827	eNPDES.com & Associates	M.P. & P.C. Palnt, NPDES Permit Software, Aug '18 - July '19 (AJE FY19-...	JP Morgan Chase - Primary 7399		
			M.P. NPDES Permit software, Flat Fee for Tech Support, 8.01.18 - 6.30.19	8510 · Data/Alarms/IT Supp & Licensing	Belvedere	-446.61
			M.P. NPDES Permit software, Flat Fee for Tech Support, 8.01.18 - 6.30.19	8510 · Data/Alarms/IT Supp & Licensing	Tiburon:Paradise Cove	-28.48
			M.P. NPDES Permit software, Flat Fee for Tech Support, 8.01.18 - 6.30.19	8510 · Data/Alarms/IT Supp & Licensing	Tiburon	-764.40
			M.P. NPDES Permit software, Flat Fee for Tech Support, 7.1.19 - 7.31.19 (AJ...	8510 · Data/Alarms/IT Supp & Licensing	Belvedere	-40.60
			M.P. NPDES Permit software, Flat Fee for Tech Support, 7.1.19 - 7.31.19 (AJ...	8510 · Data/Alarms/IT Supp & Licensing	Tiburon:Paradise Cove	-2.41
			M.P. NPDES Permit software, Flat Fee for Tech Support, 7.1.19 - 7.31.19 (AJ...	8510 · Data/Alarms/IT Supp & Licensing	Tiburon	-69.50
TOTAL						-1,350.00



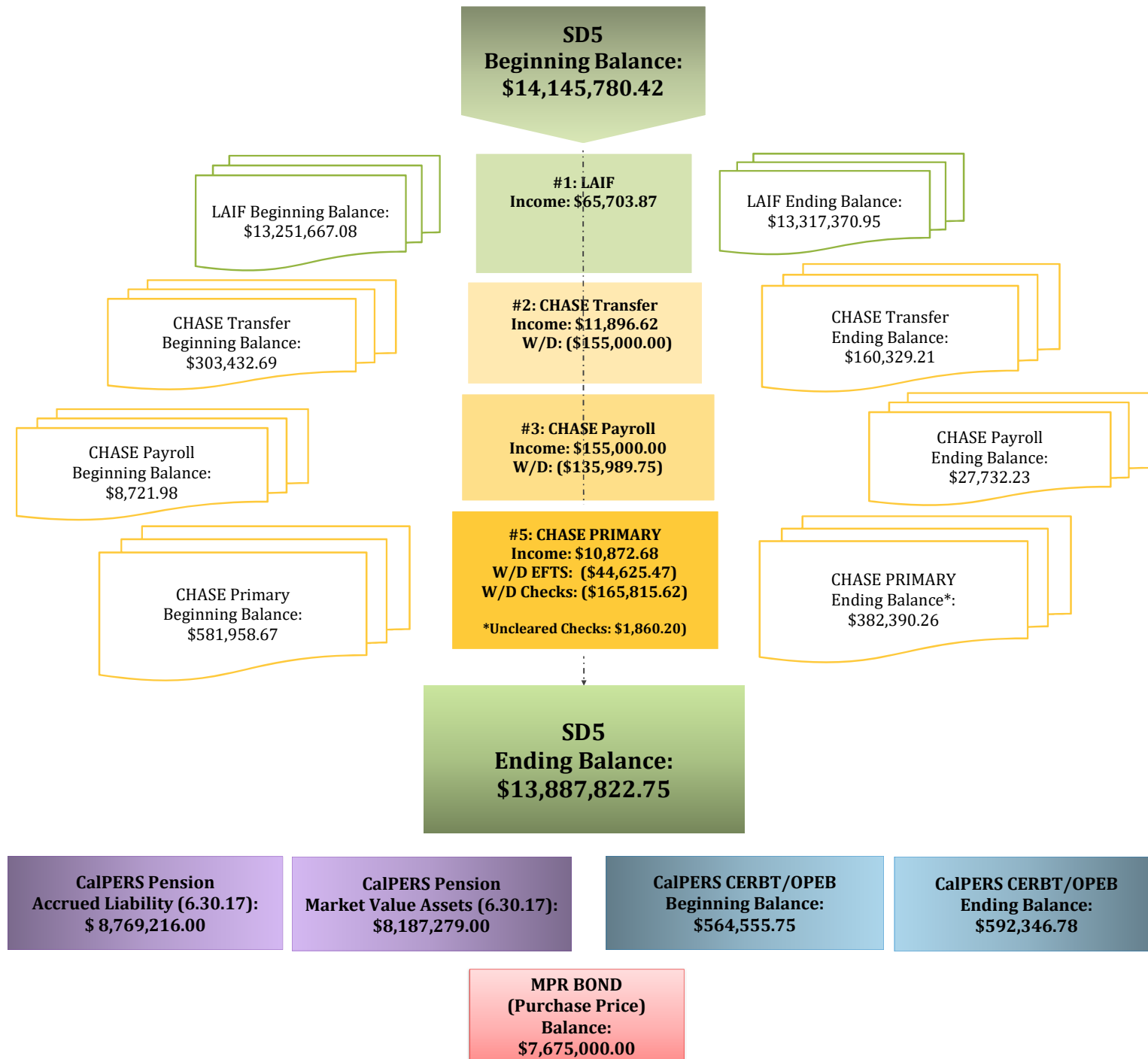
# CASH FLOW CHART

SANITARY DISTRICT NO. 5 OF MARIN COUNTY: February, 2019



# CASH FLOW CHART

SANITARY DISTRICT NO. 5 OF MARIN COUNTY: January, 2019



FEB 11, 2019

SANITARY DISTRICT NO 5 - 0400-2116  
PO BOX 227  
BELVEDERE TIBURON, CA 94920

CHECK DATE : 02/15/2019 WEEK 7  
PERIOD BEGIN : 02/01/2019  
PERIOD END : 02/15/2019

OK  
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Dear Paychex Preview Client,

Enclosed are your payroll reports and checks. Please verify that all information is accurate and correct.  
If there are any questions or concerns, please contact us immediately.

If you have tax deposits due, ensure the deposits are initiated at least one banking day prior to the due date to avoid penalties. We will assume that these deposits were made on the due dates and they will be reflected on your returns accordingly.

This is a summary of your payroll transactions of the check date of 02/15/2019. It does not reflect miscellaneous administrative charges. Please refer to your Paychex Human Resource Services invoice(s) for any additional cash required for this check date.

**PAYROLL TOTALS**

DIRECT DEPOSIT DEBITED FROM YOUR ACCOUNT	29395.35		
READYCHEX DEBITED FROM YOUR ACCOUNT	2528.96	NUMBER OF PAYROLL CHECKS	15
<b>TOTAL NET PAYROLL</b>	<b>31924.31</b>		

BILLING PAYMENT	244.29 ✓	Withdrawal made by PAYCHEX INC. on above check date.
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AMOUNT DEBITED FROM TAX ACCOUNT	16450.66		
TOTAL TAX LIABILITY DUE BY CLIENT	0.00		
<b>TOTAL TAX LIABILITY</b>	<b>16450.66 ✓</b>	<b>NUMBER OF CHECKS PRINTED</b>	<b>15</b>
<b>TOTAL NET PAYROLL, TAX LIABILITY, AND SERVICES</b>	<b>48374.97</b>		
<b>TOTAL COST OF PAYROLL</b>	<b>48619.26</b> (P)	<b>NUMBER OF MANUAL/VOID TRANSACTIONS</b>	<b>0</b>

**TAX DEPOSITS DUE**

TAX AGENCY	TAXPAY	NON-TAXPAY	DUE DATE
FEDERAL	13763.78		02/21/2019 Deposit made by PAYCHEX INC. on your behalf.
STATE - CA	2447.61		02/21/2019 Deposit made by PAYCHEX INC. on your behalf.

**NEXT PERIOD DATES**

CHECK DATE :	02/28/2019	WEEK 9	TRANSMIT DATE :	01/31/2019
PERIOD BEGIN :	02/16/2019			
PERIOD END :	02/28/2019			

FEB 26, 2019

SANITARY DISTRICT NO 5 - 0400-2116  
PO BOX 227  
BELVEDERE TIBURON, CA 94920

CHECK DATE : 02/28/2019 WEEK 9  
PERIOD BEGIN : 02/16/2019  
PERIOD END : 02/28/2019

ok  
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Dear Paychex Preview Client,

Enclosed are your payroll reports and checks. Please verify that all information is accurate and correct.  
If there are any questions or concerns, please contact us immediately.

If you have tax deposits due, ensure the deposits are initiated at least one banking day prior to the due date to avoid penalties. We will assume that these deposits were made on the due dates and they will be reflected on your returns accordingly.

This is a summary of your payroll transactions of the check date of 02/28/2019. It does not reflect miscellaneous administrative charges. Please refer to your Paychex Human Resource Services invoice(s) for any additional cash required for this check date.

**PAYROLL TOTALS**

DIRECT DEPOSIT DEBITED FROM YOUR ACCOUNT	44938.41		
READYCHEX DEBITED FROM YOUR ACCOUNT	0.00	NUMBER OF PAYROLL CHECKS	18
<b>TOTAL NET PAYROLL</b>	<b>44938.41</b>		
BILLING PAYMENT	239.27 ✓	Withdrawal made by PAYCHEX INC. on above check date.	

AMOUNT DEBITED FROM TAX ACCOUNT	28425.83		
TOTAL TAX LIABILITY DUE BY CLIENT	0.00		
<b>TOTAL TAX LIABILITY</b>	<b>28425.83 ✓</b>	<b>NUMBER OF CHECKS PRINTED</b>	<b>18</b>
<b>TOTAL NET PAYROLL, TAX LIABILITY, AND SERVICES</b>	<b>73364.24</b>		
<b>TOTAL COST OF PAYROLL</b>	<b>73603.51</b>	<b>NUMBER OF MANUAL/VOID TRANSACTIONS</b>	<b>0</b>

**TAX DEPOSITS DUE**

TAX AGENCY	TAXPAY	NON-TAXPAY	DUE DATE
FEDERAL	23764.02		03/06/2019 Deposit made by PAYCHEX INC. on your behalf.
STATE - CA	4211.58		03/06/2019 Deposit made by PAYCHEX INC. on your behalf.

**NEXT PERIOD DATES**

CHECK DATE : 03/15/2019 WEEK 11 TRANSMIT DATE : 02/15/2019  
PERIOD BEGIN : 03/01/2019  
PERIOD END : 03/15/2019

12:21 PM  
03/07/19

**Sanitary Distr. No.5 of Marin Co.**  
**Comparative Balance Sheet**  
As of February 28, 2019

	Feb 28, 19	Jan 31, 19	\$ Change
<b>ASSETS</b>			
Current Assets			
Checking/Savings			
Local Agency Investment Fund			
Belvedere			
Belvedere Operating	3,370,359.47	3,457,589.81	-87,230.34
Belvedere Operating Reserve	284,923.05	284,923.05	0.00
Belvedere Capital & CIP Reserve	2,790,667.00	2,900,365.98	-109,698.98
Belvedere PERS Retirement Trust	152,530.00	152,530.00	0.00
Belvedere Disaster Recovery Fnd	356,250.00	356,250.00	0.00
Total Belvedere	6,954,729.52	7,151,658.84	-196,929.32
Tiburon			
Tiburon Operating	1,883,602.60	1,781,754.23	101,848.37
Tiburon Operating Reserve	414,430.00	414,430.00	0.00
Tiburon Capital & CIP Reserve	2,959,238.83	3,050,157.88	-90,919.05
Tiburon PERS Retirement Trust	275,620.00	275,620.00	0.00
Tiburon Disaster Recovery Fund	643,750.00	643,750.00	0.00
Total Tiburon	6,176,641.43	6,165,712.11	10,929.32
Total Local Agency Investment Fund	13,131,370.95	13,317,370.95	-186,000.00
JP Morgan Chase - Primary 7399	219,798.28	380,477.13	-160,678.85
JP Morgan Chase - Payroll 7506	5,625.66	27,732.23	-22,106.57
JP Morgan Chase - Transfer 7522	125,581.51	160,329.21	-34,747.70
Total Checking/Savings	13,482,376.40	13,885,909.52	-403,533.12
Accounts Receivable			
Accounts Receivable	-1,261.89	23,022.21	-24,284.10
Total Accounts Receivable	-1,261.89	23,022.21	-24,284.10
Other Current Assets			
Petty Cash	881.92	881.92	0.00
Total Other Current Assets	881.92	881.92	0.00
Total Current Assets	13,481,996.43	13,909,813.65	-427,817.22
Fixed Assets	19,641,712.20	19,641,712.20	0.00
<b>TOTAL ASSETS</b>	<b>33,123,708.63</b>	<b>33,551,525.85</b>	<b>-427,817.22</b>
<b>LIABILITIES &amp; EQUITY</b>			
Liabilities			
Current Liabilities			
Other Current Liabilities			
Compensated Absences Current	154,737.02	154,737.02	0.00
Retainage Payable	37,259.69	27,378.67	9,881.02
MPR Rev Bond Interest Payable	-86,137.50	-86,137.50	0.00
Total Other Current Liabilities	105,859.21	95,978.19	9,881.02
Total Current Liabilities	105,859.21	95,978.19	9,881.02
Long Term Liabilities			
2061 - OPEB Related Liability	853,649.00	853,649.00	0.00
Pension-related Liabilities	-475,963.00	-475,963.00	0.00
MPR Revenue Bonds Payable	7,675,000.00	7,675,000.00	0.00
MPR Rev Bond Premiums Payable	876,279.39	876,279.39	0.00
Total Long Term Liabilities	8,928,965.39	8,928,965.39	0.00
Total Liabilities	9,034,824.60	9,024,943.58	9,881.02
Equity			
3000 - Closing Entries	632,275.00	632,275.00	0.00
3900 - Net Assets	22,660,144.59	22,660,144.59	0.00
Net Income	796,464.44	1,234,162.68	-437,698.24
Total Equity	24,088,884.03	24,526,582.27	-437,698.24
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>33,123,708.63</b>	<b>33,551,525.85</b>	<b>-427,817.22</b>

**Sanitary Distr. No.5 of Marin Co.**  
**Annual Budget vs Actual Expenses**  
**July 2018 through February 2019**

	Jul '18 - Feb 19	Budget	\$ Over Budget	% of Bu...
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
5000 - Property Taxes				
5001.2 - TEETER	437,893.76	700,000.00	-262,106.24	62.6%
5002 - UNSEC	14,602.17	13,000.00	1,602.17	112.3%
5003 - PUNS / PRIOR UNSECURED	577.23	0.00	577.23	100.0%
5004 - REDEMPTION / RDMPT	450.43	0.00	450.43	100.0%
5006 - SPLU	71.33	100.00	-28.67	71.3%
5041 - SUPSEC	9,454.24	15,000.00	-5,545.76	63.0%
5043 - SECU	72.33	500.00	-427.67	14.5%
5046 - Excess ERAF	199,372.87	250,000.00	-50,627.13	79.7%
5280 - HOPTR	1,874.19	3,333.00	-1,458.81	56.2%
<b>Total 5000 - Property Taxes</b>	<b>664,368.55</b>	<b>981,933.00</b>	<b>-317,564.45</b>	<b>67.7%</b>
5007 - Sewer Service Charge				
5007.1 - Sewer Service - Tiburon Ops	1,219,020.13	2,223,002.68	-1,003,982.55	54.8%
5007.5 - Sewer Service - Tiburon Cap	277,787.55	507,742.01	-229,954.46	54.7%
5007.2 - Sewer Service-Belv Ops	748,987.09	1,346,023.72	-597,036.63	55.6%
5007.3 - Sewer Service-Belv Cap	528,820.80	950,357.28	-421,536.48	55.6%
<b>Total 5007 - Sewer Service Charge</b>	<b>2,774,615.57</b>	<b>5,027,125.69</b>	<b>-2,252,510.12</b>	<b>55.2%</b>
5201 - Interest				
5201.2 - Interest LAIF	131,549.20	25,000.00	106,549.20	526.2%
<b>Total 5201 - Interest</b>	<b>131,549.20</b>	<b>25,000.00</b>	<b>106,549.20</b>	<b>526.2%</b>
5900.3 - Connection Fees				
5900.30 - Connection Permit Fees	5,250.00	5,000.00	250.00	105.0%
5900.31 - Collection	204,522.00	80,000.00	124,522.00	255.7%
5900.34 - Treatment	326,274.00	80,000.00	246,274.00	407.8%
<b>Total 5900.3 - Connection Fees</b>	<b>536,046.00</b>	<b>165,000.00</b>	<b>371,046.00</b>	<b>324.9%</b>
5900.4 - Inspection Permit Fees	16,000.00	7,500.00	8,500.00	213.3%
5900.5 - SASM Expense Reimb.	42,609.25	65,000.00	-22,390.75	65.6%
5900.9 - Other Income	0.00	100.00	-100.00	0.0%
5900.10 - Paradise Sewer Line Ext. Fees	0.00	12,863.00	-12,863.00	0.0%
<b>Total Income</b>	<b>4,165,188.57</b>	<b>6,284,521.69</b>	<b>-2,119,333.12</b>	<b>66.3%</b>
<b>Expense</b>				
6000 - Administrative Expenses				
6001 - Advertising	878.76	1,000.00	-121.24	87.9%
6002 - Outreach & Newsletter	0.00	1,000.00	-1,000.00	0.0%
6008 - Audit & Accounting	25,104.37	32,500.00	-7,395.63	77.2%
6017 - Consulting Fees	27,356.51	100,000.00	-72,643.49	27.4%
6018 - Travel & Meetings				
6018.1 - Meetings & Travel	4,370.31	7,000.00	-2,629.69	62.4%
6018.2 - Standby Mileage Expense Reimb	4,886.99	8,000.00	-3,113.01	61.1%
<b>Total 6018 - Travel &amp; Meetings</b>	<b>9,257.30</b>	<b>15,000.00</b>	<b>-5,742.70</b>	<b>61.7%</b>
6020 - Continuing Education	1,381.50	10,000.00	-8,618.50	13.8%
6021 - County Fees	11,107.65	16,500.00	-5,392.35	67.3%
6024 - Director Fees	2,500.00	9,000.00	-6,500.00	27.8%
6025 - Dues & Subscriptions	14,417.10	12,000.00	2,417.10	120.1%
6026 - Elections	0.00	7,000.00	-7,000.00	0.0%
6033 - Insurance Property & Liability				
6033.1 - PLP Public Entity Phys Damage	12,984.00	14,980.00	-1,996.00	86.7%
6033.2 - General Liability	51,025.00	47,966.00	3,059.00	106.4%
6033.3 - Physical Property Damage - Auto	1,342.00	1,368.00	-26.00	98.1%
<b>Total 6033 - Insurance Property &amp; Liability</b>	<b>65,351.00</b>	<b>64,314.00</b>	<b>1,037.00</b>	<b>101.6%</b>

**Sanitary Distr. No.5 of Marin Co.**  
**Annual Budget vs Actual Expenses**  
**July 2018 through February 2019**

	Jul '18 - Feb 19	Budget	\$ Over Budget	% of Bu...
6039 • Legal	29,862.38	70,000.00	-40,137.62	42.7%
6047 • Office Supplies	2,054.29	7,000.00	-4,945.71	29.3%
6056 • Postage	429.25	1,000.00	-570.75	42.9%
6059 • Pollution Prevention/Public Edu	3,647.40	4,000.00	-352.60	91.2%
6065 • Miscellaneous Expense	0.00	0.00	0.00	0.0%
<b>Total 6000 • Administrative Expenses</b>	<b>193,347.51</b>	<b>350,314.00</b>	<b>-156,966.49</b>	<b>55.2%</b>
<b>7000 • Ops &amp; Maintenance Expenses</b>				
7010 • Pumps & Lines Maintenance				
7011 • Pumps & Lines Maintenance	27,753.94	200,000.00	-172,246.06	13.9%
7013 • Emergency Line Repair	11,750.01	50,000.00	-38,249.99	23.5%
<b>Total 7010 • Pumps &amp; Lines Maintenance</b>	<b>39,503.95</b>	<b>250,000.00</b>	<b>-210,496.05</b>	<b>15.8%</b>
7020 • Main Plant Maintenance				
7021 • Plant Maintenance Supplies	1,614.52	10,000.00	-8,385.48	16.1%
7022 • Plant Maint. Parts & Service	17,837.78	50,000.00	-32,162.22	35.7%
7023 • Janitorial Supplies & Service	3,511.64	5,000.00	-1,488.36	70.2%
7024 • Main Plant Chemicals	56,078.04	100,000.00	-43,921.96	56.1%
7025 • Lab Supplies & Chemicals	14,267.39	10,000.00	4,267.39	142.7%
7027 • Electrical & Instrument	0.00	5,000.00	-5,000.00	0.0%
7028 • Grounds Maintenance	3,339.53	5,000.00	-1,660.47	66.8%
7029 • Main Plant Sludge Disposal	13,921.27	30,000.00	-16,078.73	46.4%
7030 • Main Plant Outfall	0.00	0.00	0.00	0.0%
<b>Total 7020 • Main Plant Maintenance</b>	<b>110,570.17</b>	<b>215,000.00</b>	<b>-104,429.83</b>	<b>51.4%</b>
7040 • Paradise Cove Plant Maint				
7041 • Paradise Parts & Service	3,013.55	10,000.00	-6,986.45	30.1%
7042 • Paradise Supplies & Chemicals	1,766.53	5,000.00	-3,233.47	35.3%
7043 • Paradise Sludge Disposal	6,176.58	6,000.00	176.58	102.9%
<b>Total 7040 • Paradise Cove Plant Maint</b>	<b>10,956.66</b>	<b>21,000.00</b>	<b>-10,043.34</b>	<b>52.2%</b>
7050 • Monitoring				
7051 • Main Plant Lab Monitoring	27,521.17	45,000.00	-17,478.83	61.2%
7052 • Paradise Cove Monitoring	11,114.00	10,000.00	1,114.00	111.1%
7053 • Chronic Toxicity Program Eval	0.00			
<b>Total 7050 • Monitoring</b>	<b>38,635.17</b>	<b>55,000.00</b>	<b>-16,364.83</b>	<b>70.2%</b>
7060 • Permits/Fees				
7061 • Main Plant NPDES Renewal	10,562.56	0.00	10,562.56	100.0%
7062 • Permits/Fees - General	33,083.71	40,000.00	-6,916.29	82.7%
7063 • Paradise Cove Permits/Fees	3,457.55	0.00	3,457.55	100.0%
7064 • Paradise Cove NPDES Renewal	2,428.00	0.00	2,428.00	100.0%
<b>Total 7060 • Permits/Fees</b>	<b>49,531.82</b>	<b>40,000.00</b>	<b>9,531.82</b>	<b>123.8%</b>
7070 • Truck Maintenance				
7071 • Fuel	4,283.63	8,000.00	-3,716.37	53.5%
7072 • Truck Maintenance	7,961.38	4,000.00	3,961.38	199.0%
<b>Total 7070 • Truck Maintenance</b>	<b>12,245.01</b>	<b>12,000.00</b>	<b>245.01</b>	<b>102.0%</b>
<b>Total 7000 • Ops &amp; Maintenance Expenses</b>	<b>261,442.78</b>	<b>593,000.00</b>	<b>-331,557.22</b>	<b>44.1%</b>
<b>8000 • Salaries and Benefits Expenses</b>				
8001 • Salaries	632,584.59	996,691.40	-364,106.81	63.5%
8003 • Overtime	94,769.10	100,000.00	-5,230.90	94.8%
8004 • Standby Pay	47,839.70	67,080.00	-19,240.30	71.3%
8006 • Vacation Buyout	37,590.54	25,000.00	12,590.54	150.4%
8013 • Payroll Taxes	63,643.05	88,000.00	-24,356.95	72.3%
8015 • Payroll/Bank Fees	1,345.74	5,500.00	-4,154.26	24.5%
8016 • Car Allowance	6,000.00	6,000.00	0.00	100.0%
8019 • PERS Retirement				
8019.05 • PERS Retirement	91,517.14	201,134.11	-109,616.97	45.5%
8019.10 • PERS Retirement Trust	0.00	294,400.00	-294,400.00	0.0%
8019 • PERS Retirement - Other	0.00			
<b>Total 8019 • PERS Retirement</b>	<b>91,517.14</b>	<b>495,534.11</b>	<b>-404,016.97</b>	<b>18.5%</b>

**Sanitary Distr. No.5 of Marin Co.**  
**Annual Budget vs Actual Expenses**  
**July 2018 through February 2019**

	Jul '18 - Feb 19	Budget	\$ Over Budget	% of Bu...
<b>8020 · Employee Health</b>				
8020.05 · Employee Health	111,629.72	174,282.98	-62,653.26	64.1%
8021 · Employee Health Deductions	-3,488.57	-8,000.00	4,511.43	43.6%
<b>Total 8020 · Employee Health</b>	<b>108,141.15</b>	<b>166,282.98</b>	<b>-58,141.83</b>	<b>65.0%</b>
<b>8022 · Retiree Health</b>				
8022.05 · Retiree Health	51,324.38	58,626.86	-7,302.48	87.5%
8022.10 · CERBT/OPEB Annual Arc Contribtn	0.00	67,900.00	-67,900.00	0.0%
<b>Total 8022 · Retiree Health</b>	<b>51,324.38</b>	<b>126,526.86</b>	<b>-75,202.48</b>	<b>40.6%</b>
<b>8023 · Workers Comp Insurance</b>	<b>21,935.00</b>	<b>23,138.50</b>	<b>-1,203.50</b>	<b>94.8%</b>
<b>Total 8000 · Salaries and Benefits Expenses</b>	<b>1,156,690.39</b>	<b>2,099,753.85</b>	<b>-943,063.46</b>	<b>55.1%</b>
<b>8500 · Other Operating Expenses</b>				
8510 · Data/Alarms/IT Supp & Licensing	43,595.48	75,000.00	-31,404.52	58.1%
8515 · Safety	3,739.41	20,000.00	-16,260.59	18.7%
8520 · Personal Protection/Safety Wear	9,076.59	15,000.00	-5,923.41	60.5%
<b>8530 · Telephone</b>				
8531 · Main Plant Telephones	5,422.51	11,000.00	-5,577.49	49.3%
8532 · Paradise Cove Telephones	2,570.91	4,000.00	-1,429.09	64.3%
8533 · Pumps & Lines Telephones	3,822.06	7,000.00	-3,177.94	54.6%
<b>Total 8530 · Telephone</b>	<b>11,815.48</b>	<b>22,000.00</b>	<b>-10,184.52</b>	<b>53.7%</b>
<b>8540 · Utilities</b>				
8541 · Water	2,056.39	3,500.00	-1,443.61	58.8%
8542 · Main Plant Utilities	100,606.84	180,000.00	-79,393.16	55.9%
8543 · Paradise Cove Utilities	7,723.15	13,500.00	-5,776.85	57.2%
8544 · Pump Station Utilities	18,466.30	35,000.00	-16,533.70	52.8%
<b>Total 8540 · Utilities</b>	<b>128,852.68</b>	<b>232,000.00</b>	<b>-103,147.32</b>	<b>55.5%</b>
<b>Total 8500 · Other Operating Expenses</b>	<b>197,079.64</b>	<b>364,000.00</b>	<b>-166,920.36</b>	<b>54.1%</b>
<b>Total Expense</b>	<b>1,808,560.32</b>	<b>3,407,067.85</b>	<b>-1,598,507.53</b>	<b>53.1%</b>
<b>Net Ordinary Income</b>	<b>2,356,628.25</b>	<b>2,877,453.84</b>	<b>-520,825.59</b>	<b>81.9%</b>
<b>Other Income/Expense</b>				
<b>Other Expense</b>				
<b>9100 · Capital Expenditures</b>				
<b>9200 · Main Plant Equipment Capital</b>				
9201 · LED Lighting Upgrades	25,571.38	0.00	25,571.38	100.0%
9209 · Screw Press Blend Redundancy	15,733.84	15,000.00	733.84	104.9%
9211 · Odor Control Upgrades	0.00	50,000.00	-50,000.00	0.0%
9212 · Headworks Grinder Replacement	0.00	20,000.00	-20,000.00	0.0%
<b>Total 9200 · Main Plant Equipment Capital</b>	<b>41,305.22</b>	<b>85,000.00</b>	<b>-43,694.78</b>	<b>48.6%</b>
<b>9300 · Pumps &amp; Lines Capital</b>				
9301 · Tiburon Sewer Line Rehab Prog	308,120.26	325,000.00	-16,879.74	94.8%
9302 · PS Control Panel Upgrades	59,971.35	60,000.00	-28.65	100.0%
9303 · Lateral Camera	10,935.98	25,000.00	-14,064.02	43.7%
9304 · Belvedere Sewer Line Rehab Prog	293,967.84	250,000.00	43,967.84	117.6%
9306 · PS Pump & Valve Replacements	4,546.50	75,000.00	-70,453.50	6.1%
9307 · PS Generator Replacement	218.00			
9310 · BPS #13&#14 Communication Proj	22,104.99	20,000.00	2,104.99	110.5%
9311 · Cove Road Force Main Replacemen	0.00	100,000.00	-100,000.00	0.0%
9313 · Manholes/Rodholes	0.00	50,000.00	-50,000.00	0.0%
9314 · Portable Emergency Generators	0.00			
9315 · TPS Comm/Radio Upgrade Proj	41,747.19	20,000.00	21,747.19	208.7%
<b>Total 9300 · Pumps &amp; Lines Capital</b>	<b>741,612.11</b>	<b>925,000.00</b>	<b>-183,387.89</b>	<b>80.2%</b>
<b>9400 · Paradise Cove Capital</b>				
9405 · P.C. Generator Replacement	0.00	0.00	0.00	0.0%
<b>Total 9400 · Paradise Cove Capital</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>



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**Sanitary Distr. No.5 of Marin Co.**  
**Annual Budget vs Actual Expenses**  
 July 2018 through February 2019

	<u>Jul '18 - Feb 19</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Bu...</u>
<b>9500 · Undesignated Capital</b>				
9510 · Undesignated Cap - M.P.	18,829.83	25,000.00	-6,170.17	75.3%
9520 · Undesignated Cap - P.C. Plant	0.00	10,000.00	-10,000.00	0.0%
9540 · Undesignated Cap - Tiburon	8,902.30			
9550 · Undesignated Cap - Belvedere	24,000.62			
<b>Total 9500 · Undesignated Capital</b>	<u>51,732.75</u>	<u>35,000.00</u>	<u>16,732.75</u>	<u>147.8%</u>
<b>Total 9100 · Capital Expenditures</b>	<u>834,650.08</u>	<u>1,045,000.00</u>	<u>-210,349.92</u>	<u>79.9%</u>
<b>9700 · Debt Service</b>				
9730 · Debt Service - MPR Project				
9731 · Debt Service MPR Bond Principal	460,000.00	460,000.00	0.00	100.0%
9732 · Debt Service MPR Bond Interest	172,275.00	341,000.00	-168,725.00	50.5%
<b>Total 9730 · Debt Service - MPR Project</b>	<u>632,275.00</u>	<u>801,000.00</u>	<u>-168,725.00</u>	<u>78.9%</u>
<b>Total 9700 · Debt Service</b>	<u>632,275.00</u>	<u>801,000.00</u>	<u>-168,725.00</u>	<u>78.9%</u>
<b>Total Other Expense</b>	<u>1,466,925.08</u>	<u>1,846,000.00</u>	<u>-379,074.92</u>	<u>79.5%</u>
<b>Net Other Income</b>	<u>-1,466,925.08</u>	<u>-1,846,000.00</u>	<u>379,074.92</u>	<u>79.5%</u>
<b>Net Income</b>	<u><u>889,703.17</u></u>	<u><u>1,031,453.84</u></u>	<u><u>-141,750.67</u></u>	<u><u>86.3%</u></u>

**Sanitary Distr. No.5 of Marin Co.**  
**Zone Report**  
**February 2019**

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	Paradise C... (Tiburon)	Tiburon - Oth... (Tiburon)	Total Tiburon	Belvedere	TOTAL
<b>Ordinary Income/Expense</b>					
<b>Income</b>					
5000 · Property Taxes					
5001.2 · TEETER	-1.83	-52.65	-54.48	0.00	-54.48
5004 · REDEMPTION / RDMPT	15.08	435.35	450.43	0.00	450.43
5041 · SUPSEC	167.16	4,822.69	4,989.85	0.00	4,989.85
5043 · SECU	-138.46	-3,995.04	-4,133.50	0.00	-4,133.50
<b>Total 5000 · Property Taxes</b>	<b>41.95</b>	<b>1,210.35</b>	<b>1,252.30</b>	<b>0.00</b>	<b>1,252.30</b>
5007 · Sewer Service Charge					
5007.1 · Sewer Service - Tiburon Ops	0.00	-839.47	-839.47	0.00	-839.47
5007.5 · Sewer Service - Tiburon Cap	0.00	-194.53	-194.53	0.00	-194.53
<b>Total 5007 · Sewer Service Charge</b>	<b>0.00</b>	<b>-1,034.00</b>	<b>-1,034.00</b>	<b>0.00</b>	<b>-1,034.00</b>
5900.3 · Connection Fees					
5900.30 · Connection Permit Fees	0.00	0.00	0.00	100.00	100.00
5900.31 · Collection	0.00	387.00	387.00	2,229.00	2,616.00
5900.34 · Treatment	0.00	535.00	535.00	1,605.00	2,140.00
<b>Total 5900.3 · Connection Fees</b>	<b>0.00</b>	<b>922.00</b>	<b>922.00</b>	<b>3,934.00</b>	<b>4,856.00</b>
5900.4 · Inspection Permit Fees	0.00	2,232.50	2,232.50	1,600.00	3,832.50
<b>Total Income</b>	<b>41.95</b>	<b>3,330.85</b>	<b>3,372.80</b>	<b>5,534.00</b>	<b>8,906.80</b>
<b>Expense</b>					
6000 · Administrative Expenses					
6008 · Audit & Accounting	34.24	988.32	1,022.56	577.44	1,600.00
6017 · Consulting Fees	0.00	0.00	0.00	6,824.00	6,824.00
6018 · Travel & Meetings					
6018.1 · Meetings & Travel	23.63	682.14	705.77	398.54	1,104.31
6018.2 · Standby Mileage Expense Reimb	65.40	736.70	802.10	772.51	1,574.61
<b>Total 6018 · Travel &amp; Meetings</b>	<b>89.03</b>	<b>1,418.84</b>	<b>1,507.87</b>	<b>1,171.05</b>	<b>2,678.92</b>
6020 · Continuing Education	0.00	7.52	7.52	343.98	351.50
6025 · Dues & Subscriptions	7.86	226.69	234.55	132.45	367.00
6039 · Legal	1,384.69	1,178.52	2,563.21	357.29	2,920.50
6047 · Office Supplies	6.74	194.50	201.24	113.64	314.88
6056 · Postage	3.21	92.66	95.87	54.14	150.01
<b>Total 6000 · Administrative Expenses</b>	<b>1,525.77</b>	<b>4,107.05</b>	<b>5,632.82</b>	<b>9,573.99</b>	<b>15,206.81</b>
7000 · Ops & Maintenance Expenses					
7010 · Pumps & Lines Maintenance					
7011 · Pumps & Lines Maintenance	975.00	2,245.03	3,220.03	491.38	3,711.41
<b>Total 7010 · Pumps &amp; Lines Maintenance</b>	<b>975.00</b>	<b>2,245.03</b>	<b>3,220.03</b>	<b>491.38</b>	<b>3,711.41</b>
7020 · Main Plant Maintenance					
7022 · Plant Maint. Parts & Service	0.00	4,903.94	4,903.94	3,218.77	8,122.71
7023 · Janitorial Supplies & Service	0.00	44.49	44.49	25.99	70.48
7024 · Main Plant Chemicals	0.00	5,881.91	5,881.91	3,436.64	9,318.55
7028 · Grounds Maintenance	0.00	153.63	153.63	89.77	243.40
7029 · Main Plant Sludge Disposal	0.00	1,801.86	1,801.86	1,052.78	2,854.64
<b>Total 7020 · Main Plant Maintenance</b>	<b>0.00</b>	<b>12,785.83</b>	<b>12,785.83</b>	<b>7,823.95</b>	<b>20,609.78</b>
7040 · Paradise Cove Plant Maint					
7042 · Paradise Supplies & Chemicals	115.33	0.00	115.33	0.00	115.33
7043 · Paradise Sludge Disposal	62.43	0.00	62.43	0.00	62.43
<b>Total 7040 · Paradise Cove Plant Maint</b>	<b>177.76</b>	<b>0.00</b>	<b>177.76</b>	<b>0.00</b>	<b>177.76</b>
7050 · Monitoring					
7051 · Main Plant Lab Monitoring	0.00	2,475.03	2,475.03	1,446.12	3,921.15
7052 · Paradise Cove Monitoring	2,566.00	0.00	2,566.00	0.00	2,566.00
<b>Total 7050 · Monitoring</b>	<b>2,566.00</b>	<b>2,475.03</b>	<b>5,041.03</b>	<b>1,446.12</b>	<b>6,487.15</b>
7060 · Permits/Fees					

**Sanitary Distr. No.5 of Marin Co.**  
**Zone Report**  
**February 2019**

03/07/19

	Paradise C... (Tiburon)	Tiburon - Oth... (Tiburon)	Total Tiburon	Belvedere	TOTAL
7061 · Main Plant NPDES Renewal	0.00	309.29	309.29	180.71	490.00
<b>Total 7060 · Permits/Fees</b>	<b>0.00</b>	<b>309.29</b>	<b>309.29</b>	<b>180.71</b>	<b>490.00</b>
7070 · Truck Maintenance					
7071 · Fuel	11.85	342.01	353.86	199.83	553.69
<b>Total 7070 · Truck Maintenance</b>	<b>11.85</b>	<b>342.01</b>	<b>353.86</b>	<b>199.83</b>	<b>553.69</b>
<b>Total 7000 · Ops &amp; Maintenance Expenses</b>	<b>3,730.61</b>	<b>18,157.19</b>	<b>21,887.80</b>	<b>10,141.99</b>	<b>32,029.79</b>
<b>8000 · Salaries and Benefits Expenses</b>					
8001 · Salaries	1,813.14	52,335.46	54,148.60	30,577.74	84,726.34
8003 · Overtime	441.33	12,738.62	13,179.95	7,442.72	20,622.67
8004 · Standby Pay	126.28	3,645.20	3,771.48	2,129.75	5,901.23
8006 · Vacation Buyout	421.11	12,155.01	12,576.12	7,101.74	19,677.86
8007 · Voluntary Deductions	0.00	0.00	0.00	0.00	0.00
8008 · Deferred Comp 457	0.00	0.00	0.00	0.00	0.00
8013 · Payroll Taxes	228.83	6,605.19	6,834.02	3,859.17	10,693.19
8015 · Payroll/Bank Fees	10.35	298.70	309.05	174.51	483.56
8019 · PERS Retirement					
8019.05 · PERS Retirement	284.28	8,205.51	8,489.79	4,794.20	13,283.99
8019.06 · PERS Retirement - RBP	366.29	10,572.75	10,939.04	6,177.28	17,116.32
8019 · PERS Retirement - Other	-381.27	-11,005.14	-11,386.41	-6,429.91	-17,816.32
<b>Total 8019 · PERS Retirement</b>	<b>289.30</b>	<b>7,773.12</b>	<b>8,042.42</b>	<b>4,541.57</b>	<b>12,583.99</b>
8020 · Employee Health					
8020.05 · Employee Health	283.97	8,427.02	8,710.99	4,789.31	13,500.30
8021 · Employee Health Deductions	-3.09	-335.51	-338.60	-52.12	-390.72
<b>Total 8020 · Employee Health</b>	<b>280.88</b>	<b>8,091.51</b>	<b>8,372.39</b>	<b>4,737.19</b>	<b>13,109.58</b>
8022 · Retiree Health					
8022.06 · OPEB Adjustment	-29.01	-837.43	-866.44	-489.28	-1,355.72
8022.05 · Retiree Health	104.71	3,022.39	3,127.10	1,765.87	4,892.97
<b>Total 8022 · Retiree Health</b>	<b>75.70</b>	<b>2,184.96</b>	<b>2,260.66</b>	<b>1,276.59</b>	<b>3,537.25</b>
<b>Total 8000 · Salaries and Benefits Expenses</b>	<b>3,666.92</b>	<b>105,827.77</b>	<b>109,494.69</b>	<b>61,840.98</b>	<b>171,335.67</b>
<b>8500 · Other Operating Expenses</b>					
8510 · Data/Alarms/IT Supp & Licensing	8.24	237.98	246.22	139.02	385.24
8515 · Safety	7.49	216.19	223.68	126.32	350.00
8520 · Personal Protection/Safety Wear	57.38	1,656.31	1,713.69	967.72	2,681.41
8530 · Telephone					
8531 · Main Plant Telephones	0.00	552.21	552.21	322.68	874.89
8532 · Paradise Cove Telephones	395.35	0.00	395.35	0.00	395.35
8533 · Pumps & Lines Telephones	173.46	305.32	478.78	0.00	478.78
<b>Total 8530 · Telephone</b>	<b>568.81</b>	<b>857.53</b>	<b>1,426.34</b>	<b>322.68</b>	<b>1,749.02</b>
8540 · Utilities					
8542 · Main Plant Utilities	0.00	7,525.06	7,525.06	4,396.77	11,921.83
8543 · Paradise Cove Utilities	1,216.00	0.00	1,216.00	0.00	1,216.00
8544 · Pump Station Utilities	245.89	1,539.71	1,785.60	1,420.87	3,206.47
<b>Total 8540 · Utilities</b>	<b>1,461.89</b>	<b>9,064.77</b>	<b>10,526.66</b>	<b>5,817.64</b>	<b>16,344.30</b>
<b>Total 8500 · Other Operating Expenses</b>	<b>2,103.81</b>	<b>12,032.78</b>	<b>14,136.59</b>	<b>7,373.38</b>	<b>21,509.97</b>
<b>Total Expense</b>	<b>11,027.11</b>	<b>140,124.79</b>	<b>151,151.90</b>	<b>88,930.34</b>	<b>240,082.24</b>
<b>Net Ordinary Income</b>	<b>-10,985.16</b>	<b>-136,793.94</b>	<b>-147,779.10</b>	<b>-83,396.34</b>	<b>-231,175.44</b>
<b>Other Income/Expense</b>					
<b>Other Expense</b>					
9100 · Capital Expenditures					
9300 · Pumps & Lines Capital					
9301 · Tiburon Sewer Line Rehab Prog	0.00	84,087.52	84,087.52	0.00	84,087.52
9304 · Belvedere Sewer Line Rehab Prog	0.00	0.00	0.00	113,532.98	113,532.98

**Sanitary Distr. No.5 of Marin Co.  
Zone Report  
February 2019**

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	<u>Paradise C... (Tiburon)</u>	<u>Tiburon - Oth... (Tiburon)</u>	<u>Total Tiburon</u>	<u>Belvedere</u>	<u>TOTAL</u>
<b>Total 9300 - Pumps &amp; Lines Capital</b>	0.00	84,087.52	84,087.52	113,532.98	197,620.50
<b>9500 - Undesignated Capital</b>					
<b>9540 - Undesignated Cap - Tiburon</b>	8,902.30	0.00	8,902.30	0.00	8,902.30
<b>Total 9500 - Undesignated Capital</b>	8,902.30	0.00	8,902.30	0.00	8,902.30
<b>Total 9100 - Capital Expenditures</b>	8,902.30	84,087.52	92,989.82	113,532.98	206,522.80
<b>Total Other Expense</b>	8,902.30	84,087.52	92,989.82	113,532.98	206,522.80
<b>Net Other Income</b>	-8,902.30	-84,087.52	-92,989.82	-113,532.98	-206,522.80
<b>Net Income</b>	<u>-19,887.46</u>	<u>-220,881.46</u>	<u>-240,768.92</u>	<u>-196,929.32</u>	<u>-437,698.24</u>

12:24 PM

**Sanitary Distr. No.5 of Marin Co.**  
**Monthly O.T. Report**  
**February 2019**

03/07/19

Accrual Basis

Type	Date	Num	Name	Memo	Amount	Balance
<b>Bilsborough, Chad</b>						
Check	02/28/19	0591-3108	Bilsborough, Chad	15.0 Hrs. O.T. @ 1.5x	749.35	749.35
Check	02/28/19	0591-3108	Bilsborough, Chad	5.0 O.T. @ 2.0x	333.04	1,082.39
Total Bilsborough, Chad					1,082.39	1,082.39
<b>Cottrell, Rulon</b>						
Check	02/15/19	0461-3095	Cottrell, Rulon	6.5 Hrs. O.T. @ 1.5x	435.15	435.15
Check	02/15/19	0461-3095	Cottrell, Rulon	2.5 Hrs. O.T. @ 2.0x	223.16	658.31
Check	02/28/19	0591-3110	Cottrell, Rulon	8.0 Hrs. O.T. @ 1.5x	535.57	1,193.88
Check	02/28/19	0591-3110	Cottrell, Rulon	9.5 Hrs. O.T. @ 2.0x	847.99	2,041.87
Total Cottrell, Rulon					2,041.87	2,041.87
<b>Dohrmann, Robin</b>						
Check	02/15/19	0461-3097	Dohrmann, Robin	22.0 Hrs. O.T. @ 1.5x	1,623.79	1,623.79
Check	02/28/19	0591-3112	Dohrmann, Robin	20.75 Hrs. O.T. @ 1.5x	1,531.53	3,155.32
Total Dohrmann, Robin					3,155.32	3,155.32
<b>Driscoll, Stephen</b>						
Check	02/15/19	0461-3098	Driscoll, Stephen	2.0 Hrs. O.T. @ 1.5x	162.75	162.75
Check	02/15/19	0461-3098	Driscoll, Stephen	4.0 Hrs. O.T. @ 2.0x	433.99	596.74
Check	02/28/19	0591-3114	Driscoll, Stephen	15.0 Hrs. O.T. @ 1.5x	1,220.61	1,817.35
Check	02/28/19	0591-3114	Driscoll, Stephen	14.0 Hrs. O.T. @ 2.0x	1,518.98	3,336.33
Total Driscoll, Stephen					3,336.33	3,336.33
<b>La Torre, Daniel P.</b>						
Check	02/15/19	0461-3100	La Torre, Daniel P.	9.0 Hrs. O.T. @ 1.5x	664.28	664.28
Check	02/15/19	0461-3100	La Torre, Daniel P.	1.0 Hrs. O.T. @ 2.0x	98.41	762.69
Check	02/28/19	0591-3116	La Torre, Daniel P.	10.0 Hrs. O.T. @ 1.5x	738.09	1,500.78
Check	02/28/19	0591-3116	La Torre, Daniel P.	12.0 Hrs. O.T. @ 2.0x	1,180.94	2,681.72
Total La Torre, Daniel P.					2,681.72	2,681.72
<b>O'Day, Tim</b>						
Check	02/15/19	0461-3102	O'Day, Tim	14.5 Hrs. O.T. @ 1.5x	1,179.92	1,179.92
Check	02/15/19	0461-3102	O'Day, Tim	3.0 Hrs. O.T. @ 2.0x	325.50	1,505.42
Check	02/28/19	0591-3118	O'Day, Tim	31.5 Hrs. O.T. @ 1.5x	2,563.28	4,068.70
Check	02/28/19	0591-3118	O'Day, Tim	14.0 Hrs. O.T. @ 2.0x	1,518.98	5,587.68
Total O'Day, Tim					5,587.68	5,587.68
<b>Rosser, John</b>						
Check	02/28/19	0591-3120	Rosser, John	6.5 O.T. @ 2.0x	609.21	609.21
Total Rosser, John					609.21	609.21
<b>Triola, Joseph</b>						
Check	02/15/19	0461-3106	Triola, Joseph	4.0 Hrs. O.T. @ 1.5x	295.23	295.23
Check	02/15/19	0461-3106	Triola, Joseph	0.5 Hrs. O.T. @ 2.0x	49.21	344.44
Check	02/28/19	0591-3124	Triola, Joseph	11.5 Hrs. O.T. @ 1.5x	848.80	1,193.24
Check	02/28/19	0591-3124	Triola, Joseph	9.5 Hrs. O.T. @ 2.0x	934.91	2,128.15
Total Triola, Joseph					2,128.15	2,128.15
<b>TOTAL</b>					<b>20,622.67</b>	<b>20,622.67</b>

# Sanitary District No. 5 of Marin County



## District Management Report February 2019

### Contents:

- Transmittal Memo
- Financial/Budgetary
- HR & Personnel
- Business Administration
- Collection System Performance
- Treatment Plant Performance – Paradise Cove
- Treatment Plant Performance – Main Plant
- Pollution Prevention Activities
- Continuing Education & Safety Training
- Capital Improvement Projects

# Transmittal Memo

**Date:** March 21, 2019  
**To:** Board of Directors  
**From:** Tony Rubio, District Manager/ Chief Plant Operator  
**Subject:** Management Report for February 2019

## **Fiscal Status**

Period Covered: July 1, 2018 –February 28, 2019  
Percent of Fiscal Year: 66%  
Percent of Budgeted Income to Date: 66.3%  
Percent of Budgeted Expenditures to Date: 53.1% (operating only)

## **Personnel**

Separations: None  
New Hires: None  
Promotions: None  
Recruitment Activities: None

## **Regulatory Compliance**

MP Collection System WDR Compliance: Full Compliance with all regulations  
PC Collection System WDR Compliance: Full Compliance with all regulations  
MP NPDES Permit Compliance: Full Compliance with all regulations  
PC NPDES Permit Compliance: Full Compliance with all regulations  
BAAQMD Compliance: Full Compliance with all regulations  
Bio-Solids Compliance: Full Compliance with all regulations  
Significant Comments: None

*Summary of Operational Highlights are on the following pages.*

## ***Significant Events for the Month of February 2019 Include:***

### **Financial/Budgetary/Business Administration**

- Provided comments to Code Publishing and responded to questionnaire, waiting for a final draft now.
- Fiscal year 19-20 budget preparations currently underway
- Received and responded to claim regarding sewer overcharge 2461 Mar East.

### **HR and Personnel**

- Tim O Day Senior Operator/Lab Director Retired on February 28
- TR attended WEF/AWWA Utility Management Conference
- Reviewing succession plan documents submitted by staff

### **Continuing Education and Safety Training**

- Fire Extinguisher Inspection and Recharging
- Re-stocked Emergency Response trailer with equipment that needed replacement and or restocking

### **Collection System Performance**

#### **Belvedere:**

- Telstar Instruments completed work at new control panels to establish communications in Belvedere
- Received quote for replacement generator at station #2 will be placing order soon for fiscal year 19-20 delivery
- Sewer line cleaning with Rodder truck has begun

#### **Tiburon:**

- Sewer line cleaning with Rodder truck has begun

#### **Paradise Cove:**

- Will begin investigation of standardizing communications at seafirth 1 and 2.

### **Treatment Plant Performance**

#### **Paradise Cove:**

- Submitted No Spill report to RWQCB on CIWQS
- Submitted combined P2 report



**Main Plant:**

- Submitted January 2019 SMR and DMR to the RWQCB
- Work Orders being performed
- Submitted Annual Pollutant Minimization report to the RWQCB
- QA/QC manual being developed by Cassie Pruhdel (consultant) regarding lab analysis

**Pollution Prevention Activities**

- KC attended P2 Monthly Meeting.
- Submitted Annual Pollutant Minimization report to the RWQCB

**Capital Improvement Projects**

- 18/19 Sewer Rehabilitation Project List reviewed at CIP meeting
- Met with the city of Belvedere to discuss cove road force main replacement project.
- Working with staff regarding upcoming projects and other potential project that may be added to the CIP project list.



# Marin Local Agency Formation Commission

Regional Service Planning | Subdivision of the State of California

**TO:** Presiding Officer, Independent Special District

**FROM:** Jason Fried, Executive Officer

**SUBJECT:** Election for LAFCo Special District Member

RECEIVED  
FEB 26 2019  
Sanitary District No 5  
of Marin County

The nomination period for special district member election to the Marin Local Agency Formation Commission closed on February 18, 2019. LAFCo staff received three (3) nominations for the regular seat and one (1) nomination for the alternate seat. A mail ballot election must be held to select the regular member, serving a four-year term ending in May 2023. Given only one candidate accepted the nomination for the alternate seat, under Government Code section 56332(f)(2) "At the end of the nomination period if only one candidate is nominated for a vacant seat, that candidate shall be deemed appointed." Therefore, no ballot is being included for the alternate seat. Tod Moody shall take the alternate member seat starting May 1, 2019 unless elected to the regular seat, in which he has also been nominated.

Enclosed are the ballot and candidate qualification forms for participation in the selection process for the regular seat. Please rank your first, second and third choices on the ballot form to enable an "instant runoff". While not required in the regular seat election, you are allowed to rank all candidates you choose to select. When voting for candidates, please number each candidate in the preferred order you wish to see the candidates elected. Should your first choice not get enough votes to move to the next round, your ballot will be distributed to your second-choice candidate and so on until one candidate gets the majority of all remaining ballots. For ballots received with more than one vote cast, but without ranking numbers, will be deemed invalid, however will still be counted for quorum purposes.

## Seat 1 – Regular Seat

The nominees for regular member are Lew Kiou, Almonte Sanitary District; Jack Baker, North Marin Water District; Tod Moody, Sanitary District #5.

## Selection Schedule

The final date the LAFCo office will receive ballots will be 5:00pm on Monday, April 22, 2019. Ballots will be accepted by mail to the LAFCo office, by email to [staff@marinlafco.org](mailto:staff@marinlafco.org) or by fax to (415) 785-7897. Ballots will be counted at 1pm on April 23, 2019 and will be open to the public. The newly-elected special district member will start in May 2019.

If your district or presiding officer (or designee) has questions or comments, please contact the Marin LAFCo office at (415) 448-5877.

Administrative Office  
Jason Fried, Executive Officer  
1401 Las Gallinas Drive, Suite 220  
San Rafael, California 94903  
P: 415-448-5877 E: [staff@marinlafco.org](mailto:staff@marinlafco.org)  
[www.marinlafco.org](http://www.marinlafco.org)

Damon Connolly, Regular  
County of Marin  
Dennis J. Rodoni, Regular  
County of Marin  
Judy Arnold, Alternate  
County of Marin

Sashi McEntee, Chair  
City of Mill Valley  
Sloan Bailey, Regular  
Town of Corte Madera  
Matthew Brown, Alternate  
Town of San Anselmo

Craig K. Murray, Vice Chair  
Las Gallinas Valley Sanitary  
Jack Baker, Regular  
North Marin Water District  
Lew Kiou, Alternate  
Almonte Sanitary District

Vacant, Regular  
Public Member  
Chris Skelton, Alternate  
Public Member



# Marin Local Agency Formation Commission

Regional Service Planning | Subdivision of the State of California

## OFFICIAL BALLOT FORM

SPECIAL DISTRICT REPRESENTATIVE

### REGULAR SEAT

Four-Year Term (2019-2023)

#### PURPOSE

A mail-ballot election has been called by the Executive Officer of the Marin Local Agency Formation Commission (LAFCo) for the purpose of the selecting one regular member among special districts. The term is four years starting May 1, 2019.

#### AUTHORIZED VOTERS

All 30 independent special districts in Marin County are eligible to cast one ballot through their presiding officer or designee as appointed by the affected board. Formal action is not required by a special district; the presiding officer or designee retains full voting discretion under State law.

#### NOMINATED CANDIDATES

Marin LAFCo received nominations for three candidates through a separate nomination process held between November 27, 2018 and February 18, 2019. The candidates in alphabetical order are Jack Baker (North Marin Water District), Lew Kious (Almonte Sanitary), and Tod Moody (Sanitary District #5).

#### VOTING INSTRUCTIONS

It is requested each special district's presiding officer provide their ranked choice of all three nominated candidates. An instant run-off will occur should no candidate receive a majority of "first" place votes. This would involve the candidate with the least number of first place votes being eliminated and the associated ballots being redistribution among the remaining two candidates.

Please rank choices and return to Marin LAFCo by e-mail ([staff@marinlafco.org](mailto:staff@marinlafco.org)) or standard mail no later than 5:00 P.M. on **April 22, 2019**.

Nominated Candidates	Rank Choice (1 <sup>st</sup> , 2 <sup>nd</sup> , 3 <sup>rd</sup> )
Jack Baker North Marin Water District	
Lew Kious Almonte Sanitary District	
Tod Moody Sanitary District #5	

Print Name

Signature

Special District

**Administrative Office**  
Jason Fried, Executive Officer  
1401 Los Gatos Drive, Suite 220  
San Rafael, California 94903  
Tel: 415-448-3677 | [info@marinlafco.org](mailto:info@marinlafco.org)  
[www.marinlafco.org](http://www.marinlafco.org)

**Damon Connolly, Regular**  
County of Marin  
**Dennis J. Rodoni, Regular**  
County of Marin  
**Judy Arnold, Alternate**  
County of Marin

**Sashi McIntee, Chair**  
City of Mill Valley  
**Sloan Bailey, Regular**  
Town of Corte Madera  
**Matthew Brown, Alternate**  
Town of San Anselmo

**Craig K. Murray, Vice Chair**  
Las Gallinas Valley Sanitary  
**Jack Baker, Regular**  
North Marin Water District  
**Lew Kious, Alternate**  
Almonte Sanitary District

**Vacant, Regular**  
Public Member  
**Chris Skelton, Alternate**  
Public Member

Marin Local Area Formation Commission: Nominee Qualifications Statement

Nominee Qualifications for Lew Kiou

Position: Regular Special District Member.

**How long has it been since a Marin LAFCO commissioner visited your Special District?**  
**In my first 4-year term as Alternate Special District representative, I have visited nearly all of the Districts in Southern and West Marin. And if elected to this position I pledge that in the next 4 years I will visit all of the Special Districts in Central and North Marin, and revisit all of those I have already visited! I want to be your representative at Marin LAFCO.**

I am the current (past 4 years) Alternate Special District Member of Marin LAFCO, the President of the Board of Commissioners of Sewerage Agency of Southern Marin (serving in my 7<sup>th</sup> term, re-elected by the Board annually), the President of the Board of the Almonte Sanitary District (Board member since 2008), and resident of Mill Valley since 1983. Based upon this experience, I am confident in my ability to represent the constituents and issues affecting Southern Marin.

Qualifications for Position:

- Alternate Special District Member of Marin LAFCO since 2015. I also am Chair of the LAFCO standing committee on Public/Technical Information, and Vice-Chair of the standing committee on Legislative issues. During this time at LAFCO I have visited many of the Special Districts within Marin County, as I feel that directly hearing the issues of the community is important. If elected as the Regular Special District, during my first term I pledge to visit all of the Special District of Marin to gain insights into each of their local issues.
  - President of Board of Commissioners for SASM in Mill Valley since 2011 and member of the Board since 2009. In this position, I am focused on the responsible management of SASM's resources to meet the needs of its constituents (residents). As Board President, I seek the responsible input from all parties and then encourage the Board and SASM toward taking meaningful steps forward. I directly negotiated with the City of Mill Valley an extension of the Operations and Management Agreement by which Mill Valley operates the wastewater treatment plant on behalf of SASM, and I recently lead the effort to acquire a \$30+ million bond for the refurbishment of the SASM facility, which will benefit all of Southern Marin. The refurbishment of the SASM facility has completed the first phase, and is under budget and ahead of schedule.
  - President of the Board of Almonte Sanitary District and member of the Board since 2008. I implemented the District's website and expanded our outbound communications. I worked to update and automate our District's operations, such as the digitizing of the District's maps and sewer system records. I have consistently pursued a policy of fiscal conservatism to maintain low, and responsible, rates for our residents.
- 
- Resident of Mill Valley for 30+ years. Lifelong Bay Area resident.
  - Successful businessman with experience in achieving consensus and getting results.

Reasons for applying for Regular Special District seat

- I have participated in all deliberations of Marin LAFCO for the past 4 years, and have seen Marin LAFCO in action. I am aware of its potential value to Marin residents. I am also aware of the challenge to keep LAFCO focused on beneficial actions, and the similar need to avoid actions that might impose unnecessary structures. I believe that I can help to maintain that balance to the benefit of all of Marin.

- In my current position as an Alternate Special District Member, I do not have the authority to vote on issues which come before Marin LAFCO, and which will allow me to fully represent Marin. As a voting, Regular Member of Marin LAFCO I will gain the authority to vote on all LAFCO Issues and provide representation. I have spent the past 4 years as an Alternate member and am now ready to make use of that experience.

- I believe I have the perspective, experience, and knowledge to provide value as a member of LAFCO, and to provide value to all Marin residents, and specifically the Special Districts of Marin. I need the votes of every Special District in order to gain that authority.

Please list any organizations of which you are an officer or an employee:

- President: Board of Directors- Almonte Sanitary District
- President: Board of Commissioners- Sewerage Agency of Southern Marin (SASM)
- Alternate Special District Member- Marin LAFCO



**Marin Local Agency Formation Commission**  
Regional Service Planning | Subdivision of the State of California

**Nomination Form for District Seats**

District Name: Las Gallinas Valley Sanitary District

☒ Our board voted to nominate the following current member of its own or another independent special district.

Name of Nominee: Jack Baker

☒ Regular Member ☐ Alternate Member ☐ Applying for Both Seats (Regular and Alternate)

District of Nominee: \_\_\_\_\_

☐ Board Took No Action

Ayes: Clark, Elias, Murray, Schriebsman, Yezman

Noes: None.

Absent: None.

Abstain: None.

Attest:

  
District Secretary

Teri Lerch

Name

  
Board President

Craig K. Murray

Name

MUST BE RETURNED TO MARIN LAFCo by 5:00 PM on MON., FEB. 18, 2019

Marin LAFCo, 1401 Los Gatos Drive, Ste. 220, San Rafael, CA 94903 or email: [staff@marinlafco.org](mailto:staff@marinlafco.org) | 415.448.5877



**Marin Local Agency Formation Commission**  
**Regional Service Planning | Subdivision of the State of California**

**Nomination Form for District Seats**

**District Name:** North Marin Water District

☒ **Our board voted to nominate the following current member of its own or another independent special district.**

**Name of Nominee:** Jack Baker

☒ **Regular Member** ☐ **Alternate Member** ☐ **Applying for Both Seats (Regular and Alternate)**

**District of Nominee:** Special District

☐ **Board Took No Action**

**Ayes:** Directors Baker, Fraites, Grossi, Joly, Petterle,


**Noes:** None

**Absent:** None

**Abstain:** None

**Attest:**

  
Theresa Kehoe, District Secretary

  
Board President  
Jack Baker

**Name**

**Name**

**MUST BE RETURNED TO MARIN LAFCO by 5:00 PM on MON., FEB. 18, 2019**

Marin LAFCO, 1401 Los Gatos Drive, Ste. 220, San Rafael, CA 94903 or email: [staff@marinlafco.org](mailto:staff@marinlafco.org) | 415.448.5877





**Marin Local Agency Formation Commission**  
**Regional Service Planning | Subdivision of the State of California**

**Nominee Statement of Qualifications**

**Name:** Jack Baker

**Name of Special District:** North Marin Water District

**Seat Applying for:**

☒ **Regular Member**    ☐ **Alternate Member**    ☐ **Applying for Both Seats (Regular and Alternate)**

**Telephone Number: (Home/Cell)** (415)382-3332    **Work:** \_\_\_\_\_

**Email:** jckbaker@gmail.com

**Home Address:** 425 Corte Norte    Novato, CA 94949

**Work Address:** \_\_\_\_\_

**Present Occupation:** Registered Civil Engineer (Retired)

**Home Address:** 425 Corte Norte    Novato, CA 94949

**Summary of Qualifications:** 1) Served as LAFCO Regular Member (2015-present); 2) Served as LAFCO Alternate Special District Member (2013-2015); 3) Over 30 years service as Director for North Marin Water District; 4) Over

40 years of engineering experience (including 35+ years with Marin County Public Works Dept.) in the design and construction of public facilities; 5) Served one term as Director for Novato Sanitary District (1978-1982).

**Reason for Applying:** During the course of employment with County of Marin Department of Public Works (DPW)

I have had frequent interactions with Marin County Special Districts as well as the eleven Cities/Towns. Familiarity

with these entities and their respective services has enabled me to effectively contribute as a member of the LAFCO decision making process.

**Please list organizations in which you are an officer-employee:** North Marin Water District (Director)

**Additional information may be attached | MUST BE RETURNED TO MARIN LAFCO by 5:00 PM on MON., FEB. 18, 2019**

**Return to: Marin LAFCO | 1401 Los Gatos Drive, Ste. 220 | San Rafael, CA 94903 | Email: [staff@marinlafco.org](mailto:staff@marinlafco.org)**





**Marin Local Agency Formation Commission**  
**Regional Service Planning | Subdivision of the State of California**

**Nomination Form for District Seats**

District Name: Almonte Sanitary District

☒ Our board voted to nominate the following current member of its own or another independent special district.

Name of Nominee: Lew KiouS

☒ Regular Member ☐ Alternate Member ☐ Applying for Both Seats (Regular and Alternate)

District of Nominee: Almonte Sanitary District

☐ Board Took No Action

Ayes: five

Noes: 0

Absent: 0

Abstain: 0

Attest:

[Signature]

[Signature]  
Board President

Treasurer/Secretary

Name

Lew KiouS

Name

MUST BE RETURNED TO MARIN LAFCo by 5:00 PM on MON., FEB. 18, 2019



**Marin Local Agency Formation Commission**  
**Regional Service Planning | Subdivision of the State of California**

**Nomination Form for District Seats**

District Name: Homestead Valley Sanitary District

X Our board voted to nominate the following current member of its own or another independent special district.

Name of Nominee: Lew Kiious

X Regular Member        Alternate Member        Applying for Both Seats (Regular and Alternate)

District of Nominee: Almonte Sanitary District

     Board Took No Action

Ayes: 5

Noes: 0

Absent: 0

Abstain: 0

Attest:

[Signature]

[Signature]

Name

[Signature]

Board President

Ms. LEIBOF

Name

MUST BE RETURNED TO MARIN LAFCo by 5:00 PM on MON., FEB. 18, 2019

Marin LAFCo, 1401 Los Gatos Drive, Ste. 220, San Rafael, CA 94903 or email: [staff@marinlafco.org](mailto:staff@marinlafco.org) | 415.448.5877



**Marin Local Agency Formation Commission**  
**Regional Service Planning | Subdivision of the State of California**

**Nominee Statement of Qualifications**

**Name:** Lew Kious

**Name of Special District:** Almonte Sanitary District

**Seat Applying for:**

☒ Regular Member    ☐ Alternate Member    ☐ Applying for Both Seats (Regular and Alternate)

**Telephone Number: (Home/Cell)** home: 415-383-8750 \_\_\_\_\_ Work: 415-389-6112

**Email:** ldkious@sbcglobal.net

**Home Address:** 233 Princeton Ave., Mill Valley, CA 94941

**Work Address:** 900 Doolittle Dr., Suite 8A, San Leandro, CA 94577

**Present Occupation:** Technology Sales Manager

**Home Address:** See above

**Summary of Qualifications:** See attached

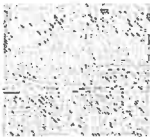
**Reason for Applying:** See attached

**Please list organizations in which you are an officer employee:** Almonte Sanitary District: Board President, Sewerage Agency of Southern Marin (SASM): Board President, Marin LAFCo: Special District Member- Alternate

---

Additional information may be attached | MUST BE RETURNED TO MARIN LAFCo by 5:00 PM on MON., FEB. 18, 2019

Return to: Marin LAFCo | 1401 Los Gatos Drive, Ste. 220 | San Rafael, CA 94903 | Email: [staff@marinlafco.org](mailto:staff@marinlafco.org)



Marin Local Agency Formation Commission  
Regional Service Planning | Subdivision of the State of California

Nomination Form for District Seats

District Name: Sonoma District No. 5 of Marin County

☒ Our board voted to nominate the following current member of its own or another independent special district.

Name of Nominee: Tom Adams

☐ Regular Member ☐ Alternate Member ☒ Applying for Both Seats (Regular and Alternate)

District of Nominee: \_\_\_\_\_

☐ Board Took No Action

Ayes: 5

Noes: 0

Absent: 0

Abstain: 0

Attest:

[Signature]

[Signature]  
Board President

Paul Doremus

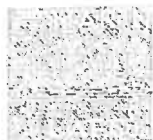
Tom Adams

Name

Name

MUST BE RETURNED TO MARIN LAFCo by 5:00 PM on MON., FEB. 18, 2019

Marin LAFCo, 1401 Los Gatos Drive, Ste. 220, San Rafael, CA 94903 or email: [staff@marinlafco.org](mailto:staff@marinlafco.org) | 415.448.5877



Marin Local Agency Formation Commission  
Regional Service Planning | Subdivision of the State of California

Nominee Statement of Qualifications

Name: Joe Moody

Name of Special District: Sanitary District No. 5 of Tiburon

Seat Applying for:

☐ Regular Member ☐ Alternate Member ☒ Applying for Both Seats (Regular and Alternate)

Telephone Number: (Home/Cell) 415-435-4811 Work: 510-332-7972

Email: carri.comoody@prodigy.net

Home Address: 2111 Centro East St  
Tiburon, CA 94920

Work Address: same

Present Occupation: Self Employed Environmental Engineer

Home Address: \_\_\_\_\_

Summary of Qualifications: Director Sanitary District number 5.  
Resident of Tiburon for 20 years

Reason for Applying: Represent Town of TIBURON and Sanitary district  
Number 5

Please list organizations in which you are an officer employee: none

Additional information may be attached | MUST BE RETURNED TO MARIN LAFCo by 5:00 PM on MON., FEB. 18, 2019

Return to: Marin LAFCo | 1401 Los Gatos Drive, Ste. 220 | San Rafael, CA 94903 | Email: [staff@marinlafco.org](mailto:staff@marinlafco.org)

Agenda – Notes of ExplanationSanitary District No. 5 Special Board MeetingMarch 21, 2019Discussion regarding Zero Property Tax Exchange Master Agreement for Jurisdictional Changes for Annexation Filed with LAFCO, Involving Special Districts and the County of Marin**STAFF REPORT:**

In early 2014 the county of Marin approved a master agreement regarding property tax transfers for unincorporated parcels seeking annexation into special districts for service. The master agreement as attached to this staff report states that "future annexations involving unincorporated territory to special districts for any services to be provided be done so with "zero property tax exchange" to the special district. In other words, such exchanges will result in no loss of property tax revenues otherwise due to the County of Marin".

After doing some research and reaching out to the Country of Marin Division Chief regarding this master property tax agreement and how the District could collect its portion of the property tax the response from the Division chief is below.

"Distribution of the 1% general Prop 13 tax for Tax Rate Area (TRA) 053-012, where parcel 058-071-01 currently resides, does not include an allocation for sanitation service. If Sanitation District 5 were to receive a portion of the 1% general tax generated by parcel 058-071-01, one or more of the other taxing entities serving that parcel would need to give up a portion of their tax revenue. Such agreements are rare and would need to be negotiated between you and the district(s) in coordination with LAFCO. Under the circumstances, the district may want to consider different rate structures for new annexations."

Based on the assumption that neither of the other taxing entities would consider giving up a portion of their tax revenue the District has a few options it may consider for future annexations. The options include:

- Can try to negotiate and master agreement with the other taxing entities for future annexations
- Not allow future annexations of unincorporated Marin into the District. (not recommended- as the District invested a good amount of capital into increasing capacity at the Paradise Cove treatment plant in order to encourage folks currently on septic to connect to the public sewer system)
- Establish a new rate similar to the Belvedere rate which takes into account this same scenario of no property tax exchange (rate consultant)
- Develop a property assessment for future annexations which would take into account the potential lost property tax revenue (rate consultant)
- Do nothing – currently our Tiburon property tax rate is 2.9% of the 1% distribution of Prop 13 general property tax. Equivalent to \$290 per \$1,000,000 of assessed property value. (if an annexed house is worth \$1,000,000 the District is losing out on \$290/year for that property)

**CEQA (California Environmental Quality Act)**

Exempt

**FISCAL IMPACT:**

TBD

**RECOMMENDATION:**

It is my recommendation that the Board review and discuss the options set forth in this Staff Report and bring the item back to the April Board Meeting. In the meantime, the Board President can assign this item to the Governance Committee for further review of the details and provide a recommendation for action next month.

A handwritten signature in black ink, appearing to read 'Tony Rubio', is written above a horizontal line.

Tony Rubio, District Manager

# The Caprice Restaurant

2000 Paradise Dr.

Tiburon Ca. 94920

420 Columbus Ave. (mailing address)

San Francisco. Ca. 94133

415-971-7673

[jdboz@me.com](mailto:jdboz@me.com)

RECEIVED  
FEB 13 2019  
Sanitary District No. 5  
of Marin County

Tiburon Sanitation District 5

2001 Paradise Dr.

Tiburon Ca. 94920

February 13, 2019

Re: Valet Parking

In order to mitigate neighborhood concerns, the town of Tiburon is approving an encroachment permit to have valet parking in the lot across the street from the Sanitation District building

They do not want cars pulling into the caprice and making U-turns

We would like to use the spaces in front of the Sanitation district as a valet pick-up point

Would it be possible to use 2-3 spaces as a valet parking pickup point **limited to 5:30 to 10:00 pm?**

1. We can obtain certificate of additional insurance to indemnify the Sanitation District
2. Cars are picked up and dropped off there from pt. Tiburon parking lot
3. The valet is more visible at Sanitation than in the lot across the street
4. The public parking lot will be just that, with no connection to the restaurant
5. Public parking is for the public and not part of any resident or businesses it's 1<sup>st</sup> come 1<sup>st</sup> served
6. Revocable after a 6 month try out

Your consideration is greatly appreciated

Sincerely



Jerry Dal Bozzo

President - Caprice Restaurant



**DECISION/ACTION ITEM LOG**  
**CIP Committee: March 12, 2019**  
Sanitary District No. 5 of Marin County  
**ACTIVE ITEMS SHEET**

Item #9

No.	Item	Submission Date	Responsible Party	DECISION ONLY		ACTION REQUIRED		Comment/Reference Document
				Due	/ Completed	Due	/ Completed	
27	FY2017-2018 Sewer Rehab Project	11.7.17	Nute/TR/CIP	1.31.18				Working on Design Drawings for new FY2017-2018 Sewer Rehab Project; CIP Recv'd & Approved Specs, Plans & Estimate for Bid, as of 2.13.18, Notice of Award to be decided at 3.15.18 Brd. Mtg.; Awarded to Westland Contractors, Inc.; NTP issued for 7.1.18; Work currently in progress, as of 7.10.18, 8.15.18, 9.15.18, 10.15.18; Work to be completed no later than Oct. 31st.2018 11 15; <b>Project complete, as of 11.13.18;</b> <b>Waiting on final invoice from Westland, as of <del>2.12.19</del> 3.12.19</b>
28	FY2018-2019 Sewer Rehab Project	3.12.19	Nute/TR/CIP					Recv'd Proposal for Project Eng. From Nute, 3.11.19
29	Cove Rd. Force Main Replacement Project	3.12.19	Nute/TR/CIP					Nute Preparing Bid Docs, as of 3.12.19





# 2018 ANNUAL REPORT

CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY

*"The California Sanitation Risk Management Authority provides broad coverage and risk control services to its members."*



# PRESIDENT'S MESSAGE



Dear Members and Friends of CSRMA:

It is my pleasure to submit CSRMA's 2018 Annual Report. As we look back over the past twelve months it is evident CSRMA had another very successful year and continued to provide a number of cutting-edge programs that were designed to enhance the services we provide to our membership.

In March, CSRMA successfully held its first annual conference in Oakland. The conference was very well attended and offered a full range of training opportunities to the membership in the areas of workers' compensation, preventing and responding to sewer backup claims and preventing employment practices liability cases. Conference attendees were treated to a full day condensed training platform as an alternative to attending several shorter programs that have been traditionally held in the various regions of the state.

As many of you are aware, CSRMA has provided online training through its Risk Control Online program to its members for a number of years now. In 2018, we began the transition from Risk Control Online to a more vibrant and robust platform offered by Target Solutions. This platform will offer updated and enhanced risk-based training to our membership. As an added feature, members may also exercise the option of customizing the various training modules to the policies and procedures of their specific agency. The new Target Solutions online training program is expected to roll out in early 2019 so please keep an eye out and take advantage of this improved service.

The CSRMA membership has always done an exceptional job of putting safety and risk management at its forefront, and this year was no exception. One of the benefits of pooling is that good performance is rewarded by returning money back to the membership. We are very pleased to report that the Pooled Liability Program returned over \$1.15 million in dividends and over \$300,000 through retro adjustments to the membership. On behalf of the Board of Directors and staff, I would like to thank the membership for its excellent performance and dedication to minimizing risk.

Looking forward to 2019, CSRMA will continue to provide new and cutting-edge services to our membership. Items on the radar include evaluating coverage for the use of drones and automated vehicles. As part of this effort we will be surveying the membership to determine the current and potential future use of these types of equipment. We also plan to explore alternative solutions for earthquake coverage that are triggered by an event rather than by a sustained loss, which is the basis of traditional earthquake coverage.

On a personal note, this is my fourth and final President's message as I will be terming off the Board at the end of the year. I just wanted to take this opportunity to thank the membership, the Board of Directors and the staff for all your excellent guidance and support during my tenure. Over this period, I have met so many talented professionals and learned so much from all of you. I leave knowing that the membership is in good hands – you have a superb staff and an excellent Board of Directors who will continue to guide CSRMA well into the future. It truly has been a privilege and honor to serve you and I cherish all the positive relationships I have formed!

Sincerely,

A handwritten signature in red ink that reads "Paul Bushee". The signature is written in a cursive style.

Paul Bushee

## MEMBER AGENCIES

Bayshore Sanitary District  
Byron Sanitary District  
Carmel Area Wastewater District  
Carpinteria Sanitary District  
Castro Valley Sanitary District  
Central Contra Costa Sanitary District  
Central Marin Sanitation Agency  
Chino Basin Desalter Authority  
County San. Dist. No. 2-3 of SCC  
Crockett Community Services District  
Cupertino Sanitary District  
Delta Diablo  
Dublin San Ramon Services District  
East Bay Dischargers Authority  
Encina Wastewater Authority  
Fairfield/Suisun Sewer District  
Goleta Sanitary District  
Goleta West Sanitary District  
Inland Empire Utilities Agency  
Ironhouse Sanitary District

Lake Arrowhead Community Services Dist.  
Las Gallinas Valley Sanitary District  
Leucadia Wastewater District  
Montara Water and Sanitary District  
Montecito Sanitary District  
Monterey One Water  
Mt. View Sanitary District  
Napa Sanitation District  
North of River Sanitary District  
Novato Sanitary District  
Oceana Marin Sewer Improvement District  
Ojai Valley Sanitary District  
Oro Loma Sanitary District  
Richardson Bay Sanitary District  
Rodeo Sanitary District  
Sanitary District No. 1 of Marin County  
Sanitary District No. 5 of Marin County  
San Elijo Joint Powers Authority  
San Rafael Sanitation District  
Santa Margarita Water District

Sausalito-Marin City Sanitary District  
Selma-Kingsburg-Fowler Co. S.D.  
Sewer Authority Mid-Coastside  
Sewerage Agency of Southern Marin  
Silicon Valley Clean Water  
South Orange County Wastewater Authority  
South Tahoe Public Utility District  
Stege Sanitary District  
Tahoe-Truckee Sanitation Agency  
Triunfo Sanitation District  
Truckee Sanitary District  
Union Sanitary District  
Vallejo Flood and Wastewater District  
Valley Sanitary District  
Ventura Regional Sanitation District  
Victor Valley Wastewater Reclamation Auth.  
West Bay Sanitary District  
West County Wastewater District  
West Valley Sanitation District  
Western Riverside County Regional WWA

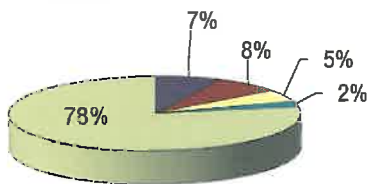
# FINANCIAL SUMMARY

The CSRMA Joint Powers Authority keeps its financial records in accordance with Government Accounting Standards Board (GASB) recommendations and produces a comprehensive annual financial report each year.

Investments are governed by a Board-approved policy and procedure. Cash beyond short-term needs is invested with California's Local Agency Investment Fund, the California Asset Management Program and Public Financial Management Portfolios.

## SUMMARY BALANCE SHEET

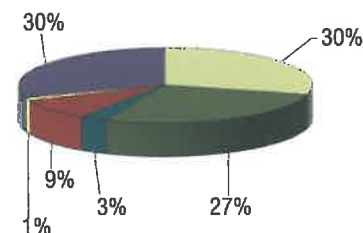
### Assets



Assets	Amount	%
Cash and Cash Equivalents	\$1,905,627	7
Investments - Current	\$1,924,959	8
Prepaid Expenses	\$1,325,082	5
Accounts Receivable	\$630,353	2
Investments - Noncurrent	\$19,917,098	78
<b>TOTAL:</b>	<b>25,703,119</b>	<b>100</b>

### Liabilities & Net Position

Liabilities	Amount	%
Claims Reserves	\$7,696,229	30
Claims Incurred but not Reported	\$6,796,508	27
Unallocated Loss Adjustment Expenses	\$969,458	3
Unearned Revenue	\$2,418,871	9
Accounts Payable	\$116,303	1
Net Position	\$7,705,750	30
<b>TOTAL:</b>	<b>\$25,703,119</b>	<b>100</b>

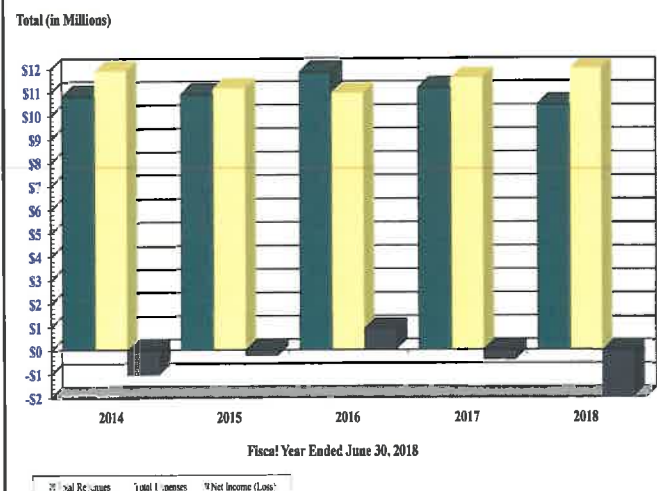


## INCOME STATEMENT

CSRMA	Amount
Member Contributions	\$10,287,672
Investment Income	\$-153
Other	\$165,749
<b>Total Revenues</b>	<b>\$10,453,268</b>
Claims Incurred	\$6,573,019
Other Expenses	\$7,353,169
<b>Total Operating Expenses</b>	<b>\$13,926,188</b>
Retrospective Contribution	\$-1,198,408
<b>Total Expenses</b>	<b>\$13,926,188</b>
<b>Change in Net Position</b>	<b>\$-3,472,920</b>

## FINANCIAL POSITION

### Fiscal Years 2014 - 2018





# SHARED RISK PROGRAMS

CSRMA Members can choose to participate in the JPA's "pooling" programs: The **Pooled Liability Program** and the **Workers' Compensation Program**.

These programs are an alternative to traditional commercial insurance, in that they are member owned and operated. Interest earning funds are placed on deposit with the Authority where they are used to pay members' claims and related expenses. Funds not spent or reserved are refunded to members through retrospective rating adjustments and dividend payments.

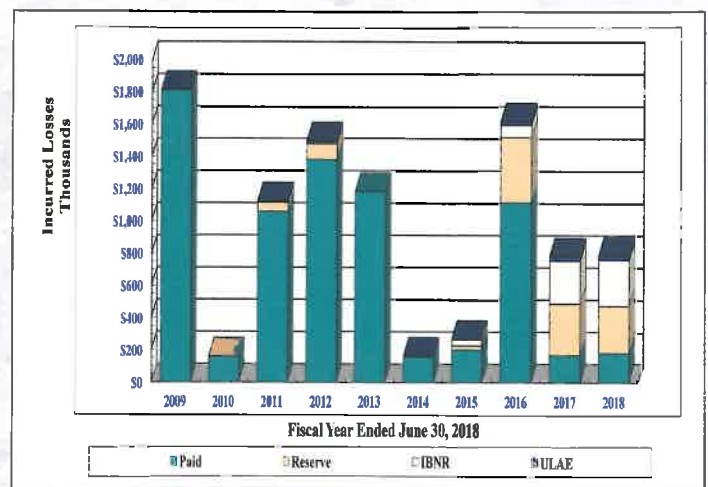
## POOLED LIABILITY PROGRAM

The Pooled Liability Program provides its members with third-party liability coverage specifically designed to meet the exposures faced by the wastewater industry. Members are provided with coverage for General Liability, Automobile Liability, Employment Practices Liability and Public Entity Errors and Omissions Liability.

### 2018 Accomplishments

- » Over \$1.15 million was returned to the members in dividend payments
- » Over \$300,000 was returned to the members in retrospective rating adjustments

### POOLED LIABILITY PROGRAM LOSS HISTORY



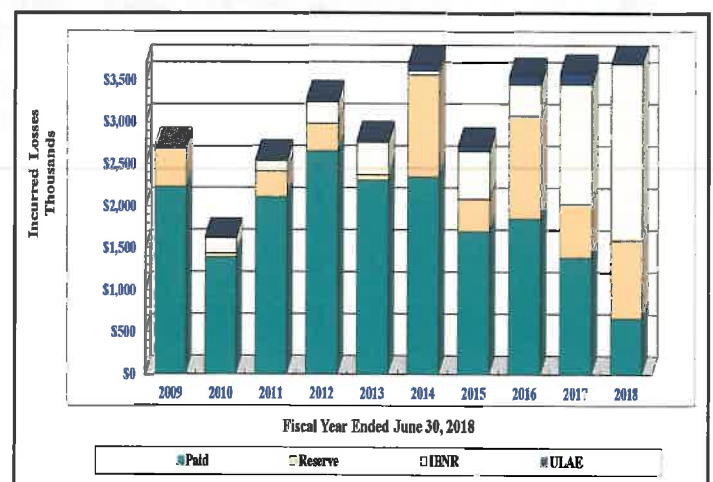
## POOLED WORKERS' COMPENSATION PROGRAM

The Workers' Compensation Program provides State mandated benefits to employees of member agencies. The Program enables its members to retain control of the cost and delivery of services to participating members.

### 2018 Accomplishments

- » The Program continues to outperform the California industry average in both frequency and severity
- » \$50,000 in cash prizes paid to employees of the winning members of the Workers' Compensation Excellence Award

### WORKERS' COMPENSATION PROGRAM LOSS HISTORY



CSRMA Group Purchase Programs provide members the benefit of buying power while assuring that special needs will be addressed.

## PRIMARY INSURANCE PROGRAM (PIP)

The PIP provides the clout of a group purchase program, offering competitive pricing to its members. The Program continues to afford coverage for General Liability, Automobile Liability, Employment Practices Liability, Public Entity Errors & Omissions and Auto Physical Damage to members that do not wish to pool their risk with other members.

## PROPERTY INSURANCE PROGRAM

The Property Program provides the benefit of a group purchase program offering its members "All-Risk" Property and Boiler & Machinery insurance. This includes Terrorism, Pollution Legal Liability specific to a member's SOV, and Cyber Liability.

## OTHER PROGRAMS

CSRMA members have access to an array of group purchase programs made available by the Program Administrators, including but not limited to:

### **Deadly Weapons Response Program-New in 2018**

Active Assailant situations are unpredictable, develop quickly, and leave devastating personal and financial impact on those involved. The new Deadly Weapons Response Program was made available to all CSRMA members in 2018 to help address these exposures. Members have access to the Program without completion of an application, and at an extremely competitive price. The program comes with pre and post-loss Crisis Management Services provided by Firestorm Solutions, a leading Crisis Management Consulting Firm.

### **Public Entity Vehicle & Mobile Equipment Physical Damage Program**

This Program provides "All-Risk" property (physical damage) coverage for private passenger vehicles, light trucks and high value specialized vehicles with limited "over-the-road" exposures.

### **Storage Tank Program**

The Storage Tank Program furnishes its members with third-party pollution legal liability and clean-up for above and below ground storage tank exposures.

### **Crime/Bond Programs**

The Commercial Crime Program affords its members with public employee dishonesty coverage. Additional coverages

available include forgery or alteration, theft, disappearance and destruction of money and securities and computer fraud. The Public Official Bond Program provides its members with coverage for dishonest acts of public officials.

### **Special Events Liability Program**

The Special Events Liability Program grants its members with protection against third party liability for bodily injury, personal/advertising injury and property damage resulting from a covered special event. Special events include receptions, tours and parties.

### **Pollution and Remediation Legal Liability Program**

The Pollution and Remediation Legal Liability Program provides coverage for environmental exposures unique to the wastewater industry.

### **Vendors/Contractors General Liability Program**

The Vendors/Contractors General Liability Program furnishes coverage for a wide range of vendors and contractors.

### **Travel Accident Program**

Travel Accident Insurance provides coverage for employees who travel domestically and internationally. Some of the benefits include 24/7 travel assistance, medical network, and emergency evacuation and repatriation expense.



CSRMA continued its tradition of providing leading edge risk control services for its members this year by introducing many new products and services tailored to the unique loss exposures facing CSRMA.

## Risk Control Survey Engine

CSRMA successfully launched the first comprehensive risk control survey of all pooled program members using the all new CSRMA Risk Control Survey Engine. This online risk control self-audit tool measures member risk control efforts across 58 different areas of risk and regulatory compliance in real time and bench marks performance across the pool in real time. This powerful new tool for CSRMA members provides on-demand reports showing areas a member is exposed, along with specific recommendations for improvement. This innovative approach to conducting risk control surveys will be repeated every three years with the results helping to guide CSRMA risk control resources to benefit the members and the pool.

## Sewer Summit 2018

CSRMA joined forces with the Pooled Liability Assurance Network Joint Powers Authority (PLAN JPA) and the California Joint Powers Risk Management Authority (CJPRMA) to leverage resources and sponsor the 13th Annual Sewer Summit. This annual event is designed to bring together wastewater professionals and regulators to hear the latest on sewer overflow prevention, regulatory compliance and employee safety. Once again there was a tremendous turnout, with more than 200 sewer collections staff in attendance.

## Targeted Employment Law Workshops

Employee lawsuits have seen an uptick in frequency and severity across most industries and CSRMA is no exception. In response to this troubling trend, CSRMA has retained Liebert Cassidy Whitmore (LCW) to provide half-day workshops targeting areas of employment law where employers typically find themselves in trouble.

## Job Competency Builder Version 2.0

This web based application automates the identification of employee core competencies, development of training plans for identified core competencies and employee assessment procedures to identify gaps in employee knowledge, skill or abilities. This allows a member agency to strategically target its training resources to those areas in which employees need additional instruction.

## Wellness Program Reimbursement Incentive

Employee health promotion or wellness programs can effectively address many of the underlying causes of occupational and

non-occupational injuries. This program is intended to assist members of the Workers' Compensation Program with the development and implementation of an onsite employee health promotion program by offering up to \$1,200/fiscal year in reimbursement dollars for wellness efforts. This past year we had an 80% utilization of this program.

## Risk Control and Safety Program Reimbursement Incentive

This reimbursement program is intended to provide an incentive for members of the Pooled Liability and Workers' Compensation Programs. The Programs go beyond basic compliance to a higher level of risk control by offering up to \$2,000/fiscal year reimbursement for safety and risk control efforts. This past year we had an 80% utilization of this program.

## Risk Control Seminars and Webinars

Members want more training and CSRMA listens. Offered on-site, at regional locations or online, CSRMA provided over 50 training opportunities to members in 2018 on topics ranging from employment law to sewer overflow prevention and response to industrial ergonomics and biomechanics. This past year CSRMA conducted over 20 webinars. These webinars are recorded for members to access on demand.

## CSRMA Workers' Compensation Excellence Award

The Workers' Compensation Excellence Award was modified by approval of the Board of Directors to include new criteria aimed at recognizing those members who have successfully implemented soft tissue/strain related injury prevention efforts.

Members meeting the award criteria shared equally in a cash prize of \$50,000, or the average cost of a back claim according to Workers' Compensation Insurance Rating Bureau data. The cash prize will be paid directly to the employees of each qualifying member in an amount not to exceed \$499 per employee. The members winning the 2018 Workers' Compensation Excellence Award were:

- ◆ Castro Valley Sanitary District
- ◆ San Elijo Joint Powers Authority
- ◆ Fairfield Suisun Sewer District
- ◆ Stege Sanitary District
- ◆ Encina Wastewater Authority

## Workers' Compensation Consulting Services

CSRMA continued to benefit from the services of Heather Truro at HT Consulting. She is a workers' compensation claims management specialist who has been retained by CSRMA to provide assistance to our members with workers' compensation issues; in particular, by implementing the Workers' Compensation Claims Management and Return to Work Program.

## The First Annual CSRMA Conference

The 1st Annual CSRMA conference was a huge hit! With three tracks, and four sessions per track, for a total of 12 training opportunities packed into a single day, members learned the latest on risk transfer, risk control and risk management.

## Workplace Violence Prevention

Workplace violence isn't a topic anyone would want to talk about, but unfortunately, we must. This year CSRMA developed a number of resources to assist members with avoiding acts of violence and dealing with incidents that do occur. From training resources to site security vulnerability assessment tools, CSRMA members are better prepared to avoid these horrific events and help employees respond if they do occur.

## CalOSHA Training Requirements

Ever struggle to figure out what CalOSHA training requirements apply to each of your job classifications? Not anymore, now with CSRMA's new online Employee CalOSHA Training Requirements Builder. No need to know the regulations, this web based app will walk you through identifying, for each job classification, their CalOSHA training requirements in a simple, plain English, easy to follow manner.

## SMART SOP Mobile App

SMART SOP, the mobile app CSRMA created for its members to make creating photo-based lockout/tagout and free form photo-based SOP's a snap, has been upgraded with new features that make the following even easier:

- ◆ Compliance with CalOSHA's Personal Protective Equipment, Lockout/Tagout and Job Hazard Assessment requirements
- ◆ Organization of SOP's in the app is now simpler with a file folder organization structure. Not to worry, though – you can still assign each SOP a QR code for easy SOP retrieval.
- ◆ Add video to SOPs. Yep, SMART SOP can do that now, too.

## Continuing in 2018 were the risk control services that members have come to rely on

- ◆ Broad spectrum risk control consulting services
- ◆ The Video Training Lending Library
- ◆ The CSRMA Well Workplace Newsletter
- ◆ Monthly Did You Know e-newsletter
- ◆ On-Site Training at member locations on various risk control topics. Contact David Patzer to learn what topics are available and to schedule a training seminar at your agency.

CSRMA updated 10 online training modules and added 10 new modules. Updating modules and creation of new content addressing risks facing members and the pool has been an annual commitment CSRMA has made for 15 years!

## WHAT THE FUTURE HOLDS

- Ever hear of Just in Time Learning? You will in 2019! Just in Time Learning refers to making specific, targeted training resources available when you need it, where you need it. With the latest enhancements to SMART SOP, CSRMA members will be able to choose from a library of Just in Time Learning videos to have pushed to all devices registered to their SMART SOP account. Whether it's "what to do after a vehicle accident" or "how to calculate SSO volumes using the area/volume method", CSRMA has you covered.
- CSRMA is making even more online training and training management resources available by transitioning to Target Solutions. All the online learning content CSRMA has developed will still be available, but members will now have access to the Target Solutions large library of content. Coupled with their powerful Learning Management System, tracking of employee online AND offline training has never been easier.
- Based on the popularity of the 1st Annual CSRMA Conference, the 2019 conference will have 4 tracks each with 4 sessions for a total of 16 learning opportunities packed into a single day.
- CSRMA will be continuing its efforts to develop technical skills training available to new sewer collection system operators. In 2019, CSRMA will be focusing on developing online training content mapped to the CWEA Collection System Operator I exam to help get a new employee to a trained and competent employee faster. This will increase safety and decrease the likelihood of equipment and third party losses.



# EXECUTIVE BOARD AND OFFICERS

**Paul Bushee, President**  
Leucadia Wastewater District

**Greg Baatrup, Vice President**  
Fairfield-Suisun Sewer District

**Ed Oyama**  
West Valley Sanitation District

**Craig Murray**  
Carpinteria Sanitary District

**Sandeep Karkal**  
Novato Sanitary District

**Betty Burnett**  
South Orange County Wastewater Authority

**Jason Dow**  
Central Marin Sanitation Agency

**George Emerson, Secretary**  
Goleta Sanitary District

**Jason Warner, Treasurer**  
Oro Loma Sanitary District



## *Program Administrators*



Dennis Mulqueeny  
(415) 403-1421



Seth Cole  
(415) 403-1419



David Patzer  
(707) 373-9709



Myron Leavell  
(415) 403-1404



P.J. Skarlanic  
(415) 403-1455



Marilyn Schley  
(415) 403-1432



Tami Giovanni  
(925) 963-0951



Thary Ou  
(415) 403-1433



Tevea Hlm  
(415) 403-1416



Phuntsok Gaphel  
(415) 403-1447



Rosanna Der  
(415) 403-1461



c/o Alliant Insurance Services, Inc.  
100 Pine Street, 11th Floor • San Francisco, CA 94111-5101  
Phone: 415.403.1400 • [www.csrma.org](http://www.csrma.org)





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# COMPREHENSIVE ANNUAL FINANCIAL REPORT

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**Fiscal Years Ended June 30, 2018 & 2017**  
**State of California**

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**CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE FISCAL YEARS ENDED JUNE 30, 2018 & 2017**

**EXECUTIVE BOARD & OFFICERS**

<b><u>Name</u></b>	<b><u>Office</u></b>	<b><u>Entity</u></b>
<b>Paul Bushee</b>	<b>President</b>	<b>Leucadia Wastewater District</b>
<b>Greg Baatrup</b>	<b>Vice President</b>	<b>Fairfield-Suisun Sewer District</b>
<b>George Emerson</b>	<b>Secretary</b>	<b>Goleta Sanitary District</b>
<b>Jason Warner</b>	<b>Treasurer</b>	<b>Oro Loma Sanitary District</b>
<b>Ed Oyama</b>	<b>Member</b>	<b>West Valley Sanitation District</b>
<b>Craig Murray</b>	<b>Member</b>	<b>Carpinteria Sanitary District</b>
<b>Sandeep Karkal</b>	<b>Member</b>	<b>Novato Sanitary District</b>
<b>Betty Burnett</b>	<b>Member</b>	<b>South Orange County Wastewater Authority</b>
<b>Jason Dow</b>	<b>Member</b>	<b>Central Marin Sanitation Agency</b>

**Office Address**

**c/o Alliant Insurance Services  
100 Pine Street, 11<sup>th</sup> Floor  
San Francisco, CA 94111**

**Report Prepared By The  
Finance Department**

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# CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY

For The Fiscal Years Ended June 30, 2018 And 2017

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## INTRODUCTORY SECTION

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# CSRMA

California Sanitation Risk Management Authority



c/o ALLIANT INSURANCE SERVICES, INC.  
100 Pine Street, 11th Floor, San Francisco, CA 94111-5101

Tel: 415.403.1400

Insurance License No.: 0C36861  
Fax: 415.874.4813

## OFFICERS:

Paul Bushee, President  
760.753.0155  
Greg Baatrup, Vice President  
707.429.8930

## PAST PRESIDENTS:

Russ Baggerly  
2010-2014  
Robert Reid  
2006-2010

November 5, 2018

Members of the Board of Directors  
California Sanitation Risk Management Authority

Ladies and Gentlemen:

Attached is the Comprehensive Annual Financial Report of the California Sanitation Risk Management Authority (CSRMA) for your review and consideration. The Report is prepared by our staff, and CSRMA takes full responsibility for the accuracy, completeness, disclosure, and fairness of the data presented. We believe the data, as presented, is materially accurate in all respects, and allows the reader to gain a maximum understanding of CSRMA's financial picture.

Management of CSRMA is responsible for establishing and maintaining internal controls designed to ensure that assets are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles and the activities and reporting of CSRMA are in compliance with relevant laws and regulations. Internal accounting controls are designed to provide reasonable rather than absolute assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and that the evaluation of costs and benefits requires estimates and judgments by management.

James Marta & Company has audited CSRMA's financial statements. They concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that CSRMA's financial statements for the fiscal years ended June 30, 2018 & 2017, are fairly presented, and in conformity with Accounting Principles Generally Accepted in the United States of America.

## Profile

In 1986 a looming crisis in obtaining insurance coverage led a group of wastewater utilities in the San Francisco Bay Area to look at alternative ways to address the exposures common to their agencies. From that limited and experimental starting point CSRMA, a Joint Powers Authority, was formed and today has 60 member agencies statewide. Members participate in some or all of CSRMA's coverage and risk management programs at their discretion, and in conformance with CSRMA's rules regulating participation. The primary purpose of CSRMA, as a risk management authority, is to provide financial protection to its members when damage to their assets, or covered third party liability claims against them arise.

## Assessing CSRMA's Financial Condition

As a jointly owned and jointly governed organization, members have a direct stake in the efficient operation and financial performance of CSRMA. Funding of the JPA is predominantly dependent upon claim activity. While insurance / reinsurance coverage is an important aspect of the JPA's cost structure, the pricing of such coverage is largely dependent upon prevailing market conditions. Risk control efforts and program administration costs comprise the third category of JPA expenses. Policies, procedures and day to day practices among members that are uniform and consistent greatly benefit CSRMA and the membership as a whole. The greatest challenge of CSRMA is to identify member risks at their source, and develop risk control techniques to reduce or eliminate those risks.

Through long range planning and strong member participation in committees, many new initiatives arise that when implemented benefit individual programs, members, and CSRMA as a whole. Examples include, a standardized sewer backup policy-procedure, a revised investment strategy for long term reserve investments, a program for revenue enhancement through licensing access to CSRMA owned web-based training, review and update of major program documents, and consideration of new programs and services. Effective management of a pooled insurance authority for the benefit of all concerned is both active and dynamic.

## Membership

Membership is limited to public entities with substantial wastewater operations. The Authority is governed by a Board of Directors. Each member agency is entitled to participate and have a representative on the Board of Directors. An Executive Board elected from the pool of member appointed Board members conducts, directs and supervises the JPA staff that runs the day-to-day business of the Authority.

## Programs and Services

CSRMA has an agreement with Alliant Insurance Services, Inc. (San Francisco) to administer the Authority and to provide insurance brokerage and risk management services, including safety and risk control. The Authority has separate agreements in effect with Carl Warren & Co. for handling general liability claims, and with York Risk Services Group for handling workers' compensation claims. CSRMA has several other contracts for general legal services, workers' compensation consulting services, employment practices consulting and legal services, actuarial services, audit services and website services. In addition to a full board of directors of its members, the governance and oversight of CSRMA is handled by the aforementioned Executive Board and four standing committees: Officers, Finance, Liability Program, and Workers Compensation Program. Committees are generally staffed by employees of the members, or others connected to the members, such as elected officials. Members of the Executive Board are elected by the Board for two year terms, and Committee members are appointed by the president.

## Risk Control Services

CSRMA provides a number of leading edge risk control services for its members. The heart of the system is a web-based platform that was custom built and designed for member agencies and their needs. "CSRMA Risk Control Online" offers an employee training management system to help agencies comply with Cal/OSHA training requirements, wastewater specific utility worker training, an ergonomic evaluation program, sewer backup response and claims handling, contractor safety program builder, and more. The other main venue for risk control is on-location training provided at various member agencies as well as in conjunction with two annual conferences of the California Association of Sanitation Agencies (CASA). In addition, member agencies are each scheduled for onsite loss control audits with follow-up reports that describe potential exposures found, and gives specific recommendations to mitigate exposures. Other notable risk control services provided to members include an "Employment Practices Hotline" where authorized agency personnel can get free consultation with legal experts on employment liability issues.



### Shared Risk Programs

CSRMA members can choose to participate in two different risk pool programs: the Pooled Liability Program and the Workers' Compensation Program. These programs are an alternative to traditional commercial insurance, in that they are member owned and operated. Interest earning funds are placed on deposit with the Authority where they are used to pay members' claims and related expenses. Funds not spent or reserved are refunded to members through retrospective rating adjustments and dividend payments. The Pooled Liability Program provides members with third party liability coverage specifically designed to meet the exposures faced by the wastewater industry. Coverages include general liability, automobile liability, employment practices liability, and public entity errors and omissions liability. The Workers' Compensation Program provides State mandated benefits to injured employees of member agencies. Both programs are subject to the terms and conditions of a Memorandum of Coverage specifically adopted by the Board of Directors to govern the actual payment of claims.

### Group Purchase Programs

CSRMA Group Purchase Programs provide member agencies the benefit of buying power while assuring their special needs will be addressed. The Property Program provides "All Risk" property and boiler & machinery insurance, cyber liability, and environmental liability insurance. The Primary Insurance Program buys traditional liability insurance coverage for members who do not choose to participate in the Pooled Liability Program. Several other smaller insurance programs are provided for specialized needs of members. The Vehicle Physical Damage Program provides "all risk" property (physical damage) coverage for private passenger vehicles, light trucks and high valued specialized vehicles such as vactor trucks. The Storage Tank Program furnishes members with third party pollution legal, liability and clean-up for above and below ground storage tanks. The Commercial Crime Program provides public employee dishonesty coverage. Additional coverages include forgery, theft, disappearance of money and securities, and computer fraud. The Pollution and Remediation Legal Liability Program provides coverage for environmental exposures unique to the wastewater industry.

### Budget Process

The budget process begins four months prior to the start of a new budget cycle. The Program Administrators prepare a draft budget, and finalize the draft working in coordination with the Finance Committee and Executive Board. For the budget, the program administrators take into account past history as well as any known conditions, trends, or circumstances that may be applicable to any particular program or situation. Part of this process is to develop the best possible projection of final amounts of revenues and expenses of the current year for use, at a minimum, as an initial foundation for the next budget year. When a draft budget is complete after Finance Committee and Executive Board review, a proposed budget is submitted to the Board of Directors for their review and approval. Upon approval, the budget becomes adopted.

A requirement of the California Government Code is for the governing body of public entities to annually adopt an investment policy that must meet certain requirements. For this reason, the CSRMA investment policy is included within this budget packet for approval prior to the start of each fiscal year.

### Revenue / Funding

*Pooled program funding* – funding for the risk assumed by the pool, in the form of pooled deposits for both the liability and workers' compensation programs is actuarially determined, and the JPA funds each new year for its expected "ultimate net loss" at the 70% confidence level. Within the pooling community this is thought to be a conservative position, but not overly so (Insurance companies generally fund to a 50% to 55% confidence level). Each year of coverage, called a "Program Year" is funded and accounted for separately from other years of coverage. Charges for expected administration and insurance costs are added to actuarial projections to determine total Program Year costs.

*Fully insured program funding* – the primary insurance (PIP) and property programs are fully insured (excepting member deductibles) by commercial insurers, and are funded essentially on a cost reimbursement basis. Costs include the cost of insurance premiums to third party insurers together with the cost of program administration.

#### Investment

The Board has adopted an Investment Policy governing CSRMA's investments. CSRMA joined the California Asset Management Program (CAMP) in 2004 and has invested \$17,000,000 in short-term notes through its individual portfolio managed by PFM Asset Management, LLC. The remaining funds are invested in the California State Treasurer, Local Agency Investment Fund (LAIF).

#### Dividends / Retrospective Rating Adjustments

The shared risk (pooling) programs are an alternative to traditional commercial insurance, in that they are member owned and operated, meaning that the participants share in both the costs and benefits if actual losses turn out to be higher or lower than projected. Interest earning funds are placed on deposit with CSRMA where they are used to pay members' claims and related expenses. Funds not spent or reserved are refunded to members through retrospective rating adjustments and dividend payments.

*Retrospective rating adjustments* – retrospective rating adjustments are adjustments made to member deposits ("premium") that may occur, either up or down, shortly after the expiration of a program year due to the actual cost of claims, and credits or debits for the adjustments are reflected on member renewal invoices.

*Dividends* – the Board may declare dividends for each of the pooled programs not sooner than five years after the expiration of a Program Year, at which point it is believed that most claim values have become known. Dividends are a return of pooled deposits in excess of the ultimate cost of known claims.

#### Conclusion

By learning to better manage risk and reduce exposure, the members of CSRMA are sharing in our common goal to provide wastewater services to the public as safely and cost-effectively as possible. For more information regarding the current fiscal year, please see Management's Discussion and Analysis on page 4 of this report.

#### Accreditation and Acknowledgments

CSRMA as a risk management authority is fully accredited with excellence by the California Association of Joint Powers Authorities, CAJPA. Such accreditation validates the soundness of CSRMA practices. The accreditation program was established as a model of professional standards which serve as a guideline for all risk management pools regardless of size, scope of operation, or membership structure.

We would like to extend a special thank you to the Executive Board, Officers and Finance Committee for their hard work and dedication to make this report possible.

Respectfully submitted,



Paul Bushee  
President of the Board



Jason Warner  
Treasurer

**CSRMA  
Board of Directors  
60 Members**

**Finance  
Committee**

*Jason Warner, Chair  
Richard Duffey  
Helen Gaumann  
Matt Anderson*

**Treasurer-  
Auditor**

*Jason Warner*

**Executive Board**

*Paul Bushee, Leucadia Wastewater District (President)  
Greg Baatrup, Fairfield-Suisun SD (Vice President)  
Ed Oyama, West Valley Sanitation District  
Craig Murray, Carpinteria SD  
Sandeep Karkal, Novato SD  
Betty Burnett, South Orange County Wastewater Authority  
Jason Dow, Central Marin Sanitation Agency  
VACANT (Alternate)*

**Officers  
Committee**

*Paul Bushee  
Greg Baatrup*

**Secretary**

*George Emerson*

**Legal Counsel**

*Byrne Conley, Esq.  
Gibbons & Conley*

**Coverage Counsel**

*Alan Swerdlow, Esq.  
Boornazian, Jensen &  
Garthe*

**Financial Auditor**

*David Becker  
James Marta & Company*

**Financial Advisor**

*Monique Spyke  
PFM Asset Management  
LLC*

**Program Management  
Alliant Insurance Services, Inc.**

**JPA Administration & Insurance**

*Dennis Mulqueeney*

*Seth Cole*

*Myron Leavell*

*Marilyn Schley*

*P.J. Skarlanic*

*Rosanna Der*

*Thary Ou*

*Tevea Him*

*Phuntsok Gaphel*

**Loss Control Services**

*David Patzer, Risk Management Solutions  
CSRMA Risk Control Advisor*

*Heather Truro, HT Consulting  
Return to Work Consultant*

**Accounting**

*Tami Giovanni*

**Pooled Liability Program  
Committee**

*Jason Dow,  
Central Marin Sanitation Agency, Chair  
Michelle Gallardo, Dublin-San Ramon SD  
Jeff Palmer, Ojai Valley SD  
Jon Newby, West Valley SD  
Chad Davisson, Ironhouse SD  
Melissa Morton, Vallejo Flood and  
Wastewater District (Alternate)*

**Claims**

*Yumi Augustus  
Carl Warren & Co.*

**Workers' Compensation  
Program Committee**

*Craig Murray, Carpinteria SD, Chair  
Roland Williams, Castro Valley SD  
LeeAnn Warchol, Encina WA  
Steve Wagner, Goleta SD  
Ben Munoz, Selma-Kingsburg-Fowler SD  
Blake Tresan, Truckee SD (Alternate)*

**Claims**

*Chris Richard  
York Insurance  
Services, Inc.*



## *Mission Statement*

### **OUR MISSION**

*The California Sanitation Risk Management Authority provides broad coverage and risk management services to its members.*

### **OUR VISION**

*To sustain cutting edge service and value that fulfills our member's long term needs.*

### **OUR VALUES**

- *Protecting public resources through reducing risk of loss*
- *Creative, dynamic, and participative program management*
- *Responsible financial position at reasonable cost*
- *Unique industry specialization that is flexible and adaptable to change*
- *Commitment to member satisfaction, equity and fairness*

# CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY JURISDICTION MAP

Bayshore Sanitary District  
 Byron Sanitary District  
 Carmel Area Wastewater District  
 Carpinteria Sanitary District  
 Castro Valley Sanitary District  
 Central Contra Costa Sanitary District  
 Central Marin Sanitation Agency  
 Chino Basin Desalter Authority  
 County Sanitation District No. 2-3 of Santa Clara County  
 Crockett Community Services District  
 Cupertino Sanitary District  
 Delta Diablo  
 Dublin San Ramon Services District  
 East Bay Dischargers Authority  
 Encina Wastewater Authority  
 Fairfield-Suisun Sewer District  
 Goleta Sanitary District  
 Goleta West Sanitary District  
 Inland Empire Utilities Agency  
 Ironhouse Sanitary District  
 Lake Arrowhead Community Services District  
 Las Gallinas Valley Sanitary  
 Leucadia Wastewater District  
 Montara Water & Sanitary District  
 Montecito Sanitary District  
 Monterey Regional Water Pollution Control Agency  
 Mt. View Sanitary District  
 Napa Sanitation District  
 North of River Sanitary District  
 Novato Sanitary District  
 Oceana Marin Sewer Improvement District  
 Ojai Valley Sanitary District  
 Oro Loma Sanitary District  
 Richardson Bay Sanitary District  
 Rodeo Sanitary District  
 San Elijo Joint Powers Authority  
 San Rafael Sanitation District  
 Sanitary District No. 1 of Marin County  
 Sanitary District No. 5 of Marin County  
 Santa Margarita Water District  
 Sausalito-Marín City Sanitary District  
 Selma-Kingsburg-Fowler County Sanitation District  
 Sewer Authority Mid-Coastside  
 Sewerage Agency Of Southern Marin  
 Silicon Valley Clean Water  
 South Orange County Wastewater Authority  
 South Tahoe Public Utilities District  
 Stege Sanitary District  
 Tahoe-Truckee Sanitation Agency  
 Triunfo County Sanitation District  
 Truckee Sanitary District  
 Union Sanitary District  
 Vallejo Sanitation & Flood Control District  
 Valley Sanitary District  
 Ventura Regional Sanitation District  
 Victor Valley Wastewater Reclamation Authority  
 West Bay Sanitary District  
 West County Wastewater District  
 West Valley Sanitation District of Santa Clara County  
 Western Riverside County Regional Wastewater Authority





*It is the purpose of this organization to give professional recognition  
to properly qualified self-insurance pools.*

*THEREFORE, the Board of Directors of the  
California Association of Joint Powers Authorities,  
has conferred upon*

# **California Sanitation Risk Management Authority**

*this*

***CERTIFICATE OF ACCREDITATION WITH EXCELLENCE***

*having fulfilled the conditions of eligibility as prescribed by the Association for Accreditation.*



*Accreditation Period: May 15, 2016 – May 15, 2019*



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**California Sanitation  
Risk Management Authority**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2017**

*Christopher P. Morill*

Executive Director/CEO

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## **FINANCIAL SECTION**

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**CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY**

**FINANCIAL STATEMENTS  
WITH  
INDEPENDENT AUDITOR'S REPORT**

**FOR THE FISCAL YEARS ENDED  
JUNE 30, 2018 AND 2017**

# CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY

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## **James Marta & Company LLP**

***Certified Public Accountants***

***Accounting, Auditing, Consulting, and Tax***

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### **INDEPENDENT AUDITOR'S REPORT**

Board of Directors  
California Sanitation Risk Management Authority  
San Francisco, California

#### **Report on the Financial Statements**

We have audited the accompanying Statement of Net Position of California Sanitation Risk Management Authority ("the Authority") as of June 30, 2018 and 2017, and the related Statements of Revenues, Expenses and Changes in Net Position and Cash Flows and notes to the financial statements for the years then ended.

#### **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.

#### **Auditor's 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, the standards applicable to financial audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States and the State Controller's *Minimum Audit Requirements for California Special Districts*. 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 Authority'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 the Authority as of June 30, 2018 and 2017 and the changes in its net position and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

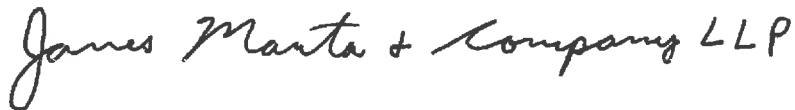
Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis, the Reconciliation of Claims Liabilities by Type of Contract and the Claims Development Information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB) 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 principally 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 taken as a whole. The accompanying supplementary information including the Combining Schedule of Net Position, Combining Schedule of Revenues, Expenses and Changes in Net Position and Graphical Summary of Claims are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information 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. The information has been subjected to the auditing procedures applied in the audit of the 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 statement 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 Combining Schedule of Net Position, Combining Schedule of Revenues, expenses and Changes in Net Position and Graphical Summary of Claims are fairly stated, in all material respects, in relation to the financial statements taken as a whole.

### **Report on Other Legal and Regulatory Requirements**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 5, 2018 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "James Marta & Company LLP". The signature is written in a cursive, flowing style.

James Marta & Company LLP  
Certified Public Accountants  
Sacramento, California  
November 5, 2018



c/o ALLIANT INSURANCE SERVICES, INC  
100 Pine Street, 11<sup>th</sup> Floor San Francisco, CA 94111

Insurance License No.: 0C36861  
Tel: 415.403.1400 Fax: 415.402.0773

**OFFICERS:**

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760.274.2275  
Greg Baatrup, *Vice President*  
707.428.9162

**PAST PRESIDENTS:**

Russ Bagglery  
2010-2014  
Robert Reid  
2006-2010

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### General Discussion

Since April 1986, the California Sanitation Risk Management Authority (CSRMA), a Joint Powers Authority (JPA), has provided financial protection to its membership which is comprised mainly of water and wastewater special districts within the State of California. CSRMA operates risk management and coverage programs for the Liability, Workers' Compensation, and Property risks associated with member operations.

CSRMA is governed by a Board of Directors comprised of representatives from each of its members. The Board of Directors elects a President, Vice President and Executive Board. The Boards and various Committees oversee the operations of the JPA including rating, dividend, and loss control plans, as well as other activities in accordance with the JPA Agreement, Bylaws, and Board adopted policies and procedures.

CSRMA's day-to-day operations are, and have always been managed by a third party. Alliant Insurance Services, Inc. currently manages the JPA, and is responsible for implementing the organizations' objectives in accordance with the JPA's aforementioned organizational documents, and in accordance with direction provided by the Board of Directors, its Officers, the Executive Board, and various operational Committees. Since CSRMA has never had employees, it has no post employment obligations.

### Description of Basic Financial Statements

Individual program accounting is maintained for each program of the JPA and is provided as supplemental information to the Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position, and the Statement of Cash Flows. The Statement of Net Position provides information about the combined financial position of CSRMA as of June 30, 2018 and 2017. The Statement of Revenues, Expenses and Changes in Net Position reports the operations of the organization for the years ended June 30, 2018 and 2017. The Statement of Cash Flows is presented on the direct method to reflect the operations of CSRMA for the years ended June 30, 2018 and 2017 based strictly on the inflow and outflow of cash.

The footnotes provide information on unique accounting policies of CSRMA, such as discounting of claims reserves, development of estimates of incurred but not reported liabilities and the provision for unallocated loss adjustment expenses. There were no significant changes in the accounting practices of CSRMA during the fiscal year.

**CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**JUNE 30, 2018**

**Analysis of Overall Financial Position and Results of Operations**

**Statement of Revenues, Expenses and Change in Net Position Fiscal Year 2016-2017 vs. Fiscal Year 2017-2018**

	Revenues and Expenses			
	Fiscal Year 2016-17 vs. Fiscal Year 2017-18			
	<u>2016-17</u>	<u>2017-18</u>	<u>\$ Change</u>	<u>% Change</u>
Operating revenues				
Member contributions	\$10,408,711	\$10,287,672	\$(121,039)	-1.2%
Retrospective contributions	(630,063)	(1,198,408)	(568,345)	90.2%
Member fees	1,312,531	1,330,412	17,881	1.4%
Other income	40,275	33,745	(6,530)	-16.2%
<i>Total Operating Revenues</i>	<i>11,131,454</i>	<i>10,453,421</i>	<i>(678,033)</i>	<i>-6.1%</i>
Investment income	35,069	(153)	(35,222)	-100.4%
Total Revenues	<u>11,166,523</u>	<u>10,453,268</u>	<u>(713,255)</u>	<u>-6.4%</u>
Operating expenses	11,443,343	13,779,578	2,336,235	20.4%
General and administrative expenses	145,468	146,610	1,142	0.8%
Total Expenses	<u>11,588,811</u>	<u>13,926,188</u>	<u>2,337,377</u>	<u>20.2%</u>
Change in Net Position	(422,288)	(3,472,920)	(3,050,632)	-722.4%
Net Position, Beginning of year	<u>11,600,958</u>	<u>11,178,670</u>	<u>(422,288)</u>	<u>-3.6%</u>
Net Position, End of year	<u>\$11,178,670</u>	<u>\$7,705,750</u>	<u>(\$3,472,920)</u>	<u>-31.1%</u>

Revenues are collected on the basis of recovering the costs of actual expenses incurred as well as an applicable provision for claim expenses that are actuarially incurred, but not reported.

Total revenues decreased from the prior period primarily due to an increase in the retrospective rating contributions credited to member invoices. Total expenses increased year over year primarily due to an increase in the provision for unpaid claims and claims adjustment expenses in the Workers' Compensation Program.

Projections of the ultimate value of outstanding claims associated with the Pooled Liability, and Workers' Compensation Programs is the largest single category of liabilities, and payments made from this liability is the single biggest expense item. It is from this projected liability that member contribution rates are set, and from which the asset base of CSRMA is largely derived. The outstanding liability represents both claims reserves for claims that have been reported, the unknown development on these claims, and the liability associated with claims that have been incurred, but not yet reported (IBNR) to either the membership or the Authority itself.

**CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**JUNE 30, 2018**

**Statement of Revenues, Expenses and Change in Net Position Fiscal Year 2015-2016 vs. Fiscal Year 2016-2017**

	<b>Revenues and Expenses</b>			
	<b>Fiscal Year 2015-16 vs. Fiscal Year 2016-17</b>			
	<b>2015-16</b>	<b>2016-17</b>	<b>\$ Change</b>	<b>% Change</b>
Operating revenues				
Member contributions	\$10,325,970	\$10,408,711	\$82,741	0.8%
Retrospective contributions	(400,607)	(630,063)	(229,456)	57.3%
Member fees	1,277,250	1,312,531	35,281	2.8%
Other income	46,275	40,275	(6,000)	-13.0%
<i>Total Operating Revenues</i>	<i>11,248,888</i>	<i>11,131,454</i>	<i>(117,434)</i>	<i>-1.0%</i>
Investment income	594,695	35,069	(559,626)	-94.1%
Total Revenues	<u>11,843,583</u>	<u>11,166,523</u>	<u>(677,060)</u>	<u>-5.7%</u>
Operating expenses	10,779,660	11,443,343	663,683	6.2%
General and administrative expenses	166,425	145,468	(20,957)	-12.6%
Total Expenses	<u>10,946,085</u>	<u>11,588,811</u>	<u>642,726</u>	<u>5.9%</u>
Change in Net Position	897,498	(422,288)	(1,319,786)	147.1%
Net Position, Beginning of year	<u>10,703,460</u>	<u>11,600,958</u>	<u>897,498</u>	<u>8.4%</u>
Net Position, End of year	<u><u>\$11,600,958</u></u>	<u><u>\$11,178,670</u></u>	<u><u>(\$422,288)</u></u>	<u><u>-3.6%</u></u>

Total revenues decreased from the prior period primarily due to a reduction in investment income (unrealized gains/losses). Total expenses increased year over year primarily due to an increase in the provision for unpaid claims and claims adjustment expenses in the Pooled Liability Program.



**CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**JUNE 30, 2018**

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**Statement of Net Position Fiscal Year 2016-2017 vs. Fiscal Year 2017-2018**

<b>Financial Summary</b>				
<b>Fiscal Year 2016-17 vs. Fiscal Year 2017-18</b>				
	<b>2016-17</b>	<b>2017-18</b>	<b>\$ Change</b>	<b>% Change</b>
Current assets	\$10,463,689	\$5,786,021	(\$4,677,668)	-44.7%
Non-current assets	17,956,018	19,917,098	1,961,080	10.9%
Total Assets	<u>\$28,419,707</u>	<u>\$25,703,119</u>	<u>(\$2,716,588)</u>	<u>-9.6%</u>
Current liabilities	6,027,082	7,535,174	1,508,092	25.0%
Non-current liabilities	11,213,955	10,462,195	(751,760)	-6.7%
Total Liabilities	<u>17,241,037</u>	<u>17,997,369</u>	<u>756,332</u>	<u>4.4%</u>
Net Position	<u>\$11,178,670</u>	<u>\$7,705,750</u>	<u>(\$3,472,920)</u>	<u>-31.1%</u>

Claim reserve amounts are set by the JPA's third party claims adjusters who are contractually obligated to administer and resolve member claims. Essentially, reserves are the expected amount to be paid on an open claim over time based on the professional judgment of the adjuster who is familiar with the facts surrounding specific claims. IBNR is a liability carried by the JPA to ensure that funds are available to pay for potential adverse development on these "known" claims, and for claims that have been incurred but not yet reported to either the membership or the Authority.

CSRMA engages an actuary to project its unknown liabilities for its Pooled Liability and Workers' Compensation Programs. The actuary uses standard methods of actuarial science to make these projections. Such methods take into consideration historical claims data, industry trends, open case reserves and expected interest rate levels. Actuarial studies are conducted at regular intervals and are reviewed by Committees of the Board of Directors. During the fiscal year ended June 30, 2018, there were changes in actuarial projections used in connection with the provision for unpaid claims and claim adjustment expenses. These changes resulted in increases in the expected ultimate value of insured claims overall, driven by the Workers' Compensation Program. It is from the actuarial projections that rates are set for the membership, which then results in the assets of the organization which are used to pay claims and administrative expenses.

The total assets of CSRMA increased by approximately \$2,700,000 or 9.6% from June 30, 2017 to June 30, 2018. Net Position decreased by approximately \$3,400,000 or 31% due primarily to a decrease in total assets in the Workers' Compensation Program.

The Authority invests its cash, which is not immediately needed to play claims, in accordance with a Board adopted policy and procedure. Funds are invested in the California Local Agency Investment Fund (LAIF) and in the California Asset Management Program (CAMP) and Public Financial Management (PFM) portfolios. On June 30, 2017 and 2018, our non LAIF investments, including accrued interest, were valued at \$21,787,288 and \$21,842,057, respectively.

# CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY

## MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2018

### Statement of Net Position Fiscal Year 2015-2016 vs. Fiscal Year 2016-2017

<b>Financial Summary</b>				
<b>Fiscal Year 2016-17 vs. Fiscal Year 2016-17</b>				
	<b>2015-16</b>	<b>2016-17</b>	<b>\$ Change</b>	<b>% Change</b>
Current assets	\$8,803,565	\$10,463,689	\$1,660,124	18.9%
Non-current assets	19,533,001	17,956,018	(1,576,983)	-8.1%
Total Assets	28,336,567	28,419,707	83,140	0.3%
Current liabilities	5,771,405	6,027,082	255,677	4.4%
Non-current liabilities	10,964,204	11,213,955	\$249,751	2.3%
Total Liabilities	16,735,609	17,241,037	505,428	3.0%
Net Position	\$11,600,958	\$11,178,670	(\$422,288)	-3.6%

The total assets of CSRMA increased by approximately \$83,000 or 0.3% from June 30, 2016 to June 30, 2017. Net Position decreased by approximately \$422,000 or 3.6% due primarily to a decrease in total assets in the Workers' Compensation Program.

### **Target Equity**

The Authority maintains policies and procedures governing rate adequacy, retrospective rating calculations, dividends, and target equity for each of its pooling programs. Along with projected ultimate and incurred losses, it is the interaction of these policies in the operation of the JPA that largely determine the net results from year to year. Key provisions of these policies include the requirement that each Program Year will be funded to a 70% confidence level at the outset of the Program Year, and that monies held in excess of Board adopted financial targets will be returned to the member of each program in an orderly manner through the Board adopted retrospective rating and dividend plans.

In addition, the Board reviews CSRMA's financial results against standard insurance industry financial ratios to gain additional perspective. The following tables depict the ratios as compared to the California Association of Joint Powers Authority standards, along with a brief explanation of each, and commentary regarding the ratios with respect to the Workers' Compensation Program:

### **Pooled Liability Program**

<b>Equity Target Formulas</b>	<b>Industry Goal</b>	<b>Calculation Result</b>	<b>CAJPA Standard</b>
Contributions to Equity	Less than 3:1	0.48	Met
Equity to Self Insd. Retention	Greater than 7:1	17.7	Met
Loss Reserves to Equity	Less than 4:1	0.22	Met

**CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**JUNE 30, 2018**

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**Workers' Compensation Program**

<b>Equity Target Formulas</b>	<b>Industry Goal</b>	<b>Calculation Result</b>	<b>CAJPA Standard</b>
Contributions to Equity	Less than 3:1	10.0	Not Met
Equity to Self Insd. Retention	Greater than 7:1	-1.85	Not Met
Loss Reserves to Equity	Less than 4:1	20.0	Not Met

**Contributions to Equity** - This is a measure of the sensitivity of equity to total contributions; a measure of how net position (equity) is leveraged against possible pricing inaccuracies. A percentage under 3:1 is considered the proper target.

**Equity to Self-Insured Retention** - This is a measure of the number of catastrophic losses the program can absorb at the full SIR. Recommendation 5 times for a pool that is comfortable with assessing, 7 times for a pool that is "uneasy" about assessing, and 10 times for a typical insurance company.

**Loss Reserves to Equity** - This is a measure of flexibility the pool has to absorb development of the expected losses. Recommend less than a ratio of 4:1.

The Target Equity Ratios for the Workers' Compensation Program are below the industry goals in large part due to an increase in claims liabilities the past several years. The Board does intend to meet the standards adopted, and has embarked upon a plan to ensure rate adequacy in what appears to be a growing working compensation claims environment. The first step has been the elimination, at least for the time being, of dividend declaration. In accordance with the dividend formula, dividends of over \$9 million have been paid to the members since the inception of the program. Additionally, CSRMA is exploring other mechanisms to address claim deterioration either by transferring the outstanding liabilities to a third party insurer, or by capping the liabilities through a Loss Portfolio Transfer or Adverse Development Cover. The Finance Committee, Executive Board and Workers' Compensation Committee are monitoring the program and will take further action as needed. It is expected that with the forestalling of any dividends for the time-being, and a focus on rate adequacy, that the program will quickly achieve the financial metrics the Board has set.

**Analysis of Balances and Transactions of Individual Funds**

As the overall financial results of the JPA are simply the sum of the results of each individual coverage program, the results of each program will be discussed in the sections below.

**Liability Program**

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Total Operating Revenues for the Liability Program increased by approximately \$83,000 for the year ended June 30, 2018 due primarily to a decrease in retrospective rating adjustments credited to member invoices year over year. The Program realized an operating loss of approximately \$1,100,000 due primarily to an increase in the provision for unpaid claims and claims adjustment expenses. The ending net position of the Program was \$8,851,274.

# **CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**JUNE 30, 2018**

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### **Workers' Compensation Program**

Total Operating Revenues for the Workers' Compensation Program decreased by approximately \$775,000 for the year ended June 30, 2018 due primarily to an increase in retrospective rating adjustments credited to member invoices. The Program realized an operating loss of approximately \$2,200,000 primarily due to an increase in the provision for unpaid claims and claims adjustment expenses. The ending net position of the Program was (\$1,387,616). Total assets in the Program are \$12,192,953.

### **Property Program**

The Property Program operates as a group purchase insurance program for property insurance to protect members' physical asset from financial loss. There is no risk sharing between the members in the Program. As such, the Net Position maintained in the program is relatively small, with a goal only to cover any unanticipated operational expenses. The Program's revenues and expenses remained relatively unchanged year over year with the primary revenue and expense being dollars taken in and paid out to cover commercial insurance premiums.

### **Primary Insurance Program**

The Primary Insurance Program operates as a group purchase insurance program to cover the general liability exposures of members who do not wish to share risk with one another. Again, the amount of cash maintained in the program is small with the goal being only to cover insurance and any unanticipated expenses. Member contributions and Operating Expenses for the Program remained relatively unchanged over the prior year.

### **Possible Conditions Impacting Financial Position**

With respect to current facts, conditions, or decisions that may impact the financial position of CSRMA, there are no known issues either internal to the JPA nor the external environment that are expected to materially impact the organization. That said, there are trends that may influence the membership and developments in the commercial insurance market that warrant notice.

The workers' compensation operating environment continues to be challenging due primarily to increases in the cost of medical care and prescription drugs combined with an aging workforce. To combat increasing costs to settle workers' compensation claims, CSRMA has implemented a Workers' Compensation Claims Management and Return to Work Program, and has focused risk control efforts on reducing the frequency and severity of work related injuries.

2017 was the worst year on record for the commercial insurance sector with estimated insured losses in excess of \$100 billion. Despite this, the outlook for the U.S. property/casualty commercial insurance sector for the next 12 to 18 months remains stable given healthy core earnings and sound balance sheets in the view of analysts at Moody's Investors Service. Looking ahead, the expectation is that there will continue to be upward pressure on property rates. Poor performing accounts and classes will experience increased pressure.

# **CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**JUNE 30, 2018**

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Intentional breaches into computer networks continue to be one of the fastest growing crimes in America due to the wide availability of data online, and the commercial value of personal and confidential information. As a result of new regulations and the potential release of confidential information, class action suits are becoming more commonplace. The resulting damage could range from loss of reputation, financial loss or regulatory intervention.

CSRMA member agencies are not immune from workplace violence and/or so called "active shooter" situations. There have been a growing number of incidents nationally, and to better prepare for any incidents at a member agency, CSRMA has purchased "Deadly Weapons Response Coverage" for members of the JPA that provides not only specialized coverage, but also services to assist both on a "pre and post" attack basis.

Interest earning funds are placed on deposit with CSRMA to pay expected claims in the pooled programs. The valuation of claims liabilities is discounted based on assumed earning rates. A divergence in the rate assumed for discounting claims liabilities and investment earnings can affect the ultimate claims liability recorded in the financial statements. To guard against possible divergence, pool deposit rates charged to members are set using a higher confidence level than that which is reported in the financial statements, and the dividend calculation utilized to return excess funds to the membership also uses a more conservative calculation of equity.

CSRMA's most frequent and severe claims continue to be costs associated with sewer back-ups. However, CSRMA has taken action from an actuarial, underwriting and risk management standpoint to attempt to address and mitigate this exposure to both CSRMA and its membership. Finally, while CSRMA believes that it has properly addressed the three most probable catastrophic events facing its membership (earthquake, pollution liability, and possibly terrorism) through offers of coverage, or exclusions of coverage, there is no guarantee that a catastrophic event could not financially impact the Authority.

### **Request for Financial Information**

This financial report is designed to provide a general overview of CSRMA's finances. This financial report seeks to demonstrate CSRMA's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to CSRMA, in care of Alliant Insurance Services, Inc., 100 Pine Street, 11<sup>th</sup> Floor, San Francisco, California, 94111.

**CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY**

**STATEMENTS OF NET POSITION**

**JUNE 30, 2018 AND 2017**

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	<u>2018</u>	<u>2017</u>
<b>ASSETS</b>		
Current Assets		
Cash and cash equivalents	\$ 1,905,627	\$ 4,820,445
Investments	1,924,959	3,831,270
Accounts receivable:		
Members	489,182	368,085
Interest	141,171	136,283
Prepaid expenses	<u>1,325,082</u>	<u>1,307,606</u>
Total Current Assets	5,786,021	10,463,689
Noncurrent Assets		
Investments	<u>19,917,098</u>	<u>17,956,018</u>
Total Assets	<u>25,703,119</u>	<u>28,419,707</u>
<b>LIABILITIES</b>		
Current Liabilities		
Accounts payable	116,303	119,713
Unearned revenue	2,418,871	2,407,369
Current portion of unpaid claims and claim adjustment expense	<u>5,000,000</u>	<u>3,500,000</u>
Total Current Liabilities	7,535,174	6,027,082
Noncurrent Liabilities		
Unpaid claims and claim adjustment expense	<u>10,462,195</u>	<u>11,213,955</u>
Total Liabilities	<u>17,997,369</u>	<u>17,241,037</u>
<b>NET POSITION</b>		
Unrestricted	<u>\$ 7,705,750</u>	<u>\$ 11,178,670</u>

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The accompanying notes are an integral part of these financial statements.

**CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY**  
**STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**FOR THE FISCAL YEARS ENDED JUNE 30, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
<b>REVENUES</b>		
Member contributions	\$ 10,287,672	\$ 10,408,711
Retrospective contributions	(1,198,408)	(630,063)
Member fees	1,330,412	1,312,531
Other income	<u>33,745</u>	<u>40,275</u>
Total Operating Revenues	<u>10,453,421</u>	<u>11,131,454</u>
<b>OPERATING EXPENSES</b>		
Program expenses:		
Provision for unpaid claims and claim adjustment expenses	6,573,019	4,471,457
Excess insurance	4,016,128	3,938,364
Management consultants	328,102	269,558
Program directors fee	1,332,453	1,314,304
Dividends	1,217,635	1,083,091
Other program expenses	<u>312,241</u>	<u>366,569</u>
Total program expenses	13,779,578	11,443,343
General and administrative expenses	<u>146,610</u>	<u>145,468</u>
Total operating expenses	<u>13,926,188</u>	<u>11,588,811</u>
Operating income (loss)	(3,472,767)	(457,357)
<b>NONOPERATING REVENUES</b>		
Investment income	<u>(153)</u>	<u>35,069</u>
<b>Change in Net Position</b>	(3,472,920)	(422,288)
Net Position, Beginning of year	<u>11,178,670</u>	<u>11,600,958</u>
Net Position, End of year	<u>\$ 7,705,750</u>	<u>\$ 11,178,670</u>

The accompanying notes are an integral part of these financial statements.

**CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY**

**STATEMENTS OF CASH FLOWS**

**FOR THE FISCAL YEARS ENDED JUNE 30, 2018 AND 2017**

	<b>2018</b>	<b>2017</b>
<b>Cash Flows From Operating Activities</b>		
Cash received from members	\$ 10,343,826	\$ 11,547,369
Cash paid for claims	(5,824,779)	(3,921,706)
Dividends paid	(1,217,635)	(1,083,091)
Cash paid for Insurance	(4,033,604)	(1,222,086)
Cash paid to vendors	<u>(2,122,816)</u>	<u>(2,155,176)</u>
Net Cash Flows Provided (Used) by Operating Activities	<u>(2,855,008)</u>	<u>3,165,310</u>
<b>Cash Flows From Investing Activities</b>		
Investment income received	440,499	333,492
Payments for purchases of investments	(15,431,466)	(17,406,372)
Proceeds from sales and maturities of investments	<u>14,931,157</u>	<u>17,217,969</u>
Net Cash Flows Provided (Used) by Investing Activities	<u>(59,810)</u>	<u>145,089</u>
Net Increase (decrease) in Cash	(2,914,818)	3,310,399
Cash and Cash Equivalents - Beginning of year	<u>4,820,445</u>	<u>1,510,046</u>
Cash and Cash Equivalents - End of year	<u>\$ 1,905,627</u>	<u>\$ 4,820,445</u>
<b>Reconciliation of Operating Income (loss) to Net Cash Provided (used) by Operating Activities</b>		
Operating income (loss)	\$ (3,472,767)	\$ (457,357)
Adjustments to Reconcile Net Income (loss) to Net Cash Provided (used) by Operations:		
(Increase) Decrease in:		
Member receivable	(121,097)	400,960
Prepaid expenses	(17,476)	2,716,278
Increase (Decrease) in:		
Accounts payable	(3,410)	(59,277)
Unearned revenue	11,502	14,955
Claims liability	748,240	549,751
Net Cash Provided (Used) by Operating Activities	<u>\$ (2,855,008)</u>	<u>\$ 3,165,310</u>
<b>Supplementary Information</b>		
Noncash Investing and Financing Transactions		
Change in fair value of investments	<u>\$ (366,636)</u>	<u>\$ (204,886)</u>

The accompanying notes are an integral part of these financial statements.



# CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY

## NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2018 AND 2017

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A. ORGANIZATION

California Sanitation Risk Management Authority ("the Authority") was established by a Joint Powers Agreement on April 2, 1986 in accordance with Article 1, Chapter 5, Division 7, Title I of the California Government Code. The Authority operates common risk management and loss prevention programs related to public liability, property loss and workers' compensation risk for member governmental agencies. Membership is limited to public entities with substantial wastewater operations. The Authority had 60 members as of June 30, 2018 and 2017.

For financial reporting purposes, the Authority is considered a stand-alone government that separately issues financial statements. Accordingly, the Authority is a joint venture governed by its member participants as a separate and specific activity in which member participants retain an ongoing financial responsibility.

#### Admission

Agencies applying for membership must be approved by a majority vote of the Executive Board Members present and voting, and by paying an appropriate entry fee or charge, as established by the Board of Directors.

#### Withdrawal

Agencies may withdraw upon advance written notice subject to the participation agreement of each program. The effect of withdrawal (or termination) for the pooling programs does not terminate the responsibility of the agency to continue paying its share of assessment or other financial obligations incurred by reason of its previous participation.

### B. DESCRIPTION OF PROGRAMS

#### Workers' Compensation

The Workers' Compensation Program was established on July 1, 1990, to account for the provision of this coverage to participating members. The program year runs from July 1 to June 30. Funding is based on member deposits established by the Executive Board. The Authority has contracted with a third party administrator, York Insurance Services, to administer claims on behalf of participating members. The excess insurance premiums ceded for the years ended June 30, 2018 and 2017 were \$540,409 and \$503,763, respectively. There were no excess claims recoverable for either year.

Self-insured coverage at June 30, 2018:

<i>JPA's SIR:</i>	\$750,000
<i>Excess Insurance:</i>	To Statutory Limits

# CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY

## NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2018 AND 2017

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### Property/Liability

#### **Liability**

In January 1987, the Pooled Liability Program was established for the purposes of creating a pool to share the costs of liability claims, administrative costs, and excess insurance for Members. The program year runs from January 1 to December 31. Funding for the calendar year program is based on member deposits established by the Executive Board. The Authority has contracted with a third party administrator, Carl Warren & Co., to administer claims on behalf of participating members. The excess insurance premiums ceded for the years ended June 30, 2018 and 2017 were \$1,387,131 and \$1,357,059, respectively. There were no excess claims recoverable for either year.

Self-insured coverage at June 30, 2018:

<i>Member Deductible:</i>	\$2,500 to \$500,000 liability per occurrence.
<i>JPA's SIR:</i>	\$500,000 per occurrence.
<i>Reinsurance/Excess Insurance:</i>	\$25 million per occurrence.

#### **Property**

Established in 1990, the Property Insurance Program allows members to benefit from group pricing and favorable coverage terms, including Boiler and Machinery coverage. The program year runs from July 1 to June 30 of each year with Alliant Insurance Services as the broker. The insurance premiums ceded for the years ended June 30, 2018 and 2017 were \$1,665,211 and \$1,662,345, respectively.

#### **Primary Insurance**

On January 1, 1989, the Primary Insurance Program (PIP) was established to provide for the group purchase of general and auto liability and auto physical damage coverage. The program year runs from January 1 to December 31 with Alliant Insurance Services as the broker. The insurance premiums ceded for the years ended June 30, 2018 and 2017 were \$423,377 and \$415,197, respectively.

### **C. BASIS OF ACCOUNTING**

These statements are prepared on the economic resources measurement focus and accrual basis of accounting. Under this method, revenues are from contributions and interest and are recognized when earned and expenses are recognized when goods or services have been received, except when a premium deficiency exists where unearned premiums are recognized currently in accordance with GASB pronouncements.

# **CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY**

## **NOTES TO THE FINANCIAL STATEMENTS**

**JUNE 30, 2018 AND 2017**

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### **D. MANAGEMENT ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the reporting date and revenues and expenses during the reporting period. Actual results could differ from those estimates. Material estimates that are particularly susceptible to significant change in the near term include the projected claim losses and discount rate used in establishing the outstanding claims liability. Management's estimate of the claim liabilities is based on calculations reported by the actuary and the discount rate selected by the board, which is intended to be reflective of the Authority's long-term return on investments. The current discount rate used is discussed in Note 3 to the financial statements.

### **E. CASH AND CASH EQUIVALENTS**

For purposes of the Statements of Cash Flows, cash and cash equivalents include cash in bank, cash with the Local Agency Investment Fund (LAIF), CAMP cash reserve and all highly liquid investments purchased with an original maturity of three months or less.

### **F. RECEIVABLES**

All receivables are reported at their gross value, and where appropriate, are reduced by the estimated portion that is expected to be uncollectible. At June 30, 2018 and 2017, the total accounts receivable portfolio was considered collectible. Interest on investments is recorded in the year the interest is earned.

### **G. INVESTMENTS**

The Authority records its investments and cash in LAIF at fair value. Changes in fair value are reported as revenue in the Statements of Revenues, Expenses and Changes in Net Position. The effect of recording investments and LAIF at fair value is reflected as a net increase in the fair value of investments on the Statements of Revenues, Expenses and Changes in Net Position. Fair values of investments and LAIF have been determined by the sponsoring government based on quoted market prices. The Authority's investments in LAIF have been valued based on the relative fair value of the entire external pool to the external pool's respective amortized cost.

### **H. UNEARNED REVENUE/PREPAID EXPENSES**

The policy year-end for the pooled liability program and primary insurance program is December 31. As such, certain revenues collected prior to the beginning of the fiscal year are treated as unearned and certain expenses benefiting the subsequent year as prepaid. This is to reflect a proper matching of revenues and expenses for the fiscal year-end financial statements.

# **CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY**

## **NOTES TO THE FINANCIAL STATEMENTS**

**JUNE 30, 2018 AND 2017**

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### **I. UNPAID CLAIMS LIABILITIES (CLAIMS RESERVES AND CLAIMS INCURRED BUT NOT REPORTED)**

Each program establishes claims liabilities based on estimates of the ultimate cost of claims (including future allocated claim adjustment expense) that have been reported but not settled, and of claims that have been incurred but not reported. The length of time for which such costs must be estimated varies depending on the coverage involved. Estimated amounts of salvage and subrogation and reinsurance recoverable on unpaid claims are deducted from the liability for unpaid claims. Because actual claims costs depend on such complex factors as inflation, changes in doctrines of legal liability, and damage awards, the process used in computing claims liabilities does not necessarily result in an exact amount, particularly for coverages such as general liability.

Claims liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claims frequency, and other economic and social factors. A provision for inflation in the calculation of estimated future claims costs is implicit in the calculation because reliance is placed both on actual historical data that reflect past inflation and on other factors that are considered to be appropriate modifiers of past experience. Adjustments to claims liabilities are charged or credited to expense in the periods in which they are made.

### **J. UNALLOCATED LOSS ADJUSTMENT EXPENSE**

The liability for unallocated loss adjustment expense includes all costs expected to be incurred in connection with the settlement of unpaid claims that cannot be related to a specific claim. Management has estimated the accrual based on past experience and the amount is included in general and administrative expense.

### **K. EXCESS INSURANCE**

The Authority purchases specific occurrence excess insurance from commercial carriers for the workers compensation and pooled liability programs. The coverage for losses above the corresponding policy year's specified self-insured retention (SIR) is limited to that policy year's excess coverage limit.

### **L. INCOME TAXES**

The Authority's income is exempt from state and federal income taxes under Internal Revenue Service Section 115, which excludes income derived from the exercise of any essential governmental function and accrues to a state political subdivision. Accordingly, no provision for federal or state income taxes has been made in the accompanying financial statements.

# **CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY**

## **NOTES TO THE FINANCIAL STATEMENTS**

**JUNE 30, 2018 AND 2017**

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### **M. OPERATING AND NONOPERATING REVENUES**

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as investment earnings, result from nonexchange transactions or ancillary activities. Since California Sanitation Risk Management Authority (CSRMA) discounts claims liabilities, the pool considers anticipated investment income in determining if a premium deficiency exists. Operating revenue includes member contributions and fees, which are an integral part of the operations and financing of the covered risks and activities. Nonoperating income includes material activities that are not part of the core risk financing activities of the entity and investment income.

Revenues mainly consist of premium contributions from members. Contribution development is performed by actuaries and the Board of Directors based on the particular characteristics of the members. Contribution income consists of payments from members that are planned to match the expense of insurance premiums for coverage in excess of self-insured amounts, estimated payments resulting from self-insurance programs, and operating expenses. The activities of the Authority consist solely of risk management programs and claims management activities related to the coverages described above.

### **N. MEMBER CONTRIBUTIONS**

Member contributions are recognized as revenues in the period for which insurance protection is provided. If the Authority's Board of Directors determines that the insurance funds for a program, including any anticipated investment income, are insufficient to pay losses, the Authority may impose a supplemental assessment on all participating members. Anticipated investment income is considered in determining supplemental assessments. Supplemental assessments are recognized as income in the period assessed.

### **O. SUBSEQUENT EVENTS**

Management has considered subsequent events through November 5, 2018, the date which the financial statements were available to be issued, and noted no additional disclosures were required.

**CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY**

**NOTES TO THE FINANCIAL STATEMENTS**

**JUNE 30, 2018 AND 2017**

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**2. CASH AND INVESTMENTS**

**A. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents consisted of the following at June 30:

	<u><b>2018</b></u>	<u><b>2017</b></u>
General Checking	\$ 1,019,188	\$ 239,848
Workers Compensation Trust	77,984	62,992
Pooled Liability Trust	100,000	49,341
CAMP Cash Reserve	46,131	144,548
Local Agency Investment Fund	<u>662,324</u>	<u>4,323,716</u>
Total Cash and Cash Equivalents	<u><b>\$ 1,905,627</b></u>	<u><b>\$ 4,820,445</b></u>

The carrying amount of the Authority's cash is covered by federal depository insurance up to \$250,000. Should deposits exceed the insured limits, the balance is covered by collateral held by the bank in accordance with California law requiring the depository bank to hold collateral equal to 110% of the excess government funds on deposit. This collateral must be in the form of government-backed securities.

*Local Agency Investment Fund*

The Authority is a voluntary participant in Local Agency Investment Fund (LAIF), which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the state of California and the Pooled Money Investment Board. The State Treasurer's Office pools these funds with those of other governmental agencies in the state and invests the cash. The fair value of the Authority's investment in this pool, which approximates cost, is reported in the accompanying financial statements based upon the Authority's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Funds are accessible and transferable to the master account within twenty-four hours notice. The Pooled Money Investment Board has established policies, goals, and objectives to make certain that their goal of safety, liquidity, and yield are not jeopardized.

Included in LAIF's investment portfolio are collateralized mortgage obligations, mortgage-backed securities, other asset backed securities, and floating rate securities issued by Federal Agencies, government-sponsored enterprises and corporations. The monies held in the LAIF are not subject to categorization by risk category. It is also not rated as to credit risk by a nationally recognized statistical rating organization.

LAIF is administered by the State Treasurer and audited annually by the Pooled Money Investment Board and the State Controller's Office. Copies of this audit may be obtained from the State Treasurer's Office: 915 Capitol Mall, Sacramento, California 95814.

# CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY

## NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2018 AND 2017

### B. INVESTMENTS

Under provisions of the Authority's Investment Policy, and in accordance with Section 53601 of the California Government Code, the Authority may invest in the following types of investments:

- Obligations of the US Government, its agencies or instrumentality's
- Local Agency Investment Fund (California State Treasurer's Pool)
- Medium-term corporate notes
- Passbook savings account demand deposits
- State agency obligations
- Certain bankers acceptances
- Commercial paper "prime"
- Certificates of deposit
- Repurchase or reverse repurchase agreements

#### Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from changes in interest rates, the Authority's investment policy limits its investment portfolio maturities to no more than five years from purchase date to maturity date. Purchases of securities with maturities of greater than five years may be made only with prior approval of the Board of Directors.

As of June 30, 2018 and 2017, the Authority had the following investments held in a managed portfolio:

<b>June 30, 2018</b>		Investment Maturities		
Investment Type	Fair Value	<1 year	1-2 years	2-5 years
US Treasuries	\$ 8,514,491	\$ -	\$ -	\$ 8,514,491
Supra-National Agency Bond	1,560,921	-	1,560,921	-
Federal Agencies	322,582	55,416	152,121	115,045
Asset-Backed Security	1,652,387	-	-	1,652,387
Certificates of Deposit	3,683,341	1,420,538	2,262,803	-
Commercial Paper	449,005	449,005	-	-
Corporate Notes	5,659,330	-	5,462,155	197,175
	<u>\$ 21,842,057</u>	<u>\$ 1,924,959</u>	<u>\$ 9,438,000</u>	<u>\$ 10,479,098</u>

<b>June 30, 2017</b>		Investment Maturities		
Investment Type	Fair Value	<1 year	1-2 years	2-5 years
US Treasuries	\$ 10,332,340	\$ -	\$ 6,441,675	\$ 3,890,665
Federal Agencies	1,250,309	-	759,133	491,176
Municipal Bonds	301,638	301,638	-	-
Certificates of Deposit	3,876,482	1,920,934	1,955,548	-
Commercial Paper	549,283	549,283	-	-
Corporate Notes	5,477,236	1,059,415	3,928,169	489,652
	<u>\$ 21,787,288</u>	<u>\$ 3,831,270</u>	<u>\$ 13,084,525</u>	<u>\$ 4,871,493</u>

**CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY**

**NOTES TO THE FINANCIAL STATEMENTS**

**JUNE 30, 2018 AND 2017**

**B. INVESTMENTS (CONTINUED)**

*Credit Risk*

The primary investment objective of the Authority's Investment Policy is to preserve capital by investing in securities in accordance with the Government Code while maintaining an appropriate level of risk. It limits investments in medium-term corporate notes to A-AAA ratings issued by nationally recognized statistical ratings organizations. As of June 30, 2018 and 2017, the Authority's investments in corporate notes were rated by Standard and Poor's. The following is the rating by Standard and Poor's:

<u>June 30, 2018</u>										
<u>Investment Type</u>	<u>Fair Value</u>	<u>AAA</u>	<u>AA+</u>	<u>AA</u>	<u>AA-</u>	<u>A+</u>	<u>A</u>	<u>A-</u>	<u>BBB+</u>	<u>NR</u>
US Treasuries	\$ 8,514,491	\$ -	\$ 8,514,491	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supra-National Agency Bond	1,560,921	1,560,921	-	-	-	-	-	-	-	-
Federal Agencies	322,582	-	322,582	-	-	-	-	-	-	-
Asset-Backed Security	1,652,387	861,646	-	-	-	-	-	-	-	790,741
Certificates of Deposit	3,683,341	-	-	-	1,192,227	947,180	1,543,934	-	-	-
Commercial Paper	449,005	-	-	-	-	-	449,005	-	-	-
Corporate Notes	5,659,330	-	295,790	279,538	343,979	1,410,640	1,326,672	1,143,470	859,241	-
	<u>\$ 21,842,057</u>	<u>\$ 2,422,567</u>	<u>\$ 9,132,863</u>	<u>\$ 279,538</u>	<u>\$ 1,536,206</u>	<u>\$ 2,357,820</u>	<u>\$ 3,319,611</u>	<u>\$ 1,143,470</u>	<u>\$ 859,241</u>	<u>\$ 790,741</u>

<u>June 30, 2017</u>										
<u>Investment Type</u>	<u>Fair Value</u>	<u>AAA</u>	<u>AA+</u>	<u>AA</u>	<u>AA-</u>	<u>A+</u>	<u>A</u>	<u>A-</u>	<u>BBB+</u>	
US Treasuries	\$ 10,332,340	\$ -	\$ 10,332,340	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Agencies	1,250,309	-	1,250,309	-	-	-	-	-	-	-
Municipal Bonds	301,638	301,638	-	-	-	-	-	-	-	-
Certificates of Deposit	3,876,482	-	-	-	1,232,085	2,193,713	450,684	-	-	-
Commercial Paper	549,283	-	-	-	-	549,283	-	-	-	-
Corporate Notes	5,477,236	347,921	560,497	399,569	1,662,165	653,172	701,180	630,327	522,405	-
	<u>\$ 21,787,288</u>	<u>\$ 649,559</u>	<u>\$ 12,143,146</u>	<u>\$ 399,569</u>	<u>\$ 2,894,250</u>	<u>\$ 3,396,168</u>	<u>\$ 1,151,864</u>	<u>\$ 630,327</u>	<u>\$ 522,405</u>	

*Concentration of Credit Risk*

The Authority's investment policy places investment limits at the time the investment decision is made on certain securities as follows:

*Realized Gains and Losses*

The Authority had realized loss of \$78,904 on the sale of investments for the year ended June 30, 2018 and a gain of \$119,320 for the year ended June 30, 2017. The calculation of realized gains and losses is independent of the calculation of the change in the fair value of investments and realized gains and losses of the current period include unrealized amounts from the prior periods.



**CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY**

**NOTES TO THE FINANCIAL STATEMENTS**

**JUNE 30, 2018 AND 2017**

**B. INVESTMENTS (CONTINUED)**

Investments, including derivative instruments that are not hedging derivatives, are measured at fair value on a recurring basis. Recurring fair value measurements are those that Governmental Accounting Standards Board (GASB) Statements require or permit in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are inputs other than quoted prices within Level 1 that are observable, either directly or indirectly such as quoted prices for similar assets or liabilities in active markets or inactive markets, or inputs other than quoted prices that are observable for the asset or liability; Level 3 inputs are significant unobservable inputs. Valuations for assets and liabilities are derived from other valuation methodologies, including option pricing models, discounted cash flow models and similar techniques, and not based on market exchange, dealer, or broker traded transactions. Investments' fair value measurements at June 30, 2018 are as shown below:

<u>June 30, 2018</u>	<u>Fair Value</u>	<u>(Level 1)</u>	<u>(Level 2)</u>	<u>(Level 3)</u>
US Treasuries	\$ 8,514,491	\$ 8,514,491	\$ -	\$ -
Supra-National Agency Bond	1,560,921	1,560,921	-	-
Federal Agencies	322,582	322,582	-	-
Municipal Bonds	1,652,387	1,652,387	-	-
Certificates of Deposit	3,683,341	-	3,683,341	-
Commercial Paper	449,005	-	449,005	-
Corporate Notes	5,659,330	5,659,330	-	-
Total Investments	<u>\$ 21,842,057</u>	<u>\$ 17,709,711</u>	<u>\$ 4,132,346</u>	<u>\$ -</u>

<u>June 30, 2017</u>	<u>Fair Value</u>	<u>(Level 1)</u>	<u>(Level 2)</u>	<u>(Level 3)</u>
US Treasuries	\$ 10,332,340	\$ 10,332,340	\$ -	\$ -
Federal Agencies	1,250,309	1,250,309	-	-
Municipal Bonds	301,638	301,638	-	-
Certificates of Deposit	3,876,482	-	3,876,482	-
Commercial Paper	549,283	-	549,283	-
Corporate Notes	5,477,236	5,477,236	-	-
Total Investments	<u>\$ 21,787,288</u>	<u>\$ 17,361,523</u>	<u>\$ 4,425,765</u>	<u>\$ -</u>

**CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY**

**NOTES TO THE FINANCIAL STATEMENTS**

**JUNE 30, 2018 AND 2017**

**3. UNPAID CLAIMS LIABILITIES**

The following represents changes in claims liabilities for the Authority during the years ended June 30, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Unpaid claims and claim adjustment expenses at beginning of year	<u>\$ 14,713,955</u>	<u>\$ 14,164,204</u>
Incurred claims and claim adjustment expenses:		
Provision for insured events of the current year	4,659,495	3,926,631
Increase/(decrease) in provision of insured events of prior years	<u>1,913,524</u>	<u>544,826</u>
Total incurred claims and claim adjustment expenses	<u>6,573,019</u>	<u>4,471,457</u>
Payments:		
Claim and claim adjustment expenses attributable to insured events of the current year	850,283	424,231
Claim and claim adjustment expenses attributable to insured events of the prior years	<u>4,974,496</u>	<u>3,497,475</u>
Total Payments	<u>5,824,779</u>	<u>3,921,706</u>
Total unpaid claims and claims adjustment expenses	<u>\$ 15,462,195</u>	<u>\$ 14,713,955</u>

**CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY**

**NOTES TO THE FINANCIAL STATEMENTS**

**JUNE 30, 2018 AND 2017**

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**3. UNPAID CLAIMS LIABILITIES (CONTINUED)**

The components of unpaid claims and claim adjustment expenses as of June 30, 2018 and 2017 were as follows:

Claims reserves	\$ 7,696,228	\$ 7,644,882
Claims incurred but not reported (IBNR)	6,796,508	6,117,087
Unallocated loss adjustment expenses (ULAE)	<u>969,458</u>	<u>951,986</u>
	15,462,194	14,713,955
Current portion	<u>(5,000,000)</u>	<u>(3,500,000)</u>
Non-current portion	<u>\$ 10,462,194</u>	<u>\$ 11,213,955</u>

At June 30, 2018 and 2017, \$17,265,903 and \$16,590,004 of unpaid claims and claim adjustment expenses were presented at their net present value of \$15,462,194 and \$14,713,955, respectively. These claims were discounted at an annual rate of 2.5% for workers compensation claims and 2.5% for liability claims as determined by the Board.

**CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY**

**REQUIRED SUPPLEMENTARY INFORMATION**

**RECONCILIATION OF CLAIMS LIABILITIES BY TYPE OF CONTRACT**

**FOR THE FISCAL YEARS ENDED JUNE 30, 2018 AND 2017**

	Workers Compensation		Liability		Totals	
	2018	2017	2018	2017	2018	2017
Unpaid claims and claim adjustment expenses at beginning of year	\$ 12,861,240	\$ 12,166,648	\$ 1,852,715	\$ 1,997,556	\$ 14,713,955	\$ 14,164,204
Incurred claims and claim adjustment expenses:						
Provision for insured events of the current year	3,878,756	3,110,585	780,739	816,046	4,659,495	3,926,631
Increase/(decrease) in provision of insured events of prior years	1,157,060	713,446	756,464	(168,620)	1,913,524	544,826
Total incurred claims and claim adjustment expenses	5,035,816	3,824,031	1,537,203	647,426	6,573,019	4,471,457
Payments:						
Claim and claim adjustment expenses attributable to insured events of the current year	666,871	420,439	183,412	3,792	850,283	424,231
Claim and claim adjustment expenses attributable to insured events of the prior years	3,705,615	2,709,000	1,268,881	788,475	4,974,496	3,497,475
Total Payments	4,372,486	3,129,439	1,452,293	792,267	5,824,779	3,921,706
Total unpaid claims and claims adjustment expenses	\$ 13,524,570	\$ 12,861,240	\$ 1,937,625	\$ 1,852,715	\$ 15,462,195	\$ 14,713,955
Claims reserves	\$ 6,536,342	\$ 7,092,974	\$ 1,159,887	\$ 551,908	\$ 7,696,229	\$ 7,644,882
Claims incurred but not reported (IBNR)	6,110,689	4,895,377	685,819	1,221,710	6,796,508	6,117,087
Unallocated loss adjustment expenses (ULAE)	877,539	872,889	91,919	79,097	969,458	951,986
	13,524,570	12,861,240	1,937,625	1,852,715	15,462,195	14,713,955
Current portion	(4,000,000)	(3,000,000)	(1,000,000)	(500,000)	(5,000,000)	(3,500,000)
Non-current portion	\$ 9,524,570	\$ 9,861,240	\$ 937,625	\$ 1,352,715	\$ 10,462,195	\$ 11,213,955

**CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY**

**REQUIRED SUPPLEMENTARY INFORMATION**

**CLAIMS DEVELOPMENT INFORMATION – WORKERS COMPENSATION**

**AS OF JUNE 30, 2018**

	Fiscal Years Ended June 30									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
1. Premiums and investment revenue:										
Earned	\$ 3,539,007	\$ 3,350,705	\$ 3,539,095	\$ 3,953,865	\$ 4,433,419	\$ 3,808,541	\$ 3,555,826	\$ 4,401,852	\$ 5,101,316	\$ 5,214,224
Ceded	(500,706)	(532,534)	(389,024)	(399,312)	(424,284)	(460,803)	(425,019)	(471,592)	(503,763)	(540,409)
Net earned	3,038,301	2,818,171	3,150,071	3,554,553	4,009,135	3,347,738	3,130,807	3,930,260	4,597,553	4,673,815
2. Unallocated expenses	1,211,000	1,207,000	570,846	551,211	635,478	898,310	766,078	481,351	771,935	739,417
Dividends	-	-	-	-	-	-	-	-	-	-
3. Estimated incurred claims and expenses, end of policy year										
Incurred	2,209,112	2,393,667	2,408,766	2,887,945	2,315,271	2,580,733	2,531,778	3,032,931	2,928,006	3,878,756
Ceded Claims	-	-	-	-	-	-	-	-	-	-
Net incurred claims	2,209,112	2,393,667	2,408,766	2,887,945	2,315,271	2,580,733	2,531,778	3,032,931	2,928,006	3,878,756
4. Paid (cumulative) as of:										
End of policy year	316,525	210,345	388,018	614,005	379,117	330,782	243,766	455,719	420,439	666,871
One year later	798,450	659,505	966,396	1,369,221	968,090	964,867	661,233	1,098,723	1,387,585	
Two years later	1,049,303	975,483	1,559,008	2,086,107	1,431,463	1,468,776	1,124,723	1,849,270		
Three years later	1,334,452	1,084,111	1,827,139	2,270,514	1,933,252	1,875,410	1,694,901			
Four years later	1,453,283	1,146,188	1,938,359	2,800,876	2,422,995	2,347,017				
Five years later	1,496,839	1,199,554	1,982,640	2,464,564	2,308,274					
Six years later	1,859,582	1,227,226	2,075,925	2,653,853						
Seven Years Later	1,940,644	1,386,559	2,105,610							
Eight Years Later	2,116,822	1,387,399								
Nine Years Later	2,224,913									
5. Reestimated ceded claims and expenses:	-	-	-	-	-	-	-	-	-	-
6. Reestimated net incurred claims and expenses:										
End of policy year	2,209,112	2,393,667	2,408,766	2,887,945	2,315,271	2,580,733	2,531,778	3,032,931	2,928,006	3,878,756
One year later	2,432,832	2,001,584	2,530,453	3,292,249	2,442,521	2,377,087	2,373,731	2,871,463	3,525,187	
Two years later	2,155,546	1,971,693	2,486,220	3,435,137	2,514,255	2,810,138	2,422,623	3,406,414		
Three years later	2,178,051	1,799,319	2,682,868	3,313,455	2,910,407	2,945,059	2,666,667			
Four years later	2,015,668	1,806,452	2,594,542	3,368,081	3,025,765	3,522,373				
Five years later	2,022,916	1,530,276	2,502,881	3,187,581	2,780,755					
Six years later	2,441,067	1,545,239	2,477,087	3,227,762						
Seven years later	2,413,851	1,595,141	2,518,787							
Eight Years Later	2,582,103	1,625,434								
Nine Years Later	2,589,473									
7. Increase (decrease) in estimated incurred claims and expense from end of policy year	\$ 380,361	\$ (768,233)	\$ 110,021	\$ 339,817	\$ 465,484	\$ 941,640	\$ 134,889	\$ 373,483	\$ 597,181	\$ -

# CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY

## REQUIRED SUPPLEMENTARY INFORMATION CLAIMS DEVELOPMENT INFORMATION – LIABILITY

AS OF JUNE 30, 2018

	Fiscal Years Ended June 30									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
1. Premiums and investment revenue:										
Earned	\$ 2,463,086	\$ 2,469,093	\$ 2,009,367	\$ 2,293,688	\$ 1,996,090	\$ 1,719,123	\$ 1,627,657	\$ 1,676,338	\$ 2,370,775	\$ 1,875,002
Ceded	(995,000)	(1,153,943)	(1,162,646)	(1,302,683)	(1,305,608)	(1,300,001)	(1,337,370)	(1,345,173)	(1,357,059)	(1,387,131)
Net earned	1,468,086	1,315,150	846,721	991,005	690,482	419,122	290,287	331,165	1,013,716	487,871
2. Unallocated expenses	591,406	220,392	888,032	900,170	808,025	740,906	909,617	896,043	836,476	871,217
Dividends	186,210	556,409	-	-	-	-	-	-	1,083,091	1,217,635
3. Estimated incurred claims and expenses, end of policy year										
Incurred	1,184,625	1,292,429	1,029,262	1,074,579	978,819	752,751	758,365	757,651	781,369	780,739
Ceded Claims	-	-	-	-	-	-	-	-	-	-
Net incurred claims	1,184,625	1,292,429	1,029,262	1,074,579	978,819	752,751	758,365	757,651	781,369	780,739
4. Paid (cumulative) as of:										
End of policy year	82,508	19,723	54,716	-	48,309	5,756	3,377	41,278	3,792	183,412
One year later	1,278,013	66,130	601,350	371,978	571,573	105,423	56,606	254,942	170,495	
Two years later	1,381,984	105,626	814,239	450,442	762,248	158,294	185,325	1,118,267		
Three years later	1,515,472	144,454	900,218	1,410,535	868,819	158,294	204,281			
Four years later	1,636,394	160,188	975,230	1,301,330	1,185,031	158,294				
Five years later	1,916,015	160,966	1,036,795	1,351,848	1,185,031					
Six years later	1,816,229	160,966	1,049,649	1,383,458						
Seven Years Later	1,816,229	160,966	1,062,736							
Eight Years Later	1,816,229	160,966								
Nine Years Later	1,816,229									
5. Reestimated ceded claims and expenses:	-	-	-	-	-	-	-	-	-	-
6. Reestimated net incurred claims and expenses:										
End of policy year	1,184,625	1,292,429	1,029,262	1,074,579	978,819	752,751	758,365	757,651	781,369	780,739
One year later	2,432,390	1,843,507	2,085,763	1,779,077	1,195,425	881,726	635,744	1,018,198	771,496	
Two years later	1,822,359	1,287,313	1,491,991	1,277,767	1,075,743	404,860	353,310	1,610,392		
Three years later	1,829,941	655,317	1,219,513	1,629,998	1,073,904	280,983	268,660			
Four years later	1,842,289	189,947	1,261,068	1,445,570	1,064,809	165,524				
Five years later	1,941,415	170,471	1,065,493	1,398,035	1,185,030					
Six years later	1,831,476	160,966	1,065,797	1,497,833						
Seven years later	1,816,229	160,966	1,124,468							
Eight Years Later	1,816,230	160,966								
Nine Years Later	1,816,230									
7. Increase (decrease) in estimated incurred claims and expense from end of policy year	\$ 631,605	\$ (1,131,463)	\$ 95,206	\$ 423,254	\$ 206,211	\$ (587,227)	\$ 268,660	\$ 852,741	\$ (9,873)	\$ -

**CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

**AS OF JUNE 30, 2018**

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**1. RECONCILIATION OF CLAIMS LIABILITIES BY TYPE OF CONTRACT**

The schedule represents the changes in claims liabilities for the past year for the Authority's workers' compensation and pooled liability program.

**2. CLAIMS DEVELOPMENT INFORMATION**

The tables illustrate the Authority's earned revenues (net of reinsurance) and investment income compared to related costs of loss (net of loss assumed by reinsurers) and other expenses assumed by the Authority as of the end of the year.

The rows of the table are defined as follows:

1. This line shows the total of each fiscal year's gross earned contribution revenue and investment revenue, contribution revenue ceded to reinsurers and net earned contribution revenue and reported investment revenue.
  2. This line shows each fiscal year's other operating costs of the Authority including overhead, dividends and claims expense not allocable to individual claims.
  3. This line shows the Authority's gross incurred claims and allocated claim adjustment expense (both paid and accrued), claims assumed by reinsurers and net incurred claims and allocated adjustment expenses as originally reported at the end of the first year in which the event that triggered coverage under the contract occurred (called policy year). The original estimate of ceded claims was not available.
  4. This section shows the cumulative net amounts paid as of the end of successive years for each policy year.
  5. This line shows the latest reestimated amount of claims assumed by reinsurers as of the end of the current year for each accident year.
  6. This section shows how each policy year's net incurred claims increased or decreased as of the end of successive years. This annual reestimation results from new information received on known claim, reevaluation of existing information on known claims and emergence of new claims not previously known.
  7. This line compares the latest reestimated net incurred claims amount to the amount originally established (line 3) and shows whether this latest estimate of net claims cost is greater or less than originally estimated. As data for individual policy years mature, the correlation between original estimates and reestimated amounts is commonly used to evaluate the accuracy of net incurred claims currently recognized in less mature policy years. This is the third year of the presentation and development of this information.
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**CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY**

**COMBINING SCHEDULE OF NET POSITION**

**JUNE 30, 2018**

	<b>Workers' Compensation</b>	<b>Pooled Liability</b>	<b>Property</b>	<b>Primary Insurance</b>	<b>Total</b>
<b>ASSETS</b>					
Current Assets					
Cash and cash equivalents	\$ 941,711	\$ 944,624	\$ 7,548	\$ 11,744	\$ 1,905,627
Investments	951,264	954,207	7,625	11,863	1,924,959
Accounts receivable:					
General	371,741	110,016	6,950	475	489,182
Interest	80,326	59,927	522	395	141,171
Prepaid expenses	5,404	1,024,296	17,987	277,396	1,325,082
Total Current Assets	2,350,446	3,093,069	40,632	301,874	5,786,021
Noncurrent Assets					
Investments	9,842,507	9,872,953	78,892	122,746	19,917,098
Total Assets	12,192,953	12,966,022	119,524	424,620	25,703,119
<b>LIABILITIES</b>					
Current Liabilities					
Accounts payable	55,999	54,935	2,800	2,569	116,303
Unearned revenue	-	2,122,188	-	296,683	2,418,871
Current portion of unpaid claims and claim adjustment expense	4,000,000	1,000,000	-	-	5,000,000
Total Current Liabilities	4,055,999	3,177,123	2,800	299,252	7,535,174
Noncurrent Liabilities					
Unpaid claims and claim adjustment expense	9,524,570	937,625	-	-	10,462,195
Total Liabilities	13,580,569	4,114,748	2,800	299,252	17,997,369
<b>NET POSITION</b>	<b>\$ (1,387,616)</b>	<b>\$ 8,851,274</b>	<b>\$ 116,724</b>	<b>\$ 125,368</b>	<b>\$ 7,705,750</b>



**CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY**

**COMBINING SCHEDULE OF REVNUES, EXPENSES AND  
CHANGES IN NET POSITION**

**AS OF JUNE 30, 2018**

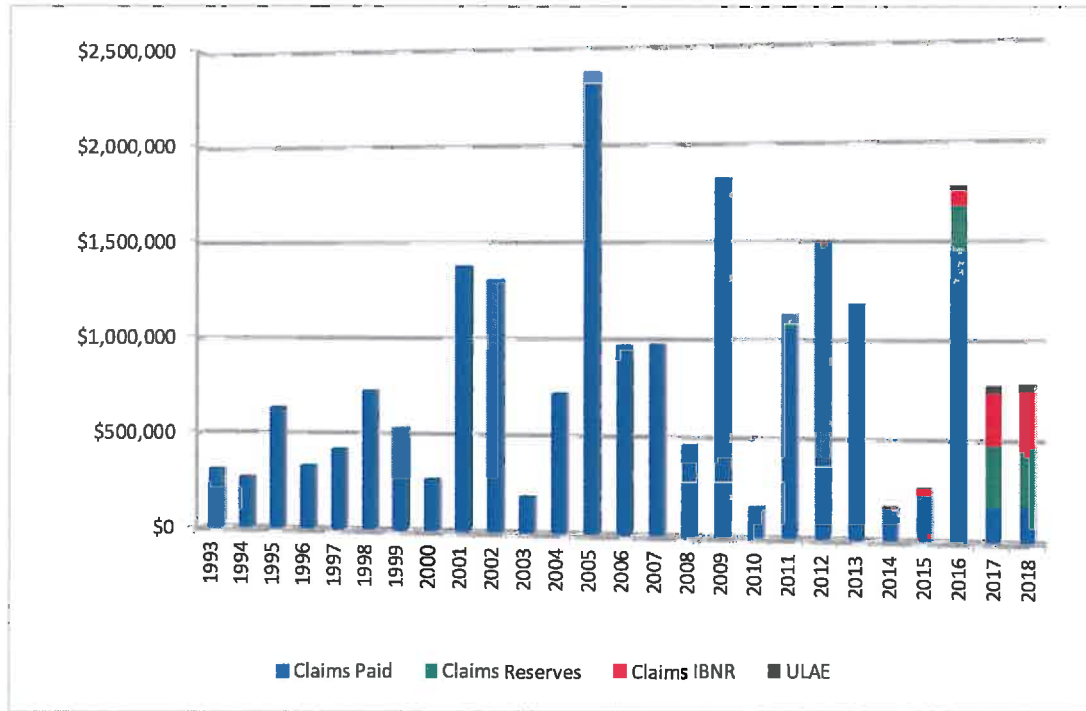
	<b>Workers' Compensation</b>	<b>Pooled Liability</b>	<b>Property</b>	<b>Primary Insurance</b>	<b>Total</b>
<b>REVENUES</b>					
Member contributions	\$ 4,513,475	\$ 3,614,043	\$ 1,698,783	\$ 461,371	\$ 10,287,672
Retrospective contributions	(859,977)	(338,431)	-	-	(1,198,408)
Member fees	401,774	627,210	175,778	125,650	1,330,412
Other income	17,495	13,000	1,625	1,625	33,745
Total Operating Revenues	4,072,767	3,915,822	1,876,186	588,646	10,453,421
<b>OPERATING EXPENSES</b>					
Program expenses:					
Provision for unpaid claims and claim adjustment expenses	5,035,816	1,537,203	-	-	6,573,019
Excess insurance	540,409	1,387,131	1,665,211	423,377	4,016,128
Management consultants	159,141	127,437	20,762	20,762	328,102
Program directors fee	401,774	628,557	176,082	126,040	1,332,453
Dividends	-	1,217,635	-	-	1,217,635
Other program expenses	178,502	115,223	9,258	9,258	312,241
Total program expenses	6,315,642	5,013,186	1,871,313	579,437	13,779,578
General and administrative expenses	45,624	57,914	30,202	12,870	146,610
Total operating expenses	6,361,266	5,071,100	1,901,515	592,307	13,926,188
Operating income (loss)	(2,288,499)	(1,155,278)	(25,329)	(3,661)	(3,472,767)
<b>NONOPERATING REVENUES</b>					
Investment income	5,726	(5,877)	(1)	(1)	(153)
<b>Change in Net Position</b>	(2,282,773)	(1,161,155)	(25,330)	(3,662)	(3,472,920)
Net Position, Beginning of year	895,157	10,012,429	142,054	129,030	11,178,670
Net Position, End of year	\$ (1,387,616)	\$ 8,851,274	\$ 116,724	\$ 125,368	\$ 7,705,750

# CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY

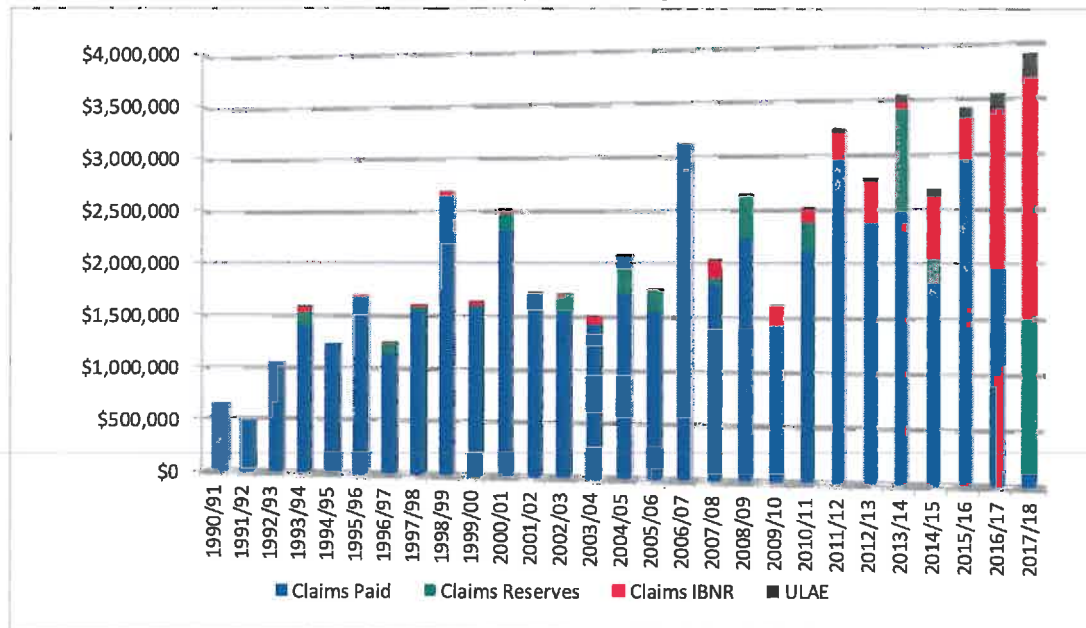
## GRAPHICAL SUMMARY OF CLAIMS

AS OF JUNE 30, 2018

### Liability Program



### Workers' Compensation Program





**James Marta & Company LLP**  
***Certified Public Accountants***

***Accounting, Auditing, Consulting, and Tax***

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND  
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS***

**INDEPENDENT AUDITOR'S REPORT**

The Governing Body  
California Sanitation Risk Management Authority  
San Francisco, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of California Sanitation Risk Management Authority, as of and for the year ended June 30, 2018 and 2017, and the related notes to the financial statements, which collectively comprise the California Sanitation Risk Management Authority's basic financial statements, and have issued our report thereon dated November 5, 2018.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered California Sanitation Risk Management Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the California Sanitation Risk Management Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of California Sanitation Risk Management Authority's internal control.

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

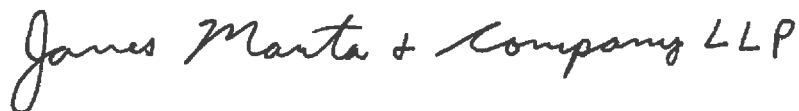
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given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

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether California Sanitation Risk Management Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "James Marta & Company LLP". The signature is written in a cursive, flowing style.

James Marta & Company LLP  
Certified Public Accountants  
Sacramento, California  
November 5, 2018

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## STATISTICAL SECTION

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**STATISTICAL SECTION NARRATIVE**  
**JUNE 30, 2018**

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**STATISTICAL SECTION**

This part of the California Sanitation Risk Management Authority's comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the Authority's overall financial health.

**Financial Trends**

These schedules and graphs contain trend information to help the reader understand how the Authority's financial performance and well-being have changed over time. They highlight the change in net position over the past 10 years.

- Comparative Statement of Net Position and Changes in Net Position
- Financial Position Over Last 10 Years
- Financial History Over Last 10 Years

**Demographic and Economic Information**

These graphs offer information to help the reader understand the environment within which the Authority's financial activities take place. The Workers' Compensation and Pooled Liability claims experience is an indicator of the Provision for Claims and Claims Adjustment Expenses. Payroll history combined with the Workers' Compensation claims experience is an indicator for premium revenue.

- Workers' Compensation Program – Loss and Expenses Paid to Date and Future Reserve – Last 10 Years
- Workers' Compensation Program – Total Incurred Over Last 10 Years
- Workers' Compensation Program – Payroll History Over 10 Years
- Pooled Liability Program – Loss and Expenses Paid to Date and Future Reserve
- Pooled Liability Program – Program – Total Incurred Over Last 10 Years

**CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY**

**COMPARATIVE STATEMENT OF NET POSITION AND CHANGES IN NET POSITION  
FISCAL YEAR END JUNE 30**

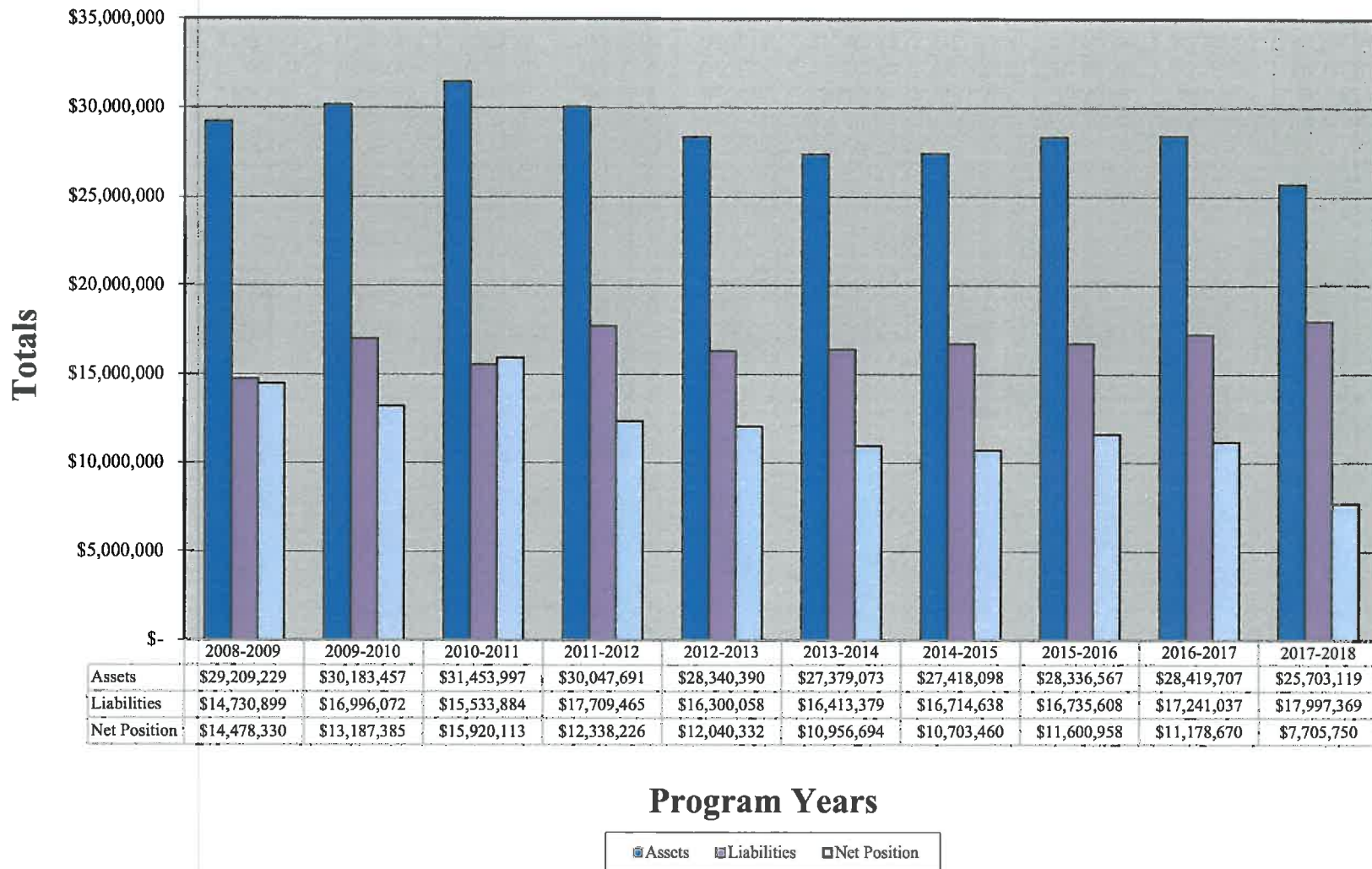
**Last Ten Fiscal Years  
(Expressed in Thousands)**

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Operating Revenues										
Member Contributions	\$10,288	\$10,409	\$10,326	\$9,805	\$9,599	\$9,522	\$9,097	\$9,270	\$9,178	\$8,587
Retrospective Contribution	(\$1,198)	(\$630)	(\$401)	(\$521)	(\$420)	(\$1,185)	(\$1,978)	(\$695)	(\$551)	\$93
Member Fees	\$1,330	\$1,313	\$1,277	\$1,277	\$1,269	\$1,232	\$1,215	\$1,196	\$1,180	\$1,141
Other Income	\$34	\$40	\$46	\$58	\$48	\$18	\$73	\$72	\$73	\$1
<i>Total Operating Revenues</i>	<u>\$10,453</u>	<u>\$11,131</u>	<u>\$11,249</u>	<u>\$10,620</u>	<u>\$10,496</u>	<u>\$9,587</u>	<u>\$8,406</u>	<u>\$9,843</u>	<u>\$9,880</u>	<u>\$9,822</u>
Investment/Interest Income	(\$0)	\$35	\$595	\$276	\$317	\$65	\$473	\$512	\$756	\$1,181
<b>Total Revenues</b>	<u>\$10,453</u>	<u>\$11,167</u>	<u>\$11,844</u>	<u>\$10,896</u>	<u>\$10,813</u>	<u>\$9,652</u>	<u>\$8,879</u>	<u>\$10,355</u>	<u>\$10,636</u>	<u>\$11,002</u>
Operating/Program Expenses	\$13,780	\$11,443	\$10,780	\$11,013	\$11,754	\$9,805	\$12,317	\$7,471	\$11,777	\$7,640
General & Administrative Expenses	\$147	\$145	\$166	\$145	\$134	\$145	\$144	\$151	\$150	\$169
<b>Total Expenses</b>	<u>\$13,926</u>	<u>\$11,589</u>	<u>\$10,946</u>	<u>\$11,158</u>	<u>\$11,888</u>	<u>\$9,950</u>	<u>\$12,461</u>	<u>\$7,622</u>	<u>\$11,927</u>	<u>\$7,809</u>
<b>Change in Net Position</b>	<u>(\$3,473)</u>	<u>(\$422)</u>	<u>\$897</u>	<u>(\$262)</u>	<u>(\$1,075)</u>	<u>(\$298)</u>	<u>(\$3,582)</u>	<u>\$2,733</u>	<u>(\$1,291)</u>	<u>\$3,193</u>
<b>Total Net Position - Unrestricted</b>	<u>\$7,706</u>	<u>\$11,179</u>	<u>\$11,601</u>	<u>\$10,703</u>	<u>\$10,966</u>	<u>\$12,040</u>	<u>\$12,338</u>	<u>\$15,920</u>	<u>\$13,187</u>	<u>\$14,478</u>

# CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY

## FINANCIAL POSITION OVER LAST 10 YEARS

FISCAL YEAR END JUNE 30

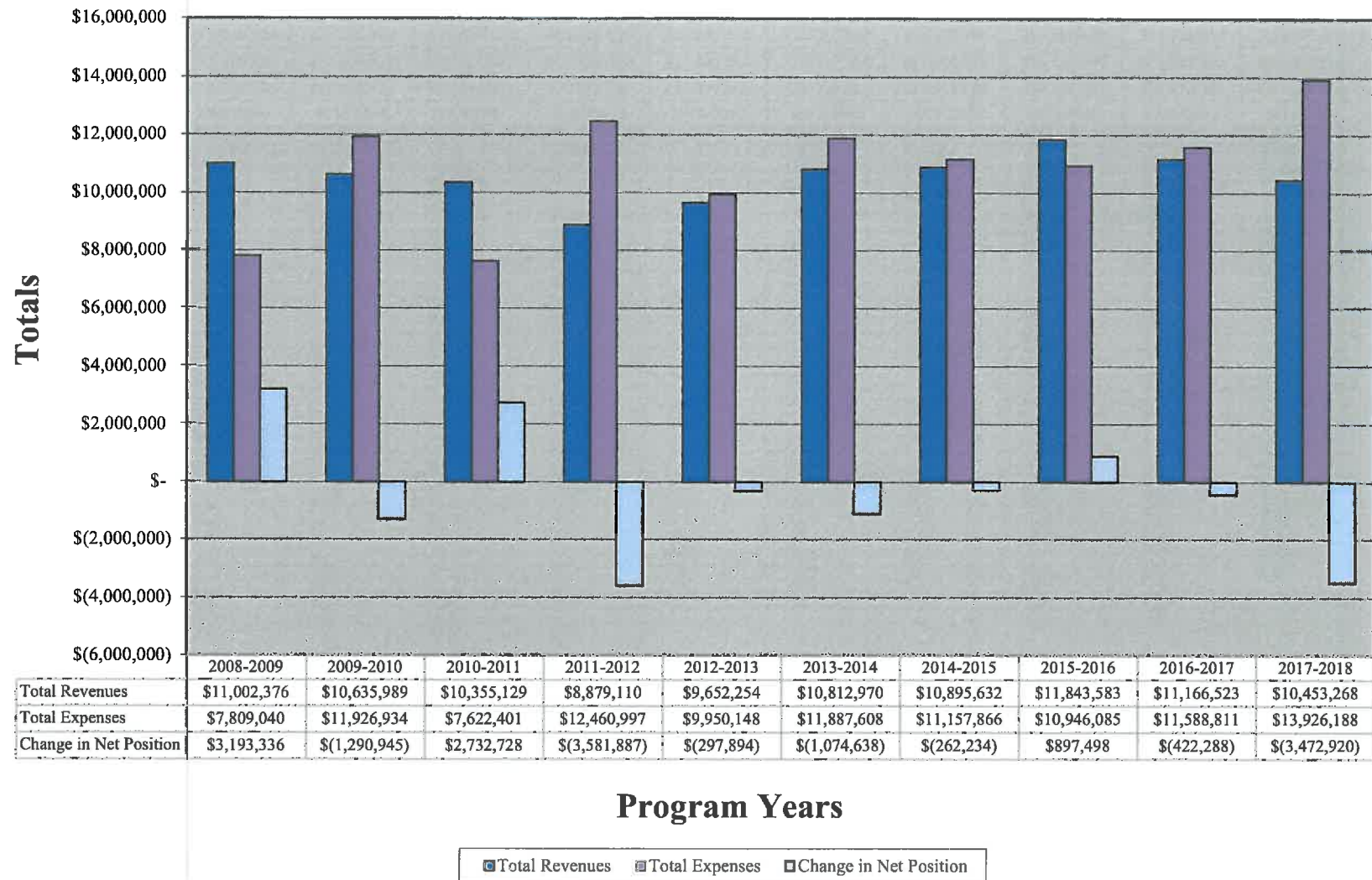




# CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY

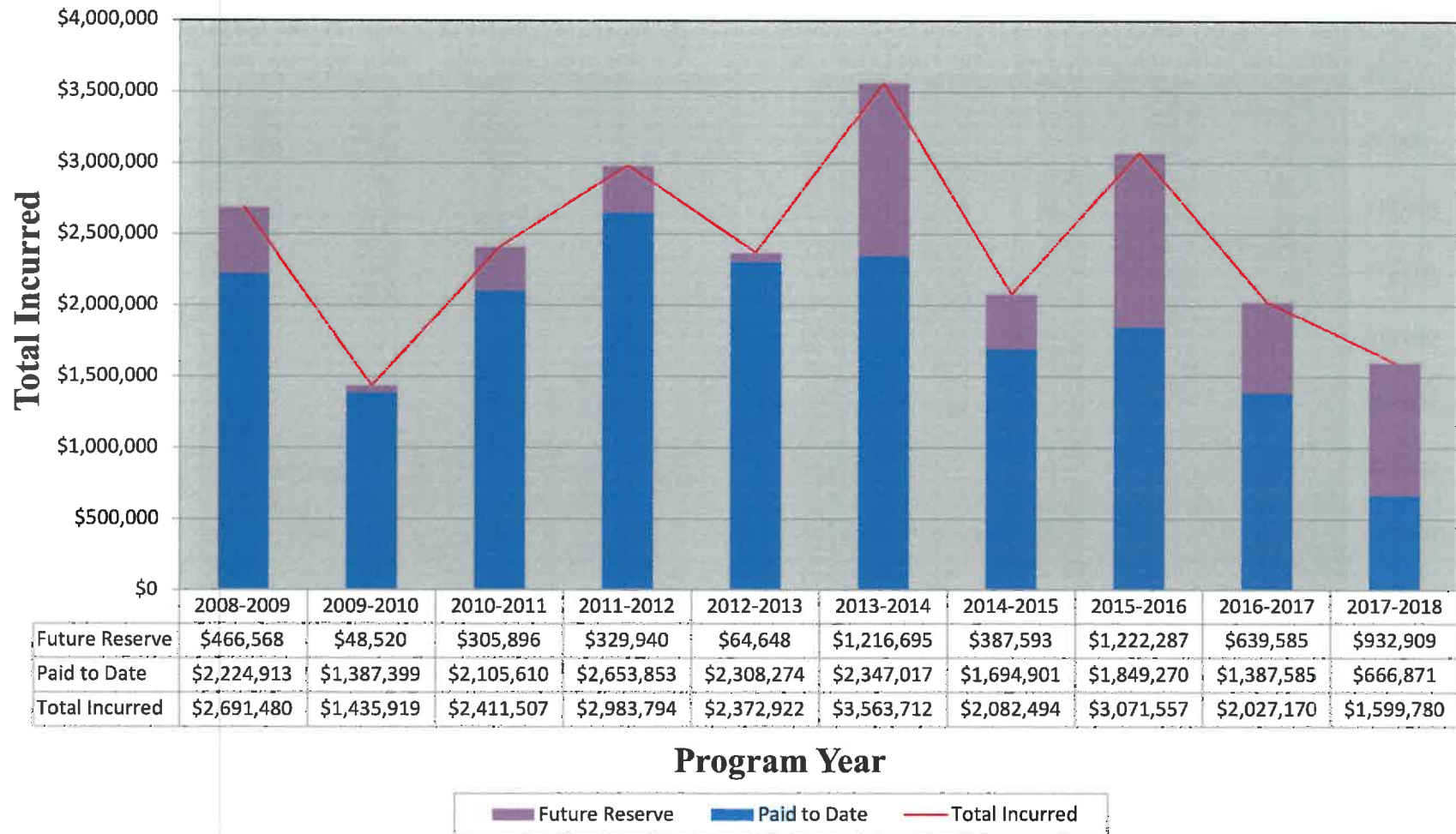
## FINANCIAL HISTORY OVER LAST 10 YEARS

FISCAL YEAR END JUNE 30



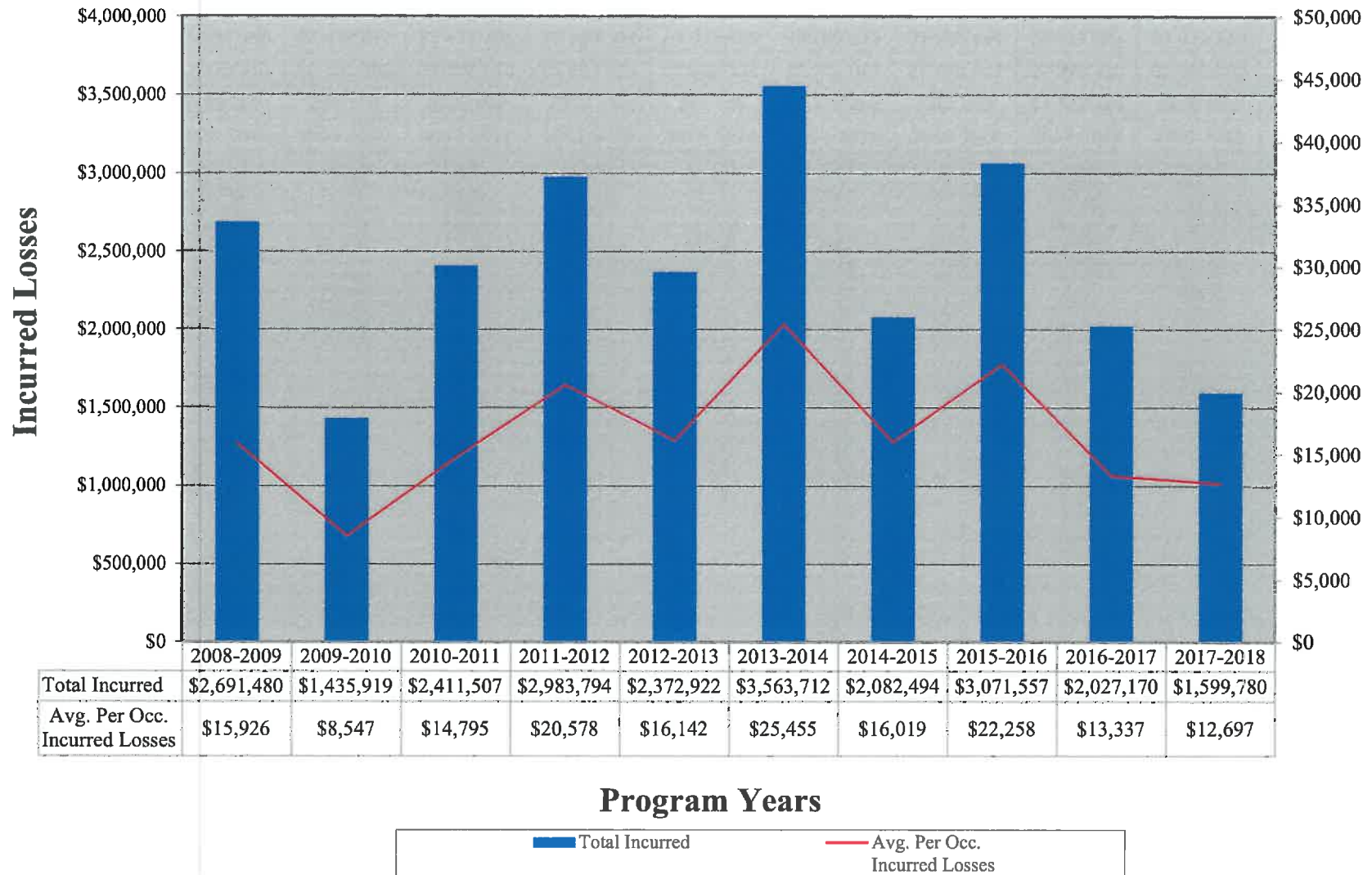
## CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY

### WORKERS COMPENSATION PROGRAM - LOSSES AND EXPENSES PAID TO DATE AND FUTURE RESERVE FISCAL YEAR END JUNE 30



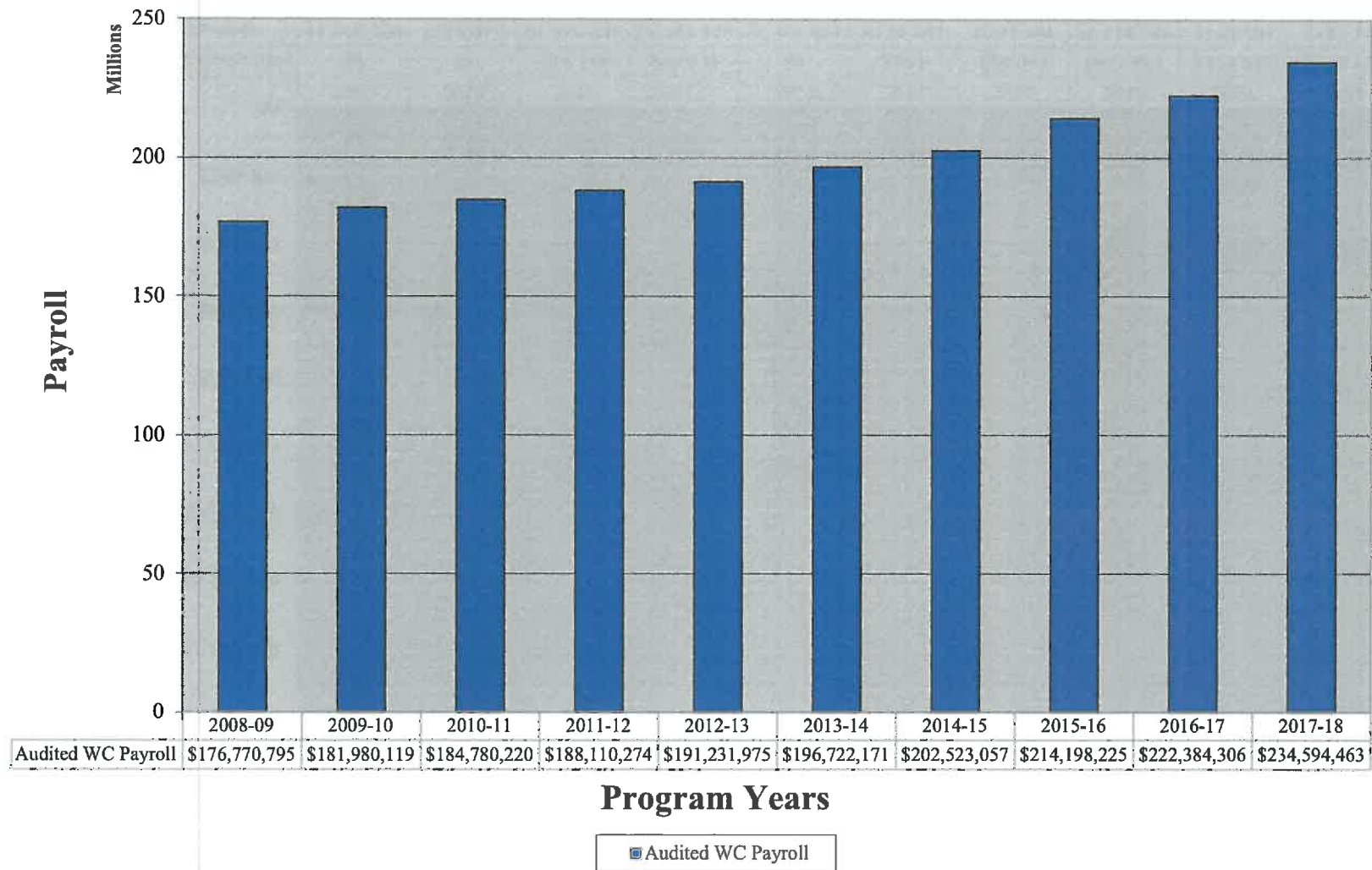
# CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY

## WORKERS COMPENSATION PROGRAM - TOTAL INCURRED OVER LAST 10 YEARS FISCAL YEAR END JUNE 30



## CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY

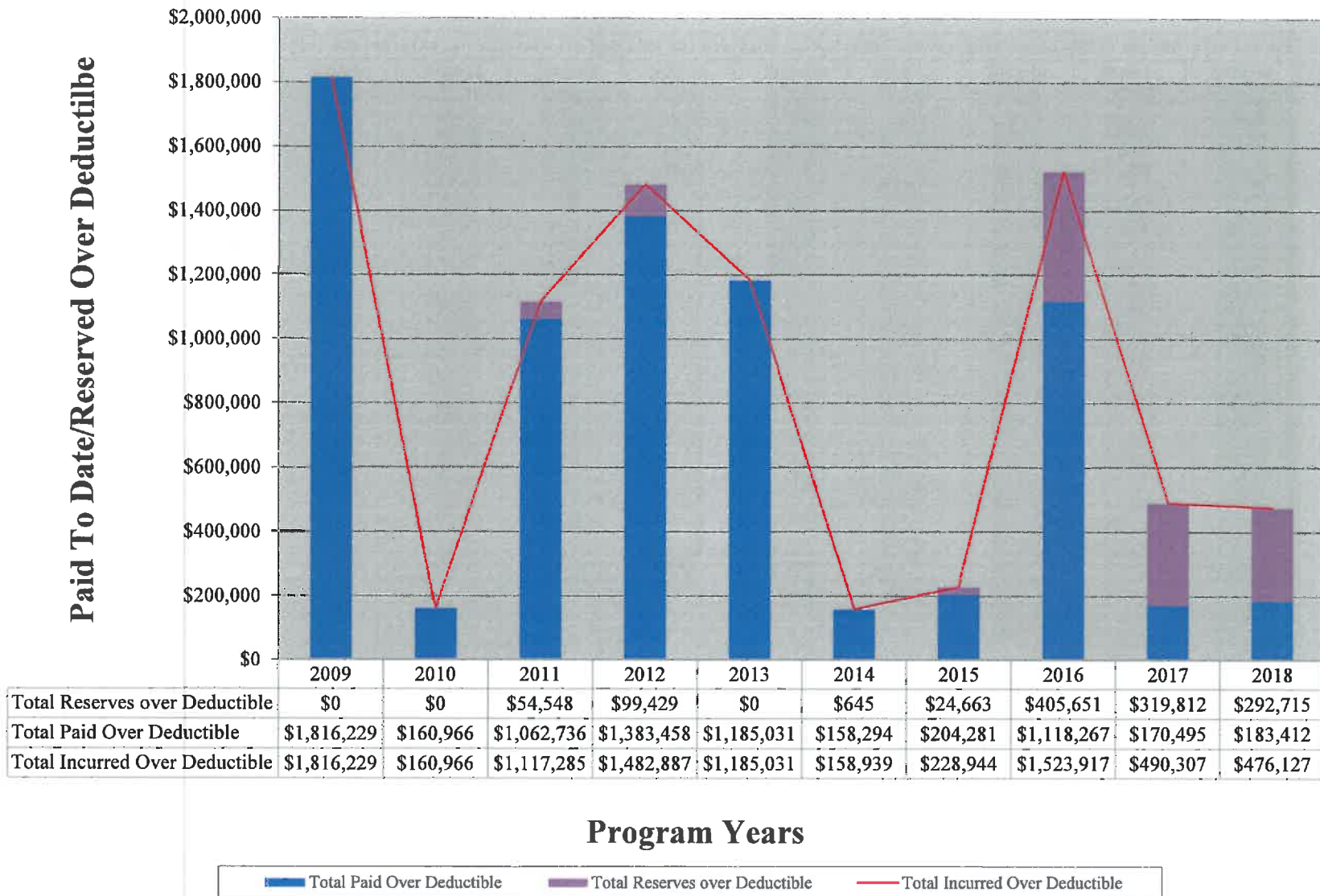
### WORKERS COMPENSATION PROGRAM - PAYROLL HISTORY OVER 10 YEARS FISCAL YEAR END JUNE 30





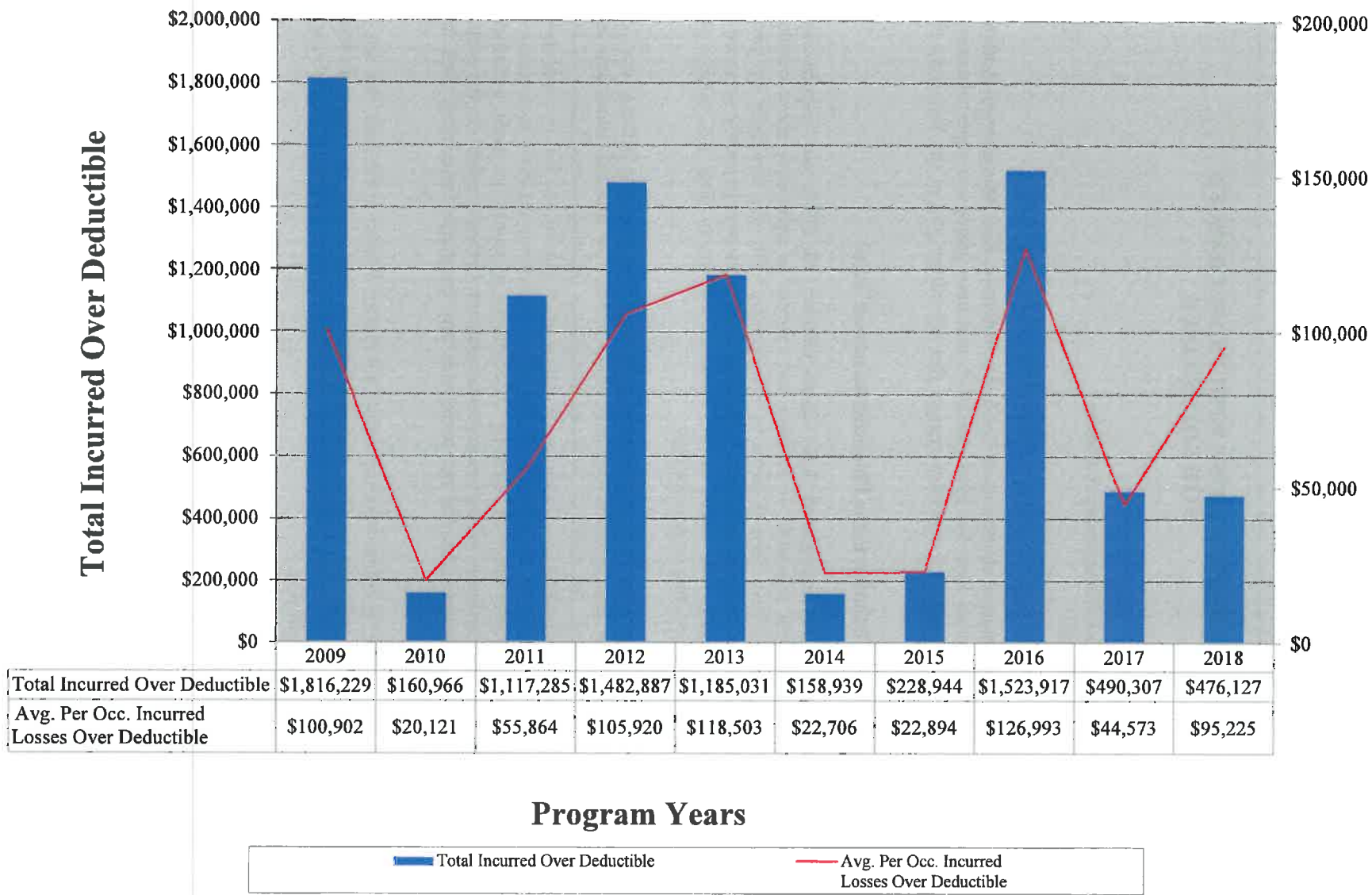
# CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY

## POOLED LIABILITY PROGRAM - LOSSES AND EXPENSES PAID TO DATE AND FUTURE RESERVE FISCAL YEAR END JUNE 30



# CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY

## POOLED LIABILITY PROGRAM - TOTAL INCURRED OVER DEDUCTIBLE OVER LAST 10 YEARS FISCAL YEAR END JUNE 30





**James Marta & Company LLP**  
**Certified Public Accountants**

*Accounting, Auditing, Tax, and Consulting*

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**COMMUNICATION WITH THOSE CHARGED  
WITH GOVERNANCE**

Board of Directors  
California Sanitation Risk Management Authority  
San Francisco, California

We have audited the financial statements of California Sanitation Risk Management Authority as of and for the years ended June 30, 2018 and 2017, and have issued our report thereon dated November 5, 2018. 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 October 20, 2015, our responsibility, as described by professional standards, is to form and express an opinion(s) about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in conformity 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 California Sanitation Risk Management Authority 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.

**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, and our firm has complied with all relevant ethical requirements regarding independence.

We follow the AICPA Ethics Standard Rule 201C, in conjunction with this; we annually review with all engagement staff potential conflicts and obtain a conflict certification. In addition, we inquire on each engagement about potential conflicts with staff. We have not identified any relationships or other matters that in the auditor's judgment may be reasonably thought to bear on independence.

## **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 California Sanitation Risk Management Authority 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 the fiscal year ended June 30, 2018. 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. However, we have identified new accounting standards that will be applicable in subsequent years and are included in Attachment A.

### *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 the estimate of claim liabilities.

Management's estimate of the claims liabilities is based on an independent actuarial study. We evaluated the key factors and assumptions used to develop the claims liabilities and determined that it is reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

### *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 California Sanitation Risk Management Authority's financial statements relate to accounting policies affecting claims liabilities.



### **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 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. There were no uncorrected misstatements identified as a result of our audit procedures.

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. There were no material misstatements identified as a result of our audit procedures. All adjustments made to the financial statements were provided by management and are attached to this letter.

### **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 California Sanitation Risk Management Authority's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

### **Representations Requested from Management**

We have requested certain written representations from management, which are included in the attached letter dated November 5, 2018.

### **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 California Sanitation Risk Management Authority, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, 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 California Sanitation Risk Management Authority's auditors.

This report is intended solely for the information and use of the Board of Directors and management of California Sanitation Risk Management Authority and is not intended to be and should not be used by anyone other than these specified parties.

*James Marta & Company LLP*

James Marta & Company LLP  
Certified Public Accountants  
Sacramento, California  
November 5, 2018

## **Attachment A – Upcoming Changes in Accounting Standards As of June 30, 2018**

The following pronouncements of the Governmental Accounting Standards Board (GASB) have been released recently and may be applicable to the Trust in the near future. We encourage management to review the following information and determine which standard(s) may be applicable to the Trust. For the complete text of these and other GASB standards, visit [www.gasb.org](http://www.gasb.org) and click on the “Standards & Guidance” tab. If you have questions regarding the applicability, timing, or implementation approach for any of these standards, please contact your audit team.

### **GASB Statement No. 83, Certain Asset Retirement Obligations**

*Effective for the fiscal year ending June 30, 2019*

This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement.

### **GASB Statement No. 84, Fiduciary Activities**

*Effective for the fiscal year ending June 30, 2020*

This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. Governments with activities meeting the criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position. An exception to that requirement is provided for a business-type activity that normally expects to hold custodial assets for three months or less.

This Statement describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. Custodial funds generally should report fiduciary activities that are not held in a trust or equivalent arrangement that meets specific criteria. A fiduciary component unit, when reported in the fiduciary fund financial statements of a primary government, should combine its information with its component units that are fiduciary component units and aggregate that combined information with the primary government’s fiduciary funds.

This Statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. Events that compel a government to disburse fiduciary resources occur when a demand for the resources has been made or when no further action, approval, or condition is required to be taken or met by the beneficiary to release the assets.

### **GASB Statement No. 87, Leases**

*Effective for the fiscal year ending June 30, 2021*

The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments’ financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments’ leasing activities.

Account	Description	Debit	Credit
<b>Adjusting Journal Entry JE # 1</b>			
To tie out beginning equity balance.			
8945	Computer Software/Programming	314.00	
3901	Retained Earnings		314.00
<b>Total</b>		<b>314.00</b>	<b>314.00</b>
<b>Adjusting Journal Entry JE # 4</b>			
PBC - To record reimbursement for committee meeting travel costs			
6652	Program Committee	631.00	
2000	Accounts Payable		631.00
<b>Total</b>		<b>631.00</b>	<b>631.00</b>
<b>Adjusting Journal Entry JE # 5</b>			
To record accrual requested by client			
6522	Safety Other	1,135.00	
2000.25	Accounts Payable:Accounts Payable - WC		1,135.00
<b>Total</b>		<b>1,135.00</b>	<b>1,135.00</b>
<b>Adjusting Journal Entry JE # 6</b>			
To book client entry to adjust LAIF			
1200	Interest Receivable	25.00	
1200	Interest Receivable	2,723.00	
1002	LAIF		2,723.00
4620	Interest Income		25.00
<b>Total</b>		<b>2,748.00</b>	<b>2,748.00</b>
<b>Adjusting Journal Entry JE # 7</b>			
To record claims liability based on new actuary reports and client prepared reconciliation			
2300.25	Claims Reserves:Claims Reserves - WC	556,632.00	
2500.24	Claims IBNR:Claims IBNR - Liab	535,891.00	
5215	Change in Claim Liability	84,910.00	
5215	Change in Claim Liability	663,330.00	
2300.24	Claims Reserves:Claims Reserves - Liab		607,979.00
2500.25	Claims IBNR:Claims IBNR - WC		1,215,312.00
2600.24	Claims ULAE:Claims ULAE - Liab		12,822.00
2600.25	Claims ULAE:Claims ULAE - WC		4,650.00
<b>Total</b>		<b>1,840,763.00</b>	<b>1,840,763.00</b>

**Reclassifying Journal Entry JE # 2**

To reclassify investments out of CAMP reserve account

1008	PFM/CA Asset Mgmt Program	928,824.00	
1009	PFM-CAMP Cash Reserve		928,824.00
<b>Total</b>		<b>928,824.00</b>	<b>928,824.00</b>

**Reclassifying Journal Entry JE # 3**

To remove accrual for 2018/19 workers comp premium set up as AP and prepaid

2000	Accounts Payable	928,433.00	
1540.25	Prepaid Insurance Premium:Prepaid Insurance Prem - WC		530,300.00
1550.25	Prepaid Program Directors' Fee:Prepaid Prog. Dir. Fee - WC		398,133.00
<b>Total</b>		<b>928,433.00</b>	<b>928,433.00</b>



c/o ALLIANT INSURANCE SERVICES, INC.  
100 Pine Street, 11th Floor, San Francisco, CA 94111-5101

Tel: 415.403.1400

Insurance License No.: 0C36861  
Fax: 415.874.4813

**OFFICERS:**

Paul Bushee, *President*  
760.753.0155  
Greg Baatrup, *Vice President*  
707.429.8930

**PAST PRESIDENTS:**

Russ Baggerly  
2010-2014  
Robert Reid  
2006-2010

## MANAGEMENT REPRESENTATION LETTER

November 5, 2018

James Marta & Company LLP  
Certified Public Accountants  
Sacramento, California

This representation letter is provided in connection with your audit of the financial statements of California Sanitation Risk Management Authority as of June 30, 2018 and 2017 and for the years then ended, and the related notes to the financial statements, for the purpose of expressing an opinion on whether the basic financial statements present fairly, in all material respects, the financial position, results of operations, and cash flows, where applicable, of the various opinion units of California Sanitation Risk Management Authority in accordance with accounting principles generally accepted for governments in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of November 5, 2018:

### Financial Statements

- We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated October 20, 2015, for the preparation and fair presentation of the financial statements of the various opinion units referred to above in accordance with U.S. GAAP.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- We acknowledge our responsibility for compliance with the laws, regulations, and provisions of contracts and grant agreements.
- We acknowledge that we are responsible for distributing the issued report as well as the communication with governance letter and internal control letter to all governing board members.
- We have reviewed, approved, and taken responsibility for the financial statements and related notes.
- We have a process to track the status of audit findings and recommendations.
- We have identified and communicated to you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.

- Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
- Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
- The effects of uncorrected misstatements summarized in the attached schedule and aggregated by you during the current engagement are immaterial, both individually and in the aggregate, to the applicable opinion units and to the financial statements as a whole.
- The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
- We have reviewed and approved the adjusting and reclassifying journal entries reflected in the audit statements and Attachment A.
- All component units, as well as joint ventures with an equity interest, are included and other joint ventures and related organizations are properly disclosed.
- All funds and activities are properly classified.
- All funds that meet the quantitative criteria in GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, GASB Statement No. 37, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Omnibus* as amended, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, for presentation as major are identified and presented as such and all other funds that are presented as major are considered important to financial statement users.
- All components of net position, nonspendable fund balance, and restricted, committed, assigned, and unassigned fund balance are properly classified and, if applicable, approved.
- Our policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position/fund balance are available is appropriately disclosed and net position/fund balance is properly recognized under the policy.
- All revenues within the statement of activities have been properly classified as program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- All expenses have been properly classified in or allocated to functions and programs in the statement of activities, and allocations, if any, have been made on a reasonable basis.
- All interfund and intra-entity transactions and balances have been properly classified and reported.
- Special items and extraordinary items have been properly classified and reported.
- Deposit and investment risks have been properly and fully disclosed.
- Capital assets, including infrastructure assets, are properly capitalized, reported, and if applicable, depreciated.
- All required supplementary information is measured and presented within the prescribed guidelines.
- With regard to investments and other instruments reported at fair value:
  - The underlying assumptions are reasonable and they appropriately reflect management's intent and ability to carry out its stated courses of action.
  - The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.
  - The disclosures related to fair values are complete, adequate, and in accordance with U.S. GAAP.
  - There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.

#### Information Provided

- We have provided you with:
  - Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements of the various opinion units referred to above, such as records, documentation, meeting minutes,<sup>7</sup> and other matters;
  - Additional information that you have requested from us for the purpose of the audit; and

- Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- All transactions have been recorded in the accounting records and are reflected in the financial statements.
- We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
  - Management;
  - Employees who have significant roles in internal control; or
  - Others where the fraud could have a material effect on the financial statements.
- We have no knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, vendors, regulators, or others.
- We are not aware of any pending or threatened litigation, claims, and assessments whose effects should be considered when preparing the financial.
- We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.
- There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
- California Sanitation Risk Management Authority has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
- We have disclosed to you all guarantees, whether written or oral, under which California Sanitation Risk Management Authority is contingently liable.
- We have disclosed to you all nonexchange financial guarantees, under which we are obligated and have declared liabilities and disclosed properly in accordance with GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*, for those guarantees where it is more likely than not that the entity will make a payment on any guarantee.
- For nonexchange financial guarantees where we have declared liabilities, the amount of the liability recognized is the discounted present value of the best estimate of the future outflows expected to be incurred as a result of the guarantee. Where there was no best estimate but a range of estimated future outflows has been established, we have recognized the minimum amount within the range.
- We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed in accordance with GASB Statement No. 62 (GASB-62), *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.
- We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
- There are no:
  - Violations or possible violations of laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, including applicable budget laws and regulations.
  - Unasserted claims or assessments that our lawyer has advised are probable of assertion and must be disclosed in accordance with GASB-62.
  - Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by GASB-62
  - Continuing disclosure consent decree agreements or filings with the Securities and Exchange Commission and we have filed updates on a timely basis in accordance with the agreements (Rule 240, 15c2-12).
- California Sanitation Risk Management Authority has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.
- We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.



### **Supplementary Information in Relation to the Financial Statements as a Whole**

With respect to the Combining Schedule of Net Position, Combining Schedule of Revenues, Expenses and Changes in Net Position and Graphical Summary of Claims in the accompanying the financial statements:

- We acknowledge our responsibility for the presentation of the Combining Schedule of Net Position, Combining Schedule of Revenues, Expenses and Changes in Net Position and Graphical Summary of Claims in accordance with accounting principles generally accepted in the United States of America.
- We believe the Combining Schedule of Net Position, Combining Schedule of Revenues, Expenses and Changes in Net Position and Graphical Summary of Claims, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America.
- The methods of measurement or presentation have not changed from those used in the prior period.
- When the Combining Schedule of Net Position, Combining Schedule of Revenues, Expenses and Changes in Net Position and Graphical Summary of Claims is not presented with the audited financial statements, management will make the audited financial statements readily available to the intended users of the Combining Schedule of Net Position, Combining Schedule of Revenues, Expenses and Changes in Net Position and Graphical Summary of Claims no later than the date of issuance by the entity of the supplementary information and the auditor's report thereon.
- We acknowledge our responsibility to include the auditor's report on the supplementary information in any document containing the supplementary information and that indicates the auditor reported on such supplementary information.
- We acknowledge our responsibility to present the supplementary information with the audited financial statements or, if the supplementary information will not be presented with the audited financial statements, to make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance by the entity of the supplementary information and the auditor's report thereon.

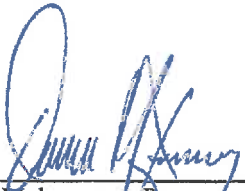
### **Required Supplementary Information**

- With respect to the Management Discussion & Analysis, Reconciliation of Claims Liabilities by Type of Contract and Claims Development Information accompanying the financial statements:
- We acknowledge our responsibility for the presentation of the Management Discussion & Analysis, Reconciliation of Claims Liabilities by Type of Contract and Claims Development Information in accordance with U.S. GAAP, GASB-10 and GASB-30.
- We believe the Management Discussion & Analysis, Reconciliation of Claims Liabilities by Type of Contract and Claims Development Information, including its form and content, is measured and fairly presented in accordance with U.S. GAAP, GASB-10 and GASB-30.
- The methods of measurement or presentation have not changed from those used in the prior period.
- We believe the significant assumptions or interpretations underlying the measurement or presentation of the Management Discussion & Analysis, Reconciliation of Claims Liabilities by Type of Contract and Claims Development Information, and the basis for our assumptions and interpretations, are reasonable and appropriate in the circumstances:

### **Use of a Specialist**

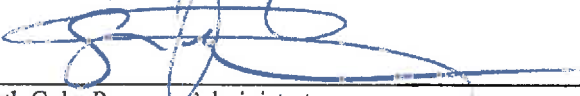
The work of a specialist has been used by the entity.

We agree with the findings of specialists in evaluating the valuation of claims liabilities and have adequately considered the qualifications of the specialist in determining the amounts and disclosures used in the financial statements and underlying accounting records. We did not give or cause any instructions to be given to specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an impact on the independence or objectivity of the specialists.



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Dennis Mulqueene, Program Administrator



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Seth Cole, Program Administrator

Account	Description	Debit	Credit
<b>Adjusting Journal Entry JE # 1</b>			
To be out beginning equity balance			
8945	Computer Software/Programming	314.00	
3901	Retained Earnings		314.00
<b>Total</b>		<b>314.00</b>	<b>314.00</b>
<b>Adjusting Journal Entry JE # 4</b>			
PBC - To record reimbursement for committee meeting travel costs			
6652	Program Committee	631.00	
2000	Accounts Payable		631.00
<b>Total</b>		<b>631.00</b>	<b>631.00</b>
<b>Adjusting Journal Entry JE # 5</b>			
To record accrual requested by client			
6522	Safety Other	1,135.00	
2000.25	Accounts Payable:Accounts Payable - WC		1,135.00
<b>Total</b>		<b>1,135.00</b>	<b>1,135.00</b>
<b>Adjusting Journal Entry JE # 6</b>			
To book client entry to adjust LAIF			
1200	Interest Receivable	25.00	
1200	Interest Receivable	2,723.00	
1002	LAIF		2,723.00
4620	Interest Income		25.00
<b>Total</b>		<b>2,748.00</b>	<b>2,748.00</b>
<b>Adjusting Journal Entry JE # 7</b>			
To record claims liability based on new actuary reports and client prepared reconciliation			
2300.25	Claims Reserves:Claims Reserves - WC	556,632.00	
2500.24	Claims IBNR:Claims IBNR - Liab	535,891.00	
5215	Change in Claim Liability	84,910.00	
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2600.24	Claims ULAE:Claims ULAE - Liab		12,822.00
2600.25	Claims ULAE:Claims ULAE - WC		4,650.00
<b>Total</b>		<b>1,840,763.00</b>	<b>1,840,763.00</b>
<b>Reclassifying Journal Entry JE # 2</b>			
To reclassify investments out of CAMP reserve account			
1008	PFM/CA Asset Mgmt Program	928,824.00	
1009	PFM-CAMP Cash Reserve		928,824.00
<b>Total</b>		<b>928,824.00</b>	<b>928,824.00</b>
<b>Reclassifying Journal Entry JE # 3</b>			
To remove accrual for 2018/19 workers comp premium set up as AP and prepaid			
2000	Accounts Payable	928,433.00	
1540.25	Prepaid Insurance Premium:Prepaid Insurance Prem - WC		530,300.00
1550.25	Prepaid Program Directors' Fee:Prepaid Prog. Dir. Fee - WC		398,133.00
<b>Total</b>		<b>928,433.00</b>	<b>928,433.00</b>



Item #15

Date: February 21, 2019  
From: Mark T. Wilson, P.E., Nute Engineering  
To: All Clients  
Re: Rate Change Effective January 1, 2019

 RECEIVED  
FEB 24 2019  
Sanitary District No. 5  
of Marin County

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Due to increasing costs, we find it necessary to raise our billing rates. Our last rate change was January 1, 2017. Enclosed is the schedule of the new hourly rates for Nute Engineering effective January 1, 2019.

Thank you for your business.



Civil & Sanitary Consultants

## HOURLY RATE SCHEDULE

OFFICE PERSONNEL	HOURLY RATE
Principal Engineer	\$242.00
Senior Engineer	197.00
Engineer III	186.00
Engineer II	179.00
Engineer I	154.00
Field Representative*	169.00
Assistant Engineer II	120.00
Assistant Engineer I	111.00
Senior Designer	176.00
CAD Drafter II	147.00
CAD Drafter I	129.00
Technical Administrative Support	109.00
Clerical	95.00
<b>LITIGATION SERVICES</b>	
Court Appearance/Deposition	348.00

\*Field Representative for construction is a Prevailing Wage category as required by the California Department of Industrial Relations.

## REIMBURSABLE EXPENSES

Sub-consultants will be charged at 1.10 times cost. Charges for reproductions, blueprinting, outside computer services, rental of special equipment, delivery, express mail, insurance certificates (where client requires to be listed as an additional insured) and meals and lodging will be charged at 1.10 times cost. Mileage will be charged at the IRS approved rate. Nute Engineering reserves the right to adjust its hourly rate structure for all ongoing contracts.

**EFFECTIVE DATE:** January 1, 2019