

Omar Arias-Montez, President
John Carapiet, Vice President
Tod Moody, Secretary

Catharine Benediktsson, Director
Richard Snyder, Director

NOTICE AND AGENDA
Regular Board Meeting Minutes
at Sanitary District No. 5 of Marin County
Thursday, January 15th, 2026

5:00 P.M. REGULAR BOARD MEETING

Teleconference Location:

Director Richard Snyder	Director Catherine Benediktsson
10 Pomander Way	2352 Mar East Street
Belvedere CA 94920	Tiburon CA 94920

PURSUANT TO THE RALPH M. BROWN ACT, ALL VOTES SHALL BE BY ROLL CALL DUE TO DIRECTOR SNYDER TELECONFERENCE FROM 10 Pomander Way Belvedere CA 94920 & DIRECTOR BENEDIKTSSON FROM 2352 Mar East Street Tiburon CA 94920

ROLL CALL:

PUBLIC COMMENTS: The public is invited to address the Board on items that do not appear on the agenda and 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:

ELECTION OF OFFICERS OF THE BOARD AND COMMITTEE ASSIGNMENTS:

1. Elections for Officers of the Board – Action (Rubio)
2. Appointment of Committee Members and setting date & time for regular, standing committee meetings – Action (Rubio)

CONSENT CALENDAR:

3. Approval of December 18th, 2025 Regular Board Meeting Minutes
4. Review and receive all electronic fund transfers (EFTs) and approve warrants from December 12th, 2025, through January 8th, 2026, (JP Morgan Chase Bank, check no.11660 through check no. 11711, all transactions totaling \$488,663.48 and receive December 2025 payroll, in the sum of \$161,170.55 (Rubio)
5. Receipt of Financial Reports through January 8th, 2026 (Rubio)
6. Receipt of Sanitary District No 5 of Marin County's FY24-25 Audited Financial Statements (Final), by Perotti & Carrade (Rubio)
7. Approval of PCO#9 Digester Rehab Change Order of \$156,811 for added sludge disposal costs (Rubio)

MANAGEMENT REPORTS:

8. District Manager Summary Report (Rubio)

NEW BUSINESS:

9. Review and approve minor changes to the OIT Maintenance Internship Job Description- Action (Rubio)
10. Review and consideration to accept PCO#10 and authorize the District Manager to approve additional work in the amount of \$34,297 for additional concrete rehabilitation work in the sludge storage area regarding the Digester Cleaning and Rehabilitation project. -Action (Rubio)

UNFINISHED BUSINESS:

COMMITTEE REPORTS:

11. Capital Improvement Program Committee (No Meeting)
12. Finance & Fiscal Oversight Committee (Benediktsson/Carapiet)
13. Governance Committee (No Meeting)
14. Personnel Committee (Snyder/Carapiet)
15. Solar Ad-Hoc Meeting (No Meeting)

OTHER BUSINESS:

ENVIRONMENTAL:

CORRESPONDENCE:

INFORMATIONAL ITEMS:

ADJOURNMENT:

The Board will be asked to adjourn the meeting to a Regular Board Meeting on February 19, 2026, at 5:00 P.M.

At its discretion, the Board of Directors may consider the above-agenda items out of the order in which they appear currently. 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. Please submit written requests to the District at P.O. Box 227, Tiburon, CA 94920 or hr@sani5.org at least two days prior to the meeting.

Sanitary District No. 5 of Marin County
Board of Directors Seats, Effective January 15, 2026

Board President, 2025

Name: Omar Arias-Montez

Signature: _____

Board Vice President, 2025

Name: John Carapiet

Signature: _____

Board Secretary, 2025

Name: Tod Mooy

Signature: _____

Board President, 2026

Name: _____

Signature: _____

Board Vice President, 2026

Name: _____

Signature: _____

Board Secretary, 2026

Name: _____

Signature: _____

Committee Appointments

Capital Improvement Program Committee:

2nd Thursday ea/mo. 9:30am 2025

Chair: Director Tod Moody
Member: V.P. John Carapiet
Alternate: President Omar Arias-Montez

2026: Chair:
Member:
Alternate:

Governance Committee: 2025

Chair: President Omar Arias-Montez
Member: Secretary Richard Snyder
Alternate: Director Cathy Benediktsson

2026 Chair:
Member:
Alternate:

Finance & Fiscal Oversight Committee:

2nd Thursday ea/mo 10:30am. 2025

Chair: Director Cathy Benediktsson
Member: V.P. John Carapiet
Alternate: President Omar Arias-Montez

2026: Chair:
Member:
Alternate:

Personnel Committee: 2025

Chair: V.P. John Carapiet
Member: Secretary Richard Snyder
Alternate: President Omar Arias-Montez

2026 Chair:
Member:
Alternate:

Omar Arias-Montez, President
John Carapiet, Vice President
Tod Moody, Secretary

Catharine Benediktsson, Director
Richard Snyder, Director

**NOTICE AND AGENDA
Regular Board Meeting
at Sanitary District No. 5 of Marin County
Thursday, December 18th, 2025**

5:00 P.M. REGULAR BOARD MEETING

Teleconference Location:

Director Richard Snyder 10 Pomander Way Belvedere CA 94920	Director Catherine Benediktsson 2352 Mar East Street Tiburon CA 94920
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PURSUANT TO THE RALPH M. BROWN ACT, ALL VOTES SHALL BE BY ROLL CALL DUE TO DIRECTOR SNYDER TELECONFERENCE FROM 10 Pomander Way Belvedere CA 94920 & DIRECTOR BENEDIKTSSON FROM 2352 Mar East Street Tiburon CA 94920

ROLL CALL: Arias-Montez, Carapiet, Moody, Snyder (Benediktsson joined @ 6:15pm)

PUBLIC COMMENTS: The public is invited to address the Board on items that do not appear on the agenda and 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: None

CONSENT CALENDAR:

1. Approval of November 20th, 2025 Regular Board Meeting Minutes
2. Review and receive all electronic fund transfers (EFTs) and approve warrants from November 14th, 2025, through December 11th, 2025, (JP Morgan Chase Bank, check no.11597 through check no. 11659, all transactions totaling \$635,756.63 and receive November 2025 payroll, in the sum of \$142,723.68 (Rubio)
3. Receipt of Financial Reports through December 11th, 2025 (Rubio)
4. Approval of PCO#3 Digester Rehab Change Order of \$66,133 for the excavation and replacement of failed closed plug valve on Digester Drain Line (Rubio)

Motion to approve consent calendar items 1-3

(M/S Snyder/Moody 4-0-1-0)

Ayes: Carapiet, Snyder, Arias- Montez , Moody

Nos: None

Absent: Benedikttson

Abstain: None

MANAGEMENT REPORTS:

5. District Manager Summary Report (Rubio)

NEW BUSINESS:

6. Presentation by Kat Harris of Perotti & Carrade of the Sanitary District No 5 of Marin County's FY24-25 Audited Financial Statements, prepared by Perotti & Carrade (Certified Public Accountants in Marin County) and acceptance of final report – Action (Rubio)

Motion to accept and approve Sanitary District No 5 of Marin County's FY24-25 Audited Financial Statements, prepared by Perotti & Carrade (Certified Public Accountants in Marin County)

(M/S Snyder/Moody 4-0-1-0)

Ayes: Carapiet, Snyder, Arias- Montez , Moody

Nos: None

Absent: Benedikttson

Abstain: None

PUBLIC HEARING:

7. Consideration to accept and approve updating Board Policies and Procedures and setting Director Compensation @ \$150 per meeting per approval of Ordinance 2026-01.

- a. 1st Reading of Ordinance 2026-01 *AN ORDINANCE OF THE MARIN COUNTY SANITARY DISTRICT NO. 5 AMENDING EXISTING SECTION 2.05.010(4) OF THE MARIN COUNTY SANITARY DISTRICT NO. 5 CODE TO INCREASE BOARD MEMBER COMPENSATION*

Motion to accept and approve updating Board Policies and Procedures and setting Director Compensation @ \$150 per meeting per approval of the 2nd reading of Ordinance 2026-01 at the January 15, 2026 Regular Board meeting.

(M/S Snyder/Arias-Montez 3-1-1-0)

Ayes: Snyder, Arias- Montez , Moody

Nos: Carapiet

Absent: Benedikttson

Abstain: None

8. Review and discuss redline edits to the Districts sewer use ordinance as it pertains to lateral sewers. Action (Rubio)

- a. 1st Reading of Ordinance 2026-02 *"AN AMENDED ORDINANCE REGULATING THE USE OF PUBLIC AND PRIVATE SEWERS AND DRAINS, THE INSTALLATION AND CONNECTION OF BUILDING SEWERS, THE INSTALLATION OF LATERAL SEWERS AND PUBLIC SEWER MAIN EXTENSIONS, PROVIDING PERMITS AND FIXING FEES FOR THE INSTALLATION AND CONNECTION OF SANITARY SEWERS, REGULATING THE DISCHARGE OF WATERS AND WASTES INTO THE PUBLIC SEWER SYSTEM, AND PROVIDING PENALTIES FOR THE VIOLATION OF THE PROVISIONS THEREOF"*- Action (Rubio)

Motion to approve 1st Reading of Ordinance 2026-02 *"AN AMENDED ORDINANCE REGULATING THE USE OF PUBLIC AND PRIVATE SEWERS AND DRAINS, THE INSTALLATION AND CONNECTION OF BUILDING SEWERS, THE INSTALLATION OF LATERAL SEWERS AND PUBLIC SEWER MAIN EXTENSIONS, PROVIDING PERMITS AND FIXING FEES FOR THE INSTALLATION AND CONNECTION OF SANITARY SEWERS, REGULATING THE DISCHARGE OF WATERS AND WASTES INTO THE PUBLIC SEWER SYSTEM, AND PROVIDING PENALTIES FOR THE VIOLATION OF THE PROVISIONS THEREOF*

(M/S Snyder/Carapiet 4-0-1-0)

Ayes: Snyder, Carapiet, Arias- Montez , Moody

Nos: None

Absent: Benedikttson

Abstain: None

UNFINISHED BUSINESS:

9. Discussion and possible action regarding District Manager's compensation under Employment Contract.

Motion to approve the Districts Manager employment contract through amendment and to grant an increase in monthly compensation from Step 42 to Step 44 on the Districts publicly available pay scale chart along with a deferred compensation match up to 3.5% of salary should the manager participate in the 457 deferred compensation plan.

10. (M/S Carapiet/Snyder 4-0-1-0)

11. Ayes: Snyder, Carapiet, Arias- Montez , Moody

12. Nos: None

13. Absent: Benedikttson

14. Abstain: None

COMMITTEE REPORTS:

10. Capital Improvement Program Committee (Carapiet/Moody)

11. Finance & Fiscal Oversight Committee (Benediktsson/Carapiet)

12. Governance Committee (Arias/Snyder)

13. Personnel Committee (Snyder/Carapiet)

14. Solar Ad-Hoc Meeting (Moody/Benediktsson)

OTHER BUSINESS:

ENVIRONMENTAL:

CORRESPONDENCE:

INFORMATIONAL ITEMS:

CLOSED SESSION:

RECONVENE TO OPEN SESSION:

ADJOURNMENT: 6:17pm

The Board will be asked to adjourn the meeting to a Regular Board Meeting on January 15, 2026, at 5:00 P.M.

Approved:

Attest:

Omar Arias-Montez

Board President

Tod Moody

Board Secretary

At its discretion, the Board of Directors may consider the above-agenda items out of the order in which they appear currently. 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. Please submit written requests to the District at P.O. Box 227, Tiburon, CA 94920 or hr@sani5.org at least two days prior to the meeting.

01/06/26

Sanitary District No.5 of Marin County
Warrant List Summary
December 12, 2025 through January 8, 2026

Date	Num	Name	Memo	Amount
JP Morgan Chase - Primary 7399				
12/16/2025	EFT	CalPERS (Health Premium)	Health Insurance Premium - Jan 2026	-28,181.97
12/16/2025	EFT	CalPERS (Pension)	Pension - Nov 2025	-27,423.08
12/31/2025	EFT	CalPERS (457 Def Comp)	457 Contributions, semi-monthly, 12/15/25	-6,184.82
12/31/2025	EFT	CalPERS (457 Def Comp)	457 Contributions, semi-monthly, 12/31/25	-6,144.82
01/08/2026	11660	Access Answering Service	Answering Service - Jan 2026	-120.46
01/08/2026	11661	Amazon Capital Services (Amazon ...	Stmt Date 12/31/25:locker room signage, dry erase board,...	-2,352.52
01/08/2026	11662	AT&T *5559 (Pump Stations)	Pumps & Lines Telephones: Jan 2026	-366.16
01/08/2026	11663	AT&T Calnet *4692 (Ops/Main Bldg ...	Operators Control Center & Paradise Cove lines - Nov 2025	-95.47
01/08/2026	11664	BAAQMD	generator permit renewal, Feb 2026-Jan 2027	-563.00
01/08/2026	11665	Banshee Networks, Inc.	computer network services - Nov 2025	-1,937.96
01/08/2026	11666	Bay Alarm Company	monitoring fees - fire and security alarms, Jan-Mar 2026	-258.00
01/08/2026	11667	Brelje and Race Laboratories, Inc.	Main Plant samples submitted - Nov 2025	-1,880.00
01/08/2026	11668	Burke, Williams & Sorensen, LLP	District Counsel & Personnel Services - Nov 2025	-6,208.00
01/08/2026	11669	CA Sanitation Risk Mgmt Authority ...	Pooled Liability Program: Premiums & Retro Adjustment, ...	-95,834.00
01/08/2026	11670	Caltest Analytical Laboratory	Lab Monitoring - Nov 2025	-3,743.00
01/08/2026	11671	Carollo Engineers, Inc.	Odor Control Alternative Evaluation - Nov 2025	-2,963.00
01/08/2026	11672	Catharine Benediktsson	6 SD5 meeting attendance, July-Dec 2025	-600.00
01/08/2026	11673	Cintas Corporation	weekly: scraper & towels - Dec 2025	-142.16
01/08/2026	11674	Comcast Bus (Internet/Voice/Cable)...	Business Cable, Internet, Voice - Jan 2025	-758.47
01/08/2026	11675	Comcast Business (VOIP) *9079	Business Voice Edge - Jan 2026	-455.91
01/08/2026	11676	DKF Solutions Group, LLC	TrainingLink monthly subscription - Jan 2026	-462.00
01/08/2026	11677	Fastenal Company	back ordered bin stock items, hardware for digester reha...	-221.20
01/08/2026	11678	Fiber Glass Systems LP	new valves for DWP splitter box, payment 1 of 2	-60,241.80
01/08/2026	11679	FlexTG, LLC	2 office copiers base rate & usage charge - Dec 2025	-260.43
01/08/2026	11680	Frank A. Olsen Company	6" dezurik plug valves, and additional valves for digester ...	-18,254.07
01/08/2026	11681	Global Diving & Salvage, Inc.	outfall inspection, 12/2/25	-9,646.00
01/08/2026	11682	Goodman Building Supply Co.	Stmt Date 12/25/25: number decals for generators, nitrile ...	-29.82
01/08/2026	11683	Grainger	heat tape for Paradise Cove SBS	-370.40
01/08/2026	11684	GSE Construction Company Inc	Main Plant Digester Clean & Rehab, Nov 2025	-147,250.00
01/08/2026	11685	Jill Kalehua, DMMS	Accounting Services - Dec 2025	-2,346.75
01/08/2026	11686	JM Integration, LLC	SOLV-FLFA, line fee - Dec 2025	-25.00
01/08/2026	11687	John Carapiet	6 SD5 meeting attendance - July-Dec 2025	-600.00
01/08/2026	11688	Lystek International Ltd.	biosolids delivery - Nov 2025	-865.08
01/08/2026	11689	Marin Municipal Water District	5 accounts: Oct - Nov 2025	-3,706.17
01/08/2026	11690	McMaster-Carr Supply Company	analyzer fittings and parts for chemical fees system	-317.57
01/08/2026	11691	MidAmerica	Admin & Platform fees for HSA/HRA, 3rd Qtr 2025	-297.00
01/08/2026	11692	Mill Valley Refuse Serv (Garbage) *...	Garbage service - Jan 2026	-546.33
01/08/2026	11693	Mill Valley Refuse Service (Sludge) ...	(5) sludge exchanges - Dec 2025	-2,700.00
01/08/2026	11694	National Business Furniture, LLC	new lateral file cabinet, for Permit Dept	-1,028.73
01/08/2026	11695	Nute Engineering Corp.	Sewer Rehab Project & Cove Rd Pump Station Improvem...	-4,864.00
01/08/2026	11696	Omar Arias	6 SD5 meeting attendance, July-Dec 2025	-600.00
01/08/2026	11697	PACE Supply Corp	new copper ball valves for city water lines @ Main Plant	-328.95
01/08/2026	11698	Pacific Gas & Electric	Stmt Date 12/26/25 - 11/19/25-12/18/25, Gas & Electric	-29,027.99
01/08/2026	11699	Peterson CAT	replace temperature sensor and gauge on Kohler generat...	-1,925.52
01/08/2026	11700	Primo Brands	drinking water - Dec 2025	-112.37
01/08/2026	11701	Richard Snyder	6 SD5 Meeting Attendance, July-Dec 2025	-600.00
01/08/2026	11702	Roy's Sewer Service, Inc.	(2) service calls: Main Plant RDT room & Beach Rd	-1,250.00
01/08/2026	11703	Special Dist Risk Mgmt Authority (S...	Basic Life & ADD, LTD, Dental, Vision - Feb 2026, and bal...	-2,110.17
01/08/2026	11704	Spiral Water Technologies Inc	repair parts for Spiral Water filter	-3,415.63
01/08/2026	11705	T-Mobile *1446 cell	cell phones: Dec 2025	-398.58
01/08/2026	11706	T-Mobile *8704 SIM	(6) SIM cards for pump stations - Dec 2025	-60.01
01/08/2026	11707	Tod Moody	5 SD5 meeting attendance, July-Dec 2025, no Sept 2025	-500.00
01/08/2026	11708	U.S. Bank cc *3611	Stmt Date 12/26/25: CWEA education classes for (2) empl...	-356.98
01/08/2026	11709	Univar Solutions	Sod Bisulfite 25% bulk NSF LIQ, 5,000 gal for SD5 & SASM	-7,568.83
01/08/2026	11710	USA Blue Book	pipette suction bulbs	-78.57
01/08/2026	11711	Water Components & Building Sup...	valve key, adjustable	-84.73
Total JP Morgan Chase - Primary 7399				-488,663.48
TOTAL				-488,663.48

01/06/26

**Sanitary District No.5 of Marin County
Warrant List Detail**

December 12, 2025 through January 8, 2026

Num	Type	Date	Name	Memo	Account	Paid Amo...
EFT	Check	12/16/2	CalPERS (Health...	Health Insurance Premium - Jan 2026	JP Morgan Chase - ...	
				Active Employee Health Insurance Premi...	8020.05 · Employee ...	-27,039.87
				Retiree Health Insurance Premium, plus ...	8022.05 · Retiree He...	-1,142.10
TOTAL						-28,181.97
EFT	Check	12/16/2	CalPERS (Pensio...	Pension - Nov 2025	JP Morgan Chase - ...	
				Pepra, Nov 2025	8019.05 · PERS Retir...	-11,432.29
				Classic, Nov 2025	8019.05 · PERS Retir...	-15,990.79
TOTAL						-27,423.08
EFT	Check	12/31/2	CalPERS (457 De...	457 Contributions, semi-monthly, 12/1...	JP Morgan Chase - ...	
				457 Contributions, semi-monthly, 12/15/25	8008 · Deferred Com...	-6,184.82
TOTAL						-6,184.82
EFT	Check	12/31/2	CalPERS (457 De...	457 Contributions, semi-monthly, 12/3...	JP Morgan Chase - ...	
				457 Contributions, semi-monthly, 12/31/25	8008 · Deferred Com...	-6,144.82
TOTAL						-6,144.82
11660	Bill Pmt -...	01/08/2	Access Answeri...	Answering Service - Jan 2026	JP Morgan Chase - ...	
34815	Bill	01/05/2		Answering Service - Jan 2026, new rate	8510 · Data/Alarms/I...	-120.46
TOTAL						-120.46
11661	Bill Pmt -...	01/08/2	Amazon Capital ...	Stmt Date 12/31/25:locker room signag...	JP Morgan Chase - ...	
Stm...	Bill	12/31/2		Inv 1CQV-HJH4-4HT3, ordered 11/17/25,...	9314.10 · M.P. Office...	-80.22
				Inv 1H7T-HPDK-3YH1, ordered 12/2/25, ...	9314.10 · M.P. Office...	-345.39
				Inv 1LXN-VKPW-4D7Q, ordered 12/2/25, ...	9314.10 · M.P. Office...	-112.09
				Inv 1LXN-VKPW-4MLN, ordered 12/4/25, ...	6047 · Office Supplies	-23.58
				Inv 1LXN-VKPW-4MLN, ordered 12/4/25, ...	7023 · Janitorial Sup...	-335.38
				Inv 1LXN-VKPW-4MLN, ordered 12/4/25, ...	7027 · Electrical & In...	-28.69
				Inv 1V11-PGMD-3XYY, ordered 12/11/25,...	7021 · Plant Mainten...	-1,335.00
				Inv 1J7N-9QH1-41HN, ordered 12/23/25, ...	6047 · Office Supplies	-54.74
				Inv 1J7N-9QH1-41HN, ordered 12/23/25, ...	7022 · Plant Maint. P...	-37.43
TOTAL						-2,352.52
11662	Bill Pmt -...	01/08/2	AT&T *5559 (Pu...	Pumps & Lines Telephones: Jan 2026	JP Morgan Chase - ...	
Bill ...	Bill	12/28/2		12/28/25-1/27/26, current charges only, a...	8533 · Pumps & Line...	-366.16
TOTAL						-366.16

01/06/26

**Sanitary District No.5 of Marin County
Warrant List Detail**

December 12, 2025 through January 8, 2026

Num	Type	Date	Name	Memo	Account	Paid Amo...
11663	Bill Pmt -...	01/08/2	AT&T Calnet *46...	Operators Control Center & Paradise C...	JP Morgan Chase - ...	
000...	Bill	12/12/2		Operators Control Center, 11/12/25-12/11... Paradise Cove, 11/12/25-12/11/25, Nov 2...	8531 · Main Plant Tel... 8532 · Paradise Cov...	-63.59 -31.88
TOTAL						-95.47
11664	Bill Pmt -...	01/08/2	BAAQMD	generator permit renewal, Feb 2026-Ja...	JP Morgan Chase - ...	
T19...	Bill	12/03/2		generator permit renewal, Renewal #7378... generator permit renewal, Renewal #7378...	7062 · Permits/Fees -... 7062 · Permits/Fees -...	-234.58 -328.42
TOTAL						-563.00
11665	Bill Pmt -...	01/08/2	Banshee Networ...	computer network services - Nov 2025	JP Morgan Chase - ...	
16855	Bill	12/15/2		computer network services - Nov 2025	8510 · Data/Alarms/I...	-1,937.96
TOTAL						-1,937.96
11666	Bill Pmt -...	01/08/2	Bay Alarm Comp...	monitoring fees - fire and security alar...	JP Morgan Chase - ...	
226...	Bill	12/04/2		monitoring fees - fire, Jan-Mar 2026 monitoring fees - security alarms, Jan-Ma...	8510 · Data/Alarms/I... 8510 · Data/Alarms/I...	-201.00 -57.00
TOTAL						-258.00
11667	Bill Pmt -...	01/08/2	Brelje and Race ...	Main Plant samples submitted - Nov 20...	JP Morgan Chase - ...	
167...	Bill	12/17/2		samples submitted - Nov 2025	7051 · Main Plant La...	-1,880.00
TOTAL						-1,880.00
11668	Bill Pmt -...	01/08/2	Burke, Williams ...	District Counsel & Personnel Services ...	JP Morgan Chase - ...	
357...	Bill	12/23/2		District Counsel Services - Nov 2025	6039 · Legal	-4,575.00
357...	Bill	12/23/2		Personnel Counsel Services - Nov 2025	6039 · Legal	-1,633.00
TOTAL						-6,208.00
11669	Bill Pmt -...	01/08/2	CA Sanitation Ri...	Pooled Liability Program: Premiums & ...	JP Morgan Chase - ...	
7652	Bill	01/02/2		Pooled Liability - Retro Adjustment, 12/31...	6033.2 · Insurance - ...	-8,368.00
				Pooled Liability - Retro Adjustment, 7/1/2...	6033.2 · Insurance - ...	-8,368.00
7613	Bill	01/02/2		Pooled Liability Program: Premiums: CWI...	6033.2 · Insurance - ...	-39,549.00
				Pooled Liability Program: Premiums: CWI...	6033.2 · Insurance - ...	-39,549.00
TOTAL						-95,834.00

01/06/26

**Sanitary District No.5 of Marin County
Warrant List Detail**

December 12, 2025 through January 8, 2026

<u>Num</u>	<u>Type</u>	<u>Date</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Paid Amo...</u>
11670	Bill Pmt -...	01/08/2	Caltest Analytica...	Lab Monitoring - Nov 2025	JP Morgan Chase - ...	
735...	Bill	12/11/2		Main Plant Lab Monitoring - Nov 2025 Paradise Cove Monitoring - Nov 2025	7051 · Main Plant La... 7052 · Paradise Cov...	-3,625.20 -117.80
TOTAL						-3,743.00
11671	Bill Pmt -...	01/08/2	Carollo Engineer...	Odor Control Alternative Evaluation - N...	JP Morgan Chase - ...	
FB7...	Bill	12/09/2		Odor Control Alternative Evaluation - Nov ...	6017 · Consulting Fees	-2,963.00
TOTAL						-2,963.00
11672	Bill Pmt -...	01/08/2	Catharine Bened...	6 SD5 meeting attendance, July-Dec 20...	JP Morgan Chase - ...	
email	Bill	01/05/2		6 SD5 meeting attendance, July-Dec 2025	6024 · Director Fees	-600.00
TOTAL						-600.00
11673	Bill Pmt -...	01/08/2	Cintas Corporati...	weekly: scraper & towels - Dec 2025	JP Morgan Chase - ...	
Stmt...	Bill	12/31/2		weekly - scraper & towels, Inv 425210536... weekly - scraper & towels, Inv 425285818... weekly - scraper & towels, Inv 425365585... weekly - scraper & towels, Inv 425435298...	7023 · Janitorial Sup... 7023 · Janitorial Sup... 7023 · Janitorial Sup... 7023 · Janitorial Sup...	-35.54 -35.54 -35.54 -35.54
TOTAL						-142.16
11674	Bill Pmt -...	01/08/2	Comcast Bus (In...	Business Cable, Internet, Voice - Jan 2...	JP Morgan Chase - ...	
Bill ...	Bill	12/26/2		Business Cable, Internet, Voice - Jan 2026	8531 · Main Plant Tel...	-758.47
TOTAL						-758.47
11675	Bill Pmt -...	01/08/2	Comcast Busine...	Business Voice Edge - Jan 2026	JP Morgan Chase - ...	
001...	Bill	01/02/2		Business Voice Edge - Jan 2026	8531 · Main Plant Tel...	-455.91
TOTAL						-455.91
11676	Bill Pmt -...	01/08/2	DKF Solutions G...	TrainingLink monthly subscription - Ja...	JP Morgan Chase - ...	
23256	Bill	01/01/2		TrainingLink monthly subscription - Jan 2...	8515 · Safety	-462.00
TOTAL						-462.00
11677	Bill Pmt -...	01/08/2	Fastenal Company	back ordered bin stock items, hardwar...	JP Morgan Chase - ...	
CAP...	Bill	12/03/2		backordered bin stock items, PO O-25-23...	7022 · Plant Maint. P...	-79.51
CAP...	Bill	12/08/2		hardware for digester rehab work. PO M-...	7021 · Plant Mainten...	-72.04
CAP...	Bill	12/17/2		trash bags for Main Plant cans. PO O-25-...	7023 · Janitorial Sup...	-69.65
TOTAL						-221.20

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**Sanitary District No.5 of Marin County
Warrant List Detail**

December 12, 2025 through January 8, 2026

<u>Num</u>	<u>Type</u>	<u>Date</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Paid Amo...</u>
11678	Bill Pmt -...	01/08/2	Fiber Glass Syst...	new valves for DWP splitter box, paym...	JP Morgan Chase - ...	
Inv ...	Bill	12/15/2		new valves for DWP splitter box, payment...	7022 · Plant Maint. P...	-60,241.80
TOTAL						-60,241.80
11679	Bill Pmt -...	01/08/2	FlexTG, LLC	2 office copiers base rate & usage char...	JP Morgan Chase - ...	
454...	Bill	01/02/2		2 office copiers base rate & usage charge...	6047 · Office Supplies	-260.43
TOTAL						-260.43
11680	Bill Pmt -...	01/08/2	Frank A. Olsen C...	6" dezurik plug valves, and additional ...	JP Morgan Chase - ...	
257...	Bill	12/10/2		additional vavles for digester rehab, PO O...	7022 · Plant Maint. P...	-10,751.57
257...	Bill	12/30/2		6" dezurik plug valves. PO O-25-258	7022 · Plant Maint. P...	-7,502.50
TOTAL						-18,254.07
11681	Bill Pmt -...	01/08/2	Global Diving & ...	outfall inspection, 12/2/25	JP Morgan Chase - ...	
167...	Bill	12/05/2		outfall inspection, 12/2/25. PO O-25-217	7041 · Paradise Part...	-9,646.00
TOTAL						-9,646.00
11682	Bill Pmt -...	01/08/2	Goodman Buildi...	Stmt Date 12/25/25: number decals for ...	JP Morgan Chase - ...	
Stmt...	Bill	12/25/2		number decals to identify generators, PO ...	7011 · Pumps & Line...	-11.27
				nitile micro foam CTD palm med, PO O-2...	7025 · Lab Supplies ...	-18.55
TOTAL						-29.82
11683	Bill Pmt -...	01/08/2	Grainger	heat tape for Paradise Cove SBS	JP Morgan Chase - ...	
973...	Bill	12/05/2		heat tape for Paradise Cove SBS, PO O-...	7041 · Paradise Part...	-370.40
TOTAL						-370.40
11684	Bill Pmt -...	01/08/2	GSE Constructio...	Main Plant Digester Clean & Rehab, No...	JP Morgan Chase - ...	
9	Bill	12/09/2		Main Plant Digester Clean & Rehab, 11/4/...	9308.12 · Digester R...	-147,250.00
TOTAL						-147,250.00
11685	Bill Pmt -...	01/08/2	Jill Kalehua, DM...	Accounting Services - Dec 2025	JP Morgan Chase - ...	
Dec ...	Bill	01/01/2		Accounting Services - Dec 2025	6008 · Audit & Accou...	-2,346.75
TOTAL						-2,346.75

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**Sanitary District No.5 of Marin County
Warrant List Detail**

December 12, 2025 through January 8, 2026

Num	Type	Date	Name	Memo	Account	Paid Amo...
11686	Bill Pmt -...	01/08/2	JM Integration, L...	SOLV-FLFA, line fee - Dec 2025	JP Morgan Chase - ...	
23540	Bill	12/10/2		SOLV-FLFA, line fee - Dec 2025	8510 · Data/Alarms/I...	-25.00
TOTAL						-25.00
11687	Bill Pmt -...	01/08/2	John Carapiet	6 SD5 meeting attendance - July-Dec 2...	JP Morgan Chase - ...	
email	Bill	01/05/2		6 SD5 meeting attendance - July-Dec 2025	6024 · Director Fees	-600.00
TOTAL						-600.00
11688	Bill Pmt -...	01/08/2	Lystek Internatio...	biosolids delivery - Nov 2025	JP Morgan Chase - ...	
913...	Bill	12/02/2		biosolids delivery - Nov 2025	7029 · Main Plant Slu...	-865.08
TOTAL						-865.08
11689	Bill Pmt -...	01/08/2	Marin Municipal ...	5 accounts: Oct - Nov 2025	JP Morgan Chase - ...	
Bill ...	Bill	12/09/2		2001 Paradise Dr, Customer #100098, 10/...	8541 · Water	-3,355.41
				Mar West St, Customer #138856, 10/7/25...	8541 · Water	-87.69
				Cove Rd, Customer #424791, 10/7/25-12/...	8541 · Water	-87.69
				Golden Gate Av, Customer #424793, 10/...	8541 · Water	-87.69
				San Rafael Av, Customer #558095, 10/7/...	8541 · Water	-87.69
TOTAL						-3,706.17
11690	Bill Pmt -...	01/08/2	McMaster-Carr S...	analyzer fittings and parts for chemical...	JP Morgan Chase - ...	
564...	Bill	12/05/2		analyzer fittings. PO O-25-249	7022 · Plant Maint. P...	-25.26
566...	Bill	12/10/2		parts for chemical fees system	7041 · Paradise Part...	-292.31
TOTAL						-317.57
11691	Bill Pmt -...	01/08/2	MidAmerica	Admin & Platform fees for HSA/HRA, 3r...	JP Morgan Chase - ...	
033...	Bill	12/15/2		7 Retirees HRAs, 3rd Qtr 2025 Admin Fee	8022.05 · Retiree He...	-225.00
				4 current FSAs, 3rd Qtr 2025 Admin & Pl...	8020.05 · Employee ...	-72.00
TOTAL						-297.00
11692	Bill Pmt -...	01/08/2	Mill Valley Refus...	Garbage service - Jan 2026	JP Morgan Chase - ...	
000...	Bill	01/01/2		Garbage service - Jan 2026	7028 · Grounds Main...	-546.33
TOTAL						-546.33
11693	Bill Pmt -...	01/08/2	Mill Valley Refus...	(5) sludge exchanges - Dec 2025	JP Morgan Chase - ...	
Inv ...	Bill	01/01/2		Exchanges: (5) Sludges, (0) Debris - Dec ...	7029 · Main Plant Slu...	-2,700.00
TOTAL						-2,700.00

**Sanitary District No.5 of Marin County
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December 12, 2025 through January 8, 2026

<u>Num</u>	<u>Type</u>	<u>Date</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Paid Amo...</u>
11694	Bill Pmt -...	01/08/2	National Busines...	new lateral file cabinet, for Permit Dept	JP Morgan Chase - ...	
MK6...	Bill	10/27/2		new lateral file cabinet, for Permit Dept	9310.17 · Storage R...	-1,028.73
TOTAL						-1,028.73
11695	Bill Pmt -...	01/08/2	Nute Engineerin...	Sewer Rehab Project & Cove Rd Pump...	JP Morgan Chase - ...	
28078	Bill	12/08/2		Sewer Rehab Project - Nov 2025	9101.4 · Sewer Reha...	-231.00
28047	Bill	12/08/2		Cove Rd Pump Station Improvements - N...	9109.2 · Bel PS#1 R...	-4,633.00
TOTAL						-4,864.00
11696	Bill Pmt -...	01/08/2	Omar Arias	6 SD5 meeting attendance, July-Dec 20...	JP Morgan Chase - ...	
email	Bill	01/05/2		6 SD5 meeting attendance, July-Dec 2025	6024 · Director Fees	-600.00
TOTAL						-600.00
11697	Bill Pmt -...	01/08/2	PACE Supply Corp	new copper ball valves for city water li...	JP Morgan Chase - ...	
041...	Bill	12/17/2		new copper ball valves for city water lines ...	7021 · Plant Mainten...	-328.95
TOTAL						-328.95
11698	Bill Pmt -...	01/08/2	Pacific Gas & Ele...	Stmt Date 12/26/25 - 11/19/25-12/18/25, ...	JP Morgan Chase - ...	
Stmt...	Bill	12/26/2		Stmt Date 12/26/25: 11/19/25-12/18/25	8542 · Main Plant Util...	-20,471.12
				Stmt Date 12/26/25: 11/19/25-12/18/25	8543 · Paradise Cov...	-2,530.96
				Stmt Date 12/26/25: 11/19/25-12/18/25	8544 · Pump Station ...	-6,025.91
TOTAL						-29,027.99
11699	Bill Pmt -...	01/08/2	Peterson CAT	replace temperature sensor and gauge...	JP Morgan Chase - ...	
SW2...	Bill	01/03/2		replace temperature sensor and gauge on...	7021 · Plant Mainten...	-1,598.67
PC2...	Bill	01/06/2		air filters for Main plant generator, PO M-...	7021 · Plant Mainten...	-326.85
TOTAL						-1,925.52
11700	Bill Pmt -...	01/08/2	Primo Brands	drinking water - Dec 2025	JP Morgan Chase - ...	
05L...	Bill	12/26/2		drinking water: 11/25/25-12/24/25, Dec 20...	7023 · Janitorial Sup...	-92.37
				late fee from previous bill, Nov 2025	7023 · Janitorial Sup...	-20.00
TOTAL						-112.37
11701	Bill Pmt -...	01/08/2	Richard Snyder	6 SD5 Meeting Attendance, July-Dec 2...	JP Morgan Chase - ...	
email	Bill	01/05/2		6 SD5 meeting attendance, July-Dec 2025	6024 · Director Fees	-600.00
TOTAL						-600.00

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**Sanitary District No.5 of Marin County
Warrant List Detail**

December 12, 2025 through January 8, 2026

Num	Type	Date	Name	Memo	Account	Paid Amo...
11702	Bill Pmt -...	01/08/2	Roy's Sewer Ser...	(2) service calls: Main Plant RDT room ...	JP Morgan Chase - ...	
233...	Bill	12/04/2		service call, 228 Beach Rd Belvedere	7011 · Pumps & Line...	-750.00
233...	Bill	12/12/2		service call, Main Plant RDT room	7011 · Pumps & Line...	-500.00
TOTAL						-1,250.00
11703	Bill Pmt -...	01/08/2	Special Dist Risk...	Basic Life & ADD, LTD, Dental, Vision -...	JP Morgan Chase - ...	
H48...	Bill	12/12/2		Basic Life & ADD, LTD, Dental, Vision - J...	8020.05 · Employee ...	-99.81
H48...	Bill	01/05/2		Basic Life & ADD, LTD, Dental, Vision - F...	8020.05 · Employee ...	-2,010.36
TOTAL						-2,110.17
11704	Bill Pmt -...	01/08/2	Spiral Water Tec...	repair parts for Spiral Water filter	JP Morgan Chase - ...	
100...	Bill	12/10/2		repair parts for Spiral Water filter. PO M-2...	7022 · Plant Maint. P...	-3,415.63
TOTAL						-3,415.63
11705	Bill Pmt -...	01/08/2	T-Mobile *1446 cell	cell phones: Dec 2025	JP Morgan Chase - ...	
Bill ...	Bill	12/21/2		cell phones, Stmt Date 12/21/25: 11/21/2...	8530 · Telephone	-398.58
TOTAL						-398.58
11706	Bill Pmt -...	01/08/2	T-Mobile *8704 S...	(6) SIM cards for pump stations - Dec 2...	JP Morgan Chase - ...	
Bill ...	Bill	12/20/2		(6) SIM cards for pump stations - Bill peri...	8533 · Pumps & Line...	-60.01
TOTAL						-60.01
11707	Bill Pmt -...	01/08/2	Tod Moody	5 SD5 meeting attendance, July-Dec 20...	JP Morgan Chase - ...	
email	Bill	01/05/2		5 SD5 meeting attendance, July-Dec 202...	6024 · Director Fees	-500.00
TOTAL						-500.00
11708	Bill Pmt -...	01/08/2	U.S. Bank cc *3611	Stmt Date 12/26/25: CWEA education cl...	JP Morgan Chase - ...	
Stmt...	Bill	12/26/2		Harbor Freight, 12/3/25	7021 · Plant Mainten...	-185.64
				CWEA, Flagger and Traffic Control Traini...	6020 · Continuing Ed...	-85.67
				CWEA, Flagger and Traffic Control Traini...	6020 · Continuing Ed...	-85.67
TOTAL						-356.98
11709	Bill Pmt -...	01/08/2	Univar Solutions	Sod Bisulfite 25% bulk NSF LIQ, 5,000 ...	JP Morgan Chase - ...	
535...	Bill	12/18/2		Sod Bisulfite 25% bulk NSF LIQ, 5,000 ga...	7024 · Main Plant Ch...	-7,568.83
TOTAL						-7,568.83

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Sanitary District No.5 of Marin County
Warrant List Detail

December 12, 2025 through January 8, 2026

<u>Num</u>	<u>Type</u>	<u>Date</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Paid Amo...</u>
11710	Bill Pmt -...	01/08/2	USA Blue Book	pipette suction bulbs	JP Morgan Chase - ...	
INV...	Bill	12/24/2		pipette suction bulbs. PO O-25-260	7025 · Lab Supplies ...	-78.57
TOTAL						-78.57
11711	Bill Pmt -...	01/08/2	Water Compone...	valve key, adjustable	JP Morgan Chase - ...	
306...	Bill	12/17/2		valve key, adjustable. PO O-25-252	7025 · Lab Supplies ...	-84.73
TOTAL						-84.73

Sanitary District No.5 of Marin County Annual Budget vs Actual Expenses July 1, 2025 through January 8, 2026

	Jul 1, '25 - Jan 8, 26	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
5000 · Property Taxes / AD VALOREM				
5001.2 · TEETER	609,256.61	1,009,180.00	-399,923.39	60.4%
5002 · UNSEC	16,181.84	15,000.00	1,181.84	107.9%
5003 · PUNS / PRIOR UNSECURED	1,178.88	1,000.00	178.88	117.9%
5004 · REDEMPTION / RDMPT	498.14	700.00	-201.86	71.2%
5006 · SPLU	625.02	1,000.00	-374.98	62.5%
5041 · SUPSEC	3,695.84	15,000.00	-11,304.16	24.6%
5043 · SECU	283.04	100.00	183.04	283.0%
5046 · Excess ERAF	288,054.19	300,000.00	-11,945.81	96.0%
5280 · HOPTR	522.01	3,000.00	-2,477.99	17.4%
5483 · Other tax	4.10	100.00	-95.90	4.1%
5000 · Property Taxes / AD VALOREM - Other	0.00	0.00	0.00	0.0%
Total 5000 · Property Taxes / AD VALOREM	920,299.67	1,345,080.00	-424,780.33	68.4%
5007 · Sewer Service Charge				
5007.1 · Sewer Service - Ops	4,016,798.41	5,619,504.00	-1,602,705.59	71.5%
5007.2 · Sewer Service - Cap	0.00	643,423.00	-643,423.00	0.0%
5007 · Sewer Service Charge - Other	0.00	0.00	0.00	0.0%
Total 5007 · Sewer Service Charge	4,016,798.41	6,262,927.00	-2,246,128.59	64.1%
5201 · Interest				
5201.1 · Interest - County of Marin	2,905.67	100.00	2,805.67	2,905.7%
5201.2 · Interest - LAIF	347,233.00	300,000.00	47,233.00	115.7%
5201.5 · Income Dividend Reinvest-CLASS	30,163.48	20,500.00	9,663.48	147.1%
5201 · Interest - Other	0.00	0.00	0.00	0.0%
Total 5201 · Interest	380,302.15	320,600.00	59,702.15	118.6%
5900.10 · Paradise Sewer Line Ext. Fees	0.00	15,000.00	-15,000.00	0.0%
5900.3 · Connection Fees	377,236.34	300,000.00	77,236.34	125.7%
5900.4 · Permit Inspection & Admin Fees	41,219.96	35,000.00	6,219.96	117.8%
5900.5 · SASM Expense Reimb.	12,753.18	50,000.00	-37,246.82	25.5%
5900.9 · Other Income	924.01	100.00	824.01	924.0%
Total Income	5,749,533.72	8,328,707.00	-2,579,173.28	69.0%
Gross Profit	5,749,533.72	8,328,707.00	-2,579,173.28	69.0%
Expense				
6000 · Administrative Expenses				
6001 · Advertising	335.00	5,000.00	-4,665.00	6.7%
6008 · Audit & Accounting	57,457.57	90,000.00	-32,542.43	63.8%
6017 · Consulting Fees	27,325.67	150,000.00	-122,674.33	18.2%
6018 · Travel & Meetings				
6018.1 · Meetings & Travel	9,444.67	25,500.00	-16,055.33	37.0%
6018.2 · Standby Mileage Expense Reimb	2,777.61	3,500.00	-722.39	79.4%
6018 · Travel & Meetings - Other	0.00	0.00	0.00	0.0%
Total 6018 · Travel & Meetings	12,222.28	29,000.00	-16,777.72	42.1%
6020 · Continuing Education	3,322.48	10,000.00	-6,677.52	33.2%
6021 · County Fees	10,902.87	18,000.00	-7,097.13	60.6%
6024 · Director Fees	2,900.00	9,000.00	-6,100.00	32.2%
6025 · Dues & Subscriptions	20,704.43	35,000.00	-14,295.57	59.2%
6026 · Elections	0.00	0.00	0.00	0.0%
6033 · Insurance				
6033.1 · Insurance - SD5 Property	66,451.58	120,000.00	-53,548.42	55.4%
6033.2 · Insurance - SD5 Liability	95,834.00	70,000.00	25,834.00	136.9%
6033.3 · Insurance - SD5 Auto	5,128.00	10,000.00	-4,872.00	51.3%
6033 · Insurance - Other	0.00	0.00	0.00	0.0%
Total 6033 · Insurance	167,413.58	200,000.00	-32,586.42	83.7%

Sanitary District No.5 of Marin County Annual Budget vs Actual Expenses July 1, 2025 through January 8, 2026

	Jul 1, '25 - Jan 8, 26	Budget	\$ Over Budget	% of Budget
6039 · Legal	10,406.00	45,000.00	-34,594.00	23.1%
6047 · Office Supplies	2,283.86	10,000.00	-7,716.14	22.8%
6056 · Postage	265.76	1,000.00	-734.24	26.6%
6059 · Pollution Prevention/Public Edu	-341.93	5,500.00	-5,841.93	-6.2%
6065 · Miscellaneous Expense	0.00	0.00	0.00	0.0%
6000 · Administrative Expenses - Other	0.00	0.00	0.00	0.0%
Total 6000 · Administrative Expenses	315,197.57	607,500.00	-292,302.43	51.9%
7000 · Ops & Maintenance Expenses				
7010 · Pumps & Lines Maintenance				
7011 · Pumps & Lines Maintenance	110,664.59	200,000.00	-89,335.41	55.3%
7013 · Emergency Line Repair	91,200.00	100,000.00	-8,800.00	91.2%
7010 · Pumps & Lines Maintenance - Other	0.00	0.00	0.00	0.0%
Total 7010 · Pumps & Lines Maintenance	201,864.59	300,000.00	-98,135.41	67.3%
7020 · Main Plant Maintenance				
7021 · Plant Maintenance Supplies	30,135.98	80,000.00	-49,864.02	37.7%
7022 · Plant Maint. Parts & Service	276,597.35	300,000.00	-23,402.65	92.2%
7023 · Janitorial Supplies & Service	2,970.51	10,000.00	-7,029.49	29.7%
7024 · Main Plant Chemicals	92,359.97	170,000.00	-77,640.03	54.3%
7025 · Lab Supplies & Chemicals	7,154.58	25,000.00	-17,845.42	28.6%
7026 · SASM Supplies & Chem	922.38	0.00	922.38	100.0%
7027 · Electrical & Instrument	4,453.99	25,000.00	-20,546.01	17.8%
7028 · Grounds Maintenance	4,952.27	15,000.00	-10,047.73	33.0%
7029 · Main Plant Sludge Disposal	24,000.47	60,000.00	-35,999.53	40.0%
7020 · Main Plant Maintenance - Other	0.00	0.00	0.00	0.0%
Total 7020 · Main Plant Maintenance	443,547.50	685,000.00	-241,452.50	64.8%
7040 · Paradise Cove Plant Maint				
7041 · Paradise Parts & Service	14,641.50	20,000.00	-5,358.50	73.2%
7042 · Paradise Supplies & Chemicals	5,037.76	6,500.00	-1,462.24	77.5%
7043 · Paradise Sludge Disposal	0.00	3,000.00	-3,000.00	0.0%
7040 · Paradise Cove Plant Maint - Other	0.00	0.00	0.00	0.0%
Total 7040 · Paradise Cove Plant Maint	19,679.26	29,500.00	-9,820.74	66.7%
7050 · Monitoring				
7051 · Main Plant Lab Monitoring	24,141.30	50,000.00	-25,858.70	48.3%
7052 · Paradise Cove Monitoring	2,618.90	12,000.00	-9,381.10	21.8%
7053 · Chronic Toxicity	2,535.00	15,000.00	-12,465.00	16.9%
7050 · Monitoring - Other	0.00	0.00	0.00	0.0%
Total 7050 · Monitoring	29,295.20	77,000.00	-47,704.80	38.0%
7060 · Permits/Fees				
7062 · Permits/Fees - General	37,485.23	53,000.00	-15,514.77	70.7%
7063 · Paradise Cove Permits/Fees	0.00	10,000.00	-10,000.00	0.0%
7064 · Paradise Cove NPDES Renewal	0.00	25,000.00	-25,000.00	0.0%
7060 · Permits/Fees - Other	0.00	0.00	0.00	0.0%
Total 7060 · Permits/Fees	37,485.23	88,000.00	-50,514.77	42.6%
7070 · Truck Maintenance				
7071 · Fuel	4,491.06	30,000.00	-25,508.94	15.0%
7072 · Maintenance	15,759.18	25,000.00	-9,240.82	63.0%
7070 · Truck Maintenance - Other	0.00	0.00	0.00	0.0%
Total 7070 · Truck Maintenance	20,250.24	55,000.00	-34,749.76	36.8%
7000 · Ops & Maintenance Expenses - Other	0.00	0.00	0.00	0.0%
Total 7000 · Ops & Maintenance Expenses	752,122.02	1,234,500.00	-482,377.98	60.9%

Sanitary District No.5 of Marin County Annual Budget vs Actual Expenses July 1, 2025 through January 8, 2026

	Jul 1, '25 - Jan 8, 26	Budget	\$ Over Budget	% of Budget
8000 · Salaries and Benefits Expenses				
8001 · Salaries	803,773.93	1,679,919.00	-876,145.07	47.8%
8003 · Overtime	57,633.05	125,000.00	-67,366.95	46.1%
8004 · Standby Pay	37,956.92	80,000.00	-42,043.08	47.4%
8005 · Employee Incentives	34,000.00	40,000.00	-6,000.00	85.0%
8006 · Vacation Buyout	48,074.04	80,000.00	-31,925.96	60.1%
8008 · Deferred Comp 457	79,575.42	120,000.00	-40,424.58	66.3%
8013 · Payroll Taxes	60,225.79	110,000.00	-49,774.21	54.8%
8015 · Payroll Service Processing Fees	5,689.70	10,000.00	-4,310.30	56.9%
8016 · Car Allowance	8,000.00	8,000.00	0.00	100.0%
8019 · PERS Retirement				
8019.05 · PERS Retirement	98,228.07	324,553.00	-226,324.93	30.3%
8019.10 · PERS Retirement Trust	0.00	403,752.00	-403,752.00	0.0%
8019 · PERS Retirement - Other	120.00	0.00	120.00	100.0%
Total 8019 · PERS Retirement	98,348.07	728,305.00	-629,956.93	13.5%
8020 · Employee Health				
8020.05 · Employee Health	190,196.61	356,466.00	-166,269.39	53.4%
8021 · Employee Health Deductions	-1,809.56	0.00	-1,809.56	100.0%
8020 · Employee Health - Other	0.00	0.00	0.00	0.0%
Total 8020 · Employee Health	188,387.05	356,466.00	-168,078.95	52.8%
8022 · Retiree Health				
8022.05 · Retiree Health	73,302.50	94,415.00	-21,112.50	77.6%
8022.10 · CERBT/OPEB Annual Arc Contribtn	318,958.00	75,000.00	243,958.00	425.3%
8022 · Retiree Health - Other	0.00	0.00	0.00	0.0%
Total 8022 · Retiree Health	392,260.50	169,415.00	222,845.50	231.5%
8023 · Workers Comp Insurance	35,080.00	48,518.00	-13,438.00	72.3%
8000 · Salaries and Benefits Expenses - Other	0.00	0.00	0.00	0.0%
Total 8000 · Salaries and Benefits Expenses	1,849,004.47	3,555,623.00	-1,706,618.53	52.0%
8500 · Other Operating Expenses				
8510 · Data/Alarms/IT Supp & Licensing	77,121.48	100,000.00	-22,878.52	77.1%
8515 · Safety	8,543.41	54,200.00	-45,656.59	15.8%
8520 · Personal Protection/Safety Wear				
8520.01 · Boot Allowance	1,200.00	2,400.00	-1,200.00	50.0%
8520.02 · Eye Protection Allowance	1,274.64	3,600.00	-2,325.36	35.4%
8520.03 · Uniform Allowance	1,218.09	4,800.00	-3,581.91	25.4%
8520 · Personal Protection/Safety Wear - Other	1,842.36	0.00	1,842.36	100.0%
Total 8520 · Personal Protection/Safety Wear	5,535.09	10,800.00	-5,264.91	51.3%
8530 · Telephone				
8531 · Main Plant Telephones	10,169.31	15,000.00	-4,830.69	67.8%
8532 · Paradise Cove Telephones	566.68	5,000.00	-4,433.32	11.3%
8533 · Pumps & Lines Telephones	2,178.51	6,000.00	-3,821.49	36.3%
8530 · Telephone - Other	2,391.12	0.00	2,391.12	100.0%
Total 8530 · Telephone	15,305.62	26,000.00	-10,694.38	58.9%
8540 · Utilities				
8541 · Water	10,639.72	15,000.00	-4,360.28	70.9%
8542 · Main Plant Utilities	148,322.72	260,000.00	-111,677.28	57.0%
8543 · Paradise Cove Utilities	19,912.61	35,000.00	-15,087.39	56.9%
8544 · Pump Station Utilities	33,502.52	65,000.00	-31,497.48	51.5%
8540 · Utilities - Other	0.00	0.00	0.00	0.0%
Total 8540 · Utilities	212,377.57	375,000.00	-162,622.43	56.6%

Sanitary District No.5 of Marin County Annual Budget vs Actual Expenses July 1, 2025 through January 8, 2026

	Jul 1, '25 - Jan 8, 26	Budget	\$ Over Budget	% of Budget
8500 · Other Operating Expenses - Other	0.00	0.00	0.00	0.0%
Total 8500 · Other Operating Expenses	318,883.17	566,000.00	-247,116.83	56.3%
Total Expense	3,235,207.23	5,963,623.00	-2,728,415.77	54.2%
Net Ordinary Income	2,514,326.49	2,365,084.00	149,242.49	106.3%
Other Income/Expense				
Other Expense				
9000 · Capital Improvements CIP				
9100 · Collection System CIP				
9101 · Sewer Rehab Projects	885,113.00	1,250,000.00	-364,887.00	70.8%
9102 · Pump Replacement CIP	0.00	50,000.00	-50,000.00	0.0%
9103 · Valve & Wet Well Improvements	0.00	50,000.00	-50,000.00	0.0%
9104 · PS Generator Replacement CIP				
9104.11 · 30KW Portable Gen#1 Replacement	0.00	75,000.00	-75,000.00	0.0%
9104 · PS Generator Replacement CIP - Other	0.00	0.00	0.00	0.0%
Total 9104 · PS Generator Replacement CIP	0.00	75,000.00	-75,000.00	0.0%
9106 · Manhole Replacement Project	0.00	75,000.00	-75,000.00	0.0%
9109 · Large PS CIP Projects				
9109.2 · Bel PS#1 Rehabilitation Project	91,205.04	3,000,000.00	-2,908,794.96	3.0%
Total 9109 · Large PS CIP Projects	91,205.04	3,000,000.00	-2,908,794.96	3.0%
9100 · Collection System CIP - Other	0.00	0.00	0.00	0.0%
Total 9100 · Collection System CIP	976,318.04	4,500,000.00	-3,523,681.96	21.7%
9200 · Paradise Cove CIP				
9204 · Control Panel Replacement	0.00	75,000.00	-75,000.00	0.0%
9208 · PC Building Rehabilitation	0.00	100,000.00	-100,000.00	0.0%
9200 · Paradise Cove CIP - Other	0.00	0.00	0.00	0.0%
Total 9200 · Paradise Cove CIP	0.00	175,000.00	-175,000.00	0.0%
9300 · Main Plant Equipment Capital				
9304 · Chemical Feed System Projects				
9304.05 · Cl2 Induction Mixer	0.00	35,000.00	-35,000.00	0.0%
9304 · Chemical Feed System Projects - Other	0.00	0.00	0.00	0.0%
Total 9304 · Chemical Feed System Projects	0.00	35,000.00	-35,000.00	0.0%
9308 · Digester Improvements				
9308.12 · Digester Rehab Project	819,569.75	2,000,000.00	-1,180,430.25	41.0%
9308 · Digester Improvements - Other	0.00	0.00	0.00	0.0%
Total 9308 · Digester Improvements	819,569.75	2,000,000.00	-1,180,430.25	41.0%
9309 · Solids Handling Improvements				
9309.11 · Sludge Box #1 Replacement	0.00	30,000.00	-30,000.00	0.0%
9309 · Solids Handling Improvements - Other	0.00	0.00	0.00	0.0%
Total 9309 · Solids Handling Improvements	0.00	30,000.00	-30,000.00	0.0%
9310 · Facility Support CIP				
9310.15 · Main Office HVAC Replacement	0.00	30,000.00	-30,000.00	0.0%
9310 · Facility Support CIP - Other	0.00	0.00	0.00	0.0%
Total 9310 · Facility Support CIP	0.00	30,000.00	-30,000.00	0.0%
9311 · HVAC/Supply Fan Improvements				
9311.05 · Lab Supply Fan Replacement	0.00	15,000.00	-15,000.00	0.0%
9311.08 · New Lab Room Fan Replacement	0.00	15,000.00	-15,000.00	0.0%
9311 · HVAC/Supply Fan Improvements - Other	0.00	0.00	0.00	0.0%
Total 9311 · HVAC/Supply Fan Improvements	0.00	30,000.00	-30,000.00	0.0%

Sanitary District No.5 of Marin County
Annual Budget vs Actual Expenses
 July 1, 2025 through January 8, 2026

	Jul 1, '25 - Jan 8, 26	Budget	\$ Over Budget	% of Budget
9312 · MP Vehicle Replacements				
9312.1 · Admin Emergency Response Truck	69,165.99	75,000.00	-5,834.01	92.2%
9312 · MP Vehicle Replacements - Other	0.00	0.00	0.00	0.0%
Total 9312 · MP Vehicle Replacements	69,165.99	75,000.00	-5,834.01	92.2%
9313 · Controls/Electrical Improvement				
9313.1 · Business Server Replacement	0.00	50,000.00	-50,000.00	0.0%
9313.3 · MCC PLC Upgrade Project	111,849.26	100,000.00	11,849.26	111.8%
9313 · Controls/Electrical Improvement - Other	0.00	0.00	0.00	0.0%
Total 9313 · Controls/Electrical Improvement	111,849.26	150,000.00	-38,150.74	74.6%
9314 · Building & Grounds Improvements				
9314.10 · M.P. Office/Bath/Break Imprvmnt	79,645.12	100,000.00	-20,354.88	79.6%
9314 · Building & Grounds Improvements - Other	0.00	0.00	0.00	0.0%
Total 9314 · Building & Grounds Improvements	79,645.12	100,000.00	-20,354.88	79.6%
Total 9300 · Main Plant Equipment Capital	1,080,230.12	2,450,000.00	-1,369,769.88	44.1%
9500 · Undesignated Capital				
9510 · Undesignated Cap - M.P.	0.00	50,000.00	-50,000.00	0.0%
9520 · Undesignated Cap - P.C. Plant	0.00	25,000.00	-25,000.00	0.0%
9530 · Undesignated Cap - P & L	0.00	50,000.00	-50,000.00	0.0%
9500 · Undesignated Capital - Other	0.00	0.00	0.00	0.0%
Total 9500 · Undesignated Capital	0.00	125,000.00	-125,000.00	0.0%
9000 · Capital Improvements CIP - Other	0.00	0.00	0.00	0.0%
Total 9000 · Capital Improvements CIP	2,056,548.16	7,250,000.00	-5,193,451.84	28.4%
9700 · Debt Service				
9730 · Debt Service - MPR Project				
9730.01 · Zion Loan - Principal	640,000.00	610,000.00	30,000.00	104.9%
9730.02 · Zion Loan - Interest	59,892.00	150,284.00	-90,392.00	39.9%
9730 · Debt Service - MPR Project - Other	0.00	0.00	0.00	0.0%
Total 9730 · Debt Service - MPR Project	699,892.00	760,284.00	-60,392.00	92.1%
9700 · Debt Service - Other	0.00	0.00	0.00	0.0%
Total 9700 · Debt Service	699,892.00	760,284.00	-60,392.00	92.1%
Total Other Expense	2,756,440.16	8,010,284.00	-5,253,843.84	34.4%
Net Other Income	-2,756,440.16	-8,010,284.00	5,253,843.84	34.4%
Net Income	-242,113.67	-5,645,200.00	5,403,086.33	4.3%

**Sanitary District No.5 of Marin County
Comparative Balance Sheet
As of January 8, 2026**

	Jan 8, 26	Dec 8, 25	\$ Change
ASSETS			
Current Assets			
Checking/Savings			
JP Morgan Chase - Primary 7399	-73,722.66	210,585.12	-284,307.78
JP Morgan Chase - Payroll 7506	85,208.17	95,366.12	-10,157.95
JP Morgan Chase - Transfer 7522	272,829.09	28,323.44	244,505.65
Local Agency Investment Fund			
SD5 Capital & CIP Reserve	9,725,065.99	9,725,065.99	0.00
SD5 Operating	4,625,749.67	925,749.67	3,700,000.00
SD5 Operating Reserve	1,200,853.05	1,200,853.05	0.00
Total Local Agency Investment Fund	15,551,668.71	11,851,668.71	3,700,000.00
California CLASS			
CalPERS UAL Fund	556,827.70	555,000.29	1,827.41
Emergency Replacement Fund	1,056,933.66	1,053,464.98	3,468.68
Total California CLASS	1,613,761.36	1,608,465.27	5,296.09
Total Checking/Savings	17,449,744.67	13,794,408.66	3,655,336.01
Accounts Receivable			
Accounts Receivable	578,132.01	590,885.19	-12,753.18
Total Accounts Receivable	578,132.01	590,885.19	-12,753.18
Other Current Assets			
Petty Cash	200.00	200.00	0.00
Prepaid Expense	235,943.43	235,943.43	0.00
Total Other Current Assets	236,143.43	236,143.43	0.00
Total Current Assets	18,264,020.11	14,621,437.28	3,642,582.83
Fixed Assets	18,393,029.30	18,393,029.30	0.00
Other Assets			
1950 - Pension - Deferred Outflows	2,271,887.00	2,271,887.00	0.00
1951 - Deferred Outflows - OPEB	408,067.00	408,067.00	0.00
Total Other Assets	2,679,954.00	2,679,954.00	0.00
TOTAL ASSETS	39,337,003.41	35,694,420.58	3,642,582.83
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Current Liabilities	1,547,052.35	1,975,595.64	-428,543.29
Long Term Liabilities			
Long Term Liabilities	6,596,126.20	6,596,126.20	0.00
Total Liabilities	8,143,178.55	8,571,721.84	-428,543.29
Equity	31,193,824.86	27,122,698.74	4,071,126.12
TOTAL LIABILITIES & EQUITY	39,337,003.41	35,694,420.58	3,642,582.83



Summary Statement

December 31, 2025

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Investor ID: CA-01-0195

0000185-0000776 PDF 878745

**Sanitary District No. 5 of Marin County
PO Box 227
Tiburon, CA 94920**

California CLASS

California CLASS

Average Monthly Yield: 3.8767%

		Beginning Balance	Contributions	Withdrawals	Income Earned	Income Earned YTD	Average Daily Balance	Month End Balance
CA-01-0195-0001	Emergency Replacement Fund	1,053,464.98	0.00	0.00	3,468.68	44,204.85	1,053,576.87	1,056,933.66
CA-01-0195-0002	CalPERS UAL Fund	555,000.29	0.00	0.00	1,827.41	11,304.34	555,059.24	556,827.70
TOTAL		1,608,465.27	0.00	0.00	5,296.09	55,509.19	1,608,636.11	1,613,761.36



Emergency Replacement Fund

Account Summary

Average Monthly Yield: 3.8767%

	Beginning Balance	Contributions	Withdrawals	Income Earned	Income Earned YTD	Average Daily Balance	Month End Balance
California CLASS	1,053,464.98	0.00	0.00	3,468.68	44,204.85	1,053,576.87	1,056,933.66

Transaction Activity

Transaction Date	Transaction Description	Contributions	Withdrawals	Balance	Transaction Number
12/01/2025	Beginning Balance			1,053,464.98	
12/31/2025	Income Dividend Reinvestment	3,468.68			
12/31/2025	Ending Balance			1,056,933.66	



Account Statement

December 31, 2025

Page 3 of 4

Account Number: CA-01-0195-0002

CalPERS UAL Fund

Account Summary

Average Monthly Yield: 3.8767%

	Beginning Balance	Contributions	Withdrawals	Income Earned	Income Earned YTD	Average Daily Balance	Month End Balance
California CLASS	555,000.29	0.00	0.00	1,827.41	11,304.34	555,059.24	556,827.70

Transaction Activity

Transaction Date	Transaction Description	Contributions	Withdrawals	Balance	Transaction Number
12/01/2025	Beginning Balance			555,000.29	
12/31/2025	Income Dividend Reinvestment	1,827.41			
12/31/2025	Ending Balance			556,827.70	



California CLASS

California CLASS

Date	Dividend Rate	Daily Yield
12/01/2025	0.000111607	4.0703%
12/02/2025	0.000111341	4.0640%
12/03/2025	0.000109861	4.0099%
12/04/2025	0.000108995	3.9783%
12/05/2025	0.000326559	3.9731%
12/06/2025	0.000000000	3.9731%
12/07/2025	0.000000000	3.9731%
12/08/2025	0.000109137	3.9835%
12/09/2025	0.000108986	3.9780%
12/10/2025	0.000108590	3.9636%
12/11/2025	0.000106753	3.8965%
12/12/2025	0.000313020	3.8084%
12/13/2025	0.000000000	3.8084%
12/14/2025	0.000000000	3.8084%
12/15/2025	0.000104665	3.8203%
12/16/2025	0.000104605	3.8181%
12/17/2025	0.000103916	3.7929%
12/18/2025	0.000104064	3.7983%
12/19/2025	0.000312213	3.7986%
12/20/2025	0.000000000	3.7986%
12/21/2025	0.000000000	3.7986%
12/22/2025	0.000104458	3.8127%
12/23/2025	0.000104475	3.8134%
12/24/2025	0.000208438	3.8040%
12/25/2025	0.000000000	3.8040%
12/26/2025	0.000314034	3.8208%
12/27/2025	0.000000000	3.8208%
12/28/2025	0.000000000	3.8208%
12/29/2025	0.000105620	3.8551%
12/30/2025	0.000105603	3.8545%
12/31/2025	0.000105696	3.8579%

Performance results are shown net of all fees and expenses and reflect the reinvestment of dividends and other earnings. Many factors affect performance including changes in market conditions and interest rates and in response to other economic, political, or financial developments. Investment involves risk including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. **Past performance is no guarantee of future results. Any financial and/or investment decision may incur losses.**



CALIFORNIA STATE TREASURER
FIONA MA, CPA



PMIA Daily Effective Yield

Date	Daily	Quarter to Date	Average Maturity
12/30/25	3.98	4.09	244
12/29/25	3.99	4.09	244
12/28/25	3.99	4.09	244
12/27/25	3.99	4.10	245
12/26/25	3.99	4.10	246
12/25/25	4.00	4.10	247
12/24/25	4.00	4.10	248
12/23/25	4.00	4.10	250
12/22/25	4.01	4.10	250
12/21/25	4.01	4.10	251
12/20/25	4.01	4.10	252
12/19/25	4.01	4.11	253
12/18/25	4.01	4.11	256
12/17/25	4.02	4.11	255
12/16/25	4.02	4.11	257
12/15/25	4.03	4.11	254
12/14/25	4.03	4.11	253
12/13/25	4.03	4.11	253
12/12/25	4.03	4.11	253
12/11/25	4.04	4.12	255
12/10/25	4.05	4.12	250
12/09/25	4.06	4.12	252
12/08/25	4.06	4.12	252
12/07/25	4.07	4.12	252
12/06/25	4.07	4.12	252
12/05/25	4.07	4.12	252
12/04/25	4.07	4.12	251
12/03/25	4.07	4.12	250
12/02/25	4.07	4.12	252
12/01/25	4.08	4.12	251
11/30/25	4.08	4.12	251
11/29/25	4.08	4.12	251
11/28/25	4.08	4.13	251
11/27/25	4.08	4.13	251
11/26/25	4.08	4.13	251
11/25/25	4.08	4.13	252
11/24/25	4.08	4.13	254

*Daily yield does not reflect capital gains or losses



CALIFORNIA STATE TREASURER
FIONA MA, CPA



PMIA Daily Effective Yield

Date	Daily	Quarter to Date	Average Maturity
11/23/25	4.08	4.13	256
11/22/25	4.08	4.13	256
11/21/25	4.08	4.13	256
11/20/25	4.09	4.13	255
11/19/25	4.09	4.13	255
11/18/25	4.09	4.13	255
11/17/25	4.09	4.14	258
11/16/25	4.09	4.14	259
11/15/25	4.09	4.14	260
11/14/25	4.09	4.14	261
11/13/25	4.10	4.14	255
11/12/25	4.10	4.14	258
11/11/25	4.11	4.14	259
11/10/25	4.11	4.14	260
11/09/25	4.11	4.14	260
11/08/25	4.11	4.14	260
11/07/25	4.11	4.14	260
11/06/25	4.11	4.15	260
11/05/25	4.12	4.15	254
11/04/25	4.12	4.15	256
11/03/25	4.12	4.15	267
11/02/25	4.12	4.15	258
11/01/25	4.12	4.15	258

*Daily yield does not reflect capital gains or losses

California State Treasurer
Fiona Ma, CPA



Local Agency Investment Fund
 P.O. Box 942809
 Sacramento, CA 94209-0001
 (916) 653-3001

January 03, 2026

[LAIF Home](#)
[PMIA Average Monthly Yields](#)

MARIN COUNTY SANITARY DISTRICT #5

DISTRICT MANAGER
 P.O. BOX 227
 TIBURON, CA 94920

[Tran Type Definitions](#)

Account Number: 70-21-007

December 2025 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
12/17/2025	12/16/2025	RD	1788011	N/A	JOHN CARAPIET	3,700,000.00

Account Summary

Total Deposit:	3,700,000.00	Beginning Balance:	11,851,668.71
Total Withdrawal:	0.00	Ending Balance:	15,551,668.71

Overtime hours

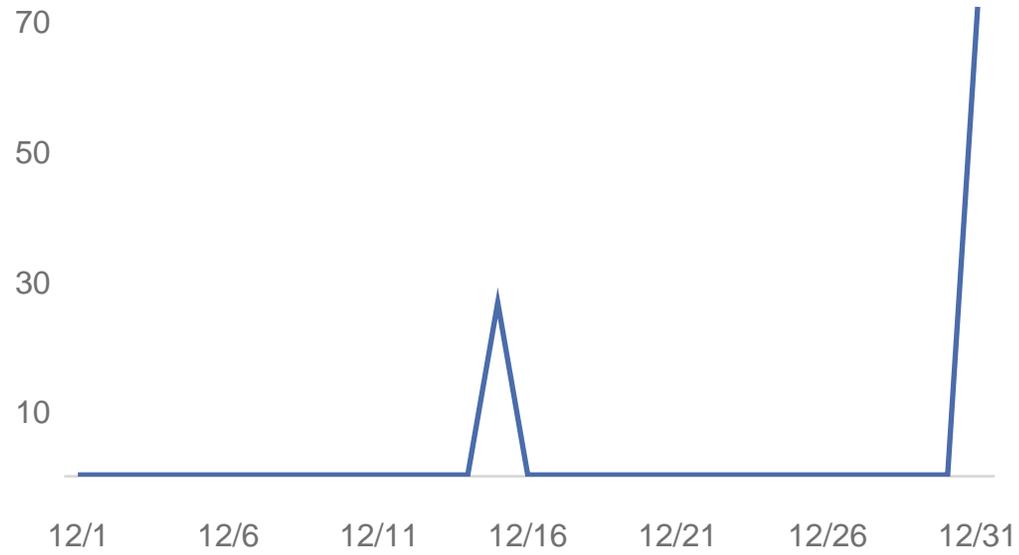


Check date

Dec 1, 2025 - Dec 31, 2025

● My Company

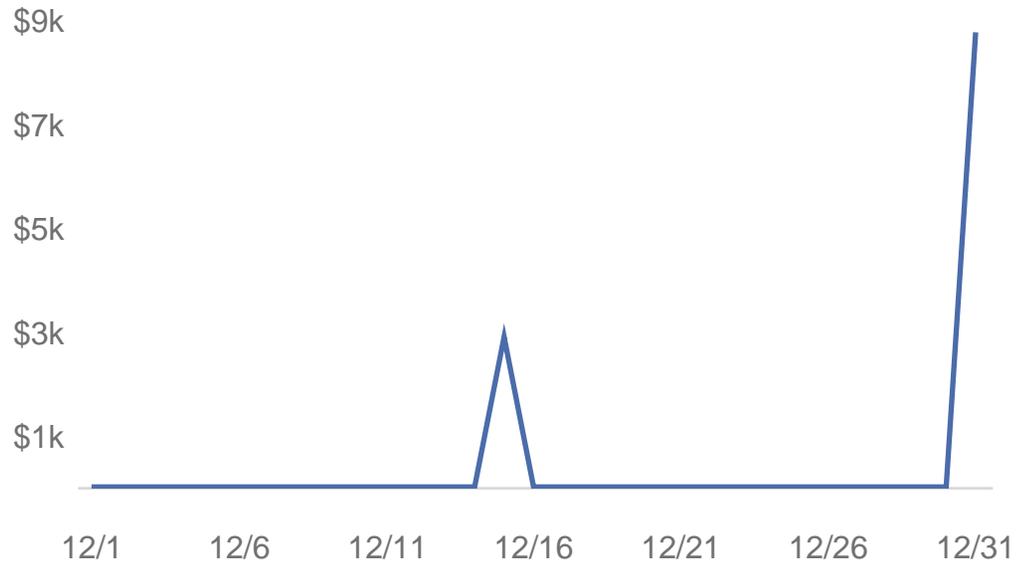
98.5 hrs



Overtime amounts



Check date



Dec 1, 2025 - Dec 31, 2025

● My Company

\$11,625.91

Labor cost ⓘ



Check date



Dec 1, 2025 - Dec 31, 2025

● My Company

\$178,318.68

Full name	Overtime amounts	Overtime hours
Alvarez, Joel		
Bilsborough Sr., Chad E	4189.39	37.00
Collodi, Pete		
Cottrell III, Rulon K	5776.65	41.00
Farrington, Abigail V		
LaTorre, Daniel P		
Rosser, John M		
Rubio, Antonio		
Salazar, Ignacio G	1613.79	19.50
Thornton, Eric T	46.08	1.00
Triola, Joseph		
Vossler, Jackson		
	11625.91	98.50

Overtime hours

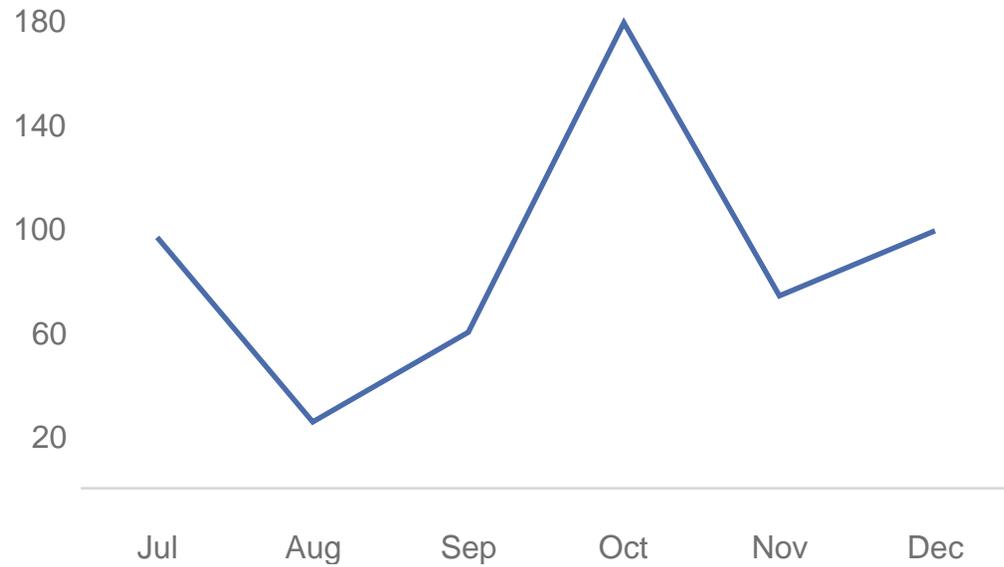


Check date

Jul 1, 2025 - Dec 31, 2025

● My Company

531 hrs



Overtime amounts



Check date

\$25k

\$15k

\$5k

Jul 1, 2025 - Dec 31, 2025

● My Company

\$57,633.05

Jul

Aug

Sep

Oct

Nov

Dec



Month	Overtime Amount
Jul	~\$10k
Aug	~\$3k
Sep	~\$6k
Oct	~\$18k
Nov	~\$7k
Dec	~\$12k

Labor cost ⓘ



Check date

\$250k

\$150k

\$50k

Jul

Aug

Sep

Oct

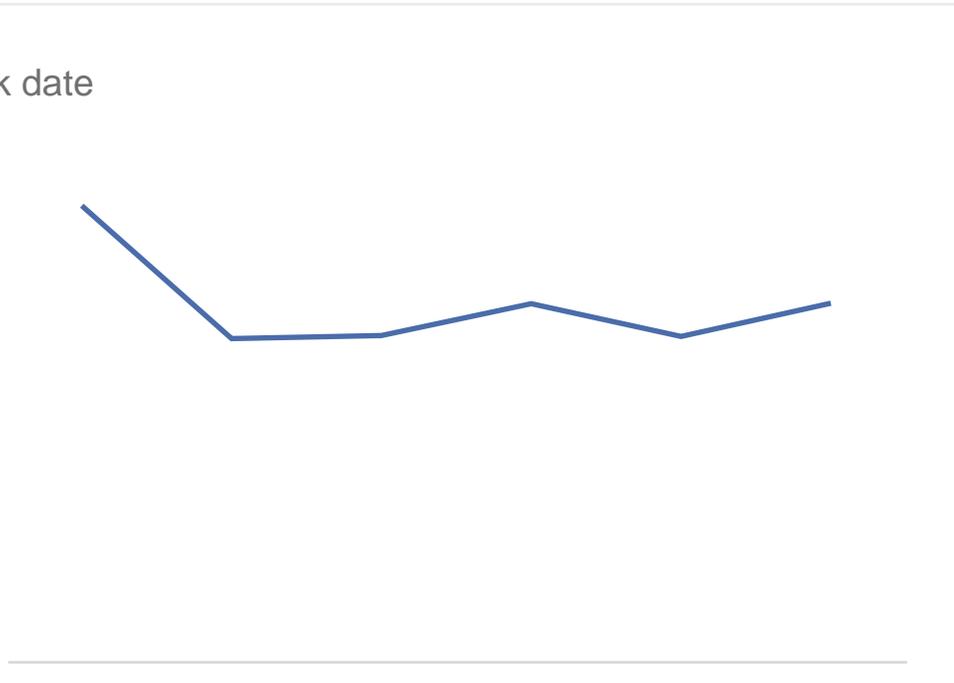
Nov

Dec

Jul 1, 2025 - Dec 31, 2025

● My Company

\$1,067,997.63



Full name	Overtime amounts	Overtime hours
Alvarez, Joel		
Bilsborough Sr., Chad E	9875.01	90.00
Collodi, Pete	1000.80	13.00
Cottrell III, Rulon K	23149.39	169.00
Farrington, Abigail V	3244.35	39.00
LaTorre, Daniel P	4442.30	36.00
Rosser, John M	5268.45	48.50
Rubio, Antonio		
Salazar, Ignacio G	7143.21	91.50
Screechfield-Lablue, Pierce L		
Thornton, Eric T	506.88	11.00
Triola, Joseph	1867.91	19.50
Vossler, Jackson	1134.75	13.50
	57633.05	531.00

CASH REQUIREMENTS

CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR ELECTRONIC FUNDS TRANSFERS (EFT) FOR CHECK DATE 12/15/25: \$72,947.86

TRANSACTION SUMMARY

SUMMARY BY TRANSACTION TYPE -	TOTAL ELECTRONIC FUNDS TRANSFER (EFT)	72,947.86
	CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR EFT	72,947.86
	TOTAL REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES	9,555.99
	CASH REQUIRED FOR CHECK DATE 12/15/25	<u>82,503.85</u>

TRANSACTION DETAIL

ELECTRONIC FUNDS TRANSFER - *Your financial institution will initiate transfer to Paychex at or after 12:01 A.M. on transaction date.*

<u>TRANS. DATE</u>	<u>BANK NAME</u>	<u>ACCOUNT NUMBER</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>		BANK DRAFT AMOUNTS & OTHER TOTALS
12/12/25	CHASE BANK, NA	xxxxxxxxxxxxx506	Direct Deposit	Net Pay Allocations	50,321.86	50,321.86
12/12/25	CHASE BANK, NA	xxxxxxxxxxxxx506	Taxpay®	Employee Withholdings		
				Social Security	3,227.05	
				Medicare	1,250.46	
				Fed Income Tax	9,664.50	
				CA Income Tax	4,183.51	
				Total Withholdings	<u>18,325.52</u>	
				Employer Liabilities		
				Social Security	3,227.06	
				Medicare	1,073.42	
				Total Liabilities	<u>4,300.48</u>	22,626.00
				EFT FOR 12/12/25		72,947.86
				TOTAL EFT		72,947.86

REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES - *Unless stated otherwise, Paychex does not remit these funds. You must ensure accurate and timely payment of applicable items.*

<u>TRANS. DATE</u>	<u>BANK NAME</u>	<u>ACCOUNT NUMBER</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>		<u>TOTAL</u>
12/15/25	Refer to your records for account	Information	Payroll	Employee Deductions		
				401A Member Contribu	5,425.35	
				Calpers 457B Roth	1,226.24	
				Calpers 457B TRDL	2,005.67	
				Calpers457b Roth CU	350.00	
				Life Insurance	9.72	
				Med 125	164.01	

CASH REQUIREMENTS

CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR ELECTRONIC FUNDS TRANSFERS (EFT) FOR CHECK DATE 12/15/25: \$72,947.86

REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES (cont.) - Unless stated otherwise, Paychex does not remit these funds. You must ensure accurate and timely payment of applicable items.

<u>TRANS. DATE</u>	<u>BANK NAME</u>	<u>ACCOUNT NUMBER</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>	<u>TOTAL</u>
12/15/25	Refer to your records for account	Information	Payroll	Employee Deductions (cont.)	
				Med FSA EE Pretax	375.00
				Total Deductions	9,555.99
TOTAL REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES					9,555.99

PAYCHEX WILL MAKE THESE TAX DEPOSIT(S) ON YOUR BEHALF - This information serves as a record of payment.

<u>DUE DATE</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>	
12/19/25	Taxpay®	FED IT PMT Group	18,442.49
12/19/25	Taxpay®	CA IT PMT Group	4,183.51

CASH REQUIREMENTS

CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR ELECTRONIC FUNDS TRANSFERS (EFT) FOR CHECK DATE 12/31/25: \$86,258.84

TRANSACTION SUMMARY

SUMMARY BY TRANSACTION TYPE -	TOTAL ELECTRONIC FUNDS TRANSFER (EFT)	86,258.84
	CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR EFT	86,258.84
	TOTAL REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES	9,555.99
	CASH REQUIRED FOR CHECK DATE 12/31/25	<u>95,814.83</u>

TRANSACTION DETAIL

ELECTRONIC FUNDS TRANSFER - *Your financial institution will initiate transfer to Paychex at or after 12:01 A.M. on transaction date.*

<u>TRANS. DATE</u>	<u>BANK NAME</u>	<u>ACCOUNT NUMBER</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>		BANK DRAFT AMOUNTS & OTHER TOTALS
12/30/25	CHASE BANK, NA	xxxxxxxxxxxxx506	Direct Deposit	Net Pay Allocations	63,096.51	63,096.51
12/30/25	CHASE BANK, NA	xxxxxxxxxxxxx506	Taxpay®	Employee Withholdings		
				Social Security	2,439.03	
				Medicare	1,539.47	
				Fed Income Tax	10,900.14	
				CA Income Tax	4,533.44	
				Total Withholdings	<u>19,412.08</u>	
				Employer Liabilities		
				Social Security	2,439.03	
				Medicare	1,311.22	
				Total Liabilities	<u>3,750.25</u>	23,162.33
				EFT FOR 12/30/25		86,258.84
				TOTAL EFT		86,258.84

REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES - *Unless stated otherwise, Paychex does not remit these funds. You must ensure accurate and timely payment of applicable items.*

<u>TRANS. DATE</u>	<u>BANK NAME</u>	<u>ACCOUNT NUMBER</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>		<u>TOTAL</u>
12/31/25	Refer to your records for account	Information	Payroll	Employee Deductions		
				401A Member Contribu	5,425.35	
				Calpers 457B Roth	1,226.24	
				Calpers 457B TRDL	2,005.67	
				Calpers457b Roth CU	350.00	
				Life Insurance	9.72	
				Med 125	164.01	

CASH REQUIREMENTS

CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR ELECTRONIC FUNDS TRANSFERS (EFT) FOR CHECK DATE 12/31/25: \$86,258.84

REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES (cont.) - Unless stated otherwise, Paychex does not remit these funds. You must ensure accurate and timely payment of applicable items.

<u>TRANS. DATE</u>	<u>BANK NAME</u>	<u>ACCOUNT NUMBER</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>	<u>TOTAL</u>
12/31/25	Refer to your records for account	Information	Payroll	Employee Deductions (cont.)	
				Med FSA EE Pretax	375.00
				Total Deductions	9,555.99
TOTAL REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES					9,555.99

PAYCHEX WILL MAKE THESE TAX DEPOSIT(S) ON YOUR BEHALF - This information serves as a record of payment.

<u>DUE DATE</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>	
01/07/26	Taxpay®	FED IT PMT Group	18,628.89
01/07/26	Taxpay®	CA IT PMT Group	4,533.44

CASH REQUIREMENTS

CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR ELECTRONIC FUNDS TRANSFERS (EFT) FOR CHECK DATE 12/31/25: \$-1,923.85

TRANSACTION SUMMARY

SUMMARY BY TRANSACTION TYPE -	TOTAL ELECTRONIC FUNDS TRANSFER (EFT)	-1,923.85
	CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR EFT	-1,923.85
	TOTAL VOIDS	-3,260.67
	CASH REQUIRED BEFORE REMAINING D / W / L	-5,184.52
	TOTAL REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES	-1,589.43
	CASH REQUIRED FOR CHECK DATE 12/31/25	-6,773.95

TRANSACTION DETAIL

ELECTRONIC FUNDS TRANSFER - *Your financial institution will initiate transfer to Paychex at or after 12:01 A.M. on transaction date.*

<u>TRANS. DATE</u>	<u>BANK NAME</u>	<u>ACCOUNT NUMBER</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>	BANK DRAFT AMOUNTS & OTHER TOTALS
12/30/25	CHASE BANK, NA	xxxxxxxxxxxxx506	Taxpay®	Employee Withholdings	
				Social Security	-382.22
				Medicare	-89.39
				Fed Income Tax	-687.42
				CA Income Tax	-293.21
				Total Withholdings	-1,452.24
				Employer Liabilities	
				Social Security	-382.22
				Medicare	-89.39
				Total Liabilities	-471.61
				EFT FOR 12/30/25	-1,923.85
				TOTAL EFT	-1,923.85

VOIDS - *Refer to your payroll journal for more information on these voided check amounts.*

<u>TRANS. DATE</u>	<u>BANK NAME</u>	<u>ACCOUNT NUMBER</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>	TOTAL
12/31/25	Refer to your records for account	Information	Payroll	Voided Check Amounts	
				Direct Deposit #1277	-3,260.67
				Direct Deposits	-3,260.67
				Voided Transactions Subtotal	-3,260.67
				TOTAL VOIDS	-3,260.67

CASH REQUIREMENTS

CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR ELECTRONIC FUNDS TRANSFERS (EFT) FOR CHECK DATE 12/31/25: \$-1,923.85

REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES - *Unless stated otherwise, Paychex does not remit these funds. You must ensure accurate and timely payment of applicable items.*

<u>TRANS. DATE</u>	<u>BANK NAME</u>	<u>ACCOUNT NUMBER</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>	<u>TOTAL</u>
12/31/25	Refer to your records for account	Information	Payroll	Employee Deductions	
				401A Member Contribu	-472.93
				Calpers 457B TRDL	-979.00
				Med FSA EE Pretax	-137.50
				Total Deductions	-1,589.43
TOTAL REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES					-1,589.43

PAYCHEX WILL MAKE THESE TAX DEPOSIT(S) ON YOUR BEHALF - *This information serves as a record of payment.*

<u>DUE DATE</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>		
01/07/26	Taxpay®	FED IT PMT Group	16,998.25	REPLACEMENT
01/07/26	Taxpay®	CA IT PMT Group	4,240.23	REPLACEMENT

CASH REQUIREMENTS

CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR ELECTRONIC FUNDS TRANSFERS (EFT) FOR CHECK DATE 12/31/25: \$1,963.85

TRANSACTION SUMMARY

SUMMARY BY TRANSACTION TYPE -	TOTAL ELECTRONIC FUNDS TRANSFER (EFT)	1,963.85
	CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR EFT	1,963.85
	TOTAL REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES	4,810.10
	CASH REQUIRED FOR CHECK DATE 12/31/25	6,773.95

TRANSACTION DETAIL

ELECTRONIC FUNDS TRANSFER - *Your financial institution will initiate transfer to Paychex at or after 12:01 A.M. on transaction date.*

<u>TRANS. DATE</u>	<u>BANK NAME</u>	<u>ACCOUNT NUMBER</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>	<u>BANK DRAFT AMOUNTS & OTHER TOTALS</u>
12/30/25	CHASE BANK, NA	xxxxxxxxxxxxx506	Direct Deposit	Net Pay Allocations	27.11
					27.11
12/30/25	CHASE BANK, NA	xxxxxxxxxxxxx506	Taxpay®	Employee Withholdings	
				Social Security	382.22
				Medicare	89.39
				Fed Income Tax	696.22
				CA Income Tax	297.30
				Total Withholdings	1,465.13
				Employer Liabilities	
				Social Security	382.22
				Medicare	89.39
				Total Liabilities	471.61
					1,936.74
				EFT FOR 12/30/25	1,963.85
				TOTAL EFT	1,963.85

REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES - *Unless stated otherwise, Paychex does not remit these funds. You must ensure accurate and timely payment of applicable items.*

<u>TRANS. DATE</u>	<u>BANK NAME</u>	<u>ACCOUNT NUMBER</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>	<u>TOTAL</u>
12/31/25	Refer to your records for account	Information	Payroll	Employee Deductions	
				401A Member Contribu	472.93
				Calpers 457B TRDL	939.00
				Med FSA EE Pretax	137.50
				Net Pay	3,260.67
				Total Deductions	4,810.10
				TOTAL REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES	4,810.10

CASH REQUIREMENTS

CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR ELECTRONIC FUNDS TRANSFERS (EFT) FOR CHECK DATE 12/31/25: \$1,963.85

PAYCHEX WILL MAKE THESE TAX DEPOSIT(S) ON YOUR BEHALF - *This information serves as a record of payment.*

<u>DUE DATE</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>		
01/07/26	Taxpay®	FED IT PMT Group	18,637.69	REPLACEMENT
01/07/26	Taxpay®	CA IT PMT Group	4,537.53	REPLACEMENT



January 6, 2026

To the Board of Directors of
Sanitary District Number 5 of Marin County

We have audited the financial statements of the business-type activities of Sanitary District Number 5 of Marin County as of and for the year ended June 30, 2025 and the related notes to the financial statements. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated July 21, 2025. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Sanitary District Number 5 of Marin County are described in Note 2 to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during 2025. We noted no transactions entered into by Sanitary District Number 5 of Marin County during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. 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 significantly from those expected. The most sensitive estimates affecting the Sanitary District Number 5 of Marin County's financial statements were the actuarially determined obligations of the District's pension and other postemployment benefits and the funding status of the benefits. We evaluated the key factors and assumptions used in evaluating the obligations in determining that they are reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. The material misstatements on the attached list were detected as a result of audit procedures and were corrected by management.

Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated January 6, 2026.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to Sanitary District Number 5 of Marin County's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as Sanitary District Number 5 of Marin County's auditors. However, these discussions occurred in the normal course of our professional relationship, and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We provided a separate letter to the Board related to internal controls.

Restriction on Use

This information is intended solely for the information and use of the Board of Directors and management of Sanitary District Number 5 of Marin County and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Perotti & Canade

Client: 19017 - Sanitary District Number 5 of Marin County
Engagement: 2025-100 - Sanitary District Number 5 of Marin County
Period Ending: 6/30/2025
Trial Balance: A-01 - TB
Workpaper: B-02 - Adjusting Journal Entries Report

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 1				
To reverse prior year AR entries.				
		02-01		
5001.2	5000 -> Property Taxes / AD VALOREM:5001.2 -> TEETER		5,870.00	
5007.1	5007 -> Sewer Service Charge:5007.1 -> Sewer Service - Ops		21,716.00	
5007.1	5007 -> Sewer Service Charge:5007.1 -> Sewer Service - Ops		33,448.00	
5041	5000 -> Property Taxes / AD VALOREM:5041 -> SUPSEC		806.00	
5046	5000 -> Property Taxes / AD VALOREM:5046 -> Excess ERAF		730.00	
5046	5000 -> Property Taxes / AD VALOREM:5046 -> Excess ERAF		8,807.00	
5046	5000 -> Property Taxes / AD VALOREM:5046 -> Excess ERAF		42,334.00	
5201.1	5201 -> INTEREST:5201.1 -> Interest County of Marin		1,918.00	
5201.2	5201 -> INTEREST:5201.2 -> Interest - LAIF		180,544.00	
5485	5000 + Property Taxes:5485 + Redevelopment		8.00	
1210	Accounts Receivable			296,090.00
5004	5000 -> Property Taxes / AD VALOREM:5004 -> REDEMPTION / RDMPT			5.00
5201.1	5201 -> INTEREST:5201.1 -> Interest County of Marin			86.00
Total			296,181.00	296,181.00
Adjusting Journal Entries JE # 2				
To reverse PY AP adjustment.				
		07-01		
2000	2000 -> Accounts Payable		54,592.00	
8019.05	8000 -> Salaries and Benefits Expenses:8019 -> PERS Retirement:8019.05 -> PERS Retirement			54,592.00
Total			54,592.00	54,592.00
Adjusting Journal Entries JE # 3				
To adjust payable for missed accrual.				
		07-02		
9308.12	9000 -> Capital Improvements CIP:9300 -> Main Plant Equipment Capital:9308 -> Digester		248,900.00	
2000	2000 -> Accounts Payable			235,800.00
2020	Retainage Payable			13,100.00
Total			248,900.00	248,900.00
Adjusting Journal Entries JE # 4				
To adjust loan balances.				
		10-01		
2030	MPR Zion Loan Interest Payable		3,875.00	
2070	MPR Zion Loan Payable		640,000.00	
2960	2960 -> Deferred Debt Refinancing Costs		13,426.00	
2040	MPR Zion Loan Current Payable			15,000.00
9700	9700 -> Debt Service			638,426.00
9735	9700 -> Debt Service:9730 -> Debt Service - MPR Project:9735 -> MPR Refi - Interest			3,875.00
Total			657,301.00	657,301.00
Adjusting Journal Entries JE # 5				
To record pension adjustments.				
		10-03		
1955	Net pension asset		390,724.00	
2060	2060 -> Pension-Related Liabilities		647,428.00	
8018	PERS RETIREMENT - EE contributions paid by ER		11,384.00	
8019	8000 -> Salaries and Benefits Expenses:8019 -> PERS Retirement		322,999.00	
1950	1950 -> Pension - Deferred Outflows			1,289,038.00
2065	2065 -> Pension - Deferred Inflows			72,113.00
8019.05	8000 -> Salaries and Benefits Expenses:8019 -> PERS Retirement:8019.05 -> PERS Retirement			11,384.00
Total			1,372,535.00	1,372,535.00
Adjusting Journal Entries JE # 6				
To record OPEB adjustments.				
		10-07		
1951	1951 -> Deferred Outflows - OPEB		162,363.00	
2061	2061 -> OPEB-Related Liabilities			66,538.00
2066	2066 -> Deferred Inflows - OPEB			65,297.00
8022.2	Retired Health-OPEB Adjustment			30,528.00
Total			162,363.00	162,363.00
Adjusting Journal Entries JE # 7				
To reverse prior year deferred revenue.				
		13-04		
2025	Deferred Income for Permits		176,584.00	
5900.3	5900.3 -> Connection Fees			171,034.00
5900.4	5900.4 -> Permit Inspection & Admin Fees			5,550.00
Total			176,584.00	176,584.00

Adjusting Journal Entries JE # 9

06-02

To reclassify fixed asset additions and record depreciation.

1410	Main Plant:Main Plant General:1410 -> Cost Main Plant General	360,334.00	
1415	Main Plant:Collection & Treatment:1415 -> Cost - Collection & Treatment	1,151,385.00	
1420	Main Plant:Mechanical:1420 -> Cost - Mechanical	80,183.00	
1445	Paradise Cove Plant:1445 -> Cost - P.C. Plant	192,637.00	
1455	Vehicles:1455 -> Cost - Vehicles	214,180.00	
1465	Sewer Lines - Tiburon:1465 -> Cost - Sewer Lines Tib	261,921.00	
1475	Pump Stations - Belvedere:1475 -> Cost - Pump Stations Belv	86,737.00	
7022	7000 -> Ops & Maintenance Expenses:7020 -> Main Plant Maintenance:7022 -> Plant Maint. Parts & Service	19,800.00	
9950	9950 -> Depreciation	1,483,244.00	
1411	Main Plant:Main Plant General:1411 -> A/D Main Plant General		658,825.00
1416	Main Plant:Collection & Treatment:1416 -> A/D - Collection & Treatment		25,482.00
1421	Main Plant:Mechanical:1421 -> A/D - Mechanical		116,797.00
1431	Main Plant:Electrical:1431 -> A/D - Electrical		110,009.00
1436	Main Plant:Odor Control:1436 -> A/D - Odor Control		1,182.00
1441	Main Plant:Miscellaneous:1441 -> A/D - Miscellaneous		11,510.00
1446	Paradise Cove Plant:1446 -> A/D - P.C. Plant		72,078.00
1456	Vehicles:1456 -> A/D - Vehicles		62,347.00
1461	Office Equipment:1461 -> A/D - Office Equipment		4,068.00
1466	Sewer Lines - Tiburon:1466 -> A/D - Sewer Lines Tib		114,107.00
1471	Pump Stations - Tiburon:1471 -> A/D - Pump Stations Tib		140,162.00
1476	Pump Stations - Belvedere:1476 -> A/D - Pump Stations Belv		47,640.00
1481	Sewer Lines - Belvedere:1481 -> A/D - Sewer Lines Belv		119,037.00
9101.1	9000 -> Capital Improvements CIP:9100 -> Collection System CIP:9101 -> Sewer Rehab Projects:9101.1 -> Tiburon Sewer Line Rehab		172,684.00
9101.4	9000 -> Capital Improvements CIP:9100 -> Collection System CIP:9101 -> Sewer Rehab Projects:9101.4 -> Sewer Rehab Projects-Eng Serv		50,564.00
9102.2	9000 -> Capital Improvements CIP:9100 -> Collection System CIP:9102 -> Pump Replacement CIP:9102.2 -> Belvedere Pump Replacements		30,128.00
9103.1	9000 -> Capital Improvements CIP:9100 -> Collection System CIP:9103 -> Valve & Wet Well Improvements:9103.1 -> Tib Valve & WW Replacements		14,566.00
9106	9000 -> Capital Improvements CIP:9100 -> Collection System CIP:9106 -> Manhole Replacement Project		24,107.00
9109.2	9000 -> Capital Improvements CIP:9100 -> Collection System CIP:9109 -> Large PS CIP Projects:9109.2 -> Bel PS#1 Rehabilitation Project		56,609.00
9110.2	9000 -> Capital Improvements CIP:9100 -> Collection System CIP:9110 -> Maint/Coil Vehicle Replacements:9110.2 -> Crane Service Truck Replacem		214,180.00
9202.01	9000 -> Capital Improvements CIP:9200 -> Paradise Cove CIP:9202 -> Pump&Blower Replacement Project:9202.01 -> Inf WW Pump #1 Replacement		11,869.00
9202.02	9000 -> Capital Improvements CIP:9200 -> Paradise Cove CIP:9202 -> Pump&Blower Replacement Project:9202.02 -> Inf WW Pump #2 Replacement		11,869.00
9207	9000 -> Capital Improvements CIP:9200 -> Paradise Cove CIP:9207 -> P.C. Access Rd Imprvmnts		147,840.00
9302.03	9000 -> Capital Improvements CIP:9300 -> Main Plant Equipment Capital:9302 -> DW/WW Pri Clarifiers CIP:9302.03 -> DW Pri #1 Scum Coll Replacen		18,000.00
9302.16	9000 -> Capital Improvements CIP:9300 -> Main Plant Equipment Capital:9302 -> DW/WW Pri Clarifiers CIP:9302.16 -> DW Clarifier Wall Rehabilitatio		19,800.00
9308.12	9000 -> Capital Improvements CIP:9300 -> Main Plant Equipment Capital:9308 -> Digester Improvements:9308.12 -> Digester Rehab Project		1,151,385.00
9309.1	9000 -> Capital Improvements CIP:9300 -> Main Plant Equipment Capital:9309 -> Solids Handling Improvements:9309.10 -> SP LC/PLC Panel Replace		62,183.00
9310.12	9000 -> Capital Improvements CIP:9300 -> Main Plant Equipment Capital:9310 -> Facility Support CIP:9310.12 -> MCC MP#2 HVAC Replacement		20,960.00
9310.14	9000 -> Capital Improvements CIP:9300 -> Main Plant Equipment Capital:9310 -> Facility Support CIP:9310.17 -> Storage Rm/Ops Control Upgrade		280,293.00
9310.16	9000 -> Capital Improvements CIP:9300 -> Main Plant Equipment Capital:9310 -> Facility Support CIP:9310.16 -> M.P. Roll-Up Door Replacement		59,081.00
9510	9000 -> Capital Improvements CIP:9500 -> Undesignated Capital:9510 -> Undesignated Cap - M.P.		21,059.00
Total		3,850,421.00	3,850,421.00

Adjusting Journal Entries JE # 10

04-01

Reversal of PY prepaid expenses.

6008	6000 -> Administrative Expenses:6008 -> Audit & Accounting	2,057.00	
6025	6000 -> Administrative Expenses:6025 -> Dues & Subscriptions	3,785.00	
6025	6000 -> Administrative Expenses:6025 -> Dues & Subscriptions	4,500.00	
6033.1	6000 -> Administrative Expenses:6033 -> Insurance:6033.1 -> Insurance - SD5 Property	23,842.00	
7062	7000 -> Ops & Maintenance Expenses:7060 -> Permits/Fees:7062 -> Permits/Fees - General	2,322.00	
7062	7000 -> Ops & Maintenance Expenses:7060 -> Permits/Fees:7062 -> Permits/Fees - General	5,365.00	
7062	7000 -> Ops & Maintenance Expenses:7060 -> Permits/Fees:7062 -> Permits/Fees - General	21,343.00	
8022.05	8000 -> Salaries and Benefits Expenses:8022 -> Retiree Health:8022.05 -> Retiree Health	31,791.00	
8510	8500 -> Other Operating Expenses:8510 -> Data/Alarms/IT Supp & Licensing	5,442.00	
1310	Prepaid Expense		100,447.00
Total		100,447.00	100,447.00



January 6, 2026

Board of Directors
Sanitary District Number 5 of Marin County

In planning and performing our audit of the financial statements of the business-type activities of Sanitary District Number 5 of Marin County as of and for the year ended June 30, 2025, in accordance with auditing standards generally accepted in the United States of America, we considered Sanitary District Number 5 of Marin County's system of internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Sanitary District Number 5 of Marin County's internal control. Accordingly, we do not express an opinion on the effectiveness of Sanitary District Number 5 of Marin County'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.

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

This communication is intended solely for the information and use of management, the Board of Directors, others within Sanitary District Number 5 of Marin County, and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Perotti & Carrade

SANITARY DISTRICT NUMBER 5 OF MARIN COUNTY

FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024



SANITARY DISTRICT NUMBER 5 OF MARIN COUNTY

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Sanitary District Number 5 of Marin County

Opinions

We have audited the accompanying financial statements of the business-type activities of the Sanitary District Number 5 of Marin County as of and for the years ended June 30, 2025 and 2024, and the related notes to the financial statements, which collectively comprise the Sanitary District Number 5 of Marin County's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Sanitary District Number 5 of Marin County, as of June 30, 2025 and 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Sanitary District Number 5 of Marin County, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Sanitary District Number 5 of Marin County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not

a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Sanitary District Number 5 of Marin County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Sanitary District Number 5 of Marin County's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and Schedule of CalPERS Pension Plan Contribution, Schedule of CalPERS Proportionate Share of Net Pension Liability/Asset, Schedule of OPEB Contributions, and Schedule of Net OPEB Liability, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

January 6, 2026

Perotti & Canade

SANITARY DISTRICT NUMBER 5 OF MARIN COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2025 AND 2024

This section of the Sanitary District Number 5 of Marin County's annual financial report presents our discussion and analysis of the District's financial performance during the year ended June 30, 2025. The financial statements are presented in a format to comply with the financial statement presentation requirements of the Governmental Accounting Standards Board.

FINANCIAL HIGHLIGHTS

- The net position of the District's business-type activities increased by approximately \$2,255,000 during the year ended June 30, 2025.
- Total operating revenues increased by approximately \$933,000 due to an increase in sewer service charges and connection and inspection fees, offset by a decrease in maintenance agreements. Nonoperating revenues (expenses) increased by approximately \$215,000 attributed to an increase of approximately \$120,000 in investment income and \$79,000 in property taxes.
- Total operating expenses for the year ended June 30, 2025 decreased by approximately \$760,000 compared to the year ended June 30, 2024. The decrease in operating expenses was principally attributed to a decrease in salaries and benefits of approximately \$391,000 as a result of a decrease in pension costs due to the amortization of investment and other assumptions required in the estimate of pension cost and a decrease of approximately \$249,000 in maintenance and repairs due to decrease in such work.
- There was an increase in customer rates during the year ended June 30, 2025.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts – management's discussion and analysis (this section), the basic financial statements including related disclosures, and required supplementary information. The basic financial statements include a statement that presents both a short-term and long-term view of the District: Proprietary enterprise fund-type statements offer short and long-term financial information about the activities that the District operates like businesses, such as the District's wastewater collection and treatment system.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that provides more data about the District's pension plans. Figure A-1 (see following page) summarizes the major features of the District's financial statements, including the portion of the District they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

SANITARY DISTRICT NUMBER 5 OF MARIN COUNTY

MANAGEMENT’S DISCUSSION AND ANALYSIS

JUNE 30, 2025 AND 2024

OVERVIEW OF THE FINANCIAL STATEMENTS (continued)

FIGURE A-1 Major Financial Statement Features

	Basic Financial Statements
Scope	Activities the District operates similar to private businesses; the wastewater collection and treatment systems.
Required financial statements	Statement of Net Position; Statement of Revenues, Expenses, and Changes in Net Position; Statement of Cash Flows.
Accounting basis and measurement focus	Accrual accounting and economic measurement focus.
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term focus.
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received.

Basic Financial Statements

The basic financial statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all the District's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of revenues, expenses, and changes in net position regardless of when cash is received or paid.

The basic financial statements report the District's *net position* and how it has changed. Net position – the difference between the District's assets and liabilities – is one way to measure the District's financial health, or *position*.

Over time, increases or decreases in the District's net position are an indicator of whether its financial health is improving or deteriorating, respectively.

The basic financial statements of the District consist of one category:

Business-type activities – The District charges fees to help it cover the costs of certain services it provides. All of the District's operations are accounted for in this category. The District uses proprietary enterprise fund type accounting principles to account for all operations. Proprietary accounting provides both long-and short-term financial information.

SANITARY DISTRICT NUMBER 5 OF MARIN COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2025 AND 2024

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

TABLE A-1: Net Position of the District

	2025	2024	Increase (Decrease) Over 2024	Percent Increase (Decrease)	2023	Increase (Decrease) Over 2023
Cash, including board reserves	\$ 18,293,077	\$ 16,509,835	\$ 1,783,242	10.80%	\$ 16,651,446	\$ (141,611)
Capital assets	19,257,163	18,393,030	864,133	4.70%	18,809,156	(416,126)
Other assets and deferred outflows of resources	<u>2,374,823</u>	<u>3,092,493</u>	<u>(717,670)</u>	-23.21%	<u>2,551,475</u>	<u>541,018</u>
Total assets and deferred outflows of resources	<u>39,925,063</u>	<u>37,995,358</u>	<u>1,929,705</u>	5.08%	<u>38,012,077</u>	<u>(16,719)</u>
Current liabilities	2,133,201	1,361,562	771,639	56.67%	1,300,127	61,435
Net pension and OPEB liabilities and related deferred inflows of resources	1,242,087	1,685,567	(443,480)	-26.31%	1,471,569	213,998
Bond payable, and note payable from direct borrowing, and related deferred inflows of resources	<u>4,257,133</u>	<u>4,910,559</u>	<u>(653,426)</u>	-13.31%	<u>5,548,985</u>	<u>(638,426)</u>
Total liabilities and deferred inflows of resources	<u>7,632,421</u>	<u>7,957,688</u>	<u>(325,267)</u>	-4.09%	<u>8,320,681</u>	<u>(362,993)</u>
Net position:						
Net investment in capital assets	14,427,163	12,938,030	1,489,133	11.51%	12,744,156	193,874
Unrestricted	<u>17,865,479</u>	<u>17,099,640</u>	<u>765,839</u>	4.48%	<u>16,947,240</u>	<u>152,400</u>
Total net position	\$ <u>32,292,642</u>	\$ <u>30,037,670</u>	\$ <u>2,254,972</u>	7.51%	\$ <u>29,691,396</u>	\$ <u>346,274</u>

Net Position. The District's total net position increased by \$2,254,972 during the year ended June 30, 2025. This increase is discussed in detail on the following page. The \$1,929,705 increase in total assets and deferred outflows of resources is attributed principally to the increase in cash and capital assets offset by the decrease in net pension and OPEB deferred outflows of approximately \$618,000. The \$325,267 decrease in liabilities and deferred inflows of resources is attributed principally to the reduction in bond payable of \$653,426 and the decrease in net pension and OPEB liabilities and related deferred inflows of \$443,480, offset by an increase in current liabilities of \$771,639.

The District's total net position increased by \$346,274 during the year ended June 30, 2024. The \$16,719 decrease in total assets and deferred outflows of resources is attributed principally to the decrease in cash and capital assets offset by the increase in net pension and OPEB deferred outflows of approximately \$482,000. The \$362,993 decrease in liabilities and deferred inflows of resources is attributed principally to the reduction in bond payable of \$610,000 offset by an increase in net pension and OPEB liabilities and related deferred inflows of \$213,998.

SANITARY DISTRICT NUMBER 5 OF MARIN COUNTY

MANAGEMENT’S DISCUSSION AND ANALYSIS

JUNE 30, 2025 AND 2024

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (continued)

TABLE A-2 Condensed Revenues, Expenses and Changes in Net Position

	2025	2024	Increase (Decrease) Over 2024	Percent Increase (Decrease)	2023	Increase (Decrease) Over 2023
Operating revenues	\$ 6,862,159	\$ 5,928,678	\$ 933,481	15.75%	\$ 5,515,663	\$ 413,015
Nonoperating revenues	<u>2,285,800</u>	<u>2,086,009</u>	<u>199,791</u>	9.58%	<u>1,791,003</u>	<u>295,006</u>
Total revenues	9,147,959	8,014,687	1,133,272	14.14%	7,306,666	708,021
Operating expenses	6,782,754	7,542,773	(760,019)	-10.08%	8,603,457	(1,060,684)
Nonoperating expenses	<u>110,233</u>	<u>125,640</u>	<u>(15,407)</u>	-12.26%	<u>140,675</u>	<u>(15,035)</u>
Total expenses	6,892,987	7,668,413	(775,426)	-10.11%	8,744,132	(1,075,719)
Change in net assets	2,254,972	346,274	1,908,698	551.21%	(1,437,466)	1,783,740
Capital contribution	-	-	-	0.00%	-	-
Net position - beginning of period	<u>30,037,670</u>	<u>29,691,396</u>	<u>346,274</u>	1.17%	<u>31,128,862</u>	<u>(1,437,466)</u>
Net position - end of period	\$ <u>32,292,642</u>	\$ <u>30,037,670</u>	\$ <u>2,254,972</u>	7.51%	\$ <u>29,691,396</u>	\$ <u>346,274</u>

Overall, during the year ended June 30, 2025, there was an increase of \$1,133,272, or about 14.14 percent, in total revenues over the year ended June 30, 2024. This was principally due to an increase in sewer service charges of approximately \$785,000.

The District’s total expenses for the year ended June 30, 2025 decreased by \$775,426, or about 10.11 percent, compared to total expenses for the year ended June 30, 2024. Salaries and benefits costs decreased by approximately \$423,000 principally due to the amortization of pension and OPEB costs.

Overall, during the year ended June 30, 2024, there was an increase of \$708,021, or about 9.69 percent, in total revenues over the year ended June 30, 2023. This was principally due to an increase in sewer service charges of approximately \$565,000.

The District’s total expenses for the year ended June 30, 2024 decreased by \$1,075,719, or about 12.3 percent, compared to total expenses for the year ended June 30, 2023. Salaries and benefits costs decreased by approximately \$1,238,000 principally due to the amortization of pension and OPEB costs.

SANITARY DISTRICT NUMBER 5 OF MARIN COUNTY

MANAGEMENT’S DISCUSSION AND ANALYSIS

JUNE 30, 2025 AND 2024

CAPITAL ASSET AND DEBT ADMINISTRATION

TABLE A-3 District Investment in Capital Assets, Net of Accumulated Depreciation

	<u>June 30, 2025</u>	<u>June 30, 2024</u>	<u>Increase (Decrease) Over 2024</u>	<u>Percent Increase (Decrease)</u>
Land	\$ 49,295	\$ 49,295	\$ -	0.00%
Main and Paradise Cove plants	8,069,816	7,269,650	800,166	11.01%
Sewer line and pump stations	10,672,710	10,744,998	(72,288)	-0.67%
Plant equipment, vehicles, and other equipment	<u>465,342</u>	<u>329,087</u>	<u>136,255</u>	<u>41.40%</u>
Total capital assets	<u>\$ 19,257,163</u>	<u>\$ 18,393,030</u>	<u>\$ 864,133</u>	<u>4.70%</u>

Capital Assets

There was a net increase in capital assets of \$864,133 during the year ended June 30, 2025 due to the addition of \$2,347,377 of improvements, including \$1,258,558 of construction in process, offset by current year’s depreciation of \$1,483,244. Most of the additions were related to plant upgrades and the digester rehabilitation project.

Long-Term Debt

In fiscal year 2012, the District’s Financing Authority issued \$10,935,000 in revenue bonds to provide financing for the Main Plant Rehabilitation Project. In March 2020, the District was able to refinance the outstanding balance of the revenue bonds, \$7,205,000, with a direct borrowing. The new loan had a principal balance of \$7,900,000, a term of twelve years, and an interest rate of 2.48%. There were approximately \$95,000 of debt refinancing costs.

ECONOMIC FACTORS AND NEXT YEAR’S OPERATING PLAN AND RATES

Several major changes in the district’s financial capabilities and operations are anticipated in the future.

The District’s income for the upcoming fiscal year (25-26) will be increasing as a result of the Board of Directors approving a 5 year (year 3 out of 5) rate increase for sewer service fees. The District had gone 8 years without an increase in rates (2014-2022). Furthermore, commercial activity has returned to pre-Covid 19 Pandemic levels which has resulted in commercial income going back to normal levels. On the expense side, the cost of goods and services has continued to increase in the past year as a result of heightened inflation.

The FY 24/25 budget for the Main Plant has an estimated \$8,035,000 of capital work identified in the 10-yr CIP. The Paradise Cove Plant has an estimated \$1,175,000 of capital work identified

SANITARY DISTRICT NUMBER 5 OF MARIN COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2025 AND 2024

ECONOMIC FACTORS AND NEXT YEAR'S OPERATING PLAN AND RATES (continued)

in the 10-yr CIP. The Collection system serving both treatment plants has an estimated \$16,355,000 of capital work identified in the 10-yr CIP. The District still has debt service in the amount of \$5 million (Loan) from the refinancing of the 2012 Main Plant Rehabilitation Project Bond.

The projects and estimates were determined during the year ended June 30, 2025, and do not include future upgrades that may be required by future National Pollutant Discharge Elimination System ("NPDES") permits. The Paradise Cove treatment plant NPDES permit was last re-issued in 2021 without any significant changes and is up for renewal in 2026. The Tiburon treatment plant permit was renewed at the end of calendar year 2023. The new permit calls out for \$5 million dollars (\$5M) for collection system improvements during the permit term (5 years). The current 5 year projection from the District's 10 year CIP estimates expenditures to satisfy this requirement at 7.6 million dollars (\$7.6M).

The current rate of return for monies deposited in the District Local Agency Investment Fund ("LAIF") account is trending downwards at a current rate of 4.1% at the date of this report. The current rate of return for monies deposited in the District's California Cooperative Liquid Assets Securities System ("CLASS") account is currently at 4.15% at the date of this report.

In regard to work force staffing, the District, in line with its strategic goals and succession completed a staffing level evaluation in 2022 of its current operations to assess the effectiveness of the organizational structure and its ability to maintain its current level of service. The assessment focused on identifying resource gaps, inclusive of staffing, based on their treatment plants and collection systems as compared with industry's "best practice." Periodic objective assessments of the operation are critical as they ensure that the District is meeting its mission in an effective and efficient manner, and that the District can deliver sustainable levels of service in the face of evolving internal and external challenges. The District continues to have a total of 12 full-time employees which includes the District Manager. Where feasible the District contracts out work to keep costs down. Work that would normally be performed in house with full time employees, which the District contracts out to reduce costs include: engineering, accounting, payroll services, and legal.

Three potential changes/challenges facing the District are Bio-Solids Management and Disposal, the State of California Advance Clean Fleet Rules and requirements of the 3rd Nutrient Watershed NPDES Permit that mandates nutrient reductions in 10 years which will require expensive Treatment Plant Upgrades to meet those effluent limits.

Diminishing options to dispose of bio-solids, coupled with new regulations requiring diversion of organics from landfill will create a greater risk of significant cost increases for small Districts like ours, to dispose of Bio-Solids and require far more complex management programs. It is anticipated that costs could potentially double for Bio-Solids' management, if landfill disposal is

SANITARY DISTRICT NUMBER 5 OF MARIN COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2025 AND 2024

ECONOMIC FACTORS AND NEXT YEAR'S OPERATING PLAN AND RATES (continued)

eliminated as an option, as a result of SB1383 requirements. As of June 30, 2020, Sanitary District No. 5 of Marin County has completed a Bio-Solids Management Plan providing the district with alternatives for Bio-Solid's disposal and re-use options.

The Advanced Clean Fleets ("ACF") regulation is part of the California Air Resources Board's ("CARB") overall approach to accelerate a large-scale transition to zero-emission medium and heavy-duty vehicles.

State and local government fleets, including city, county, special district, and State agency fleets, are required to ensure 50 percent of vehicle purchases are zero-emission beginning in 2024 and 100 percent of vehicle purchases are zero-emission by 2027. Small government fleets (those with 10 or fewer vehicles) and those in designated counties must start their ZEV purchases beginning in 2027.

The District most recently replaced a medium duty gas vehicle with an electric truck and plans to replace another in FY26/27.

The San Francisco Regional Water Quality Control Board voted to approve a Nutrient Watershed Permit for 40 Bay Area wastewater facilities that requires steep reductions for nutrient levels in treated wastewater discharged to the San Francisco Bay over the next ten years. Nutrients, such as nitrogen and phosphorus, are products from human waste, detergents and other community water uses. These nutrients travel with other sewage to Bay Area wastewater agencies. Along with impacts related to climate change, the San Francisco Bay has been studied to determine if nutrient reduction will prevent future mortality of fish. Specifically, the Regional Board's new permit requires dischargers to reduce dry season total inorganic nitrogen loads to San Francisco Bay by 40 percent regionwide compared to 2022 loads. Facility upgrades required to meet the Regional Board's new nutrient load reduction requirements will represent the most significant simultaneous investment of public money in wastewater treatment infrastructure across the Bay Area region since the inception of the Clean Water Act in the 1970s. The necessary upgrades are estimated to cost Bay Area residents and businesses more than \$11 billion dollars. This could translate to a yearly cost increase of several hundred dollars per Bay Area household. As of yet, there are no federal or state funds set aside to defray these costs for Bay Area residents and businesses. "The Regional Board's action today will trigger 40(SD5 is included in this figure) facilities to construct billions of dollars in infrastructure upgrades within 10 years," said Lorien Fono, Executive Director of the Bay Area Clean Water Agencies. Fono further states it will cost Bay Area wastewater ratepayers substantially to meet this narrow window of compliance, "While the public wastewater agencies who discharge to the San Francisco Bay are deeply committed to protecting the San Francisco Bay, we believe for a price tag this large for Bay Area residents, the best approach is for the Regional Board to extend the compliance schedule to allow agencies to build multi-benefit recycled water projects that add to the region's water supply while simultaneously reducing nutrient loads."

SANITARY DISTRICT NUMBER 5 OF MARIN COUNTY

MANAGEMENT’S DISCUSSION AND ANALYSIS

JUNE 30, 2025 AND 2024

ECONOMIC FACTORS AND NEXT YEAR’S OPERATING PLAN AND RATES (continued)

The District in conjunction with Carollo Engineers completed a study in FY24/25 that evaluated current discharge parameters of the Main Plant and identified upgrade options for the District to safely and reliably achieve compliance with the proposed 10 year limits. The key findings were four treatment alternatives that were evaluated for meeting the “Final” TIN limits in the Third Watershed Permit. Each of the four alternatives will meet the limits, however, the performance and reliability varies. The alternatives and total project capital cost including project costs (engineering and construction management) in 2025 dollars are summarized below.

- Alternative 1 – LE/MLE Retrofit (Dry-Weather Only) – \$ 1.9 million for construction and a project cost of \$2.5 million.
- Alternative 2 – LE/MLE Retrofit with Densification – \$4.9 million for construction and a project cost of \$6.3 million.
- Alternative 3 – MLE Retrofit with MBR – \$29.7 million for construction and a project cost of \$38.6 million.
- Alternative 4 – Sidestream Deammonification – \$4.3 million for construction and a project cost of \$5.6 million.

For more detailed information on the requirements to remove nutrients, “The Nutrient Evaluation Report” with recommendations can be found on our website at www.sani5.org.

CONTACTING THE DISTRICT’S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, and creditors with a general overview of the district’s finances and to demonstrate the district’s accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District Manager, Sanitary District Number 5 of Marin County, 2001 Paradise Drive, Tiburon, California, 94920.

SANITARY DISTRICT NUMBER 5 OF MARIN COUNTY

STATEMENTS OF NET POSITION

JUNE 30, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 6,187,312	\$ 4,511,965
Accounts receivable	295,324	312,092
Prepaid expenses	135,496	100,447
Total current assets	<u>6,618,132</u>	<u>4,924,504</u>
Other Assets		
Net pension asset	390,724	-
Board restricted investments	12,105,765	11,997,870
Capital assets, net of accumulated depreciation	19,257,163	18,393,030
Total other assets	<u>31,753,652</u>	<u>30,390,900</u>
Total Assets	<u>38,371,784</u>	<u>35,315,404</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension related	982,849	2,271,887
OPEB related	570,430	408,067
Total Deferred Outflows of Resources	<u>1,553,279</u>	<u>2,679,954</u>
LIABILITIES		
Current Liabilities		
Accounts payable	982,520	297,606
Compensated absence liability	250,281	228,551
Accrued interest payable	29,946	33,821
Deferred permit revenue	230,454	176,584
Current portion of note payable from direct borrowing	640,000	625,000
Total current liabilities	<u>2,133,201</u>	<u>1,361,562</u>
Long-term liabilities		
Net OPEB liability	318,958	252,420
Net pension liability	-	647,428
Note payable from direct borrowing	4,190,000	4,830,000
Total long-term liabilities	<u>4,508,958</u>	<u>5,729,848</u>
Total Liabilities	<u>6,642,159</u>	<u>7,091,410</u>
DEFERRED INFLOWS OF RESOURCES		
Pension related	575,787	503,674
Deferred amount on debt refunding	67,133	80,559
OPEB related	347,342	282,045
Total Deferred Inflows of Resources	<u>990,262</u>	<u>866,278</u>
NET POSITION		
Net investment in capital assets	14,427,163	12,938,030
Unrestricted	<u>17,865,479</u>	<u>17,099,640</u>
Net Position	<u>\$ 32,292,642</u>	<u>\$ 30,037,670</u>

See accompanying notes to the financial statements.

SANITARY DISTRICT NUMBER 5 OF MARIN COUNTY
STATEMENTS OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

	2025	2024
Operating Revenues		
Sewer service charges	\$ 6,329,776	\$ 5,544,379
Connection and inspection fees	441,441	288,976
Maintenance agreements	51,417	77,674
Other	39,525	17,649
	6,862,159	5,928,678
Operating Expenses		
Salaries and benefits	3,019,738	3,410,886
Maintenance and repairs	439,797	688,654
Utilities	389,037	354,352
Line cleaning and inspection	355,088	260,467
Supplies (chemicals)	265,747	304,663
Contracted and professional services	186,968	314,667
Other operating costs	157,915	237,977
Liability and property insurance	156,518	113,772
Telephone and internet	130,102	130,275
Other administrative costs	107,853	138,595
Monitoring	90,747	79,483
Depreciation	1,483,244	1,508,982
	6,782,754	7,542,773
Operating Income (Loss)	79,405	(1,614,095)
Non-Operating Revenues (Expenses)		
Property taxes	1,564,027	1,484,528
Investment income	721,773	601,481
Interest expense	(110,233)	(125,640)
	2,175,567	1,960,369
Increase in Net Position	2,254,972	346,274
Net Position, Beginning of Year	30,037,670	29,691,396
Net Position, End of Year	\$ 32,292,642	\$ 30,037,670

See accompanying notes to the financial statements.

SANITARY DISTRICT NUMBER 5 OF MARIN COUNTY
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

	2025	2024
Cash Flows from Operating Activities		
Cash receipts from:		
Sewer service charges	\$ 6,346,544	\$ 5,458,113
Connection and inspection fees	495,311	354,440
Other operating sources	90,942	95,323
Total cash receipts	6,932,797	5,907,876
Cash paid for:		
Salaries and benefits	(2,732,833)	(3,683,956)
Utilities	(376,218)	(354,814)
Contracted and professional services	(122,957)	(294,806)
Supplies (chemicals)	(243,672)	(320,034)
Line cleaning and inspection	(258,590)	(265,467)
Maintenance and repairs	(423,540)	(732,302)
Other expenses	(177,634)	(638,413)
Total cash paid	(4,335,444)	(6,289,792)
Net cash provided by (used in) operating activities	2,597,353	(381,916)
Cash Flows from Investing Activities		
Interest income	721,773	601,481
Net cash provided by investing activities	721,773	601,481
Cash Flows from Capital and Related Financing Activities		
Interest paid on bond debt	(127,534)	(142,848)
Payment on bond debt	(625,000)	(610,000)
Property additions	(2,347,377)	(1,092,856)
Net cash used in capital and related financing activities	(3,099,911)	(1,845,704)
Cash Flows from Non-Capital and Related Financing Activities		
Property taxes collected	1,564,027	1,484,528
Net cash provided by non-capital and related financing activities	1,564,027	1,484,528
Net Increase (Decrease) in Cash and Cash Equivalents, and Board Restricted Investments	1,783,242	(141,611)
Cash and Cash Equivalents, and Board Restricted Investments, Beginning of Year	16,509,835	16,651,446
Cash and Cash Equivalents, and Board Restricted Investments, End of Year	\$ 18,293,077	\$ 16,509,835
Reconciliation of Cash and Cash Equivalents, and Board Restricted Investments to Amounts Reported on the Statement of Net Position:		
Cash and cash equivalents	\$ 6,187,312	\$ 4,511,965
Board restricted investments	12,105,765	11,997,870
	\$ 18,293,077	\$ 16,509,835

See accompanying notes to the financial statements.

SANITARY DISTRICT NUMBER 5 OF MARIN COUNTY
RECONCILIATIONS OF OPERATING INCOME TO NET CASH
PROVIDED BY OPERATING ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

	2025	2024
Operating Income (Loss)	\$ 79,405	\$ (1,614,095)
Add or deduct items not requiring the use of cash:		
Depreciation	1,483,244	1,508,982
Changes in operating assets and liabilities:		
Accounts receivable	16,768	(86,266)
Prepaid expenses	(35,049)	27,621
Net pension asset	(390,724)	-
Accounts payable	684,914	(47,791)
Compensated absence liability	21,730	32,544
Deferred permit revenue	53,870	65,464
Net pension liability	(647,428)	279,345
Deferred pension outflows and inflows of resources	1,361,151	(522,830)
Net OPEB liability	66,538	(8,682)
Deferred OPEB outflows and inflows of resources	(97,066)	(16,208)
Net Cash Provided by (Used in) Operating Activities	\$ 2,597,353	\$ (381,916)

See accompanying notes to the financial statements.

SANITARY DISTRICT NUMBER 5 OF MARIN COUNTY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

1. THE ORGANIZATION

Sanitary District Number 5 of Marin County (“District”) was created on March 17, 1947 as a special district under Provision of the Sanitary District Act of 1923 by a reorganization of previously created districts into a single sanitary district, and it is governed by five elected Directors. The District is an independent special district that provides sewage collection services to a portion of the Town of Tiburon and Belvedere, California. The District is a proprietary fund, also referred to as an enterprise fund, which is a fund established by governmental agencies to account for goods and services provided to the general public that are financed primarily through user charges.

The accompanying financial statements present the District and its component unit, an entity for which the District is considered to be financially accountable. The District has one blended component unit, the Tiburon/Belvedere Wastewater Financing Authority (“Authority”) which is governed by the District’s Board of Directors. The District is responsible for all of the Authority’s obligations. The transactions between the Authority and the District have been eliminated from the accompanying financial statements and the Authority’s transactions are reported as part of the District’s financial activities. Separate financial statements for the Authority are not available.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies are described below to enhance the usefulness of the financial statements to the reader.

Basis of Presentation and Accounting - The activities of the District are accounted for in a single enterprise fund using the accrual basis of accounting. The District is engaged in only business-type activities and the District’s basic financial statements consist of only the financial statements required for enterprise funds. These include management’s discussion and analysis, a statement of net position, a statement of revenues, expenses, and changes in net position, a statement of cash flows, these notes to the basic financial statements, and required supplementary information.

Proprietary enterprise funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the District are charges to the households and commercial and public facilities in the district for sewer service. Operating expenses for enterprise funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

SANITARY DISTRICT NUMBER 5 OF MARIN COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Presentation and Accounting (continued) - The District, as authorized by its Board of Directors, charges new users a fee to pay for capital improvements necessitated by their addition. Fees received have been treated as contributed capital and have been expended solely on infrastructure improvements.

Cash and Cash Equivalents, and Board Restricted Investments: Cash includes amounts in demand deposits.

Required disclosures relating to investments include the following components: interest rate risk and credit risk. The credit risk disclosure includes the following components: overall risk, custodial risk and concertation of risk. Investments are reported in the statement of net position at fair value. Changes in fair market value that occur during the fiscal year are recognized as investment income reported for that fiscal year. Investment income includes interest earnings, changes in fair value, and any gains or losses realized upon the liquidation or sale of investments.

The District participates in an investment pool managed by the State of California and regulated by California government code Section 16429 known as the Local Agency Investment Fund (“LAIF”), which has invested a portion of the pooled funds in structured notes and asset-backed securities. LAIF’s investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, the structured notes and asset-backed securities are subject to market risk and fluctuations in interest rates. Investments in LAIF are highly liquid and available virtually on demand. Consequently, the investment has been treated as a cash equivalent in the accompanying statements of net position and statements of cash flows.

The District also participates in California CLASS, an investment pool managed by a board of trustees comprised of eligible participants of the program, authorized under California government code Section 6509.7. The fund has invested a portion of the pooled funds in commercial paper, government securities, certificates of deposit, and other low risk investments with the intention of preserving the invested principal. The investments are subject to market risk and fluctuations in interest rates. Investments in California CLASS are highly liquid and available virtually on demand. Consequently, the investment has been treated as a cash equivalent in the accompanying statements of net position and statements of cash flows.

Receivables, Property Taxes and Sewer Service Revenues: Property taxes are levied as of July 1 on property values assessed as of the same date. State statutes provide that the property tax rate be limited generally to one percent of market value, be levied by only the County, and be shared by applicable jurisdictions. The County of Marin collects the taxes and distributes them to taxing jurisdictions on the basis of assessed valuations subject to voter-approved debt. Property taxes are due on November 1 and March 1, and become delinquent on December 10 and April 10. The District receives property taxes pursuant to an arrangement with the County

SANITARY DISTRICT NUMBER 5 OF MARIN COUNTY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Receivables, Property Taxes and Sewer Service Revenues (continued): known as the “Teeter Plan”. Under the plan, the County assumes responsibility for the collection of delinquent taxes and pays the full allocation to the District. The District recognizes property tax revenues in the fiscal year in which they are due to the District and accrues as receivable such taxes. Accordingly, the District provides for no allowance for doubtful accounts.

Sewer service fees (used to supplement tax revenues) are set by the District based upon rates applied to the number of equivalent dwelling units (“EDUs”). For residential properties the rate is one EDU per living unit. Commercial properties are charged EDUs based on a calculation derived from water flow. The sewer service fees are incorporated into the property tax billings, and such fees are due in two equal installments on December 10 and April 10 following the assessment date. The District recognizes these fees as revenues in the year earned, which is also the year in which the service is provided to properties within the District. Under the Teeter Plan arrangement discussed above, the County remits substantially all of the sewer fees to the District each year, and the County bears the burden of any uncollectible accounts. Therefore, the District does not provide for an allowance for doubtful accounts.

Capital Assets: Capital assets, which include property, plant, equipment, and infrastructure assets (mainly the existing wastewater system), are reported in the financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at cost. The costs of normal maintenance and repairs that do not add to the value of an asset or materially extend asset lives are expensed. Major outlays for capital assets and improvements are capitalized as projects are constructed. The portion of interest expense related to spent debt proceeds incurred during the construction phase of capital assets of business-type activities was included as part of the capitalized value of the assets constructed. Depreciation is computed using the straight-line method over the estimated lives of the assets as follows:

Treatment plants	5-40 years
Subsurface lines and pump stations	7-60 years
Equipment and vehicles	5-12 years

Compensated Absences: The District accrues a liability for vacation and other qualified paid time off earned but not yet taken. The District does not provide for payment of unused sick leave at termination dates. The change in compensated absences during the years ended June 30, 2025 and 2024 was considered de minimis.

Pensions: For purposes of measuring the net pension liability/asset, deferred outflows/inflows of resources related to pension, and pension expense, information about the fiduciary net position of the Agency’s California Public Employees Retirement System (“CalPERS”) plan (the Plan) and additions to/deductions from the Plan’s fiduciary net position have been

SANITARY DISTRICT NUMBER 5 OF MARIN COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Pensions (continued): determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Post-Employment Benefits (“OPEB”): For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense information about the fiduciary net position of the District Retiree Benefits Plan (the Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

Deferred Outflows and Inflows:

Deferred amount on debt refunding – Unamortized gains and losses from current or advance debt refunding result in deferred outflows of resources. This amount is amortized as a component of interest expense over the remaining life of the old debt or the life of the new debt, whichever is shorter.

Pension and OPEB - The District recognizes deferred outflows and inflows of resources pursuant to GASB Statement Number 68 and 75. A deferred outflow of resources is defined as a consumption of net asset (net position) by the government that is applicable to a future reporting period. A deferred inflow of resources is defined as an acquisition of net position by the government that is applicable to a future reporting period.

Net Position: The financial statements utilize a net position presentation. Net positions are categorized as follows:

- Net Investment in Capital Assets - This component of net position consists of capital assets, net of accumulated depreciation and reduced by any outstanding debt against the acquisition, construction or improvement of those assets.
- Restricted Net Position - This component of net position consists of constraints placed on net position use through external constraints imposed by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. As of June 30, 2025 and 2024, there is no restricted net position.
- Unrestricted Net Position - This component of net position consists of net position that is not included in the determination of net investment in capital assets or the restricted component of net position.

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make

SANITARY DISTRICT NUMBER 5 OF MARIN COUNTY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of Estimates (continued): estimates and assumptions that affect certain reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities, and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

3. CASH AND CASH EQUIVALENTS AND BOARD RESTRICTED INVESTMENTS

Cash and cash equivalents and board restricted investments consisted of the following as of June 30:

	2025	2024
Available for operations:		
Demand deposits with banks	\$ 553,795	\$ 394,647
LAIF investment fund	5,633,517	4,117,318
Total current	6,187,312	4,511,965
Board restricted investments:		
LAIF investment fund	10,925,919	11,997,870
California CLASS investment fund	1,179,846	-
Total board restricted	12,105,765	11,997,870
Total cash & investments (considered cash equivalents)	\$ 18,293,077	\$ 16,509,835

Board restricted reserves are specified for as of June 30:

	2025	2024
Capital improvements	\$ 9,725,066	\$ 9,725,066
Working capital reserve	1,200,853	1,200,853
Pension plan reserve	144,884	71,951
Disaster	1,034,962	1,000,000
Total board restricted reserves	\$ 12,105,765	\$ 11,997,870

The District’s investment policy is to maintain its operating funds in a local bank and invest idle funds and Board designated reserves with LAIF and California CLASS which is permitted by California law.

LAIF allows local agencies such as the District to participate in a Pooled Money Investment Account managed by the State Treasurers Office and overseen by the Pooled Money Investment Board and State Treasurer investment committee. A Local Agency Investment

SANITARY DISTRICT NUMBER 5 OF MARIN COUNTY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

**3. CASH AND CASH EQUIVALENTS AND BOARD RESTRICTED INVESTMENTS
(continued)**

Advisory Board oversees LAIF. The investments with LAIF are not classified for credit risk due to their diverse nature and are stated at cost, which approximates fair value. The total amount invested by all public agencies in LAIF, as of June 30, 2025, was approximately \$178 billion with an average life of 248 days. Of that amount, 55% was invested in government securities, 25% was agency discount notes, 9% was certificates of deposit, and the remaining 11% was a variety of bonds and other low risk investments.

California CLASS is also a Pooled Money Investment Account overseen by a board of trustees comprised of eligible participants of the program. The board has contracted Public Trust Advisors, LLC to provide professional portfolio management. The California CLASS Prime Fund holds a AAA credit rating by S&P Global Ratings. The total amount invested by all public agencies in California CLASS Prime Fund as of March 31, 2025, the most recent annual report available, was approximately \$1.8 billion. Of that amount, 37% was commercial paper, 27% was certificates of deposit, 14% was government securities, and the remaining 22% was a variety of other low risk investments.

Custodial Credit Risk – Deposits: Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District's policy for deposits is that they will be made in institutions in California and they will be insured or collateralized in accordance with section 53562 of the California Government Code. At June 30, 2025, \$344,707 of the District's bank balances were exposed to custodial credit risk.

Custodial Credit Risk – Investments: Custodial risk related to LAIF and California CLASS is mitigated by the oversight provided by independent Boards and extremely conservative nature of their investment policies.

Interest rate risk associated with LAIF and California CLASS investments is mitigated by the short-term nature of the large majority of their investments and the strict limitation on the type of investments made.

SANITARY DISTRICT NUMBER 5 OF MARIN COUNTY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

4. CAPITAL ASSETS

Changes in the District’s property, equipment and improvements and accumulated depreciation for the years ended June 30, 2024 and 2025 is summarized as follows:

	<u>Balance</u> <u>June 30, 2023</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2024</u>
Capital asset, not being depreciated:				
Land	\$ 49,295	\$ -	\$ -	\$ 49,295
Capital assets, being depreciated:				
<u>Historical Cost:</u>				
Main plant	27,553,057	649,330	-	28,202,387
Paradise Cove plant	2,063,414	91,359	-	2,154,773
Sewer line and pump stations	19,593,596	270,556	-	19,864,152
Plant equipment, vehicles and and other equipment	<u>886,642</u>	<u>81,611</u>	<u>-</u>	<u>968,253</u>
Total capital assets, being depreciated	<u>50,096,709</u>	<u>1,092,856</u>	<u>-</u>	<u>51,189,565</u>
<u>Accumulated Depreciation:</u>				
Main plant	21,279,601	955,058	-	22,234,659
Paradise Cove plant	787,070	65,781	-	852,851
Sewer line and pump stations	8,692,477	426,677	-	9,119,154
Plant equipment, vehicles and and other equipment	<u>577,700</u>	<u>61,466</u>	<u>-</u>	<u>639,166</u>
Total accumulated depreciation	<u>31,336,848</u>	<u>1,508,982</u>	<u>-</u>	<u>32,845,830</u>
Total capital assets, being depreciated, net	<u>18,759,861</u>	<u>(416,126)</u>	<u>-</u>	<u>18,343,735</u>
Capital assets - net	\$ <u>18,809,156</u>	\$ <u>(416,126)</u>	\$ <u>-</u>	\$ <u>18,393,030</u>

SANITARY DISTRICT NUMBER 5 OF MARIN COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

4. CAPITAL ASSETS (continued)

	Balance June 30, 2024	Additions	Deletions	Balance June 30, 2025
Capital asset, not being depreciated:				
Land	\$ 49,295	\$ -	\$ -	\$ 49,295
Construction in process	-	1,258,558	-	1,258,558
Total capital assets, not being depreciated	<u>49,295</u>	<u>1,258,558</u>	<u>-</u>	<u>1,307,853</u>
Capital assets, being depreciated:				
<u>Historical Cost:</u>				
Main plant	28,202,387	440,517	-	28,642,904
Paradise Cove plant	2,154,773	192,637	-	2,347,410
Sewer line and pump stations	19,864,152	241,485	-	20,105,637
Plant equipment, vehicles and and other equipment	968,253	214,180	-	1,182,433
Total capital assets, being depreciated	<u>51,189,565</u>	<u>1,088,819</u>	<u>-</u>	<u>52,278,384</u>
<u>Accumulated Depreciation:</u>				
Main plant	22,234,659	912,295	-	23,146,954
Paradise Cove plant	852,851	72,078	-	924,929
Sewer line and pump stations	9,119,154	420,946	-	9,540,100
Plant equipment, vehicles and and other equipment	639,166	77,925	-	717,091
Total accumulated depreciation	<u>32,845,830</u>	<u>1,483,244</u>	<u>-</u>	<u>34,329,074</u>
Total capital assets, being depreciated, net	<u>18,343,735</u>	<u>(394,425)</u>	<u>-</u>	<u>17,949,310</u>
Capital assets - net	<u>\$ 18,393,030</u>	<u>\$ 864,133</u>	<u>\$ -</u>	<u>\$ 19,257,163</u>

5. LONG-TERM OBLIGATIONS

The Tiburon/Belvedere Wastewater Financing Authority, a joint powers authority, is governed by the same board of directors as the District's board of directors. In February 2012, the Authority issued \$10,935,000 of revenue bonds, at a premium of \$1,076,031, to provide financing for the rehabilitation and renovation of the District's main treatment plant. During the year ended June 30, 2020, the bonds were refinanced with direct borrowing. The principal balance outstanding on the bond payable was \$7,205,000. The new direct borrowing loan was for \$7,900,000, of which \$95,171 covered loan fees. The new loan has a maturity date of October 1, 2031 and accrues interest at a rate of 2.48%. The difference between the cash paid to refund the debt and the outstanding balance of the bond payable and previous net bond premium is recorded as a deferred inflow of resources – deferred amount on debt refunding and are being amortized over the life of the loan.

The District has pledged all net revenues of its system to the obligations. This pledge constitutes a lien on the District's net revenues. The pledge and lien exclude any ad valorem

SANITARY DISTRICT NUMBER 5 OF MARIN COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

5. LONG-TERM OBLIGATIONS (continued)

property taxes, special assessments, or special taxes levied for the purpose of paying general obligation bonds, special assessments, or special tax obligations of the District. In addition, the District is obligated to generate system net revenues equal to at least 125 percent of all installment payments and principal and interest payments on any parity debt. The outstanding principal balance on the note payable from direct borrowing was \$4,830,000 as of June 30, 2025.

The future debt service on the direct borrowing loan and interest is as follows:

<u>Year ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 640,000	\$ 111,848	\$ 751,848
2027	655,000	95,790	750,790
2028	670,000	79,360	749,360
2029	690,000	62,496	752,496
2030	705,000	45,198	750,198
2031-2032	1,470,000	36,704	1,506,704
Total	<u>\$ 4,830,000</u>	<u>\$ 431,396</u>	<u>\$ 5,261,396</u>

The District expects that the debt service on the bonds will be less than 35 percent of system net revenues as defined in the financing documents. Total principal and interest paid during the years ended June 30, 2025 and 2024 was \$752,534 and \$752,848, respectively. During the years ended June 30, 2025 and 2024 total net revenues as defined were \$3,848,449 and \$1,980,896, respectively.

The \$67,133 of the gain on the defeasance will be amortized at approximately \$13,000 per year over the next five years.

Amortization for the years ended June 30, 2025 and 2024 was \$13,426 in each year.

6. CALPERS RETIREMENT PLAN AND RELATED LIABILITIES

Plan Description: Employees of the District are provided with pension benefits under one of two plans depending on the employee’s hire date. The plans are part of a cost-sharing multiple-employer public employee pool of similar organizations administered by the California Public Employees Retirement System (CalPERS). CalPERS acts as a common investment and administrative agent for participating California public entities. Benefits provisions and all other requirements are established by State Statute and District Ordinances. CalPERS issues a publicly available financial report that includes financial statements and required supplementary information for CalPERS. That report may be obtained from their website, calpers.gov.

SANITARY DISTRICT NUMBER 5 OF MARIN COUNTY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

6. CALPERS RETIREMENT PLAN AND RELATED LIABILITIES (continued)

Benefits Provided: CalPERS provides retirement, disability and death benefits to plan members and beneficiaries. For employees hired before 2013, retirement benefits are determined as 2.7 percent of the employee's single highest year of compensation times the employee's years of service. Employees with 5 years of continuous service are eligible to retire at age 55. Employees hired after 2012, retirement benefits are determined as 2.0 percent of the employee's highest 3-year average compensation times the employee's years of service. Employees with 5 years of continuous service are eligible to retire at age 60.

Contributions: Contribution requirements of active employees and the District are established and may be amended by the District. Employees hired before 2013 are required to contribute 8.0% of their annual pay. As a benefit to those employees, the District paid 75% of the employee required contributions during the years ended June 30, 2025 and 2024. The total amount paid by the District on behalf of employees totaled \$11,384 and \$16,301 for the years ended June 30, 2025 and 2024, respectively. Employees hired after 2012 are required to contribute 6.25% of their annual pay. The District did not pay any of the required employee contribution. The District's contractually required contribution rate for employees hired before 2012 was 16.02% and 15.95% of wages for the years ended June 30, 2025 and 2024, respectively. The District's contractually required contribution rate for employees hired after 2012 was 7.87% and 7.68% of wages for the years ended June 30, 2025 and 2024, respectively. The rates are actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plans from the District were \$190,277 and \$1,110,246 for the years ended June 30, 2025 and 2024, respectively. The District's proportionate share of employer contributions allocated to its CalPERS account was \$515,063 and \$489,786 for the measurement years ended June 30, 2024 and 2023, respectively.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Amounts reflected are aggregate amounts for both plans as amounts related to post 2012 employees are minor in comparison to pre-2012 amounts):

At June 30, 2025, the District reported an asset of \$390,724 for its proportionate share of the net pension liability. The net pension asset was measured as of June 30, 2024, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of June 30, 2023. The District's proportion of the net pension liabilities was based on a projection of the District's long-term share of contributions to the pension plans relative to the projected contributions of all participating public entities, actuarially determined. At June 30, 2024 and 2023, the District's proportion was (0.00322) percent and 0.00519 percent, respectively.

SANITARY DISTRICT NUMBER 5 OF MARIN COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

6. CALPERS RETIREMENT PLAN AND RELATED LIABILITIES (continued)

For the years ended June 30, 2025 and 2024, the District recognized pension expense of \$482,561 and \$849,922, respectively. At June 30, 2025 and 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
As of June 30, 2025		
Difference between expected and actual experience	\$ (33,782)	\$ 1,318
Changes of assumptions	(10,042)	-
Net difference between projected and actual earnings on pension plan investments	-	(22,493)
Differences between actual contributions and proportionate share of contributions	438,556	(240,223)
Change in employer proportion	397,840	(314,389)
Pension contributions made subsequent to the measurement date	190,277	-
Total	<u>\$ 982,849</u>	<u>\$ (575,787)</u>
As of June 30, 2024		
Difference between expected and actual experience	\$ 33,074	\$ (5,131)
Changes of assumptions	39,088	-
Net difference between projected and actual earnings on pension plan investments	104,824	-
Differences between actual contributions and proportionate share of contributions	-	(498,543)
Change in employer proportion	984,655	-
Pension contributions made subsequent to the measurement date	1,110,246	-
Total	<u>\$ 2,271,887</u>	<u>\$ (503,674)</u>

SANITARY DISTRICT NUMBER 5 OF MARIN COUNTY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

6. CALPERS RETIREMENT PLANS AND RELATED LIABILITIES (continued)

The \$190,277 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liabilities in the year ended June 30, 2026.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

2026	\$	218,343
2027		(44,238)
2028		34,972
2029		7,708
Total	\$	<u>216,785</u>

Actuarial Assumptions: The total pension liabilities in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Salary increases	Varies by Entry Age and Service
Investment rate of return	6.90%
Mortality Rate	Derived using CalPERS' Membership Data for all Funds
Post Retirement Benefit Increase	Contract COLA up to 2.30% until Purchase Power Protection Allowance Floor on Purchasing Power applies

The mortality table used was developed based on CalPERS-specific data. The table includes 15 years of mortality improvements using the Society of Actuaries Scale MP 2016.

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

SANITARY DISTRICT NUMBER 5 OF MARIN COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

6. CALPERS RETIREMENT PLANS AND RELATED LIABILITIES (continued)

available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS considered both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

The table below reflects long-term expected real rate of return by asset class.

<u>Asset Class (a)</u>	<u>Assumed Asset Allocation</u>	<u>Real Return Years 1 - 10 (1)(2)</u>
Global equity - cap-weighted	30.00%	4.54%
Global equity non-cap-weighted	12.00%	3.84%
Private Equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-backed Securities	5.00%	0.50%
Investment Grade Corporates	10.00%	1.56%
High Yield	5.00%	2.27%
Emerging Market Debt	5.00%	2.48%
Private Debt	5.00%	3.57%
Real Assets	15.00%	3.21%
Leverage	-5.00%	-0.59%
Total	100.00%	

(1) An expected inflation of 2.30% used for this period.

(2) Figures are based on the 2021-22 Asset Liability Management study.

SANITARY DISTRICT NUMBER 5 OF MARIN COUNTY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

6. CALPERS RETIREMENT PLANS AND RELATED LIABILITIES (continued)

Sensitivity of the District’s Proportionate Share of the Net Pension Liabilities/Assets to Changes in the Discount Rate: The following presents the District’s proportionate share of the net pensions liability/asset calculated using the discount rate of 6.90 percent, as well as what the District’s proportionate share of the net pension liability/asset would be if it were calculated using a discount rate that is 1-percentage-point lower (5.90 percent) or 1-percentage-point higher (7.90 percent) than the current rate:

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
District's proportionate share of the net pension liability (asset)	\$ 1,377,425	\$ (390,724)	\$ (1,846,170)

Pension Plans’ Fiduciary Net Position: Detailed information about the pension plans’ fiduciary net position is available in the separately issued CalPERS financial report.

7. OTHER POST-EMPLOYMENT BENEFITS (OPEB)

Plan Description: The District has established a Retiree Healthcare Plan (HC Plan) and participates in an agent multiple-employer defined benefit retiree healthcare plan, California Employer’s Retiree Benefit Trust (CERBT), a CalPERS program to assist agencies to advance fund OPEB. Retirees are eligible for the PEMHCA Minimum Benefit if they retire at Age 50+, have 5+ years of CalPERS service, and were enrolled in CalPERS plan upon retirement. For Retirees Age 55 with five years of continuous, full-time service leading up to retirement, if the employee was hired before September 1, 2000, the District contributes to the retiree’s HRA 100% of premium up to the maximum Kaiser Basic/ Supplemental Rate for coverage of the retiree and eligible dependents, less the PEMHCA Minimum benefit. For Retirees Age 55 with five years of continuous, full-time service leading up to retirement who were hired between September 1, 2000 and July 1, 2017, the District contributes to the retiree’s HRA 100% of premium up to the weighted-average of single-member plan premiums, plus 90% of the weighted-average of the additional premium for the four most commonly selected plans that cover dependents. Employees hired after July 1, 2017 are eligible for the PEMHCA minimum health benefit contribution. The District makes contributions based on an actuarially determined rate.

Contributions are invested. The District is responsible for paying monthly OPEB premiums. The District has the ability to request withdrawals from CERBT to cover current annual premiums.

SANITARY DISTRICT NUMBER 5 OF MARIN COUNTY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

7. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (continued)

Employees Covered: As of June 30, 2024 actuarial valuation, the following current and former employees were covered by the benefit terms under the HC plan.

Active employees	11
Inactive employees or beneficiaries currently receiving benefits	7
Inactive employees entitled to, but not yet receiving benefits	<u>-</u>
Total	<u>18</u>

Funding Policy: The contribution requirements of the Plan members and the District are established and may be amended by the District. The annual contribution is based on the actuarially determined contribution. For the year ended June 30, 2025, the District's contributions were \$73,083 in payments to the trust and \$13,470 in current year premiums for retired employees. For the year ended June 30, 2024, the District's contributions were \$63,123 in payments to the trust and \$15,418 in current year premiums for retired employees.

Net OPEB Liability: The District's net OPEB liability was measured as of June 30, 2024 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2024 to determine the June 30, 2025 total OPEB liability, based on the following actuarial methods and assumptions.

Discount Rate	6.36%
Inflation	2.30%
Salary increases	2.80%. Additional merit-based increases based on CalPERS merit salary increase tables.
Investment rate of return	6.36%
Mortality Rate	Derived from CalPERS OPEB Assumptions model
Pre-Retirement Turnover	Derived from CalPERS OPEB Assumptions model
Healthcare Trend Rate	6.80% pre-medicare, 4.90% medicare - trending down to 4.04% over 51 years

Discount Rate: The discount rate is the rate that is up to the expected long-term rate of return on the assets in the Trust set aside to pay benefits, if the plan sponsor makes regular contributions to the Trust such that the assets are not depleted at any point in the future. If the plans' actuary determines that contributions are not sufficient to keep the Trust funded, a blend of the long-term rate of return and the yield or index rate for 20 year, tax-exempt municipal bonds will be used for the periods when the Trust funds are not sufficient to cover benefit payments.

SANITARY DISTRICT NUMBER 5 OF MARIN COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

7. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (continued)

The long-term expected rate of return is determined using the long-term rates of return developed by the CalPERS Investment Office:

<u>Asset Class</u>	<u>Allocation</u>			<u>1-20 Year Projected Compound Return</u>
	<u>Strategy I</u>	<u>Strategy II</u>	<u>Strategy III</u>	
Global equity	49%	34%	23%	6.9%
Fixed income	23%	41%	51%	4.1%
Real estate investment trusts (REITs)	20%	17%	14%	6.3%
Treasury inflation-protected securities (TIPS)	5%	5%	9%	3.9%
Commodities	3%	3%	3%	4.6%
Total	100%	100%	100%	

Sensitivity of the Net OPEB liability to changes in the discount rate: The following presents the net OPEB liability of the District if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>1% Decrease (5.36%)</u>	<u>Discount Rate (6.36%)</u>	<u>1% Increase (7.36%)</u>
Net OPEB liability	\$ 535,800	\$ 318,958	\$ 137,198

Sensitivity of the Net OPEB liability to changes in the health care cost trend rates: The following presents the net OPEB liability of the District if it were calculated using health care cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>1% Decrease (5.8%)</u>	<u>Trend Rate (6.8%)</u>	<u>1% Increase (7.8%)</u>
Net OPEB liability	\$ 114,503	\$ 318,958	\$ 569,871

OPEB Plan Fiduciary Net Position: CERBT issues a publicly available financial report that may be obtained from CalPERS, PO Box 1494, Sacramento, CA 95812.

SANITARY DISTRICT NUMBER 5 OF MARIN COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

7. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (continued)

Changes in the Net OPEB Liability: The changes in the net OPEB liability for the HC Plan are as follows:

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance at June 30, 2023 (Measurement Date June 30, 2022)	\$ 1,462,527	\$ 1,201,425	\$ 261,102
Changes recognized for the measurement period:			
Service cost	35,531	-	35,531
Interest	87,335	-	87,335
Differences between expected and actual experience	25,949	-	25,949
Contributions - employer	-	84,968	(84,968)
Implicit rate subsidy	(6,427)	(6,427)	-
Net investment income	-	72,960	(72,960)
Benefits payments	(78,541)	(78,541)	-
Administrative expense	-	(348)	348
Net changes	63,847	72,612	(8,765)
Balance at June 30, 2024 (Measurement Date June 30, 2023)	1,526,374	1,274,037	252,337
Changes recognized for the measurement period:			
Service cost	36,526	-	36,526
Interest	91,433	-	91,433
Differences between expected and actual experience	292,829	-	292,829
Changes in assumptions	(140,922)	-	(140,922)
Contributions - employer	-	78,012	(78,012)
Implicit rate subsidy	(7,994)	(7,994)	-
Net investment income	-	135,648	(135,648)
Benefits payments	(70,018)	(70,018)	-
Administrative expense	-	(415)	415
Net changes	201,854	135,233	66,621
Balance at June 30, 2025 (Measurement Date June 30, 2024)	\$ 1,728,228	\$ 1,409,270	\$ 318,958

Recognition of Deferred Outflows and Deferred Inflows of Resources: Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time.

Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense. The recognition period is 7.5 years.

SANITARY DISTRICT NUMBER 5 OF MARIN COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

7. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (continued)

OPEB Expense (income) and Deferred Outflows/Inflows of Resources Related to OPEB:
For the years ended June 30, 2025 and 2024, the District recognized OPEB expense of \$56,025 and \$38,233, respectively. As of June 30, 2025 and 2024, the District reported deferred outflows/inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
As of June 30, 2025		
Difference between expected and actual experience	\$ 275,471	\$ (213,378)
Changes in assumptions	183,100	(133,964)
Net difference between projected and actual earnings on OPEB plan investments	6,277	-
District contributions subsequent to the measurement date	105,582	-
Total	\$ 570,430	\$ (347,342)
As of June 30, 2024		
Difference between expected and actual experience	\$ 23,898	\$ (262,625)
Changes in assumptions	219,720	(19,420)
Net difference between projected and actual earnings on OPEB plan investments	83,228	-
District contributions subsequent to the measurement date	81,221	-
Total	\$ 408,067	\$ (282,045)

The \$105,582 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability during the fiscal year ending June 30, 2026.

SANITARY DISTRICT NUMBER 5 OF MARIN COUNTY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

7. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (continued)

Other amounts reported as deferred outflows of resources related to OPEB will be recognized as expense as follows:

2026	\$	4,831
2027		41,835
2028		(161)
2029		9,972
2030		23,934
Thereafter		37,095
Total	\$	<u>117,506</u>

8. DEFERRED COMPENSATION PLAN

The District's employees may participate in a 457 Deferred Compensation Program (Program). The Program is available to all District employees and is entirely voluntary. The purpose of the Program is to provide deferred compensation for public employees that elect to participate in the Program. Generally, eligible employees may defer receipt of a portion of their salary until termination, retirement, death or unforeseeable emergency. Until the funds are paid or otherwise made available to the employee, the employee is not obligated to report the deferred salary for income tax purposes. The District makes no matching contributions to the Program.

Federal law requires deferred compensation assets to be held in trust for the exclusive benefit of the participants. The District is in compliance with this legislation. Therefore, these assets are not the legal property of the District, and are not subject to claims of the District's general creditors. The market value of the Program assets held in trust by the District's deferred compensation program at June 30, 2025 amounted to \$2,549,459.

The District has implemented GASB Statement No. 32, Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans. Since the District has little administrative involvement and does not perform the investing function for this plan, the assets and related liabilities are not presented in the accompanying financial statements.

9. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters, for which the District carries insurance. The District is a member of the California Sanitation Risk Management Authority (CSRMA), a Joint Powers Authority for risk pooling, which provides insurance coverage and risk management services to its 58 member agencies through its' coverage programs.

SANITARY DISTRICT NUMBER 5 OF MARIN COUNTY

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

9. RISK MANAGEMENT (continued)

The District participates in CSRMA’s Pooled Liability and Workers’ Compensation Programs, where each member agency is assessed a deposit based on their ratable exposures. At each program’s year end, deposits are retrospectively reviewed for all years of participation, based on actual loss performance of the individual member agencies. If a member’s losses exceed their deposit, the member is assessed, through a debit on their renewal invoice, to adjust for this situation. Conversely, if the member’s losses are less than the collected deposit, a credit is shown on the member’s renewal invoice.

Risk of loss is transferred from the District to CSRMA under the arrangement. CSRMA’s Pooled Liability Program provides approximately \$26 million in coverage to the members with a combination of reinsurance and excess insurance, with CSRMA retaining the first \$500,000. The District maintains a \$10,000 liability deductible. Excess workers compensation insurance is also obtained through the Authority covering the first \$750,000 in losses to statutory limits, with Employer’s Liability coverage to \$1 million. The District also participates in CSRMA’s property insurance program for its buildings and plant with approximately \$26 million in insurable values.

Audited condensed financial information for CSRMA is presented below for the year ended June 30, 2024 (most recent information available):

	<u>June 30, 2024</u>
Total Assets	\$ 39,433,497
Total Liabilities	<u>27,415,066</u>
Total Equity	<u>\$ 12,018,431</u>
Total Revenues	<u>\$ 23,123,871</u>
Total Expenditures	<u>\$ 22,895,588</u>

The District paid no material uninsured losses during the last three fiscal years. There have been no significant reductions in insurance coverage, and there have been no settlements exceeding insurance coverage in the last three years.

Liabilities of the District are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. There were no claims payable as of June 30, 2025.

10. COMMITMENTS

The District has a variety of agreements with private parties relating to the installation, improvement or modification of sewer facilities, and treatment systems within its service area.

SANITARY DISTRICT NUMBER 5 OF MARIN COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

10. COMMITMENTS (continued)

The financing of such construction contracts is being provided primarily from the District's replacement reserves. As of June 30, 2025, the District estimated it will cost approximately \$3,961,000 to complete the projects currently in construction in process.

SANITARY DISTRICT NUMBER 5 OF MARIN COUNTY
REQUIRED SUPPLEMENTAL SCHEDULE OF THE DISTRICT'S
PROPORTIONATE SHARE OF THE NET PENSION LIABILITY/(ASSET)
AND RELATED RATIOS
for the measurement periods ended June 30
CALPERS Employer Retirement Plan
Last 10 Fiscal Years

<i>Fiscal Year Ended</i>	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
<i>Measurement period</i>	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's proportion of the net pension liability (asset)	(0.00322%)	0.00519%	0.00319%	(0.03087%)	(0.00037%)	(0.00101%)	(0.00274%)	0.00588%	0.00782%	0.02603%
District's proportionate share of the net pension liability (asset)	\$ (390,724)	\$ 647,428	\$ 368,083	\$ (1,669,791)	\$ (40,726)	\$ (103,967)	\$ (264,314)	\$ 583,347	\$ 676,578	\$ 1,786,666
District's covered-employee payroll - measurement period	\$ 1,594,571	\$ 1,445,651	\$ 1,216,819	\$ 1,090,836	\$ 1,064,427	\$ 1,026,229	\$ 1,002,415	\$ 953,249	\$ 856,421	\$ 811,997
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	(24.50%)	44.78%	30.25%	(153.07%)	(3.83%)	(10.13%)	(26.37%)	61.20%	79.00%	220.03%
Plan fiduciary net position as a percentage of the total pension liability	102.98%	94.79%	96.84%	115.35%	100.39%	101.09%	102.85%	94.23%	92.75%	80.16%

SANITARY DISTRICT NUMBER 5 OF MARIN COUNTY
REQUIRED SUPPLEMENTAL SCHEDULE OF THE DISTRICT'S
PENSION CONTRIBUTIONS
for the measurement periods ended June 30

CALPERS Employer Retirement Plan
Last 10 Fiscal Years

<i>Fiscal Year Ended</i>	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
<i>Measurement period</i>	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 190,277	\$ 182,197	\$ 161,656	\$ 136,648	\$ 128,470	\$ 116,931	\$ 109,596	\$ 106,300	\$ 98,415	\$ 165,113
Contributions in relation to actuarially determined contributions	190,277	1,110,246	161,656	136,648	224,838	248,708	109,596	847,033	352,863	1,794,175
Contribution Deficiency (excess)	\$ -	\$ (928,049)	\$ -	\$ -	\$ (96,368)	\$ (131,777)	\$ -	\$ (740,733)	\$ (254,448)	\$ (1,629,062)
Covered payroll	\$ 1,625,637	\$ 1,594,571	\$ 1,445,651	\$ 1,216,819	\$ 1,090,836	\$ 1,064,427	\$ 1,026,229	\$ 1,002,415	\$ 953,249	\$ 856,421
Contributions as a percentage of covered-employee payroll	11.70%	69.63%	11.18%	11.23%	20.61%	23.37%	10.68%	84.50%	37.02%	209.50%

Notes to Schedule:

Valuation Date:	June 30, 2023
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Salary increases	Varies by Entry Age and Service
Investment rate of return	6.90%
Mortality Rate	Derived using CalPERS' Membership Data for all Funds
Post Retirement Benefit Increase	Contract COLA up to 2.30% until Purchase Power Protection Allowance Floor on Purchasing Power applies

SANITARY DISTRICT NUMBER 5 OF MARIN COUNTY
REQUIRED SUPPLEMENTAL SCHEDULE OF CHANGES IN THE
NET OPEB LIABILITY AND RELATED RATIOS
for the measurement periods ended June 30

Last 10 Fiscal Years*

<i>Fiscal Year Ended</i> <i>Measurement Period</i>	2025 <u>2024</u>	2024 <u>2023</u>	2023 <u>2022</u>	2022 <u>2021</u>	2021 <u>2020</u>	2020 <u>2019</u>	2019 <u>2018</u>	2018 <u>2017</u>
Total OPEB liability								
Service cost	\$ 36,526	\$ 35,531	\$ 36,683	\$ 35,701	\$ 37,241	\$ 37,269	\$ 35,301	\$ 39,129
Interest	91,433	87,335	116,294	112,439	115,941	113,333	116,967	87,909
Changes of benefit terms	-	-	(102,846)	-	-	-	-	-
Actual and expected experience difference	292,829	25,949	(284,609)	2,258	(103,657)	(226)	-	-
Change in assumptions	(140,922)	-	292,960	-	(24,122)	(2,175)	(36,351)	-
Benefits payments	(70,018)	(78,541)	(77,611)	(75,438)	(80,818)	(55,423)	(55,136)	(43,473)
Implicit Rate Subsidy Fulfilled	(7,994)	(6,427)	(28,508)	(24,086)	(34,014)	(29,093)	(27,041)	(12,906)
Net change in total OPEB liability	201,854	63,847	(47,637)	50,874	(89,429)	63,685	33,740	70,659
Total OPEB Liability - beginning	1,526,374	1,462,527	1,510,164	1,459,290	1,548,719	1,485,034	1,451,294	1,380,635
Total OPEB Liability - ending (a)	\$ <u>1,728,228</u>	\$ <u>1,526,374</u>	\$ <u>1,462,527</u>	\$ <u>1,510,164</u>	\$ <u>1,459,290</u>	\$ <u>1,548,719</u>	\$ <u>1,485,034</u>	\$ <u>1,451,294</u>
Plan Fiduciary Net Position								
Contributions - employer	\$ 135,648	\$ 78,541	\$ 418,411	\$ 75,438	\$ 151,018	\$ 123,423	\$ 120,836	\$ 80,570
Implicit Subsidy - employer	70,018	6,347	28,508	24,086	34,014	29,093	27,041	12,906
Implicit Rate Subsidy Fulfilled	7,994	(6,347)	(28,508)	(24,086)	(34,014)	(29,093)	(27,041)	(12,906)
Net investment income	(70,018)	72,960	(152,570)	218,591	25,195	36,822	38,672	43,423
Benefits payments	(7,994)	(78,541)	(77,611)	(75,438)	(80,818)	(55,423)	(55,136)	(43,473)
Administrative expense	(415)	(348)	(278)	(301)	(343)	(436)	(257)	(212)
Net change in plan fiduciary net position	135,233	72,612	187,952	218,290	95,052	104,386	104,115	80,308
Plan fiduciary net position - beginning	1,274,037	1,201,425	1,013,473	795,183	700,131	595,745	491,630	411,322
Plan fiduciary net position - ending (b)	\$ <u>1,409,270</u>	\$ <u>1,274,037</u>	\$ <u>1,201,425</u>	\$ <u>1,013,473</u>	\$ <u>795,183</u>	\$ <u>700,131</u>	\$ <u>595,745</u>	\$ <u>491,630</u>
Net OPEB Liability - ending (a) - (b)	\$ <u>318,958</u>	\$ <u>252,337</u>	\$ <u>261,102</u>	\$ <u>496,691</u>	\$ <u>664,107</u>	\$ <u>848,588</u>	\$ <u>889,289</u>	\$ <u>959,664</u>
Plan fiduciary net position as a percentage of the total OPEB liability	81.54%	83.47%	82.15%	67.11%	54.49%	45.21%	40.12%	33.88%
Covered-employee payroll - measurement period	1,539,143	1,240,682	1,148,796	962,819	916,620	888,075	849,372	909,928
Net OPEB liability as a percentage of covered-employee payroll	20.72%	20.34%	22.73%	51.59%	72.45%	95.55%	104.70%	105.47%

* The amounts presented for each fiscal year were determined as of the measurement date, which was one year prior to the fiscal year end date.

The schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the presented information is for those years for which information is available.

SANITARY DISTRICT NUMBER 5 OF MARIN COUNTY

**REQUIRED SUPPLEMENTAL SCHEDULE OF THE DISTRICT'S
OPEB CONTRIBUTIONS
for the measurement periods ended June 30**

Last 10 Fiscal Years*

<i>Fiscal Year Ended</i> <i>Measurement Period</i>	2025 2024	2024 2023	2023 2022	2022 2021	2021 2020	2020 2019	2019 2018	2018 2017
Actuarially Determined Contribution (ADC)	\$ 64,833	\$ 62,959	\$ 54,915	\$ 102,433	\$ 100,260	\$ 112,895	\$ 106,991	\$ 108,953
Contributions in relation to actuarially determined contributions	105,582	78,012	84,968	446,919	99,524	185,032	152,516	147,877
Contribution Deficiency (excess)	\$ <u>(40,749)</u>	\$ <u>(15,053)</u>	\$ <u>(30,053)</u>	\$ <u>(344,486)</u>	\$ <u>736</u>	\$ <u>(72,137)</u>	\$ <u>(45,525)</u>	\$ <u>(38,924)</u>
Covered payroll	\$ 1,582,239	\$ 1,539,143	\$ 1,240,682	\$ 1,148,796	\$ 962,819	\$ 916,620	\$ 888,075	\$ 849,372
Contributions as a percentage of covered-employee payroll	6.67%	5.07%	6.85%	38.90%	10.34%	20.19%	17.17%	17.41%

Notes to Schedule:

Actuarial methods and assumption used to set the actuarially determined contributions for the year ended June 30, 2021 were from the June 30, 2020 actuarial valuation.

Valuation Date:	June 30, 2024
Actuarial Cost Method	Entry age normal, level percent of pay
Amortization Method/Period	Closed period, level percent of payroll, 20 years
Asset Valuation Method	Market value
Inflation	2.30%
Salary Increases	2.80%
Investment rate of return	6.36%
Healthcare Trend Rate	6.80%, trending down to 4.04%

Retirement Age	Derived from CalPERS OPEB Assumptions model
Mortality Rate	Derived from CalPERS OPEB Assumptions model

**REQUIRED SUPPLEMENTAL SCHEDULE OF THE DISTRICT'S
OPEB INVESTMENT RETURNS
for the measurement periods ended June 30**

Last 10 Fiscal Years*

<i>Measurement Period</i>	2024	2023	2022	2021	2020	2019	2018	2017
Annual Money-Weighted Rate of Return, net of investment expense	10.65%	6.07%	-12.89%	27.49%	3.43%	7.66%	7.38%	10.10%

The annual money-weighted rate of return, net of investment expenses, is the net investment income for the year divided by the average net position for the year (less investment expenses).

* The amounts presented for each fiscal year were determined as of the measurement date, which was one year prior to the fiscal year end date.

The schedules are presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the presented information is for those years for which information is available.



December 18, 2025

Tony Rubio, District Manager
Sanitary District No. 5
20001 Paradise Drive
Tiburon, CA 94920

Re: PCO 09 – Additional Sludge Disposal Fees

Dear Mr. Rubio,

On December 4, 2025, HDR received potential change order (PCO) 9 from GSE Construction titled PCO #09 – Additional Disposal Fees. This PCO totals \$156,811 and is for the additional, unexpected fees required to haul and dispose of the digester sludge for the 2024 Main Plant Digester Cleaning and Rehabilitation Project (Project).

We have reviewed PCO 09 and recommend proceeding with payment. Below is a description of what led to this change and HDR's previous PCO estimate.

Background

In May 2024, GSE was awarded the bid for the Project which was based on hauling and disposing of the sludge at East Bay Municipal Utility District (EBMUD). In December 2024, after the project had begun, EBMUD unexpectedly changed their policies and would not accept the sludge from the Project.

To find an alternative disposal location, GSE reached out to Santa Rosa Wastewater Treatment Plant (WWTP), Petaluma WWTP, Central Marin Sanitation Agency WWTP, Napa WWTP and Yolo Landfill, all of which refused to accept the sludge. The closest location that would accept the sludge was Potrero Hills Landfill, which is farther away and charged more to dump than EBMUD. Table 1 below compares the original 2024 bid based on EBMUD and the actual 2025 costs to hauling and dumping the sludge at Potrero Hills Landfill. The total unit cost for hauling and dumping doubled, but the total gallons of sludge was very close to the estimated amount in the original bid. The PCO shows a total disposal cost of \$286k, which is slightly more than double the original bid. GSE is asking for \$156,811 to cover the additional disposal costs greater than the original \$140k.

HDR Estimate

Once the new dumping location was finalized in April 2025, HDR estimated a range for this upcoming change between \$45-105k. This estimate only included the secondary digester volume, since GSE was still looking for a cheaper or closer location for the primary digester. However, no other location was found. To prevent delaying the project, the primary digester sludge was also hauled to Potrero Hills Landfill. If the April 2025 HDR estimated cost was modified to include the primary digester volume, the estimate would have been \$90-210k. The \$156k GSE is asking for falls within the estimated range.

Table 1 - Comparison of 2024 Original Bid and 2025 Actual Costs

	2024 Original Bid	2025 Actuals	Delta
Dumping Location	EBMUD	Potrero Hills Landfill	
Distance from Sani 5	27 miles	58 miles	31 miles
Total Unit Cost (hauling and disposal)	\$0.88/gal	\$1.76/gal	\$0.88/gal
Secondary Digester gallons		85,878	
Primary Digester gallons		76,406	
Total gallons	160,000	162,284	2,284
Disposal Cost	\$140,000	\$286,416	\$146,416
GSE Markups & Bonds		\$10,396	\$10,395
Total PCO 09			\$156,811

Based on this analysis, HDR recommended paying PCO 9.

Sincerely,
HDR Engineering

Paige Hermanson, PE
Water/Wastewater Engineer

January 2026

January 2026							February 2026						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
	4	5	6	7	8	9	1	2	3	4	5	6	7
11	12	13	14	15	16	17	8	9	10	11	12	13	14
18	19	20	21	22	23	24	15	16	17	18	19	20	21
25	26	27	28	29	30	31	22	23	24	25	26	27	28

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Dec 28	29	30	31	Jan 1, 26 7:00am Make Payroll Changes for staff - New 2026 rates	2 Jill in check run prep	3
4	5 Jill in - check run print - ??	6 Jill in - check run print	7 1:00pm Personnel Committee Meeting (2001 Paradise Dr (2001 Paradise Dr, Belvedere Tiburon, California 94920)) -	8 9:30am CIP Committee Meeting (2001 Paradise Dr (2001 10:30am Finance Committee Meeting (2001 Paradise Dr	9	10
11	12 3:30pm Personnel Committee Meeting (2001 Paradise Dr (2001 Paradise Dr, Belvedere Tiburon, California 94920)) -	13 Jill in - General Accounting TR @ Winter CASA Conference	14 TR @ Winter CASA Conference	15 TR @ CASA Winter Conference 11:00am Monthly Managers Update & 5:00pm Regular Board Meeting (2001	16	17
18	19	20	21	22	23 Jill in - General Accounting	24
25	26	27 Jill in - General Accounting MASS MEETING	28	29	30	31

February 2026

February 2026							March 2026						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7	1	2	3	4	5	6	7
8	9	10	11	12	13	14	8	9	10	11	12	13	14
15	16	17	18	19	20	21	15	16	17	18	19	20	21
22	23	24	25	26	27	28	22	23	24	25	26	27	28
							29	30	31				

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Feb 1	2 SCO Financial Transactions Reports Due	3 Jill in - check run prep	4	5 Jill in check run prep and print	6	7
8	9	10 Jill in - General Accounting	11	12 9:30am CIP Committee Meeting (2001 Paradise Dr (2001 Paradise Dr, 10:30am Finance Committee Meeting (2001 Paradise Dr (2001 Paradise Dr,	13	14
15	16	17 Jill in - General Accounting	18	19 11:00am Monthly Managers Update & Board Recap (2001 Paradise Dr (2001 Paradise Dr, 5:00pm Regular Board Meeting (2001 Paradise Dr (2001 Paradise Dr,	20	21
22	23 7:00am TR @ Annual CASA DC Policy Forum	24 Jill in - General Accounting 7:00am TR @ Annual CASA DC Policy Forum	25	26	27	28

Sanitary District No. 5 of Marin County



District Management Report December 2025

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: January 15, 2026
To: Board of Directors
From: Tony Rubio, District Manager
Subject: Management Report for December 2025

Fiscal Status

Period Covered: July 1, 2025 –January 8, 2026
Percent of Fiscal Year: 50%
Percent of Budgeted Income to Date: 69%
Percent of Budgeted Expenditures to Date: 54.2% (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
Significant Comments: None

Summary of Operational Highlights are on the following pages.

Significant Events for the Month of December 2025 Include:

Financial/Budgetary/Business Administration

- FY24/25 Final Audit Complete and accepted by Board of Directors
- Sewer Use Ordinance review completed for enhanced sewer lateral definitions and responsibilities for 1st reading at December Meeting- Public Hearing scheduled for February 19 meeting
- Board Policies completed- Public Hearing scheduled for February 19 meeting

HR and Personnel

- Total Compensation study completed- February Personnel committee meeting presentation.
- MOU Draft Edits and Personnel Policies updates/review underway- counsel reviewing
- MOU negotiations have begun
- Unrepresented benefits plan also under review for edits
- OIT Maintenance Internship Job Description Updated

Continuing Education, Safety Training, Pollution Prevention Activities

- Staff attended monthly Public Education Meeting.
- CWEA Redwood Empire Section Annual Meeting and Awards Banquet scheduled for February 6, 2026 in Napa CA
- SD5 has won the Small Plant of the Year award for 2nd consecutive year for the CWEA Redwood Empire Section!
- TR to attend CASA Conference in Palm Springs
- Monthly Manager/Staff Updates Continue

Collection System Performance

Main Plant /Paradise Cove

- Vactor and Rodder preventative maintenance work is underway.
- No Spill Report Submitted for Main Plant & Paradise Cove Collection System

Treatment Plant Performance

Paradise Cove WWTP:

- Paradise Cove NPDES permit renewal work has begun.

Tiburon Main WWTP:

- CPO submitted November 2025 Monthly SMR and DMR to the RWQCB on CIWQS.
- JT Continues work replacing old conduits through plant- locker room/old lab (with proper labeling at panel and on outlet)
- Lab rehab completed
- Wet Weather Operations have shown positive improvements due to the completion of several Pipe Line rehabilitation projects and sewer lateral rehabilitation requirements in the Districts sewer use Ordinance. (discussion)

Capital Improvement Projects

- 2024-25 Sewer Rehab - final paving restoration remains. All pipe segments installed
- Cove Road MCC and Generator replacement project underway- equipment submittals under review by the engineer and staff MCC 1st submittal turned in for review
- Digester Cleaning and Rehab project underway- Primary Digester filling scheduled for January 15, which will begin the non dewatering phase- work that remains: Concrete work in dewatering storage room and grinder replacement in dewatering room along with CO#3
- Beginning review of upcoming CIP project list for FY budget 26/27

Glossary of Terms

- **B.O.D. (Biochemical Oxygen Demand):** Measurement of the effluent's capacity to consume dissolved oxygen to stabilize all remaining organic matter. The permit limits for our effluent for discharge into San Francisco bay require that we remove 85% influent B.O.D. and meet a weekly average of less than 45mg/l and a monthly average of less than 30 mg/l B.O.D.
- **TSS (Total Suspended Solids):** Measurement of suspended solids in the effluent. Our permit requires that we remove at least 85% of the influent TSS and that the effluent limit is less than 45 mg/l as a weekly average and less than 30 mg/l as a monthly average.
- **Chlorine Residual:** The plant effluent is disinfected with hypochlorite (chlorine "bleach") and then the residual chlorine is neutralized with sodium bisulfite to protect the bay. The effluent chlorine residual limit is 0.0 mg/l which we monitor continuously.
- **pH:** pH is a measurement of acidity with pH 7.0 being neutral and higher pH values being basic and lower pH values being acidic. Our permit effluent pH must stay within the range of 6.0-9.0, which we monitor continuously.
- **Coliform:** Coliform bacteria are the indicator organism for determination of the efficiency of the disinfection process. The lab culture samples of our effluent and the presence of coliform is an indication that pathogenic organisms may be present. This is reported as MPN/100 (number of coliform bacteria in 100 milliliters sample).
- **Flow Through Bioassay:** A 96 hour test in which we test the toxicity of our effluent to tiny fish (sticklebacks) in a flow through tank to determine the survivability under continuous exposure to our effluent. Our permit requires that we maintain a 90th percentile survival of at least 70% and an 11 sample median survival of at least 90%. In layman's terms, this means that out of the last 11 samples only one bioassay may fall below 70% survival and the middle value when all 11 samples are placed in numerical order must be at least 90%.
- **Metals Analysis:** Our permit requires that we analyze our effluent for many different metals on a monthly basis. We have permit limits for some metals. The metals are stated as a daily max and a monthly average limit. The daily max limit is the number we cannot exceed on any sample and the monthly average applies to all samples collected in any month (although usually we are only required to take one).
- **F.O.G. (Fats, oils and grease):** Quarterly we are required to monitor our effluent for Fats, Oils and Grease.

Glossary of terms continued...

- **Headworks:** The point where all raw wastewater enters the treatment plant. In this building wastewater goes through 3 grinders to grind up all large objects that could possibly damage our influent and sludge pumps further down the treatment process.
- **Primary Sedimentation:** The next treatment process is a physical treatment process where solids that settle or float are removed and sent to the digesters for further processing.
- **Activated Sludge:** Next is the activate sludge process. This process is a biological wastewater treatment process that uses microorganisms to speed up the decomposition of wastes. When activated sludge is added to wastewater, the microorganisms feed and grow on waste particles in the wastewater. As the organisms grow and reproduce, more and more waste is removed, leaving the wastewater partially cleaned. To function efficiently, the mass of organisms needs a steady balance of food and oxygen. These tasks are closely monitored by the operations staff.
- **Secondary Clarification:** Next is secondary clarification, like primary sedimentation/clarification, this also is a physical treatment process where solids that settle or float are removed and sent to the next treatment process. The difference between Secondary Clarification and primary sedimentation is that the solids removed from the secondary clarifiers goes to 2 places. Some goes to waste to the DAFT and some goes back to the activated sludge process for further treatment. (*Microorganisms must be returned to the activated sludge process to keep an equal balance of food and microorganisms*).
- **DAFT (dissolved air floatation thickener):** Next is the DAFT. The dissolved air floatation thickening process uses air bubbles to thicken WAS(waste active sludge) solids removed from the secondary clarifier, by floating solids to the tank surface, where they are removed and sent to the digesters for final processing.
- **Sludge Digestion:** In the anaerobic digestion process, all the organic material removed from the primary sedimentation tanks and DAFT's are digested by anaerobic bacteria. The end products are methane, carbon dioxide, water and neutralized organic matter.
- **Solids Handling:** This is the process where all the neutralized sludge from the digester is finally treated. Sludge from the digester is pumped to the screw press where it is conditioned with a polymer (chemical that reacts with the sludge to remove the water from the sludge and bind the sludge particles together) in order to dewater the sludge and produce a dry cake for final disposal to the Redwood landfill.

Glossary of terms continued...

- **Disinfection:** This is the end point for the wastewater- at this point wastewater flows through the chlorine contact tank. This contact tank allows for enough contact time for chlorine solution to disinfect the wastewater. Sodium bisulfite is introduced at the end of the tank to neutralize any residual chlorine to protect the bay.
- **MLSS (mixed liquor suspended solids):** Suspended solids in the mixed liquor of an aeration tank measured in mg/l
- **MCRT (mean cell resident time):** An expression of the average time that a microorganism will spend in the activated sludge process.
- **SVI (sludge volume index):** This is a calculation used to indicate the settling ability of activated sludge in the secondary clarifier.
- **RAS (return activated sludge):** The purpose of returning activated sludge, is to maintain a sufficient concentration of activated sludge in the aeration tank.
- **WAS (waste activated sludge):** To maintain a stable process, the amount of solids added each day to the activated sludge process are removed as WAS. We track this by our MCRT which averages 3 days
- **TWAS (thickened waste activated sludge):** The WAS is thickened in the DAFT and the thickened sludge is then pumped to the digester.
- **MPN (most probable number):** Concentrations of total coliform bacteria are reported as the most probable number. The MPN is not the absolute count of the bacteria but a statistical estimate of their concentration.
- **Bio-solids:** Anaerobic digested sludge is pumped to a screw press where excess water is removed to reduce the volume (and weight) thus producing an end result called bio-solids.
- **Polymer:** Organic polymers are added to digested sludge to bring out the formation of larger particles by bridging to improve processing.

Wastewater Acronyms

ACWA	Assoc of California Water Agencies	APWA	American Public Works Association
AWWA	American Water Works Association	BAAQMD	Bay Area Air Quality Management District
BACWA	Bay Area Clean Water Agencies	BAPPG:	Bay Area Pollution Prevention Group
CASA	California Association of Sanitation Agencies	CSDA	California Special Districts Association
CSRMA:	California Sanitation Risk Management Authority	CAAQS	California Ambient Air Quality Standard
CalARP	California Accidental Release Prevention Program	CARB	California Air Resources Board
CDO	Cease and Desist Order	CECs	Constituents of Emerging Concern
CEQA	California Environmental Quality Act	CIWQS	California Integrated Water Quality System
CFR	Code of Federal Regulations	CMOM	Capacity, Management, Operation and Maintenance
CIWMB	California Integrated Waste Management Board		
CIWQS	California Integrated Water Quality System	CPUC	California Public Utilities Commission
CSO	Combined Sewer Overflow	CTR	California Toxics Rule
CWA	Clean Water Act	CWAP	Clean Water Action Plan
CWARA	Clean Water Authority Restoration Act	CWEA	California Water Environment Association
DHS	Dept. of Health Services	DTSC	Dept. of Toxic Substances Control
EBEP	Enclosed Bays and Estuaries Plan	EDW	Effluent Dominated Water body
EIS/EIR	Environmental Impact Statement/Report	EPA	Environmental Protection Agency
ERAF	Educational Reserve Augmentation Fund	ESMP	Electronic Self-Monitoring Report
FOG	Fats, Oils and Grease	GASB	Government Accounting Standards Board
ISWP	Inland Surface Waters Plan	JPA	Joint Powers Authority
LAFCO	Local Agency Formation Commission	LOCC	League of California Cities
MACT	Maximum Achievable Control Technology (air controls)	MCL	Maximum Contaminant Level
MMP	Mandatory Minimum Penalty	MOU	Memorandum of Understanding
MUN	Municipal Drinking Water Use	NACWA	National Association of Clean Water Agencies
NGOs	Non-Governmental Organizations	NOX	Nitrogen Oxides
NPDES	Nat'l Pollutant Discharge Elimination System	NRDC	Natural Resources Defense Council
NTR	National Toxics Rule	OWP:	Office of Water Programs
OSHA:	Occupational Safety and Health Administration	PCBs	Poly Chlorinated Biphenyls
POTWs	Publicly Owned Treatment Works	PPCPs	Pharmaceutical and personal Care Products
QA/QC	Quality Assurance / Quality Control	Region	IX Western Region of EPA (CA, AZ, NV & HI)
RFP	Request For Proposals	RMP	Risk Management Program
RFQ	Request For Qualifications	RWQCB	Regional Water Quality Control Board
SEP	Supplementary Environmental Projects	SIP	State Implementation Policy (CTR/NTR criteria)
SFEI:	San Francisco Estuary Institute	SRF	State Revolving Fund
SSO	Sanitary Sewer Overflow	SSMP	Sewer System Management Plan
SWRCB	State Water Resources Control Board	TMDL	Total Maximum Daily Load
WDR	Waste Discharge Requirements	WEF	Water Environment Federation
WERF	Water Environment Research Foundation	WET	Whole Effluent Toxicity or Waste Extraction Test
WMI	Watershed Management Initiative	WRFP	Water Recycling Funding Program
WRDA	Water Resource Development Act	WWTP	Wastewater Treatment Plant
WQBEL	Water Quality Based Effluent Limitation	WWWIFA	Water & Wastewater Infrastructure Financing Agency

SANITARY DISTRICT NO. 5 OF MARIN COUNTY

WASTEWATER TREATMENT PLANT OPERATOR-IN-TRAINING/ MAINTENANCE INTERNSHIP

*Class specifications are only intended to present a descriptive summary of the range of duties and responsibilities associated with specified positions. Therefore, specifications **may not include all** duties performed by individuals within a classification. In addition, specifications are intended to outline the **minimum** qualifications necessary for entry into the class and do not necessarily convey the qualifications of incumbents within the position.*

The Wastewater Treatment Plant Operator-In-Training/Maintenance Internship is designed to provide trainees with a hands-on opportunity to learn and develop the skills necessary for the operation and maintenance of a wastewater treatment facility and collection system. Interns are employed on a temporary, at-will basis for a limited duration, and work under the close supervision of District personnel.

DEFINITION:

Under immediate supervision, performs and learns to perform the full array of duties assigned to classes in the Wastewater Treatment Plant Operator and Plant/Collection System Maintenance Worker series, including operations, controls, and maintenance work in the District's wastewater treatment plants, collection system, pump stations, grounds, and related District facilities and equipment; demonstrates a full understanding of all applicable policies, procedures, and work methods associated with assigned duties; performs other related duties as required.

DISTINGUISHING CHARACTERISTICS:

The **Wastewater Treatment Plant Operator-In-Training/Maintenance Internship** is a training, entry-level class in which incumbents are expected to learn and perform the full scope of assigned duties, to include a wide variety of operations and maintenance of the wastewater treatment plants and collection system. Incumbents will be encouraged to obtain a Grade I Wastewater Treatment Plant Operator certification from the California State Water Resources Control Board. This classification is distinguished from the next higher class of Wastewater Treatment Plant Operator in that the latter is required to possess a Grade I certification at time of appointment and may operate within the guidelines of that certification. This is a temporary, at-will position with an 975hr maximum term.

SUPERVISION RECEIVED/EXERCISED:

Receives immediate supervision from the Operations Superintendent and/or the Maintenance/Collection System Superintendent, Sr. Plant/Collection System Maintenance Worker, Senior Wastewater Treatment Plant Operator, or an assigned higher-level operator. Incumbents in this class do not exercise supervision.

ESSENTIAL FUNCTIONS: *(include but are not limited to the following)*

- Learns to operate, inspect, clean, repair, replace, and maintain pumps, pump stations, sewer lines, collection systems, treatment facilities, rodding equipment, blowers, compressors, generators, boilers, motors, filters, and related equipment.
- Performs general, grounds, and preventative maintenance and repairs in and around District facilities and equipment, to include cleaning, trash removal, painting, mowing, trimming, and irrigation system maintenance; assists with construction projects; operates vehicles and other equipment.

WASTEWATER TREATMENT PLANT OPERATOR-IN-TRAINING/
MAINTENANCE INTERNSHIP

Page 2 of 3

- Learns to perform basic skilled water pollution control laboratory testing and analysis; learns to monitor the treatment operations for proper processing; learns to adhere to quality assurance programs for laboratory analysis and instrumentation.
- Learns to conduct on-site inspections of plant operations, ensuring that operational problems are identified and corrected; learns procedures to ensure that plants are operating within safety standards established by federal, state, and local laws, ordinances, and regulations.
- Learns, prepares, and updates reports, including records and logs.
- Learns to apply and/or assists in the application of paints and other surface preservatives to pipes, pumps, motors, equipment, outdoor structures, exterior and interior of buildings, and other District equipment and facilities; prepares surfaces for painting; removes old paint and preservatives; cleans and patches surfaces; mixes and prepares paints and other preservatives; operates and maintains automated painting equipment.
- Learns to assist in pump station and collection system maintenance which includes, sewer line cleaning via, rodder and or vactor truck use, sanitary sewer overflow response and remediation, pump station preventative and corrective maintenance tasks and general housekeeping of buildings and grounds.
- Observes safe work methods and uses safety equipment; ensures public safety around worksites; attends safety meetings.
- Establishes positive working relationships with representatives of community organizations, state/local agencies and associations, District management and staff, and the public.

PHYSICAL, MENTAL AND ENVIRONMENTAL WORKING CONDITIONS:

Position requires sitting, standing, walking on level and slippery surfaces, reaching, twisting, turning, kneeling, bending, stooping, squatting, crouching, grasping, and making repetitive hand movement in the performance of daily duties. The position also requires both near and far vision when inspecting work and operating and performing maintenance on assigned equipment. The need to lift, carry, and push tools, equipment, and supplies weighing 75 pounds or more is also required. Additionally, the incumbent in this position may be exposed to biohazards, caustic chemicals, and a variety of working conditions, including mechanical and electrical hazards, loud noise, wet, hot, and cold. The incumbent may use cleaning and lubricating chemicals, which may expose the employee to fumes, dust, and air contaminants; use power and noise producing tools and equipment; drive motorized vehicles and heavy equipment; and work in heavy vehicle traffic conditions. The nature of the work also requires the incumbent to climb ladders and stairs, and work in confined space and use SCBA as needed.

QUALIFICATIONS:*(The following are minimal qualifications necessary for entry into the classification.)*

Education and/or Experience:

Any combination of education and experience that has provided the knowledge, skills, and abilities necessary for a **Wastewater Treatment Plant Operator-In-Training/Maintenance Internship**. A typical way of obtaining the required qualifications is to possess the equivalent of

one year of experience in mechanical and general maintenance operations, and a high school diploma or equivalent supplemented with appropriate coursework in laboratory testing and analysis.

License/Certificate:

Possession of a valid California motor vehicle driver's license and a good driving record consistent with requirements established by the District. Failure to maintain an acceptable driving record shall be cause for discipline, up to and including dismissal. Possession of a Wastewater Treatment Plant Operator-in-Training Certificate from the California State Water Resources Control Board upon hiring.

KNOWLEDGE/ABILITIES/SKILLS:*(The following are a representative sample of the KAS's necessary to perform essential duties of the position.)*

Knowledge of:

Basic concepts and practices of wastewater treatment plant and pump station operations; repair, maintenance, and adjustment procedures for wastewater treatment plant and collection system equipment; principles, practices, and methods of basic laboratory testing methods and procedures; federal, state, and local laws governing wastewater and industrial waste monitoring and control; basic concepts, characteristics, and problems involved with wastewater analysis; practices, techniques, equipment, and materials used in maintenance of grounds and facilities; basic construction, carpentry, masonry, and painting work; safety requirements for operation of vehicles and working around equipment; laboratory safety standards and programs; methods and techniques for record keeping, report preparation, and writing; proper English, spelling, and grammar; occupational hazards and standard safety practices.

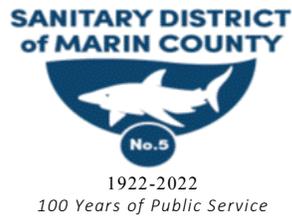
Ability to:

Learn to carry out maintenance and operations of a wastewater plant and collection system; learn to read and interpret gauges and other recording devices reflecting wastewater treatment plant operations and make operating adjustments based upon recorded data; learn to collect samples and conduct basic wastewater testing; collect a variety of samples for laboratory tests; maintain accurate records and prepare comprehensive reports; perform a wide variety of plant and collection system operation and maintenance assignments, including maintenance and basic repair work associated with the District's grounds and facilities; perform heavy manual labor for extended periods of time; respond to afterhours call-outs if required; organize, prioritize, and follow-up on work assignments; learn more complex principles, practices, techniques, and regulations pertaining to assigned duties; understand and follow written and oral instructions; observe safety principles and work in a safe manner; communicate clearly and concisely, both orally and in writing; establish and maintain cooperative and effective working relationships.

Skill to:

Safely and effectively operate the tools and equipment used in wastewater treatment plant and collection system maintenance and in the laboratory; operate a computer and software application.

Management
Tony Rubio District Manager
Joel Alvarez Administrative Services Manger
2001 Paradise Drive
Tiburon CA 9420
415-435-1501 Tel
415-435-0221 fax
www.sani5.org



Board of Directors
Omar Arias-Montez President
John Carapiet Vice President
Tod Moody Secretary
Catherine Benediktsson Director
Richard Snyder Director

Date: January 15, 2026
To: Board of Directors – Regular Board Meeting
From: District Manager – Tony Rubio
Subject: Review of PCO#10 Regarding additional concrete work as part of the Digester Cleaning and Rehabilitation project for an amount of \$34,297

STAFF REPORT:

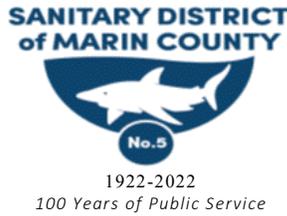
The District as part of the Digester cleaning and rehabilitation project outlined some concrete repairs for the sludge box storage area which is part of the original contract. At the time of design it was decided to exclude, the 2nd portion of the floor which is connected to the area that is to be replaced (see attached pictures in orange outline) in an effort to keep design costs and possible project bid costs down. Upon further review the rate of degradation of concrete not to be replaced is just as bad as the segment that is to be replaced and we recommend rehabilitating that area as well.





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Attached is PCO#10 for \$34,297 for the additional work.

We are getting ready to go into the non-dewatering phase of the project, so timing is ideal to include this additional work, and to allow the proper amount of cure time before placing weight on this potential new concrete.

FISCAL IMPACT:

\$34,297 from capital reserves to include this work to the Digester Cleaning and Rehabilitation Project.

CEQA (California Environmental Quality Act)

Exempt

Recommendation:

Authorize the District Manager to approve PCO#10 and schedule work in conjunction with original contracted work beginning the week of January 19, 2026

Tony Rubio, District Manager

ATTACHMENTS:

PCO#10

