



TAMALPAIS COMMUNITY SERVICES DISTRICT

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TCSD BOARD OF DIRECTORS MEETING AGENDA

WEDNESDAY, DECEMBER 13, 2023

REGULAR SESSION AT 7:00PM

TAM VALLEY COMMUNITY CENTER, 203 MARIN AVENUE, MILL VALLEY 94941

Preceded by a Special Meeting in Closed Session at 6:15 p.m. at Tam Valley Community Center,
203 Marin Avenue, Mill Valley

Special Meeting in Closed Session at 6:15pm

Tam Valley Community Center, 203 Marin Avenue, Mill Valley

6:15 PM – CALL TO ORDER – ROLL CALL

PUBLIC COMMENT. Public comment will be received in person on the closed session matter listed below before the Board adjourns to the closed session (closed to the public).

ADJOURN TO CLOSED SESSION ON THE FOLLOWING MATTERS:

Conference With Real Property Negotiators

Government Code §54956.8

Property: 60 Tennessee Valley Road

Agency negotiators: General Manager, Assistant General Manager

Negotiating parties: County of Marin

Under negotiation: price and terms of payment

Public Employee Performance Evaluation

Government Code §54957

Title: General Manager

Reporting on any action taken at the closed session will be done in open session at the beginning of the Board's regular meeting.

REGULAR MEETING AT 7:00pm

1. CALL TO ORDER

2. ROLL CALL President Steffen Bartschat

Directors: Vice President Jeff Brown, Jim Jacobs, Steve Levine, and Matt McMahon

3. APPROVE AGENDA

4. REPORT OUT OF CLOSED SESSION

5. PUBLIC EXPRESSION

Members of the public are invited to address the Board concerning topics which are not listed on the Agenda (If an item is agendaized, interested persons may address the Board during the Board's consideration of that item). Speakers should understand that except in very limited situations, State law precludes the Board from taking action on or engaging in extended deliberations concerning items of business which are not on the Agenda. Consequently, if further consideration is required, the Board may refer the matter to its staff or direct that the subject be added to an agenda for a future meeting. The Board reserves the right to limit the time devoted to this portion of the Agenda and to limit the duration of speakers' presentations.

6. REGULAR BUSINESS: Board Actions

- A. Receive/discuss presentation from PG&E regarding the temporary relocation of transmission tower lines to allow for the removal of the leaning transmission tower.
- B. Adopt resolution authorizing the General Manager to proceed with change orders with Glosage Engineering in an amount of \$380,000 to: A) Replace an additional 1,300 linear feet (approx.) of sewer main pipeline on Northern and Glenwood Avenues and Springfield Way and B) to realign the sewer main on Cabin Dr.
- C. Receive FY2022-2023 financial audit

7. REGULAR BUSINESS: Information Items

- A. General Manager's report including office holiday schedule
- B. Receive monthly financial reports
- C. Receive Sewer treatment plant update reports: SASM (October and November meetings were canceled) and SMCSB
- D. Board member and/or Subcommittee report

8. CONSENT CALENDAR

All matters listed on the Consent Calendar are considered to be routine and will be enacted by a single action of the Board. There will be no separate discussion unless specific items are removed from the Consent Calendar during adoption of the Agenda for separate discussion and action.

- A. Adopt resolution approving regular Board meeting schedule for 2024
- B. Approve minutes of November 8, 2023, regular meeting

9. FUTURE AGENDA ITEMS

- A. Review of meeting
- B. Board input for future Board Meetings

10. ADJOURNMENT

*The Community is invited to attend the TCSO Board's annual Holiday Reception
immediately following the Board meeting
(approx. time 8:15pm)*

NEXT REGULAR BOARD WORK SESSION

December 27, 2023

CANCELED

Happy Holidays!

NEXT REGULAR BOARD MEETING

January 10, 2024

7:00pm

Tam Valley Community Center



TAMALPAIS COMMUNITY SERVICES DISTRICT

Staff Report

December 13, 2023

TO: BOARD OF DIRECTORS

FROM: GARRETT TOY, GENERAL MANAGER

SUBJECT: RECEIVE/DISCUSS PRESENTATION FROM PG&E REGARDING THE TEMPORARY RELOCATION OF TRANSMISSION TOWER LINES TO ALLOW FOR THE REMOVAL OF THE LEANING TRANSMISSION TOWER

RECOMMENDATION

Receive and discuss presentation from PG&E regarding the temporary relocation of transmission lines to allow for the removal of the leaning transmission tower.

DISCUSSION

In July 2023, the Board received a presentation from PG&E regarding the replacement of an existing transmission tower located on the levee behind the County Flood Control Facility on Marin Ave. PG&E indicated it cannot replace the existing tower in the same location because the Army Corp of Engineers does not allow any new towers on levees. As a result, PG&E has to find an alternative location to align with the existing power lines. PG&E proposed to place a new transmission pole (Lattice Steel Pole-LSP) in the asphalt pathway near the entry to the TCSD parking lot on Marin Ave.

In October, PG&E staff made another presentation to the Board with more information: a) showing the location of the existing tower in relation to the proposed LSP, b) visual simulation of the LSP from Tennessee Valley Road (east and west) and c) location and visual simulation of temporary poles needed for the transmission lines.

For the December meeting, staff asked PG&E staff if they could attend the Board meeting and provide a presentation on the options considered by PG&E for permanent replacement pole locations. PG&E responded they were not ready to discuss permanent relocation construction and indicated they would be communicating with the residents well in advance of any permanent relocation construction.

The main focus of the PG&E update on December 13 will be information regarding the need to construct temporary poles to relocate the transmission wires. This will allow PG&E to remove the existing leaning tower. At the meeting, PG&E will share:

- Summary of the electric tower condition and need for immediate work.
- A map showing locations of temporary structures locations. Two temporary poles are located in the TSCSD parking lot.
- Expected start date for temporary structure construction and transmission line relocation.
- Expected number of weeks (subject to weather or other changes) to complete temporary construction and line relocation.

- The temporary relocation duration is expected to be 8-9 months. An Army Corps of Engineers permit is required prior to permanent relocation construction. Apparently, the Army Corps of Engineers requires PG&E to apply for a permit when lines are being reconstructed (even though they currently exist) over navigable waterways. As stated before, the Army Corps of Engineers will not allow PG&E to rebuild a tower in the same location because alternative solutions/locations are available.

PG&E indicates it will be reaching out to the community and adjacent neighbors several weeks prior to the Notice of Construction for the temporary poles, which is required by CPUC regulations.

Attached is the slide presentation regarding the temporary poles. PG&E staff will discuss these slides in more detail at the meeting.

FISCAL IMPACT

To be determined

ATTACHMENTS

- A. PG&E Power Point slides

Ignacio-Alto-Sausalito Tower 13/94 Project Briefing: Temporary Solution

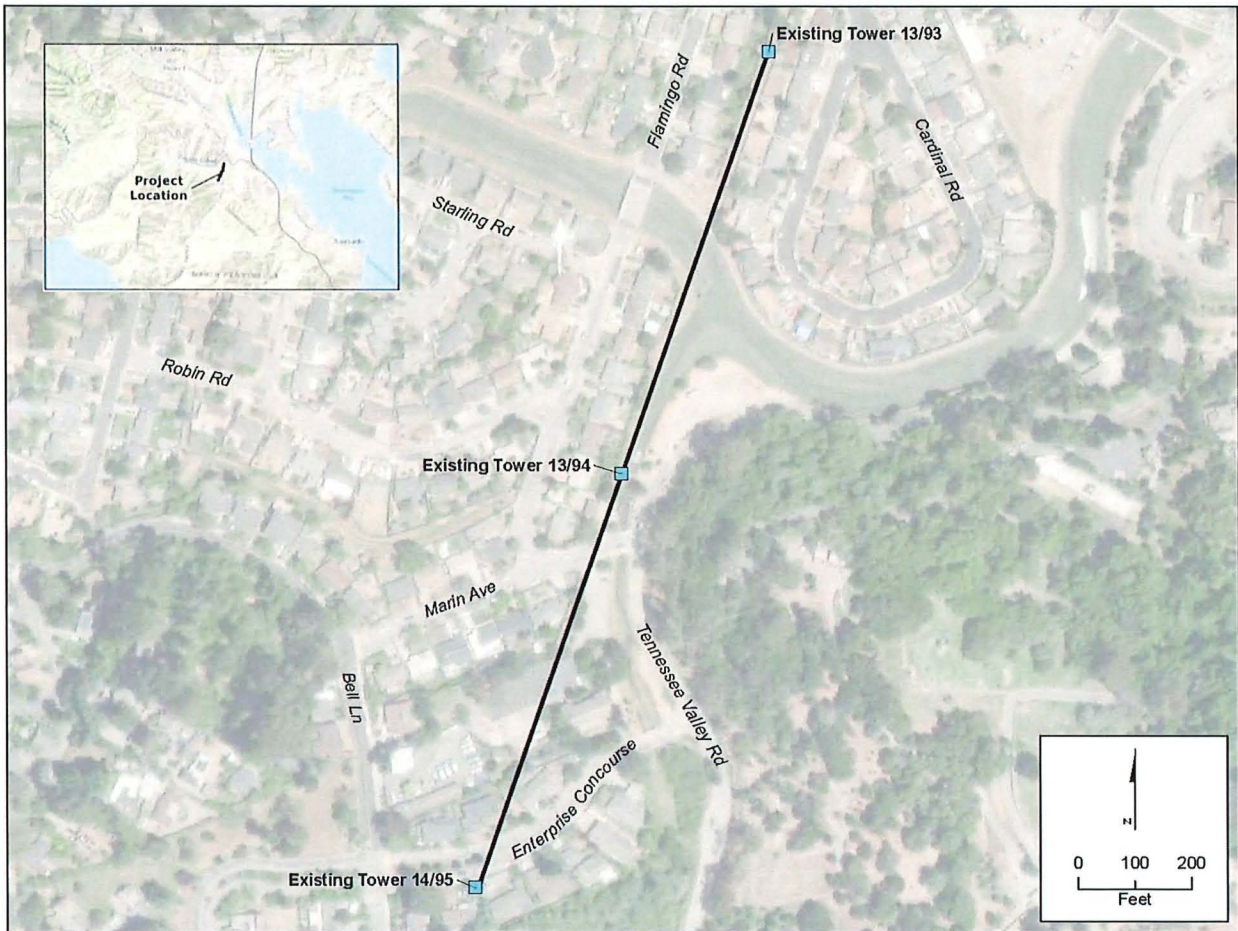
December 2023



Together, Building
a Better California



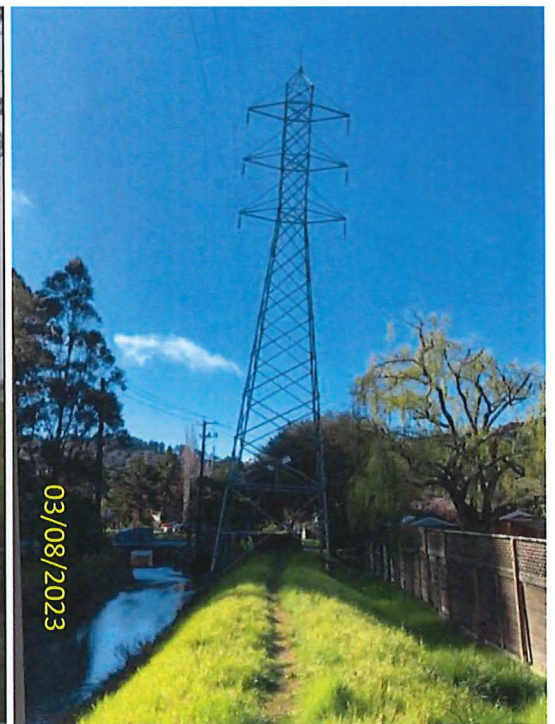
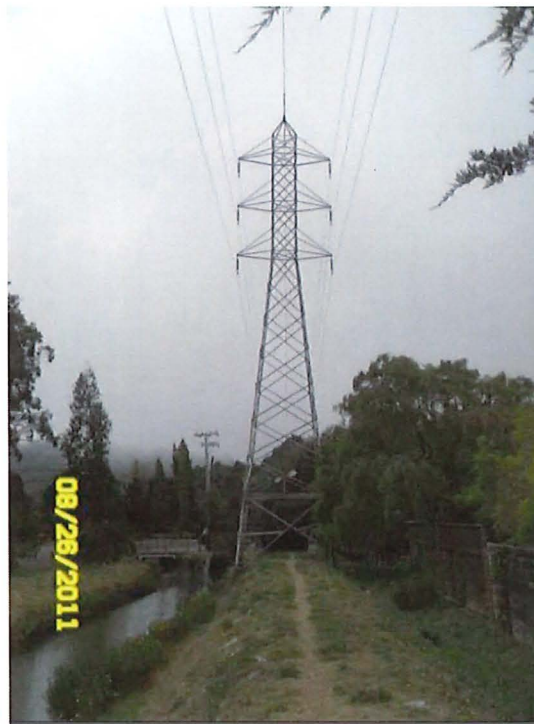
Tower 13/94: Location Map





Tower 13/94 Condition

- Structure 013/094 along the PG&E Ignacio-Alto-Sausalito 60 kV Transmission Line in Tamalpais Valley is leaning out of plumb.
- PG&E has been monitoring the lean of this tower over the last several years as there has been continued settlement.
- The most recent out of plumb was determined to be approximately 4 ft., which categorizes the structure in an immediate replacement need.
- The heavy rains of late 2022/early 2023 led to an increased lean and significantly contributed to the existing condition of the structure.





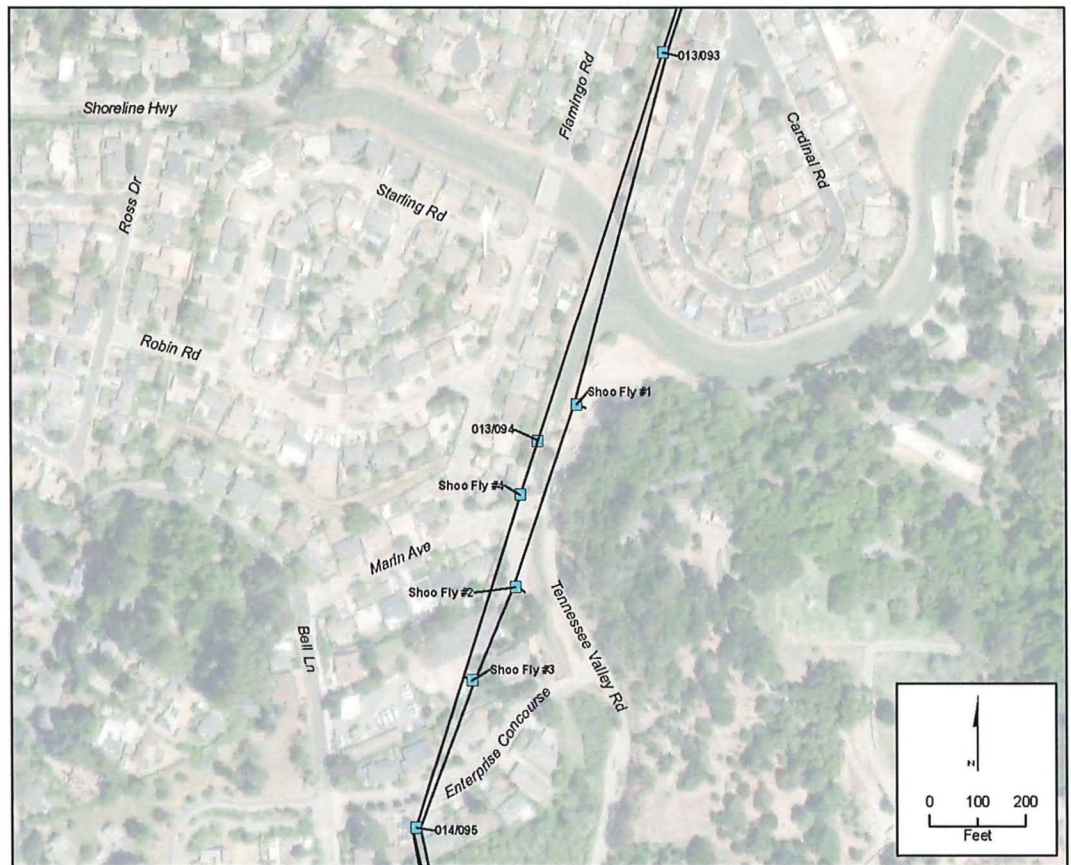
Temporary Solution: Construction Plan

- PG&E has evaluated temporary solutions to offload and remove the existing tower to avoid any potential immediate safety issues. The temporary solution will remain in place until a permanent fix is finalized and executed in 2024.
- After consulting with Marin County Flood Control District, PG&E has determined a location at the south end of the pump station property (close to the sidewalk in a dirt patch) to be a feasible temporary solution.
- The temporary shoo-fly pole (height: 100-110 ft.) will need to split into two separate circuit routes with Circuit #2 on the east side of the channel and Circuit #1 on the west side.
- Three additional shoo-fly wood poles will be placed for an approximately two (2) weeks during the construction period to help construction team transfer wires from the existing structure and then to the new temporary pole.
- Expected construction duration (subject to weather or other changes) until Temporary construction and line relocation is complete is two (2) weeks.
- Expected duration of Temporary relocation is approximately 8-9 months.



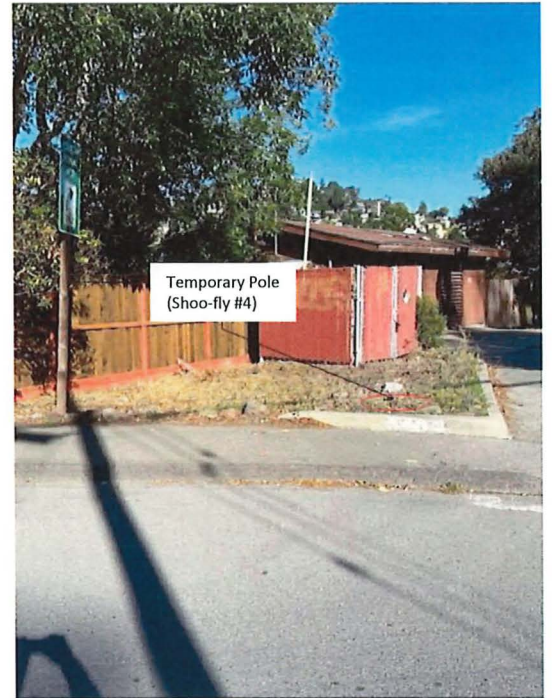
Temporary Solution: Construction Plan

- Shoo-fly Poles #1, 2, 3, and 4 will be installed during the construction period.
- Shoo-fly Poles #1, 2, 3 will be removed after the construction period.
- Shoo-fly pole #2 hole will be filled with gravel followed by cold patch asphalt for the time being until permanent solution is finalized.
- Shoo-fly Pole #4 will remain in place as a temporary solution until a permanent fix is finalized in 2024.





Temporary Solution: Location





TAMALPAIS COMMUNITY SERVICES DISTRICT

Staff Report

Board Meeting

December 13, 2023

TO: BOARD OF DIRECTORS

FROM: GARRETT TOY, GENERAL MANAGER

SUBJECT: ADOPT RESOLUTION AUTHORIZING THE GENERAL MANAGER TO PROCEED WITH CHANGE ORDERS WITH GLOSAGE ENGINEERING IN AN AMOUNT OF \$380,000 TO: A) REPLACE AN ADDITIONAL 1,300 LINEAR FEET (APPROX.) OF SEWER MAIN PIPELINE ON NORTHERN AND GLENWOOD AVENUES AND SPRINGFIELD WAY AND B) TO REALIGN THE SEWER MAIN ON CABIN DR.

RECOMMENDATION

Adopt resolution authorizing the General Manager to proceed with change orders with Glosage Engineering in an amount of \$380,000 to: a) replace an additional 1,300 linear feet (approx.) of sewer main pipeline on Northern and Glenwood Avenues and Springfield Way and b) to realign the sewer main on Cabin Dr.

DISCUSSION

In September 2023, the Board awarded a bid in a total amount of \$673,405.50 to Glosage Engineering Inc. for the Sewer Improvement Project Phase D. Phase D is the replacement of sewer main pipeline along Eastwood Way, Eucalyptus Way, and portions of Glenwood Ave. The Board also approved a project contingency of \$140,000 (approx. 20%) to cover open cut costs (approx. \$75,000) and other unforeseen field conditions.

Glosage Engineering has completed approximately 90% of the project. As part of the project, the contractor also inspected via camera 23 private laterals. Staff reviewed the footage and sent out 11 notices of repair to residences. In terms of change orders, staff approved approximately \$42,000 for open cuts and related costs. However, these costs were offset by a credit of \$48,000 for approximately 200 feet of pipe not requiring replacement. This portion of pipe had been previously replaced.

At the September Board meeting, staff indicated that after the Project has started, staff and Nute Engineering will evaluate the benefit of expanding the scope of the Project, which would require discussion and consideration by the Board before the issuance of any change orders. As the project is nearing completion, staff and Nute Engineering believe it would be prudent to take advantage of the contractor in the field and consider change orders to add the following sewer lines for replacement in the general project area:

- Northern Avenue (approx. 350 linear feet, approx. costs- \$73,500)
- Springfield Way (approx. 450 ft, \$94,500)
- Glenwood Ave. to Northern Ave. (approx. 500 ft, \$122,000)

Total feet: approximately 1,300 linear feet

Total costs: approximately \$290,000

Attachment A is a map showing the locations of the sewer lines completed or to be completed in Phase D. Attachment B is a map of the locations of the sewer lines in the proposed change order.

Nute Engineering has discussed the proposed work with the contractor and they concur the estimated costs for the additional work is approximately \$290,000 based on bid item pricing. Nute Engineering will track the actual bid items and get detailed tabulations as the work progresses.

An additional change order authority is also requested to construct and realign the sewer main around a PG&E pole (approx. location 732 Cabin Dr.). Staff responded to a minor sewer spill (less than 50 gallons) in July on Cabin Dr. and, discovered the blockage was caused by a PG&E utility pole penetrating the sewer main. Only a couple of homes use this sewer main which is probably why a problem with the main has not occurred sooner. Staff has been working with PG&E to resolve the issue. We are requesting authority to approve a change order with Glosage Engineering to perform the work, subject to PG&E committing to pay for the proposed improvements. However, if PG&E does not agree to pay for the realignment while Glosage Engineering is still in the field, then no change order would be issued for the realignment.

The benefit to TCSD to perform the realignment work now is the economy of scale we achieve with the contractor's crews and equipment already in the field. This would facilitate the repair in a timely manner and most likely at a lower cost. The estimate is approximately \$90,000 for the realignment work. While we would use the project contingency fund to pay for the improvements, the cost would ultimately be paid for by PG&E. The other options available to PG&E is to contract directly with Glosage or another firm to perform the work.

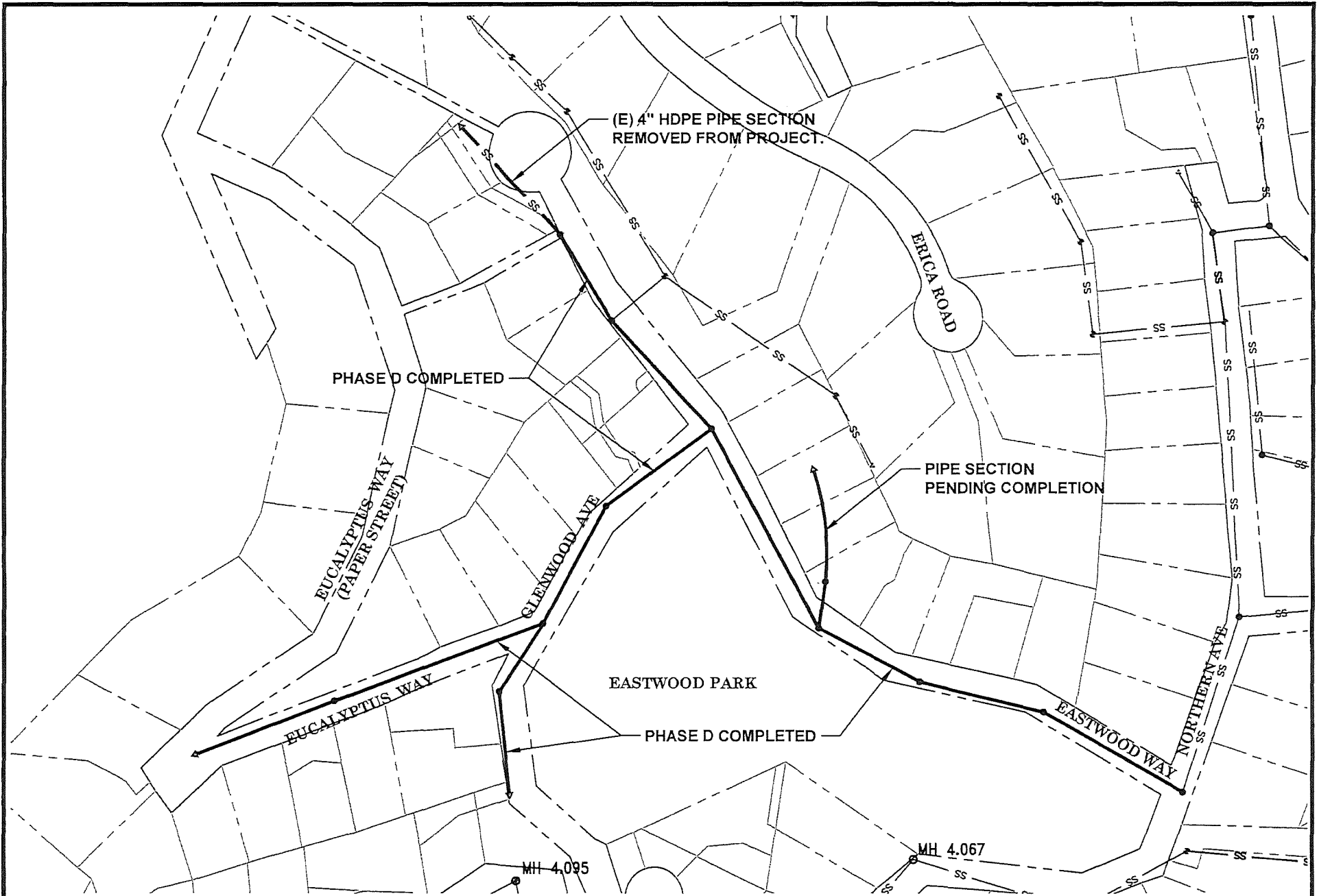
The project contingency of \$140,000 will remain in place and continue to be used for unforeseen field conditions and/or additional costs associated with the change orders.

FISCAL IMPACT

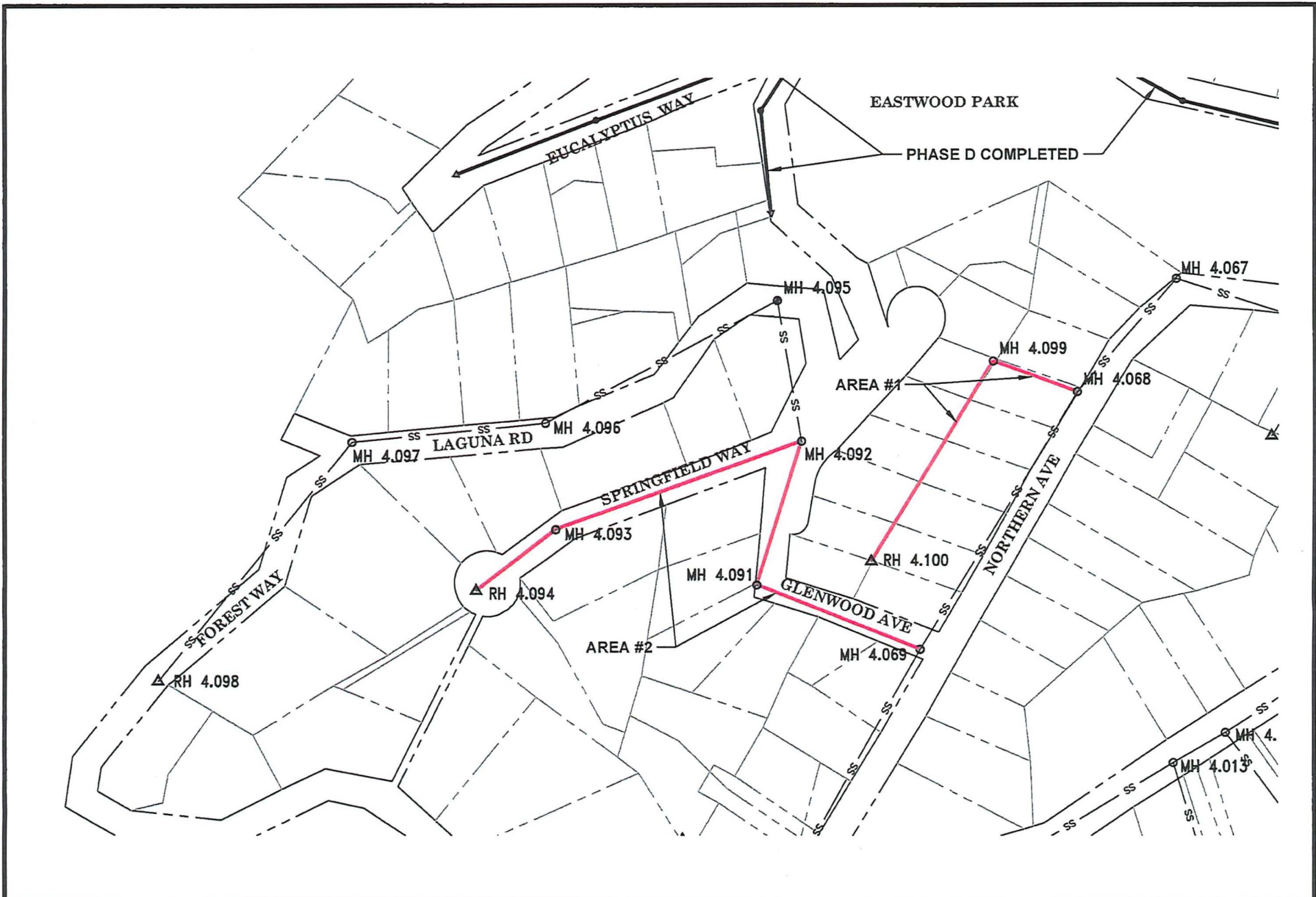
The FY23-24 CIP budget allocated \$1,155,000 for construction of Phase D. The initial Project bid of \$673,405.50 plus change order of \$290,000 and project contingency of \$140,000 equates to \$1,103,405.50. The CIP budget for Phase D still has sufficient fundings to cover the additional costs and no budget amendments are required.

ATTACHMENT

- A. Map of Phase D
- B. Map of change order
- C. Resolution



TCSD PHASE D	TAMALPAIS COMMUNITY SERVICES DISTRICT	SKETCH 1	
NUTE 907 MISSION AVENUE SAN RAFAEL, CALIFORNIA	TEL: 415-453-4480 WWW.NUTE.BIZ	DRAWN BY: BEO CHECKED BY: PC	JOB NUMBER: 9085 DATE: DEC. 2023 SCALE: N.T.S.



CHANGE ORDER	TAMALPAIS COMMUNITY SERVICES DISTRICT	SKETCH 2		
 907 MISSION AVENUE SAN RAFAEL, CALIFORNIA	TEL: 415-453-4480 WWW.NUTE.BIZ	DRAWN BY: BEO CHECKED BY: PC	JOB NUMBER: 9085	DATE: DEC. 2023 SCALE: N.T.S.



TAMALPAIS COMMUNITY SERVICES DISTRICT

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RESOLUTION NO. 2023-22

RESOLUTION OF THE BOARD OF DIRECTORS OF THE TAMALPAIS COMMUNITY SERVICES DISTRICT AUTHORIZING THE GENERAL MANAGER TO PROCEED WITH CHANGE ORDERS WITH GLOSAGE ENGINEERING IN AN AMOUNT OF \$380,000 TO: A) REPLACE AN ADDITIONAL 1,300 LINEAR FEET (APPROX.) OF SEWER MAIN PIPELINE ON NORTHERN AND GLENWOOD AVENUES AND SPRINGFIELD WAY AND B) TO REALIGN THE SEWER MAIN ON CABIN DR.

WHEREAS, on September 13, 2023 the Board awarded a contract in the amount not to exceed \$673,405.50 to Glosage Engineering Inc. as the lowest responsible responsive bidder for Sewer Improvement Project – Phase D; and

WHEREAS, the Board established a Project contingency reserve of \$140,000 and authorized the General Manager to use the reserve for open cut rehabilitation work and other unforeseen field conditions; and

WHEREAS, the project has not needed to use Project contingency reserves; and

WHEREAS, Board believes it would be prudent to take advantage of the contractor in the field and consider change orders to add approximately 1,300 linear feet of sewer lines for replacement; and

WHEREAS, change order authority is also requested to construct and realign the sewer main line around a PG&E pole (approx. location 732 Cabin Dr.) which was discovered to have penetrated the sewer main line; and

WHEREAS, the benefit to TCSD to perform the realignment work now is that the contractor's crews and equipment are already in the field which would facilitate the repair in a timely manner and most likely be done at a lower cost; and

WHEREAS, staff has been working with PG&E to resolve this issue; and

WHEREAS, the FY23-24 CIP budget has sufficient funds to cover the change order costs.

THEREFORE, BE IT RESOLVED that the Tamalpais Community Services District Board of Directors takes the following actions:

- 1) Authorize change order of \$290,000 for the replacement of approximately 1,300 linear feet of sewer main line at the following locations:
 - Northern Avenue (approx. 350 linear feet)
 - Springfield Way (approx. 450 ft)

- Glenwood Ave. to Northern Ave. (approx. 500 ft)
- 2) Authorize a change order of \$90,000 for the realignment of the sewer main line on Cabin Dr. (approx. 752 Cabin Dr.) subject to PG&E committing to pay for the realignment work.
 - 3) Authorize the General Manager to work with Nute Engineering to do everything necessary and appropriate to issue and implement the change orders.
 - 4) Allow the project contingency of \$140,000 to also be used for unforeseen field conditions and/or additional costs related to the change orders.

The foregoing resolution was duly passed and adopted by the Board of Directors of the Tamalpais Community Service District at a duly noticed meeting held in said District on the 13th day of December 2023 by the following vote:

AYES:

NAYS:

ABSENT:

Steffen Bartschat, President

ATTEST:

Secretary, Tamalpais Community Services District



TAMALPAIS COMMUNITY SERVICES DISTRICT

Staff Report

December 13, 2023

TO: BOARD OF DIRECTORS
FROM: SARAH MEHTAR, FINANCE AND PROGRAMS MANAGER
SUBJECT: RECEIVE FY2022-2023 FINANCIAL AUDIT

RECOMMENDATION

Receive the annual independent auditors' financial report for Fiscal Year (FY) 2022-23.

DISCUSSION

Each Year, TCSD financial staff works with a qualified auditor to review TCSD's financial documents and produce audited financial statements as required by the State of California, and in compliance with generally accepted accounting practices in the United States.

TCSD's current auditor, Croce, Sanguinetti, & Vander Veen Inc. (CSV) has been the auditor for the last 10 annual audits (including FY22-23) and has an excellent working knowledge of TCSD's financial statements. CSV is also the auditor for the Sausalito Marin City Sanitary District (SMCSD). Like last year Pauline Saguinetti returned as the CSV audit partner in charge. For two years prior to that, Mark Croce was the audit partner in charge of the TCSD audit.

Overall, the audit did not have any findings and TCSD was able to increase its fund balances and net positions in the three funds: Sanitation (Wastewater), Refuse (Solid Waste), and Parks and Recreation. The auditor will attend the meeting to make a brief presentation and to answer any questions.

FISCAL IMPACT

In August 2023, the Board approved an agreement with CSV for \$35,375 which includes \$34,375 for the annual financial audit services and \$1,000 for the financial transactions report required by the State of California for each special district.

ATTACHMENTS

- A. TCSD Financial Statements and Independent Auditor's Report
- B. Communication with Those Charged with Governance Letter

**TAMALPAIS COMMUNITY SERVICES
DISTRICT**

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT

JUNE 30, 2023



CROCE, SANGUINETTI, & VANDER VEEN

INC.

CERTIFIED PUBLIC ACCOUNTANTS

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CROCE, SANGUINETTI, & VANDER VEEN
INC

CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

To the Board of Directors
Tamalpais Community Services District
Mill Valley, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the **Tamalpais Community Services District** (the District) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District'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 governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the **Tamalpais Community Services District** as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the State Controller's Minimum Audit Requirements for California Special Districts. 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 **Tamalpais Community Services District**, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. 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 **Tamalpais Community Services District'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 opinion. 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 and *Government 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 and *Government Auditing Standards*, we:

- Exercise professional judgement 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 **Tamalpais Community Services District'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about **Tamalpais Community Services District'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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 6, 2023, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Croce, Sanguinetti, & Vander Veen, Inc.

CROCE, SANGUINETTI, & VANDER VEEN, INC.
Certified Public Accountants
Stockton, California
December 6, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

TAMALPAIS COMMUNITY SERVICES DISTRICT

Management's Discussion and Analysis

June 30, 2023

This narrative overview and analysis of the Tamalpais Community Services District's (District) financial activities for the fiscal year ended June 30, 2023 has been provided by the management of the District. The management's discussion and analysis is intended to serve as an introduction to the District's financial statements which follow this section and is recommended to be reviewed in conjunction with them.

Financial Highlights

- The District's net position increased by \$2,882,085 over the prior year, including a \$249,643 increase in net position of governmental activities and a \$2,632,442 increase in net position of business-type activities. The District's net position is now \$12,895,896.
- Total assets of the District were \$29,500,537 with capital assets at \$10,257,685 net of accumulated depreciation. Current and other assets were \$19,242,852.
- Total liabilities were \$20,145,154 consisting of long-term liabilities of \$18,950,639 and other current liabilities at \$1,194,515.
- Assets of the District exceeded liabilities at the close of the most recent fiscal year by \$12,895,896 (net position). Of this amount, \$17,718,902 (unrestricted net position) is available to meet the District's ongoing obligations, and (\$4,823,006) is net investment in capital assets.
- On the current financial resources basis, the District's governmental fund revenues exceeded expenditures by \$212,056. The proprietary fund revenues exceeded expenditures by \$2,632,443.
- At year-end, there was \$1,504,544 in cash and investments to fund future governmental activities, and \$17,548,667 in cash and investments to fund future business-type activities.

TAMALPAIS COMMUNITY SERVICES DISTRICT

Management's Discussion and Analysis

June 30, 2023

Overview of the Financial Statements

The District's financial statements are comprised of three components: government-wide financial statements, fund financial statements and notes to financial statements including required supplemental information.

Government-wide and fund financial statements present the results of operations for different functions of the District as follows:

1. **Government-Wide financial statements** provide both long-term and short-term information about the District's overall financial position in a manner similar to private-sector business.

The **Statement of Net Position** displays all of the District's assets and liabilities, with the difference between the two reported as net position. The **Statement of Activities** provides all current year revenues and expenses on an accrual basis of accounting regardless of when cash is received or paid. These two government-wide statements report the District's net position and how they have changed during the fiscal year. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or weakening.

The government-wide financial statements separately present the District's functions as follows:

- **Governmental activities** include services financed mainly through property taxes. The District's parks and recreation and Measure A services comprise its governmental activities.
 - **Business-type activities** include services financed, in whole or in part, by fees paid by those who directly benefit from the service. The District's business-type activities include wastewater collection and treatment and garbage collection and disposal.
2. **Fund financial statements** focus on the individual functions of the District, and report the District's operations in more detail than the government-wide statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used by state and local governments to control their resources that are legally restricted or otherwise earmarked for special purposes. The District reports its fund financial statements in the following two categories:

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on 1) short-term inflows and outflows of expendable

(Continued)

TAMALPAIS COMMUNITY SERVICES DISTRICT

Management’s Discussion and Analysis

June 30, 2023

Overview of the Financial Statements (Continued)

resources, and 2) the resources remaining at the end of the fiscal year that are available for future use. Because the focus of governmental funds is narrower than the government-wide financial statements, a reconciliation that explains the relationship (or differences) between them is presented following each of the governmental fund statements.

- **Proprietary funds** are used to report the same functions presented as business-type activities in the government-wide financial statements in more detail.

Notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the financial statements.

Financial Analysis of the Government-Wide Financial Statements

A review of net position over time may serve as a useful indicator of the District’s financial position. Net position represents the difference between the District’s assets, deferred outflows, liabilities, and deferred inflows. As of June 30, 2023, the District’s net position was \$12,895,896, an increase of \$2,882,085 from the prior year. The following table outlines the District’s net position by function for the current and prior fiscal years.

Tamalpais Community Services District Net Position (Deficit)
(rounded to nearest dollar)
As of June 30, 2023 and 2022

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>		<u>Variance</u>
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	
<u>Assets</u>							
Current and other assets	\$ 1,518,746	\$ 1,298,121	\$ 17,724,106	\$ 18,443,978	\$ 19,242,852	\$ 19,742,099	\$ (499,247)
Capital assets, net	1,488,245	1,576,328	8,769,440	7,041,576	10,257,685	8,617,904	1,639,781
Total assets	<u>3,006,991</u>	<u>2,874,449</u>	<u>26,493,546</u>	<u>25,485,554</u>	<u>29,500,537</u>	<u>28,360,003</u>	<u>1,140,534</u>
Deferred outflows of resources	<u>541,757</u>	<u>374,205</u>	<u>4,284,403</u>	<u>3,792,126</u>	<u>4,826,160</u>	<u>4,166,331</u>	<u>659,829</u>
<u>Liabilities</u>							
Current liabilities	15,011	6,442	1,179,504	1,095,096	1,194,515	1,101,538	92,977
Non-current liabilities	<u>916,383</u>	<u>612,105</u>	<u>18,034,256</u>	<u>18,504,017</u>	<u>18,950,639</u>	<u>19,116,122</u>	<u>(165,483)</u>
Total liabilities	<u>931,394</u>	<u>618,547</u>	<u>19,213,760</u>	<u>19,599,113</u>	<u>20,145,154</u>	<u>20,217,660</u>	<u>(72,506)</u>
Deferred Inflows of resources	<u>428,124</u>	<u>690,520</u>	<u>857,523</u>	<u>1,604,343</u>	<u>1,285,647</u>	<u>2,294,863</u>	<u>(1,009,216)</u>
<u>Net Position (Deficit)</u>							
Net investment in capital assets	1,488,245	1,576,328	(6,311,251)	(8,791,823)	(4,823,006)	(7,215,495)	2,392,489
Unrestricted	<u>700,985</u>	<u>363,259</u>	<u>17,017,917</u>	<u>16,866,047</u>	<u>17,718,902</u>	<u>17,229,306</u>	<u>489,596</u>
Total net position (deficit)	<u>\$ 2,189,230</u>	<u>\$ 1,939,587</u>	<u>\$ 10,706,666</u>	<u>\$ 8,074,224</u>	<u>\$ 12,895,896</u>	<u>\$ 10,013,811</u>	<u>\$ 2,882,085</u>

(Continued)

TAMALPAIS COMMUNITY SERVICES DISTRICT

Management’s Discussion and Analysis

June 30, 2023

Financial Analysis of the Government-Wide Financial Statements (Continued)

By far, the largest portion of the District’s net position, less any related outstanding debt used to acquire those assets, reflects its investment in capital assets (e.g., land, buildings and improvements, equipment, etc.). The District uses its capital assets to provide the services it is responsible for and those assets don’t represent future expendable resources. The remaining balance of unrestricted net position may be used to meet the District’s ongoing obligations.

The following table displays the change in the District’s net position for the year ended June 30, 2023.

Tamalpais Community Services District Change in Net Position

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenues						
Program revenues						
Charges for services	\$ 159,049	\$ 92,975	\$ 8,681,934	\$ 8,497,410	\$ 8,840,983	\$ 8,590,385
Operating grants and contributions	77,970	206,750	28,329	26,754	106,299	233,504
Capital grants and contributions	-	-	-	-	-	-
General revenues						
Property taxes	1,129,343	1,118,811	-	-	1,129,343	1,118,811
Investment earnings	8,933	1,468	172,295	45,080	181,228	46,548
Miscellaneous	16,970	5,618	8,003	769	24,973	6,387
Total revenues	<u>1,392,265</u>	<u>1,425,622</u>	<u>8,890,561</u>	<u>8,570,013</u>	<u>10,282,826</u>	<u>9,995,635</u>
Expenses						
Parks and recreation	1,035,413	783,933	-	-	1,035,413	783,933
Measure A	107,209	54,376	-	-	107,209	54,376
Sanitation	-	-	4,432,111	4,232,359	4,432,111	4,232,359
Refuse	-	-	1,826,008	1,338,214	1,826,008	1,338,214
Total expenses	<u>1,142,622</u>	<u>838,309</u>	<u>6,258,119</u>	<u>5,570,573</u>	<u>7,400,741</u>	<u>6,408,882</u>
Transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position	249,643	587,313	2,632,442	2,999,440	2,882,085	3,586,753
Net position, beginning of year	<u>1,939,587</u>	<u>1,352,274</u>	<u>8,074,224</u>	<u>5,074,784</u>	<u>10,013,811</u>	<u>6,427,058</u>
Net position, end of year	<u>\$ 2,189,230</u>	<u>\$ 1,939,587</u>	<u>\$ 10,706,666</u>	<u>\$ 8,074,224</u>	<u>\$ 12,895,896</u>	<u>\$ 10,013,811</u>

(Continued)

TAMALPAIS COMMUNITY SERVICES DISTRICT

Management’s Discussion and Analysis

June 30, 2023

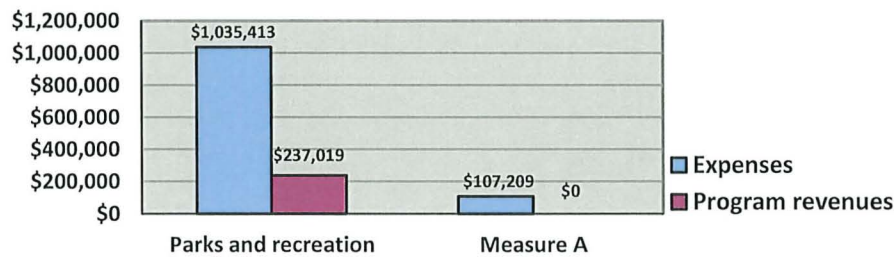
Financial Analysis of the Government-Wide Financial Statements (Continued)

The \$2,882,085 increase in total net position is attributed to each function for both governmental and business-type activities as follows:

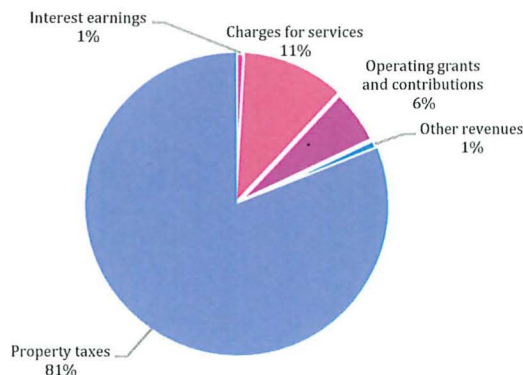
Governmental Activities

- Charges for services increased by \$66,074 due to an increase in event revenue caused by less COVID-19 mandates to cease events held.
- Operating grants and contributions decreased by \$128,780 due to a decrease in COVID-19 relief funds received.
- Parks and recreation expenses increased by \$251,480 as a result of an increase in events held due to less COVID-19 mandates and due to the District filling a vacancy and reclassifying two staff positions during the current fiscal year to better reflect their job responsibilities. In addition, the District returned to landscape and maintenance levels that were deferred due to COVID-19 restrictions in prior years.
- Measure A expenses increased by \$52,833 as a result of an increase in expenses incurred relative to more repairs on the cabin in current year.

Expenses and Program Revenues - Governmental Activities



Revenues by Source - Governmental Activities



(Continued)

TAMALPAIS COMMUNITY SERVICES DISTRICT

Management's Discussion and Analysis

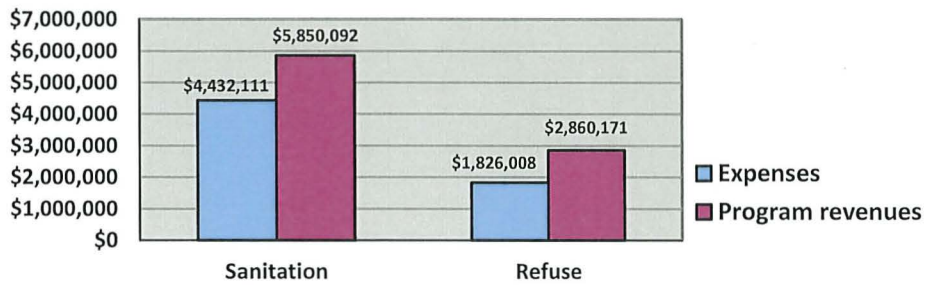
June 30, 2023

Financial Analysis of the Government-Wide Financial Statements (Continued)

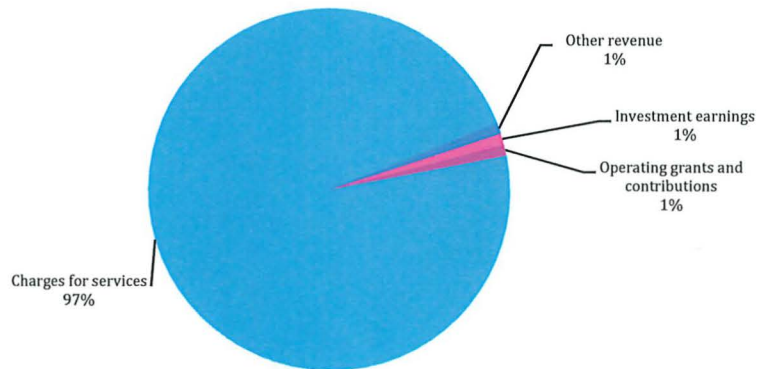
Business-type Activities

- Charges for services increased \$184,524 due to an increase in sewer and refuse service charge rates.
- Expenses increased \$687,546, the largest components of this increase are: repairs and maintenance, employee benefits, and salaries.

Expenses and Program Revenues - Business-type Activities



Revenues by Source - Business-type Activities



TAMALPAIS COMMUNITY SERVICES DISTRICT

Management's Discussion and Analysis

June 30, 2023

Financial Analysis of the District's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the District's governmental funds is to provide short-term inflows and outflows and balances of current expendable resources. In particular, the *unassigned fund balance* presented in the balance sheet may serve as a useful measure of the District's resources available for spending at the end of its fiscal year.

As of the end of the current fiscal year, the District's combined governmental fund revenues exceeded expenditures by \$212,056 primarily due to increased property tax revenues and operating grants. This resulted in a \$212,056 increase in the combined ending fund balance of the District's governmental funds. The fund balance of the parks and recreation fund increased by \$235,782 and the fund balance of the Measure A fund decreased by \$23,726. At year-end, the combined fund balance of governmental funds was \$1,503,735, consisting of \$230,000 assigned for capital outlay, and \$1,273,735 was unassigned.

Proprietary Funds

The District's proprietary fund statements provide the same type of information, in more detail, on the business-type activities presented in the government-wide financial statements.

The net position of the proprietary funds increased by \$2,632,443 from \$8,074,224 to \$10,706,666. The net position included \$17,017,917 in unrestricted net position which has increased by \$151,870 or 1% from the previous year. The increase in unrestricted net position is due primarily to increased revenues during the current year. Changes in total net position from last year are as follows: Sanitation increase of \$1,567,848 and refuse increase of \$1,064,595.

Budgetary Highlights

The District adopts annual operating budgets for both the governmental and the proprietary funds, and this report includes the results of governmental fund operations on a budgetary comparison basis. The District Board also adopts budget amendments during the course of the fiscal year to adjust for unforeseen circumstances and changes in priorities.

(Continued)

TAMALPAIS COMMUNITY SERVICES DISTRICT

Management’s Discussion and Analysis

June 30, 2023

Budgetary Highlights (Continued)

Parks and Recreation Fund

The parks and recreation fund reflects a net favorable budget variance of \$209,882 when comparing actual amounts to the final budget for the fiscal year. The actual revenues were more than the budgeted amount by \$202,174 and actual expenditures came under the budget by \$7,708.

Capital Asset and Debt Administration

Capital Assets

At the end of fiscal year 2023, the District’s investment in capital assets amounted to \$10,257,685 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, equipment, construction in progress, vehicles, park facilities and sanitation and refuse systems.

The District’s total investment in capital assets before depreciation increased by \$2,051,755 from \$17,601,767 to \$19,653,522. Significant additions of capital assets included:

- Collection System (\$4,484,581)
- Building and improvements (\$16,129)
- Equipment (\$28,812)

The following table displays the changes in District’s capital assets, net of accumulated depreciation.

Tamalpais Community Services District’s Capital Assets
(net of depreciation, in rounded dollars)

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Land	\$ 416,500	\$ 416,500	\$ 29,853	\$ 29,853	\$ 446,353	\$ 446,353
Buildings and improvements	1,975,000	1,973,387	721,777	707,261	2,696,777	2,680,648
Collection system	-	-	10,278,465	5,793,884	10,278,465	5,793,884
Pumping stations	-	-	2,798,622	2,798,622	2,798,622	2,798,622
Equipment	85,299	90,198	616,411	582,700	701,710	672,898
Leasehold improvements	840,170	840,170	-	-	840,170	840,170
Vehicles	90,788	90,788	1,492,756	1,492,756	1,583,544	1,583,544
Construction in progress	-	-	307,881	2,785,648	307,881	2,785,648
Total	<u>3,407,757</u>	<u>3,411,043</u>	<u>16,245,765</u>	<u>14,190,724</u>	<u>19,653,522</u>	<u>17,601,767</u>
Less accumulated depreciation	<u>(1,919,512)</u>	<u>(1,834,715)</u>	<u>(7,476,325)</u>	<u>(7,149,148)</u>	<u>(9,395,837)</u>	<u>(8,983,863)</u>
Net capital assets	<u>\$ 1,488,245</u>	<u>\$ 1,576,328</u>	<u>\$ 8,769,440</u>	<u>\$ 7,041,576</u>	<u>\$10,257,685</u>	<u>\$ 8,617,904</u>

Additional information on the District’s capital assets can be found in Note C of the “Notes to Financial Statements” section.

TAMALPAIS COMMUNITY SERVICES DISTRICT

Management's Discussion and Analysis

June 30, 2023

Long-term Debt

During fiscal year 2023, all debt service was paid when and as required. Additional information about long-term debt can be found in Note D of this report.

Long-term Liabilities

As a result of implementing GASB Statement No. 75, the District has accrued a liability of \$1,515,611 for post-employment benefits other than pensions at the end of the fiscal year.

As a result of implementing GASB Statement No. 68 and 71, the District has recorded a net pension liability of \$826,435 for retirement benefits to current and former employees at the end of the fiscal year.

During fiscal year 2021, the District received 2020 wastewater revenue certificates of participation bonds to finance certain wastewater betterment and improvement projects.

Economic Factors and Next Year's Budgets and Rates

For the 2023 fiscal year, parks and recreation fund revenue projections have been conservative and comparable to prior years.

On March 14, 2018, the District's Board adopted a Sewer Capital Improvement Program for FY 2018/19 through FY 2034/35. Also, on March 14, 2018, the District's Board approved resolution 2018-03 Reserve Policy for sanitation and refuse, based on recently adopted financial plans for the sanitation and refuse funds, and OPEB annual estimated expense.

Contacting the District's Financial Management

This financial report is designed to provide a general overview of the District's finances and to demonstrate the District's financial accountability and compliance with applicable laws for all those with an interest in the District's finances. Questions concerning any of the information provided in this report, or requests for additional financial information can be addressed to Tamalpais Community Services District, Attention: General Manager, 305 Bell Lane, Mill Valley, California 94941.

BASIC FINANCIAL STATEMENTS

TAMALPAIS COMMUNITY SERVICES DISTRICT

Statement of Net Position

June 30, 2023

	<u>Governmental activities</u>	<u>Business-Type activities</u>	<u>Total</u>
Assets			
Cash and investments	\$ 1,504,544	\$ 9,154,303	\$ 10,658,847
Cash and investments - restricted	-	8,394,364	8,394,364
Accounts receivable	14,202	173,216	187,418
Prepaid expenses	-	2,223	2,223
Capital assets, net of accumulated depreciation	<u>1,488,245</u>	<u>8,769,440</u>	<u>10,257,685</u>
Total assets	<u>3,006,991</u>	<u>26,493,546</u>	<u>29,500,537</u>
Deferred outflows of resources			
Pension related	464,576	1,149,959	1,614,535
OPEB related	77,181	194,637	271,818
Bond related	-	2,939,807	2,939,807
Total deferred outflows of resources	<u>541,757</u>	<u>4,284,403</u>	<u>4,826,160</u>
Liabilities			
Current liabilities			
Accounts payable	15,011	98,199	113,210
Interest payable	-	297,496	297,496
Bond payable - current	-	745,000	745,000
Current portion of long-term debt	-	38,809	38,809
Noncurrent liabilities			
Compensated absences	17,070	58,610	75,680
Long-term debt	-	166,882	166,882
Bond payable	-	14,130,000	14,130,000
Unamortized bond premium	-	2,236,031	2,236,031
Net OPEB liability	504,766	1,010,845	1,515,611
Net pension liability	<u>394,547</u>	<u>431,888</u>	<u>826,435</u>
Total liabilities	<u>931,394</u>	<u>19,213,760</u>	<u>20,145,154</u>
Deferred inflows of resources			
Pension related	113,346	181,066	294,412
OPEB related	<u>314,778</u>	<u>676,457</u>	<u>991,235</u>
Total deferred inflows of resources	<u>428,124</u>	<u>857,523</u>	<u>1,285,647</u>
Net Position			
Net investment in capital assets	1,488,245	(6,311,251)	(4,823,006)
Unrestricted	<u>700,985</u>	<u>17,017,917</u>	<u>17,718,902</u>
Total net position	<u>\$ 2,189,230</u>	<u>\$ 10,706,666</u>	<u>\$ 12,895,896</u>

The accompanying notes are an integral part of this financial statement.

STATEMENT OF ACTIVITIES

TAMALPAIS COMMUNITY SERVICES DISTRICT

Statement of Activities

For the year ended June 30, 2023

	<u>Expenses</u>	Program revenues		
		<u>Charges for services</u>	<u>Operating grants and contributions</u>	<u>Capital grants and contributions</u>
Governmental activities				
Parks and recreation	\$ 1,035,413	\$ 159,049	\$ 77,970	\$ -
Measure A	<u>107,209</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total governmental activities	<u>1,142,622</u>	<u>159,049</u>	<u>77,970</u>	<u>-</u>
Business-type activities				
Sanitation	4,432,111	5,850,092	-	-
Refuse	<u>1,826,008</u>	<u>2,831,842</u>	<u>28,329</u>	<u>-</u>
Total business-type activities	<u>6,258,119</u>	<u>8,681,934</u>	<u>28,329</u>	<u>-</u>
Total government	<u>\$ 7,400,741</u>	<u>\$ 8,840,983</u>	<u>\$ 106,299</u>	<u>\$ -</u>

General revenues

Taxes

Property taxes

Homeowners' property tax relief

Investment income

Miscellaneous

Total general revenues

Changes in net position

Net position, beginning of year

Net position, end of year

Net (expenses) revenues and changes in net position

Governmental activities	Business-type activities	Totals
\$ (798,394)	\$ -	\$ (798,394)
<u>(107,209)</u>	<u>-</u>	<u>(107,209)</u>
 <u>(905,603)</u>	 <u>-</u>	 <u>(905,603)</u>
 -	1,417,981	1,417,981
 <u>-</u>	<u>1,034,163</u>	<u>1,034,163</u>
 <u>-</u>	<u>2,452,144</u>	<u>2,452,144</u>
 <u>(905,603)</u>	<u>2,452,144</u>	<u>1,546,541</u>
 1,126,700	-	1,126,700
2,643	-	2,643
8,933	172,295	181,228
<u>16,970</u>	<u>8,003</u>	<u>24,973</u>
<u>1,155,246</u>	<u>180,298</u>	<u>1,335,544</u>
249,643	2,632,442	2,882,085
<u>1,939,587</u>	<u>8,074,224</u>	<u>10,013,811</u>
<u>\$ 2,189,230</u>	<u>\$ 10,706,666</u>	<u>\$ 12,895,896</u>

The accompanying notes are an integral part of this financial statement.

TAMALPAIS COMMUNITY SERVICES DISTRICT

**Balance Sheet
Governmental Funds**

June 30, 2023

	<u>Parks and Recreation Fund</u>	<u>Nonmajor Measure A Fund</u>	<u>Total Governmental Funds</u>
Assets			
Cash and investments	\$ 1,327,608	\$ 176,936	\$ 1,504,544
Accounts receivable	<u>14,202</u>	<u>-</u>	<u>14,202</u>
Total assets	<u>\$ 1,341,810</u>	<u>\$ 176,936</u>	<u>\$ 1,518,746</u>
Liabilities and Fund Balances			
Liabilities			
Accounts payable	<u>\$ 15,011</u>	<u>\$ -</u>	<u>\$ 15,011</u>
Total liabilities	<u>15,011</u>	<u>-</u>	<u>15,011</u>
Fund balances			
Assigned to:			
Capital outlay	230,000	-	230,000
Unassigned	<u>1,096,799</u>	<u>176,936</u>	<u>1,273,735</u>
Total fund balances	<u>1,326,799</u>	<u>176,936</u>	<u>1,503,735</u>
Total liabilities and fund balances	<u>\$ 1,341,810</u>	<u>\$ 176,936</u>	<u>\$ 1,518,746</u>

The accompanying notes are an integral part of this financial statement.

TAMALPAIS COMMUNITY SERVICES DISTRICT

Reconciliation of the Governmental Funds
Balance Sheet to the Statement
of Net Position

June 30, 2023

Total fund balances - governmental funds \$ 1,503,735

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, not reported in the funds. 1,488,245

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds balance sheet.

Compensated absences (17,070)
Net OPEB liability (504,766)
Net pension liability (394,547)

Deferred inflows and outflows of resources related to pensions and other post-employment benefits (OPEB) have not been included in the governmental funds balance sheet.

Deferred outflows related to pension 464,576
Deferred inflows related to pension (113,346)
Deferred outflows related to OPEB 77,181
Deferred inflows related to OPEB (314,778)

Net position of governmental activities \$ 2,189,230

The accompanying notes are an integral part of this financial statement.

TAMALPAIS COMMUNITY SERVICES DISTRICT

**Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds**

For the year ended June 30, 2023

	<u>Parks and Recreation Fund</u>	<u>Nonmajor Measure A Fund</u>	<u>Total Governmental Funds</u>
Revenues			
Tax revenues	\$ 1,055,852	\$ 73,491	\$ 1,129,343
Charges for services	124,784	-	124,784
Contributions	77,970	-	77,970
Rental income	34,265	-	34,265
Other	16,970	-	16,970
Investment income	<u>8,933</u>	<u>-</u>	<u>8,933</u>
Total revenues	<u>1,318,774</u>	<u>73,491</u>	<u>1,392,265</u>
Expenditures			
Parks and recreation	1,082,992	-	1,082,992
Measure A	<u>-</u>	<u>97,217</u>	<u>97,217</u>
Total expenditures	<u>1,082,992</u>	<u>97,217</u>	<u>1,180,209</u>
Net change in fund balances	235,782	(23,726)	212,056
Fund balances, beginning of year	<u>1,091,017</u>	<u>200,662</u>	<u>1,291,679</u>
Fund balances, end of year	<u>\$ 1,326,799</u>	<u>\$ 176,936</u>	<u>\$ 1,503,735</u>

The accompanying notes are an integral part of this financial statement.

TAMALPAIS COMMUNITY SERVICES DISTRICT
**Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances - Governmental Funds
to the Statement of Activities**

For the year ended June 30, 2023

Net change in fund balances - governmental funds	\$ 212,056
Amounts reported for governmental activities in the statement of activities are different because:	
Depreciation expense related to capital assets is recognized in the statement of activities, but is not reported in the funds.	(108,432)
Changes in compensated absences are recorded as an expense in the statement of activities, but are not reported in the funds.	1,347
Changes in net OPEB liability and deferred inflows and outflows associated with net OPEB liability are recorded as an expense in the statement of activities, but are not reported in the funds.	29,721
Governmental funds report capital outlays as expenditures while governmental activities record depreciation expense to allocate those expenditures over the life of the assets.	20,349
Changes in net pension liability and deferred inflows and outflows associated with pensions are recognized in the statement of activities, but are not reported in the funds.	<u>94,602</u>
Change in net position of governmental activities	<u>\$ 249,643</u>

The accompanying notes are an integral part of this financial statement.

TAMALPAIS COMMUNITY SERVICES DISTRICT

**Statement of Net Position
Proprietary Funds**

June 30, 2023

Assets and Deferred Outflows of Resources

	<u>Sanitation Enterprise Fund</u>	<u>Refuse Enterprise Fund</u>	<u>Total</u>
Current assets			
Cash and investments	\$ 6,301,978	\$ 2,852,325	\$ 9,154,303
Cash and investments - restricted	8,394,364	-	8,394,364
Accounts receivable	119,377	53,839	173,216
Prepaid expenses	<u>-</u>	<u>2,223</u>	<u>2,223</u>
Total current assets	<u>14,815,719</u>	<u>2,908,387</u>	<u>17,724,106</u>
Noncurrent assets			
Capital assets, net of accumulated depreciation	<u>8,554,347</u>	<u>215,093</u>	<u>8,769,440</u>
Total noncurrent assets	<u>8,554,347</u>	<u>215,093</u>	<u>8,769,440</u>
Deferred outflows of resources			
Pension related	377,364	772,595	1,149,959
OPEB related	72,531	122,106	194,637
Bond related	<u>2,939,807</u>	<u>-</u>	<u>2,939,807</u>
Total deferred outflows of resources	<u>3,389,702</u>	<u>894,701</u>	<u>4,284,403</u>
Total assets and deferred outflows of resources	<u>\$ 26,759,768</u>	<u>\$ 4,018,181</u>	<u>\$ 30,777,949</u>

Liabilities, Deferred Inflows of Resources and Net Position

	<u>Sanitation</u> <u>Enterprise Fund</u>	<u>Refuse</u> <u>Enterprise Fund</u>	<u>Total</u>
Current liabilities			
Accounts payable	\$ 32,609	\$ 65,590	\$ 98,199
Interest payable	297,496	-	297,496
Current portion of long-term debt	-	38,809	38,809
Bond payable - current	<u>745,000</u>	<u>-</u>	<u>745,000</u>
Total current liabilities	<u>1,075,105</u>	<u>104,399</u>	<u>1,179,504</u>
Noncurrent liabilities			
Compensated absences	22,903	35,707	58,610
Noncurrent portion of long-term debt	-	166,882	166,882
Bond payable	14,130,000	-	14,130,000
Unamortized bond premium	2,236,031	-	2,236,031
Net OPEB liability	211,273	799,572	1,010,845
Net pension liability	<u>170,767</u>	<u>261,121</u>	<u>431,888</u>
Total noncurrent liabilities	<u>16,770,974</u>	<u>1,263,282</u>	<u>18,034,256</u>
Deferred inflows of resources			
Pension related	61,027	120,039	181,066
OPEB related	<u>231,941</u>	<u>444,516</u>	<u>676,457</u>
Total deferred inflows of resources	<u>292,968</u>	<u>564,555</u>	<u>857,523</u>
Net position			
Net investment in capital assets	(6,320,653)	9,402	(6,311,251)
Unrestricted	<u>14,941,374</u>	<u>2,076,543</u>	<u>17,017,917</u>
Total net position	<u>8,620,721</u>	<u>2,085,945</u>	<u>10,706,666</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 26,759,768</u>	<u>\$ 4,018,181</u>	<u>\$ 30,777,949</u>

The accompanying notes are an integral part of this financial statement.

TAMALPAIS COMMUNITY SERVICES DISTRICT

**Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds**

For the year ended June 30, 2023

	Sanitation Enterprise <u>Fund</u>	Refuse Enterprise <u>Fund</u>	<u>Total</u>
Operating revenues			
Charges for services	\$ 5,850,092	\$ 2,831,842	\$ 8,681,934
Other	4,370	3,633	8,003
Contributions	<u>-</u>	<u>28,329</u>	<u>28,329</u>
Total operating revenues	<u>5,854,462</u>	<u>2,863,804</u>	<u>8,718,266</u>
Operating expenses			
Contract services	2,770,936	316,485	3,087,421
Salaries and wages	429,924	733,119	1,163,043
Repairs and maintenance	280,891	287,960	568,851
Depreciation	272,137	65,199	337,336
Professional fees	42,428	57,923	100,351
Insurance	50,643	67,733	118,376
Supplies	39,354	29,387	68,741
Fuel	8,838	64,627	73,465
Fees and permits	25,651	37,905	63,556
Utilities	22,239	9,388	31,627
Other	606	8,644	9,250
Directors' expenses	4,772	3,772	8,544
Travel, schools, seminars	4,128	3,877	8,005
Employee benefits	<u>52,446</u>	<u>132,894</u>	<u>185,340</u>
Total operating expenses	<u>4,004,993</u>	<u>1,818,913</u>	<u>5,823,906</u>
Operating income	<u>1,849,469</u>	<u>1,044,891</u>	<u>2,894,360</u>
Nonoperating revenues (expenses)			
Interest revenue	145,497	26,798	172,295
Debt service - interest	<u>(427,118)</u>	<u>(7,095)</u>	<u>(434,213)</u>
Total nonoperating revenues (expenses)	<u>(281,621)</u>	<u>19,703</u>	<u>(261,918)</u>
Changes in net position	1,567,848	1,064,594	2,632,442
Net position, beginning of year	<u>7,052,873</u>	<u>1,021,351</u>	<u>8,074,224</u>
Net position, end of year	<u>\$ 8,620,721</u>	<u>\$ 2,085,945</u>	<u>\$ 10,706,666</u>

TAMALPAIS COMMUNITY SERVICES DISTRICT

**Statement of Cash Flows
Proprietary Funds**

For the year ended June 30, 2023

	<u>Sanitation Enterprise Fund</u>	<u>Refuse Enterprise Fund</u>	<u>Total</u>
Cash flows from operating activities			
Cash received from customers and users	\$ 5,797,364	\$ 2,848,830	\$ 8,646,194
Cash payments to suppliers for goods and services	(3,727,420)	(1,036,898)	(4,764,318)
Cash payments to employees and benefit providers	<u>(127,147)</u>	<u>(1,007,942)</u>	<u>(1,135,089)</u>
Net cash provided by operating activities	<u>1,942,797</u>	<u>803,990</u>	<u>2,746,787</u>
Cash flows from capital and related financing activities			
Purchase of capital assets	(2,042,838)	(22,362)	(2,065,200)
Principal payments on long-term debt	-	(37,708)	(37,708)
Interest paid on long-term debt	-	(7,095)	(7,095)
Principal payments on bond payable	(715,000)	-	(715,000)
Interest payments on bonds payable	<u>(623,599)</u>	<u>-</u>	<u>(623,599)</u>
Net cash used in capital and related financing activities	<u>(3,381,437)</u>	<u>(67,165)</u>	<u>(3,448,602)</u>
Cash flows from investing activities			
Interest income	<u>145,497</u>	<u>26,798</u>	<u>172,295</u>
Net cash provided by investing activities	<u>145,497</u>	<u>26,798</u>	<u>172,295</u>
Net (decrease) increase in cash and investments	(1,293,143)	763,623	(529,520)
Cash and investments, beginning of year	<u>15,989,485</u>	<u>2,088,702</u>	<u>18,078,187</u>
Cash and investments, end of year, (including \$8,394,364 of restricted cash and investments as of June 30, 2023)	<u>\$ 14,696,342</u>	<u>\$ 2,852,325</u>	<u>\$ 17,548,667</u>
Reconciliation of operating income to net cash provided by operating activities			
Operating income	\$ 1,849,469	\$ 1,044,891	\$ 2,894,360
Adjustments to reconcile operating income to net cash provided by operating activities			
Depreciation	272,137	65,199	337,336
Pension related adjustments	(18,044)	(35,366)	(53,410)
OPEB related adjustments	(8,469)	(16,600)	(25,069)
Change in assets and liabilities			
Accounts receivable	(57,098)	(14,974)	(72,072)
Deferred outflows related to pension	(84,393)	(196,774)	(281,167)
Deferred outflows related to OPEB	(44,790)	(67,732)	(112,522)
Accounts payable	31,949	35,663	67,612
Compensated absences	<u>2,036</u>	<u>(10,317)</u>	<u>(8,281)</u>
Net cash provided by operating activities	<u>\$ 1,942,797</u>	<u>\$ 803,990</u>	<u>\$ 2,746,787</u>

TAMALPAIS COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note A - Summary of Significant Accounting Policies

This summary of significant accounting policies of the Tamalpais Community Services District (the District) is presented to assist in understanding the District's financial statements.

Description of the reporting entity

The Tamalpais Community Services District was formed in 1967 at which time it assumed the assets, liabilities and operations of its predecessor, the Tamalpais Valley Sanitary District. The District provides sanitation service, refuse and debris removal, park maintenance and public recreation services to its constituents. The District is governed by an elected five-member Board of Directors.

District management considered all potential component units for inclusion in the reporting entity by applying the criteria set forth in accounting principles generally accepted in the United States of America. The District concluded that there are no potential component units which should be included in the reporting entity.

Government-wide financial statements

The government-wide financial statements (i.e., the Statement of Net Position and Statement of Activities) display information about the reporting government as a whole. These statements include the financial activities of the overall District government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The Statement of Activities presents a comparison between direct expenses and program revenues for each segment of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs, (b) grants and contributions that are restricted to meeting the operational needs of a particular program, and (c) fees, grants, and contributions that are restricted to financing the acquisition or construction of capital assets. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

(Continued)

TAMALPAIS COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note A - Summary of Significant Accounting Policies (Continued)

Fund financial statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into two major categories: governmental and proprietary. The District presently has no fiduciary funds. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the District or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type, and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The funds of the financial reporting entity are described below:

Governmental Funds

The *parks and recreation fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Measure A fund* is a nonmajor fund. It accounts for activities that assist the District in managing its parks, open space preserves, recreation programs, and vegetation to promote biodiversity and reduce wildfire risk.

Proprietary Funds

Enterprise Funds are used to account for business-like activities provided to the general public. These activities are financed primarily by user charges, and the measurement of financial activity focuses on net income measurement similar to the private sector.

(Continued)

TAMALPAIS COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note A - Summary of Significant Accounting Policies (Continued)

The reporting entity includes the following enterprise funds, all of which are reported as major funds:

<u>Fund</u>	<u>Brief description</u>
Sanitation Fund	Accounts for activities associated with operating and maintaining the Districts collection and treatment of wastewater. All activities necessary to provide such services are accounted for in this fund, including administration, operations, capital improvements, maintenance, financing and related debt service, and billing and collection.
Refuse Fund	Accounts for the provision of refuse collection services to residents of the District. All activities necessary to provide such services are accounted for in this fund, including administration, operations, capital improvements, maintenance, financing and related debt service, and billing and collection.

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, the District's proprietary funds follow all GASB pronouncements currently in effect as well as Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the AICPA Committee on Accounting Procedures issued on or before November 30, 1989, unless those pronouncements conflict with or contradict with GASB pronouncements.

Proprietary 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 District's operating revenues include all revenues derived from sanitation and refuse services. The enterprise funds also recognize as operating revenue, the portion of connection fees and impact fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

(Continued)

TAMALPAIS COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note A - Summary of Significant Accounting Policies (Continued)

Measurement focus

In the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-like activities are presented using the economic resources measurement focus as defined in item “b.” below.

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate:

- a. All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The proprietary fund utilizes an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

Basis of accounting

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

(Continued)

TAMALPAIS COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note A - Summary of Significant Accounting Policies (Continued)

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

All proprietary funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

Cash and investments

For the purpose of financial reporting "cash and investments" includes all demand and savings accounts and short-term investments with an original maturity of three months or less. This also includes deposits with the State of California Local Agency Investment Fund (LAIF).

Investments for the District are reported at fair value.

Restricted cash and investments include proceeds from the 2020 wastewater revenue certificates of participation which are restricted for capital projects and repayment of bonds.

Accounts receivable

District management considers all accounts receivable to be fully collectible. Accordingly, an allowance for doubtful accounts has not been recorded in these financial statements.

Capital assets

Capital assets are reported in the applicable governmental or business-type activities columns of the government-wide financial statements. All capital assets are valued at historical cost or estimated historical cost if actual cost is not available. Contributed assets are recorded at estimated fair value on the date of contribution. Donated capital assets are reported at acquisition value rather than fair value. The District's policy is to capitalize all assets with costs exceeding certain minimum thresholds and with useful lives exceeding two years. The District has elected not to retroactively capitalize infrastructure capital assets acquired prior to June 30, 2003, as allowed by Government Accounting Standards Board (GASB) Statement No. 34.

GASB Statement No. 34 requires that all capital assets with limited useful lives be depreciated over their estimated useful lives. Depreciation has been provided on capital assets and is charged as an expense against operations each year. The total amount of depreciation taken over the years is reported on the statement of net position as a reduction in the book value of capital assets.

(Continued)

TAMALPAIS COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note A - Summary of Significant Accounting Policies (Continued)

Depreciation is provided using the straight-line method which means the cost of the asset is divided by its expected useful life in years and the result is charged to expense each year until the asset is fully depreciated. The District has assigned the useful lives listed below to capital assets.

Leasehold improvements	7-40 years
Buildings and improvements	5-50 years
Equipment	5-20 years
Vehicles	5-7 years
Collection lines and improvements	10-40 years
Pumping stations	7-15 years

Major outlays for capital assets and improvements are capitalized as projects are constructed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Long-lived assets

Long-lived assets to be held and used are reviewed for impairment whenever events or changes in circumstances indicate that the related carrying amount may not be recoverable. When required, impairment losses on assets to be held and used are recognized based on the fair value of the asset. Long-lived assets to be disposed of are reported at the lower of carrying amount or fair value less costs to sell.

Long-term debt

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental and business-type resources is reported as liabilities in the government-wide statements. The long-term debt consists primarily of notes payable and bonds payable. Bond premiums are deferred and amortized over the life of the bonds using the effective interest method.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for proprietary funds is the same in the fund financial statements as it is in the government-wide statements.

(Continued)

TAMALPAIS COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note A - Summary of Significant Accounting Policies (Continued)

Compensated absences

Compensated absences are accrued as earned by employees, and consist of accruals for vacation and sick time. The District's liability for compensated absences is reported in the Statement of Net Position for governmental activities in the government-wide financial statements.

Deferred outflow/inflows of resources

In addition to assets, liabilities and net position, the statement of net position reports separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources represent a consumption of resources that applies to a future period(s) and will not be recognized as an outflow of resources (expense) until then. Conversely, deferred inflows of resources represent an acquisition of resources that applies to a future period(s) and will not be recognized as an inflow of resource (revenue) until that time.

Contributions made to the District's pension and other post-employment benefit (OPEB) plan(s) after the measurement date but before the fiscal year end are recorded as a deferred outflow of resources and will reduce the net pension liability and net OPEB liability in the next fiscal year.

Additional factors involved in the calculation of the District's pension and OPEB expense and net pension and net OPEB liability include the differences between expected and actual experience, changes in assumptions, differences between projected and actual investment earnings, changes in proportion, and differences between the District's contributions and proportionate share of contributions. These factors are recorded as deferred outflows and inflows of resources and amortized over various periods.

Other post-employment benefits other than pensions (OPEB)

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain deferred timeframes. For this report, the following timeframes are used:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Measurement Period	June 30, 2021 and June 30, 2022

(Continued)

TAMALPAIS COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note A - Summary of Significant Accounting Policies (Continued)

Pensions

For purposes of measuring the net pension liability, deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the District's portion of the Marin County Employees' Retirement Association (MCERA) Miscellaneous plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by MCERA. 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.

Net position

Equity in the financial statements is classified as net position and displayed in three components as follows:

- a. Net investment in capital assets - Consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any borrowings that are attributable to the acquisition, construction or improvement of those assets.
- b. Restricted - Consists of restricted assets reduced by liabilities and deferred inflows of resources related to these assets.
- c. Unrestricted - Amounts not required to be reported in other components of net position.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Fund balance

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the District is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components: nonspendable, restricted, committed, assigned and unassigned.

Nonspendable - Amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.

Restricted - Amounts constrained regarding use from restrictions externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or by restrictions imposed by law through constitutional provisions or enabling legislation.

(Continued)

TAMALPAIS COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note A - Summary of Significant Accounting Policies (Continued)

Committed - Amounts constrained regarding use for specific purposes pursuant to requirements imposed by formal action of the District's highest level of decision-making authority.

Assigned - Amounts constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. The authority for assigning fund balance is expressed by the Board of Directors, District manager or their designee.

Unassigned - Amounts that have not been restricted, committed or assigned to specific purposes within the general fund. The general fund is the only fund that reports a positive unassigned fund balance amount. Other governmental funds besides the general fund can only report a negative unassigned fund balance amount.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources (committed, assigned and unassigned) as they are needed. When unrestricted resources (committed, assigned and unassigned) are available for use it is the District's policy to use committed resources first, then assigned, and then unassigned as they are needed.

Internal and Interfund Balances and Activities

In the process of aggregating the financial information for the government-wide Statement of Net Position and Statement of Activities, some amounts reported as interfund activity and balances in the fund financial statements have been eliminated or reclassified.

Interfund activity, if any, within and among the governmental and proprietary fund categories is reported as follows in the fund financial statements:

1. Interfund loans - Amounts provided with a requirement for repayment are reported as interfund receivables and payables.
2. Interfund services - Sales or purchases of goods and services between funds are reported as revenues and expenditures/expenses.
3. Interfund reimbursements - Repayments from funds responsible for certain expenditures/ expenses to the funds that initially paid for them are not reported as reimbursements but as adjustments to expenditures/expenses in the respective funds.
4. Interfund transfers - Flow of assets from one fund to another where repayment is not expected are reported as transfers in and out.

(Continued)

TAMALPAIS COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note A - Summary of Significant Accounting Policies (Continued)

Interfund activity and balances, if any, are eliminated or reclassified in the government-wide financial statements as follows:

1. Internal balances - Amounts reported in the fund financial statements as interfund receivables and payables are eliminated in the governmental and business-type activities columns of the Statement of Net Position, except for the net residual amounts due between governmental and business-type activities, which are reported as Internal Balances.
2. Internal activities - Amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of Activities except for the net amount of transfers between governmental and business-type activities, which are reported as Transfers - Internal Activities. The effects of interfund services between funds, if any, are not eliminated in the Statement of Activities.

Fair value measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels based on the extent to which inputs used in measuring fair value are observable in the market.

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 inputs are inputs other than quoted prices included within Level 1 - that are observable for an asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for an asset or liability.

If the fair value of an asset or liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

Property taxes

Property taxes are levied as of January 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 February 1, and

(Continued)

TAMALPAIS COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note A - Summary of Significant Accounting Policies (Continued)

become delinquent on December 10 and April 10. The District receives property taxes pursuant to an arrangement with the County 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.

Estimates

The preparation of the basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Budgetary accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. All annual appropriations lapse at fiscal year-end. On or before the end of each fiscal year, department heads of the District submit requests for appropriations to the General Manager so that a budget may be prepared. The proposed budget is presented to the District’s Board for review. The Board of Directors holds public hearings and a final budget is approved by the Board.

The appropriated budget is prepared by fund, function and department. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level. Encumbrance accounting is not employed in governmental funds.

New accounting pronouncements

Standards not yet adopted

In June 2022, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. The objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This Statement is effective for fiscal years beginning after December 15, 2023. The District will be required to implement the provisions of this Statement for the year ended June 30, 2025. The District has not determined the effect on the financial statements.

TAMALPAIS COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note B - Cash and Investments

Cash and investments as of June 30, 2023 are classified in the accompanying financial statements as follows:

Statement of net position:

Cash and investments	\$ <u>19,053,211</u>
Total cash and investments	\$ <u>19,053,211</u>

Cash and investments as of June 30, 2023 consist of the following:

Deposits with financial institutions	\$ 1,216,330
Marin County Treasurer	46,304
Deposits held by bond trustee - deposits with financial institutions	323,790
Investments	<u>17,466,787</u>
	<u>\$ 19,053,211</u>

<u>Investment Type</u>	<u>Carrying value</u>	<u>Fair value</u>
California Local Agency Investment Fund (LAIF)	\$ 9,396,213	\$ 9,396,213
Marin County Treasurer	46,304	46,304
Deposits held by bond trustee - LAIF	<u>8,070,574</u>	<u>8,070,574</u>
	<u>\$ 17,513,091</u>	<u>\$ 17,513,091</u>

The District maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the statement of net position and balance sheet as "cash and investments". Cash balances from all participating funds are combined and invested to the extent possible, pursuant to the Board of Directors approved Investment Policy and guidelines, and the California Government Code Section 53600. The District's cash and investments are in instruments allowed by the District's Investment Policy.

The Government Code and the District's Investment Policy allow investments in the following instruments:

- Investment Type
- Local Agency Investment Fund
- Certificates of Deposit
- Public Funds Savings Account
- Money Market Account
- Checking Account

(Continued)

TAMALPAIS COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note B - Cash and Investments (Continued)

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District manages its exposure to interest rate risk by purchasing more shorter-term investments.

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the District's investments by maturity:

Investment Type	Total	Remaining maturity (in months)					More than 60 months
		12 months or less	13 - 24 months	25 - 36 months	37-48 months	49-60 months	
Local Agency							
Investment Fund	\$ 17,466,787	\$ 17,466,787	\$ -	\$ -	\$ -	\$ -	\$ -
Marin County							
Treasurer	46,304	46,304	-	-	-	-	-
	<u>\$ 17,513,091</u>	<u>\$ 17,513,091</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the District's investment policy, or debt agreements, and the actual rating as of fiscal year end for each investment type.

Investment Type	Amount	Minimum Legal Rating	Exempt From Disclosure	Rating as of Fiscal Year End					As of Investment
				AAA	AA	A	Not Rated		
Local Agency									
Investment Fund	\$ 17,466,787	N/A	\$ -	\$ -	\$ -	\$ -	\$ 17,466,787		99%
Marin County									
Treasurer	46,304	N/A	-	-	-	-	46,304	1	
Total	<u>\$ 17,513,091</u>	<u>N/A</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,513,091</u>	<u>1</u>	<u>100%</u>

(Continued)

TAMALPAIS COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note B - Cash and Investments (Continued)

Concentration of Credit Risk

The investment policy of the District contains limitations on the amount that can be invested in any one issuer. There are no investments in any one issuer (other than U.S. Treasury Securities, mutual funds, and external investment pools) that represent 5% or more of total District investments.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposit or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the government unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure public agency deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

As of June 30, 2023, the District's bank balance was \$1,611,971 and \$500,000 of that amount was insured by the Federal Deposit Insurance Corporation and collateralized as required by state law and the remaining amount of \$1,111,971 was collateralized as required by state law (Government Code Section 53630), by the pledging financial institution with assets held in a common pool for the District and other governmental agencies, but not in the name of the District.

Marin County Treasurer

Cash held by the Marin County Treasury is pooled with other County deposits for investment purposes by the County Treasurer in accordance with the investment policy of the County Treasurer (see County Treasurer's investment policy at <http://www.co.marin.ca.us/>). The County has established a treasury oversight committee to monitor and review the management of public funds maintained in the investment pool. The oversight committee and the Board of Supervisors review and approve the investment policy annually. The County Treasurer

(Continued)

TAMALPAIS COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note B - Cash and Investments (Continued)

prepares and submits a comprehensive investment report to the members of the oversight committee and the investment pool participants every month. The report covers the types of investments in the pool, maturity dates, par value, actual costs and fair value. Participants' equity in the investment pool is determined by the dollar amount of the participant deposits, adjusted for withdrawals and distributed investment income. Investment income is prorated to individual funds based on their average daily cash balances. The fair value of the District's position of the Pool is the same value of the pool shares. The District's investment in the Pool is unrated, stated at cost which approximates fair value, available upon demand and considered cash equivalents.

California Local Agency Investment Fund

The District is a participant in the California Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. LAIF is stated at amortized cost, which approximates fair value. The LAIF is a special fund of the California State Treasury through which local governments may pool investments. The total fair value amount invested by all public agencies in LAIF is \$178,382,808,290 of which 2.78% is invested in structured notes and asset-backed securities. Included in LAIF's investment portfolio are collateralized mortgage obligations, mortgage-backed securities, other asset-backed securities, loans to certain state funds, and floating rate securities issued by federal agencies, government-sponsored enterprises, United States Treasury Notes and Bills, and corporations. No amounts were invested in derivative financial products. Participants equity in LAIF is determined by the dollar amount of the participant's deposits, adjusted for withdrawals and distributed investment income. Investment income is prorated to individual funds based on their average daily investment balances. The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by state statute. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are maintained on an amortized cost basis. There are no restrictions or limitations on withdrawals from LAIF.

Fair value hierarchy

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure fair value of the assets. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

(Continued)

TAMALPAIS COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note B - Cash and Investments (Continued)

The District's investment in the County of Marin Treasury Pool is classified as Level 2 and its value is based on the fair value factor provided by the Treasurer of the County of Marin, which is calculated as the fair value divided by the amortized cost of the investment pool. The District's investment in the California Local Agency Investment Fund is classified as Level 2. LAIF includes investments categorized as Level 1 such as United States Treasury securities, Federal Agency securities, and supranational debentures that are valued based on prices quoted in active markets and investments categorized as Level 2 such as negotiable certificates of deposit and bank notes that are based on market corroborated pricing utilizing inputs such as yield curves and indices that are derived principally from or corroborated by observable market data by correlation to other means. The District categorized its investments in LAIF based on the lowest significant input used to determine the fair market value of the total pool.

Note C - Capital Assets

Capital asset activity for the year ended June 30, 2023, is as follows:

	Balance June 30, 2022	Additions	Deletions	Transfers	Balance June 30, 2023
Governmental activities					
Non-depreciable capital assets					
Land	\$ 416,500	\$ -	\$ -	\$ -	\$ 416,500
Total non-depreciable capital assets	<u>416,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>416,500</u>
Depreciable capital assets					
Leasehold improvements	840,170	-	-	-	840,170
Buildings and improvements	1,973,387	1,613	-	-	1,975,000
Equipment	90,198	18,736	(23,635)	-	85,299
Vehicles	<u>90,788</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>90,788</u>
Total depreciable capital assets	2,994,543	20,349	(23,635)	-	2,991,257
Less accumulated depreciation	<u>(1,834,715)</u>	<u>(108,432)</u>	<u>23,635</u>	<u>-</u>	<u>(1,919,512)</u>
Net depreciable capital assets	<u>1,159,828</u>	<u>(88,083)</u>	<u>-</u>	<u>-</u>	<u>1,071,745</u>
Net capital assets	<u>\$ 1,576,328</u>	<u>\$ (88,083)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,488,245</u>

(Continued)

TAMALPAIS COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note C - Capital Assets (Continued)

	<u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	<u>Balance</u>
	<u>June 30, 2022</u>				<u>June 30, 2023</u>
Business-type activities					
Non-depreciable capital assets					
Land	\$ 29,853	\$ -	\$ -	\$ -	\$ 29,853
Construction in progress	<u>2,785,648</u>	<u>2,006,814</u>	<u>-</u>	<u>(4,484,581)</u>	<u>307,881</u>
Net non-depreciable capital assets	<u>2,815,501</u>	<u>2,006,814</u>	<u>-</u>	<u>(4,484,581)</u>	<u>337,734</u>
Depreciable capital assets					
Buildings and improvements	707,261	14,516	-	-	721,777
Collection lines and improvements	5,793,884	-	-	4,484,581	10,278,465
Pumping stations	2,798,622	-	-	-	2,798,622
Equipment	582,700	43,869	(10,158)	-	616,411
Vehicles	<u>1,492,756</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,492,756</u>
Total depreciable capital assets	11,375,223	58,385	(10,158)	4,484,581	15,908,031
Less accumulated depreciation	<u>(7,149,148)</u>	<u>(337,335)</u>	<u>10,158</u>	<u>-</u>	<u>(7,476,325)</u>
Net depreciable capital assets	<u>4,226,075</u>	<u>(278,950)</u>	<u>-</u>	<u>4,484,581</u>	<u>8,431,706</u>
Net capital assets	<u>\$ 7,041,576</u>	<u>\$ 1,727,864</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,769,440</u>

Depreciation expense was charged to function and programs based on their usage of the related assets. The amounts allocated to each function or program were as follows:

Governmental activities:

Parks and recreation	\$ 82,645
Measure A	<u>25,787</u>
Total depreciation expense - Governmental activities	<u>\$ 108,432</u>

Business-type activities:

Sanitation	\$ 272,136
Refuse	<u>65,199</u>
Total depreciation expense - Business-type activities	<u>\$ 337,335</u>

TAMALPAIS COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note D - Long-Term Debt

Long-term debt outstanding as of June 30, 2023 consist of the following:

<u>Notes payable</u>	<u>Interest rate</u>	<u>Maturity date</u>	<u>Amounts authorized and issued</u>	<u>Outstanding</u>	<u>Due within one year</u>
Mercedes-Benz					
Financial Services	2.915%	October 18, 2027	\$ 276,614	\$ 205,691	\$ 38,809
			<u>\$ 276,614</u>	<u>\$ 205,691</u>	<u>\$ 38,809</u>

The following is a summary of long-term debt issuances and transactions during the year ended June 30, 2023:

<u>Notes payable</u>	<u>Balance June 30, 2022</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2023</u>
Mercedes-Benz				
Financial Services	\$ 243,399	\$ -	\$ (37,708)	\$ 205,691
	<u>\$ 243,399</u>	<u>\$ -</u>	<u>\$ (37,708)</u>	<u>\$ 205,691</u>

During May 2020, the District entered into a loan agreement with Mercedes-Benz Financial Services for the purpose of obtaining financing for the acquisition of two refuse collection trucks. The note is payable in annual principal and interest payments of \$44,804 and due in 2027.

Summary of long-term liabilities service requirements

Long-term liabilities service requirements to maturity are as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 38,809	\$ 5,995	\$ 44,804
2025	39,940	4,864	44,804
2026	41,104	3,700	44,804
2027	42,302	2,502	44,804
2028	43,536	1,269	44,805
Total requirements	<u>\$ 205,691</u>	<u>\$ 18,330</u>	<u>\$ 224,021</u>

TAMALPAIS COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note E - Bonds Payable

The District incurred bonds payable to finance certain wastewater betterment and improvement projects.

Bond Issuance Costs and Premiums

For proprietary fund types, bond premiums are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium. With the implementation of Government Accounting Standards Board (GASB) Statement No. 65, the bond issuance costs, other than prepaid insurance, are required to be expensed in the year incurred.

Current year business-type transactions and balances

The District's bond issues and transactions are summarized below and discussed in detail thereafter:

	<u>Original Amount</u>	<u>Balance June 30, 2022</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2023</u>	<u>Due within one year</u>
Business-type Activity Bonds						
Tamalpais Community Services District 2022 Wastewater Revenue Certificates of						
Participation Bonds	\$ 16,430,000	\$ 15,590,000	\$ -	\$ (715,000)	\$ 14,875,000	\$ 745,000
Unamortized Premium	<u>2,749,606</u>	<u>2,418,208</u>	<u>-</u>	<u>(182,177)</u>	<u>2,236,031</u>	<u>-</u>
Totals	<u>\$ 19,179,606</u>	<u>\$ 18,008,208</u>	<u>\$ -</u>	<u>\$ (897,177)</u>	<u>\$ 17,111,031</u>	<u>\$ 745,000</u>

2020 Wastewater Revenue Certificates of Participation Bonds

In October 2020, the District issued \$16,430,000 in wastewater revenue Certificates of Participation bonds to finance the costs of certain improvements to the wastewater systems and refinance certain District obligations.

Pursuant to an Installment Sale Agreement between the Public Property Financing Corporation of California and the District, the District has pledged the net revenues of the District's wastewater system.

These Certificates of Participation are held by the U.S. Bank National Association and mature through January 1, 2050. Interest is payable semi-annually on January 1st and July 1st each year and principal is payable annually on January 1st and have a stated interest rate of 4%.

(Continued)

TAMALPAIS COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note E - Bonds Payable (Continued)

Debt covenants include reserve requirements be maintained by the District equal to the annual debt service payments. The District is in compliance with those covenants as of June 30, 2023. Should the District fail to make the required payments or meet the covenants in the Installment Sale or Trust Agreement, all remaining principal and interest will become due and payable immediately.

Annual debt service requirements for business-type debt are shown below:

For the year ending June 30,	<u>Business-Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2024	\$ 745,000	\$ 580,100
2025	770,000	549,800
2026	805,000	518,300
2027	835,000	485,500
2028	875,000	451,300
2029-2033	2,555,000	1,894,500
2034-2038	2,220,000	1,429,200
2039-2043	2,190,000	1,002,000
2044-2048	2,660,000	518,600
2049-2050	<u>1,220,000</u>	<u>49,200</u>
Total	<u>\$ 14,875,000</u>	<u>\$ 7,478,500</u>

Note F - Compensated Absences

Employees accrue vacation leave based on length of service. Accumulated vacation leave is subject to maximum accruals for all employees. As of June 30, 2023, the District's accrued liability for accumulated unused vacation leave and overtime is \$75,680. Employees are paid for their accumulated unused vacation leave upon separation from service. The liability is expected to be liquidated with future resources and not with expendable available financial resources.

Note G - 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; risk of loss to employees; and natural disasters. The District is a member of the Special Districts Risk Management Authority (SDRMA), an intergovernmental risk sharing joint powers authority created to provide self-insurance programs for California special districts. The purpose of the SDRMA is to arrange and

(Continued)

TAMALPAIS COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note G - Risk Management (Continued)

administer programs for the pooling of self-insured losses to purchase excess insurance or reinsurance and to arrange for group-purchased insurance and administrative expenses. At June 30, 2023, the District participated in the property, general and auto liability, and workers' compensation programs of the SDRMA as follows:

- General and auto liability, public officials, and employees' errors and omissions and employment practices liability; total risk financing self-insurance limits of \$5,000,000, combined single limit at \$5,000,000 per occurrence, subject to the following deductibles; \$25,000 per occurrence for third party general liability property damage, \$25,000 per occurrence for third party auto liability property damage; 50% co-insurance of cost expended by SDRMA in excess of \$10,000 up to \$50,000, per occurrence, for employment related claims.

In addition to the above, the District also has the following insurance coverage:

- Employee dishonesty coverage up to \$1,000,000 per loss includes public employee dishonesty; forgery or alteration; and theft, disappearance, and destruction coverages.
- Property loss is paid at the replacement cost for property on file, if replaced, and if not replaced within two years after the loss, paid on an actual cash value basis, to a combined total of \$1 billion per occurrence, subject to a \$1,000 deductible per occurrence.
- Boiler and machinery coverage for the replacement cost up to \$100 million per occurrence, subject to a \$1,000 deductible per occurrence.
- Public officials' personal liability up to \$500,000 each occurrence, with an annual aggregate of \$500,000 per each elected/appointed official to which this coverage applies, subject to the terms, conditions and exclusions as provided in the memorandum of coverages, with a deductible of \$1,000 per claim.
- Workers' compensation insurance up to statutory limits per occurrence and Employers' Liability Coverage up to \$5 million.
- Comprehensive and collision insurance on selected vehicles with deductibles of \$250/\$500 or \$500/\$1,000, as elected.

Settled claims have not exceeded any of the coverage amounts in any of the last three fiscal years. There were no reductions in insurance coverage in fiscal years 2023, 2022, and 2021. Liabilities of the District are recorded when it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated net of the respective insurance coverage. The District considers claims insured and reported, as well as claims incurred but not reported, to be immaterial and has not accrued an estimate of such claims payable.

TAMALPAIS COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note H - Pension Plans

General Information about the Pension Plans

Plan Descriptions - The District contributes to the Marin County Employees' Retirement Association (MCERA). MCERA is a cost-sharing multiple-employer retirement system governed by the 1937 Act of the California Government Code. MCERA acts as a common administrative and investment agent for defined benefit retirement plans for various local governmental agencies within the County of Marin. Copies of MCERA's annual financial reports, which include required supplementary information for each participant in the plan, may be obtained from the Marin County Employees' Retirement Association, One McInnis Parkway, Suite 100, San Rafael, California 94903.

Benefits Provided - MCERA provides retirement, disability, death, and survivor benefits to plan members and beneficiaries based on the employees' years of service, age, and final compensation. The plan covers all eligible District employees. Employees hired before January 1, 2013 are eligible to receive retirement benefits after 10 years of membership and having attained the age of 50, or 30 years of membership regardless of age. Employees hired on or after January 1, 2013 vest after 5 years of membership and may receive retirement benefits at age 62.

The Plans' provisions and benefits in effect at June 30, 2023, are summarized as follows:

	Miscellaneous	
	<u>Tier 1 - Classic</u>	<u>Tier 2 - PEPRA</u>
	Prior to	On or after
	<u>January 1, 2013</u>	<u>January 1, 2013</u>
Hire date		
Benefit formula	2% @ 58.5	2% @ 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life
Retirement age	50	52
Monthly benefits, as a % of eligible compensation	100%	100%
Required employer contribution rates	26.24%	21.12%
Required employee contribution rates	9.26% - 13.32%	10.31%

Contributions - Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by MCERA. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

(Continued)

TAMALPAIS COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note H - Pension Plans (Continued)

For the year ended June 30, 2023, the contributions recognized as part of pension expense for the Plans were as follows:

	<u>Miscellaneous</u>
Contributions - employer	\$ 365,207

Net Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2023, the District reported a net pension liability for its proportionate share of the net pension liability of each Plan as follows:

	<u>Proportionate Share of Net Pension Liability</u>
Miscellaneous	\$ <u>826,435</u>

The District's net pension liability for each Plan is measured as the proportionate share of the net pension liability. The net pension liability of each of the Plans is measured as of June 30, 2022, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021 rolled forward to June 30, 2022 using standard update procedures. The District's proportion of the net pension liability 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 employers, actuarially determined. The District's proportionate share of the net pension liability for each Plan as of June 30, 2021 and 2022 was as follows:

	<u>Miscellaneous</u>
Proportion - June 30, 2021	0.0816%
Proportion - June 30, 2022	<u>0.2643%</u>
Change - increase (decrease)	0.1827%

(Continued)

TAMALPAIS COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note H - Pension Plans (Continued)

For the year ended June 30, 2023, the District recognized pension (revenue) expense of (\$40,623). At June 30, 2023, 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>
Pension contributions subsequent to measurement date	\$ 365,207	\$ -
Differences between actual and expected experience	21,647	34,220
Changes in assumptions	44,501	-
Changes in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions	943,780	260,192
Net differences between projected and actual earnings on plan investments	<u>239,400</u>	<u>-</u>
Total	<u>\$ 1,614,535</u>	<u>\$ 294,412</u>

\$365,207 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Year ended June 30,</u>	<u>Annual Amortization</u>
2024	\$ 148,304
2025	297,014
2026	146,299
2027	<u>363,299</u>
Total	<u>\$ 954,916</u>

(Continued)

TAMALPAIS COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note H - Pension Plans (Continued)

Actuarial Assumptions -The total pension liability as of June 30, 2022 was determined by an actuarial valuation as of June 30, 2021, using the following actuarial assumptions applied to all periods included in the measurement date. The key assumptions in the valuations were:

	<u>Miscellaneous</u>
Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Actuarial Cost Method	Entry Age Normal Cost Method
Actuarial Assumptions:	
Discount rate	6.75%
Inflation	2.50%
Projected Salary Increase	3.00% plus merit component (1)
Cost of Living Adjustments (COLA)	2.5% for those with a 4% COLA cap 2.4% for those with a 3% COLA cap 1.9% for those with a 2% COLA cap
Investment Rate of Return	6.75% (2)
Mortality Rates for Healthy Members and Inactives	Mortality rates for miscellaneous active members are based on sex distinct Public General 2010 Employee Mortality Table, with generational mortality improvements projected from 2010 using Projection Scale M9-2020, with no adjustments.
Mortality Rates for Retired Disabled Members	Rates of Mortality for Miscellaneous disabled members are based on the sex distinct Public General 2010 Disabled Retiree Mortality Table, with generational mortality improvements projected from 2010 using Projection Scale MP-2020, with no adjustments.

- (1) Depending on age, service and type of employment
- (2) Net of investment expenses

(Continued)

TAMALPAIS COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note H - Pension Plans (Continued)

Discount Rate - The discount rate used to measure the total pension liability was 6.75%. Related to the discount rate is the funding assumption that employees will continue to contribute to the Plan at the required rates and employers will continue the historical and legally required practice of contributing to the Plan based on an actuarially determined contribution, reflecting a payment equal to annual normal cost, a portion of the expected administrative expenses, an amortization payment for the extraordinary losses from 2009 amortized over a closed period (17 years remaining as of June 30, 2021 actuarial valuation) and an amount necessary to amortize the remaining Unfunded Actuarial Liability as a level percentage of payroll over a closed period (9 years remaining as of June 30, 2021 actuarial valuation).

The MCERA Board of Retirement has adopted an Investment Policy Statement (IPS), which provides the framework for the management of MCERA’s investments. The IPS establishes MCERA’s investment objectives and defines the principal duties of the Retirement Board, the custodian bank, and the investment managers. The asset allocation plan is an integral part of the IPS and is designed to provide an optimum and diversified mix of asset classes with return expectations to satisfy expected liabilities while minimizing risk exposure. MCERA currently employs external investment managers to manage its assets subject to the provisions of the policy. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the Plan. The following was the Retirement Board’s adopted asset allocation policy as of June 30, 2023:

<u>Asset Class</u>	<u>Target allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	32%	4.60%
International equity	22%	4.85%
Fixed income	23%	1.40%
Public real assets	7%	3.20%
Real estate	8%	3.65%
Private equity	8%	6.00%
Total	<u>100%</u>	

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - A change in the discount rate would affect the measurement of the total pension liability. A lower discount rate results in a higher total pension liability and higher discount rates results in a lower total pension liability. Because the discount rate does not affect the measurement of assets, the percentage change in the net pension liability can be very significant for a relatively small change in the discount rate.

(Continued)

TAMALPAIS COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note H - Pension Plans (Continued)

The following presents the District’s proportionate share of the net pension liability for each Plan, calculated using the discount rate for each Plan, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

<u>Description</u>	1% Decrease <u>5.75%</u>	Discount Rate <u>6.75%</u>	1% Increase <u>7.75%</u>
Total pension liability	\$ 9,917,701	\$ 8,781,546	\$ 7,845,940
Fiduciary net pension	<u>7,955,110</u>	<u>7,955,111</u>	<u>7,736,770</u>
Net pension liability (asset)	<u>\$ 1,962,591</u>	<u>\$ 826,435</u>	<u>\$ 109,170</u>

Pension Plan Fiduciary Net Position - Detailed information about each pension plan’s fiduciary net position is available in the separately issued MCERA financial reports.

Note I - Deferred Compensation and Defined Contribution Retirement Plans

The District participates in retirement plans administered by MissionSquare Retirement Corporation (MissionSquare), a not-for-profit retirement plan provider serving local and state government employees. MissionSquare administers a 457 deferred compensation plan and a 401(a) defined contribution money purchase retirement savings plan for the District.

457 Plan - The District offers a deferred compensation plan in accordance with Internal Revenue Code Section 457. Under the plan, the employees elect to defer a portion of their salary and avoid paying taxes on the deferred portion until the withdrawal date. The deferred compensation amount is not available for withdrawal by the employee until termination, death, or unforeseeable emergency. Total employee contributions to the plan during the year ended June 30, 2023 were \$13,500.

401(a) Plan - In August 2022, the District established a qualified retirement program in accordance with Internal Revenue Code Section 401(a). This defined contribution 401(a) Money Purchase Retirement Plan was established with MissionSquare. Total employee contributions to the plan during the year ended June 30, 2023 were \$0.

TAMALPAIS COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note J - Joint Operating Agreements

The District does not own and operate a separate wastewater treatment plant facility. Pursuant to an agreement with the Sausalito-Marín City Sanitary District, the District's waste is transported through District-owned and District maintained lines for processing at the Sausalito-Marín City Sanitary District's plant. The District has a contractual obligation to pay Sausalito-Marín City Sanitary District for the treatment and disposal of wastewater based upon the District's respective number of equivalent dwelling units. The District records such operating costs as expenses in its sanitation enterprise.

In addition, the District is a member of the Sewerage Agency of Southern Marin (SASM). The SASM is a joint powers agency formed in 1979 with six member agencies: Almonte Sanitary District, Alto Sanitary District, City of Mill Valley, Richardson Bay Sanitary District, and the Tamalpais Community Services District. The SASM is a stand-alone governmental entity and it is not financially accountable for any other governmental entity and it has no component units. SASM's primary function is the maintenance and operation of its owned wastewater treatment plant and related lines and facilities. Member agencies pay annual assessments to SASM, based upon the concept of their respective number of equivalent dwelling units (EDUs), in exchange for the treatment and disposal of wastewater collected through their respective collection systems and conveyed to SASM's treatment plant and facilities.

In August of 2016, the District entered into a financing agreement with the SASM wherein the District agreed to maintain its net revenue system revenues at a level equal to at least 120 percent of its obligation to SASM to support the SASM bonds. The SASM issued \$38,000,000 in revenue bonds to provide financing for improvements to its wastewater treatment plant and refund other debt obligations. The District's annual financial obligations under the JPA Agreement and the Financing Agreement are passed through to the District each year in the form of a billing for an annual assessment payable in two equal semi-annual installments. These annual installments are reported by the District as contract service costs in the statement of revenues, expenses, and changes in net position.

Under the Joint Powers Agreement, all excess administration, operations, and maintenance funds, from any source, are the property of SASM and not its members. If excess monies are available, the SASM may, but is not required to, reduce member assessments for the subsequent year. There are no provisions for sharing among the members the net earnings of SASM. Accordingly, the District is deemed to have no equity interest in SASM.

TAMALPAIS COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note K - Other Post-Employment Benefits other than Pensions

Plan description, benefits provided and funding policy

The District administers an Other Post-Employment Benefit (OPEB) Plan, a single-employer defined benefit plan. The District's OPEB Plan provides medical and dental insurance and supplemental Medicare insurance for eligible retirees and spouses through the District's group health insurance which covers both active and retired members. The OPEB plan does not issue a publicly available report.

Effective December 2011, the District's OPEB Plan has been extended to cover spouses and family members. In order to be eligible to retire with District-paid health benefits, an employee must have completed 20 years of service with the District and have retired under Marin County Employees' Retirement Association (MCERA). The District pays the full medical, dental, and Medicare B premiums for retirees and dependents. Retirees must enroll in a health plan sponsored by MCERA. The maximum amount payable each month is the single-employee premium that the District pays for medical care, plus dental premiums. The District also reimburses retired employees for their Medicare Part B premiums.

Employees covered by benefit terms

As of the June 30, 2021 actuarial valuation, the following current and former employees were covered by the benefit terms under the Plan:

Active employees	11
Inactive employees or beneficiaries currently receiving benefits	6
Inactive employees entitled to, but not yet receiving benefits	<u>0</u>
Total	<u><u>17</u></u>

Contributions

On March 14, 2018, the District passed a resolution to participate in the California Employers' Retiree Benefit Trust (CERBT) Fund, an irrevocable trust to fund OPEB. CERBT is administered by CalPERS and is managed by an appointment board not under the control of the District's Board of Directors. This Trust is not considered a component unit by the District and has been excluded from these financial statements. Separately issued financial statements for CERBT may be obtained from CalPERS at P.O. Box 942709, Sacramento, CA 94229-2709 or on its website at www.calpers.ca.gov under *Forms and Publications*.

The contribution requirements of the plan members and the District are established and may be amended by the Board of Directors. The District's Board of Directors adopted an annual prefunding contribution policy using an approach not directly related to the Actuarially Determined Contribution (ADC). The District intends to make ad hoc contributions in addition to pay-as-you-go costs, estimated to be \$50,000 per year. Plan members did not make any contributions to the OPEB Plan.

(Continued)

TAMALPAIS COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note K - Other Post-Employment Benefits other than Pensions (Continued)

Net OPEB liability

The District's net OPEB liability was measured as of June 30, 2022 and was determined by an actuarial valuation dated June 30, 2021 that was rolled forward using standard up to date procedures to determine the June 30, 2022 total OPEB liability, based on the following actuarial methods and assumptions:

Actuarial Assumptions:

Discount Rate	6.50%
Inflation	2.75% per year
Salary Increases	3.00% per year including inflation
Investment Rate of Return	6.50%
Mortality Rate ⁽¹⁾	Derived using 2021 CalPERS Assumptions
Healthcare Cost Trend Rates:	Medical and Part B premiums are assumed to increase 5% per year. Dental premiums are assumed to increase 4% per year.

Notes:

(1) Mortality rates were based on the 2021 CalPERS valuation projected to future years on a generational basis using the ultimate rates of Scale MP-2021.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method and best-estimate ranges of expected future real rates of return for each major asset class (expected returns, net of OPEB plan investment expense and inflation). These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The asset class percentages are taken from the current composition of the CERBT trust, and the expected yields are taken from a recent CalPERS publication for the Pension Fund. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table.

<u>Asset Class</u>	<u>Target allocation</u>	<u>Long-term expected real rate of return</u>
Global Equity	59.00%	5.25%
Fixed Income	25.00%	0.99%
Treasury Securities	5.00%	0.45%
Global Real Estate (REITs)	8.00%	4.50%
Commodities	3.00%	3.00%
Total	100.00%	

(Continued)

TAMALPAIS COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note K - Other Post-Employment Benefits other than Pensions (Continued)

Discount rate

The discount rate used to measure the total OPEB liability was 6.50 percent based on the long-term expected rate of return on investments.

Changes in the Net OPEB liability

The changes in the net OPEB liability for the Plan are as follows:

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability/ (Asset) (c) = (a) - (b)
Balance at June 30, 2022 (Measurement Date June 30, 2021)	<u>\$ 1,587,340</u>	<u>\$ 185,329</u>	<u>\$ 1,402,011</u>
Changes recognized for the measurement period:			
Service cost	62,431	-	62,431
Interest	100,749	-	100,749
Differences between actual and expected experience	-	-	-
Changes in assumption	-	-	-
Contributions - employer	-	74,707	(74,707)
Net investment income	-	(25,079)	25,079
Benefit payments	(74,707)	(74,707)	-
Administrative expense	-	(47)	47
Net changes	<u>88,473</u>	<u>(25,126)</u>	<u>113,599</u>
Balance at June 30, 2023 (Measurement Date June 30, 2022)	<u>\$ 1,675,813</u>	<u>\$ 160,203</u>	<u>\$ 1,515,610</u>

Sensitivity of the Net OPEB liability to changes in the discount rate

The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (5.50 percent) or one percentage point higher (7.50 percent) than the current discount rate for the measurement period ended June 30, 2022:

(Continued)

TAMALPAIS COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note K - Other Post-Employment Benefits other than Pensions (Continued)

	1% Decrease <u>(5.50%)</u>	Current Discount Rate <u>(6.50%)</u>	1% Increase <u>(7.50%)</u>
Net OPEB liability	\$ 1,801,179	\$ 1,515,610	\$ 1,289,435

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 one percentage point lower (4.0 percent) or one percentage point higher (6.0 percent) than the current healthcare cost trend rates for the measurement period ended June 30, 2022:

	1% Decrease <u>(4.00%)</u>	Current Healthcare Cost Trend Rates <u>(5.00%)</u>	1% Increase <u>(6.00%)</u>
Net OPEB liability	\$ 1,269,492	\$ 1,515,610	\$ 1,827,711

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 differs depending on the source of the gain or loss:

Net difference between projected 5 years
and actual earnings on OPEB plan
investments

All other amounts

Straight-line recognition over the expected average remaining service lifetime (EARS�) of all members that are provided with benefits, determined as of the beginning of the Measurement Period. In determining the EARS�, all active, retired and inactive (vested) members are counted, with the latter two groups having 0 remaining service years.

(Continued)

TAMALPAIS COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note K - Other Post-Employment Benefits other than Pensions (Continued)

OPEB expense and deferred outflows/inflows of resources related to OPEB

For the year ended June 30, 2023, the District recognized OPEB (revenue) expense of (\$33,877). At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
OPEB contributions subsequent to measurement date	\$ 125,233	\$ -
Differences between actual and expected experience	81,950	266,038
Net difference between projected and actual earnings on investments	30,159	13,067
Changes of assumptions	<u>34,476</u>	<u>712,130</u>
Total	<u>\$ 271,818</u>	<u>\$ 991,235</u>

The \$125,233 reported as deferred outflows of resources related to employer contributions made subsequent to the June 30, 2022 measurement date will be recognized as a reduction of the net OPEB liability during the fiscal year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Fiscal year ended June 30,</u>	<u>Deferred Outflows/(Inflows) of Resources</u>
2024	\$ (185,059)
2025	(155,211)
2026	(124,916)
2027	(113,479)
2028	(120,903)
Thereafter	<u>(145,082)</u>
	<u>\$ (844,650)</u>

TAMALPAIS COMMUNITY SERVICES DISTRICT

Notes to Basic Financial Statements

June 30, 2023

Note L - Lease Commitments

The District leases office equipment under a lease agreement that expires in 2024. The following summarizes future minimum rental payments required under the operating lease.

<u>Year ending June 30,</u>	
2024	\$ <u>3,255</u>
	\$ <u>3,255</u>

Total equipment rent expenses for the year ended June 30, 2023 was \$7,604.

Note M - Governing Board

The powers of the District are exercised by a Board of Directors consisting of five directors each elected for a term of four years by the qualified electors within the District.

As of June 30, 2023, the members of the District's Board of Directors were as follows:

<u>Trustee</u>	<u>Term expires</u>
Jeff Brown	December 2026
Steven Levine	December 2024
James Jacobs	December 2026
Steffen Bartschat	December 2024
Matthew McMahon	December 2024

REQUIRED SUPPLEMENTARY INFORMATION

TAMALPAIS COMMUNITY SERVICES DISTRICT

Required Supplementary Information

For the year ended June 30, 2023

**Schedule of the District's Proportionate Share
of the Net Pension Liability**

Last 10 years*

	Measurement Date						
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Proportion of the net pension liability	0.2643%	0.0816%	0.0670%	0.3568%	0.5704%	0.5546%	0.530
Proportionate share of the net pension liability (asset)	\$ 826,435	\$ (132,519)	306,709	\$ 1,304,834	\$ 1,884,019	\$ 2,045,122	\$ 2,534,
Covered - employee payroll	1,164,772	1,114,290	1,218,246	1,122,634	1,111,036	946,274	880,
Proportionate share of the net pension liability as a percentage of covered - employee payroll	71.0%	(11.90)%	25.20%	116.20%	169.60%	216.10%	287.8
Plan fiduciary net position as a percentage of the total pension liability	90.60%	105.00%	85.20%	87.60%	88.30%	86.30%	81.5

Benefit changes - There have been no changes in benefits since the prior valuation.

* The fiscal year ended June 30, 2015 was the first year of implementation, therefore, only nine years are shown.

TAMALPAIS COMMUNITY SERVICES DISTRICT

Required Supplementary Information

For the year ended June 30, 2023

Schedule of Contributions - Pension Plan

Last 10 years*

	Fiscal year ended June 30,						
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually required contribution (actuarially determined)	\$ 310,325	\$ 310,794	\$ 376,984	\$ 370,734	\$ 394,512	\$ 341,283	\$ 382,89
Contributions in relation to the actuarially determined contributions	<u>(310,325)</u>	<u>(310,794)</u>	<u>(376,984)</u>	<u>(370,734)</u>	<u>(394,512)</u>	<u>(341,283)</u>	<u>(382,89</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 1,164,772	\$ 1,114,290	\$ 1,218,246	\$ 1,122,634	\$ 1,111,036	\$ 946,274	\$ 880,65
Contributions as a percentage of covered-employee payroll	26.60%	27.90%	30.90%	33.02%	35.51%	36.10%	43.50

Notes to schedule:

Methods and assumptions used to determine contribution rates:

Valuation date	June 30, 2021
Actuarial cost method	Entry age normal cost method
Amortization method	Level percentage of payroll
Remaining amortization period	9 years remaining as of June 30, 2021
Asset Valuation method	5-year smoothed market
Actuarial assumptions:	
Inflation	2.50%
Salary increases	3.00% plus merit component based on employee classification and years of service
Investment rate of return	6.75%
Mortality	Sex distinct Public General 2010 Employee Mortality Table, with generational mortality improvements using Projection Scale MP-2020, with no adjustments.

*Omitted years: GASB Statement No. 68 was implemented during the year ended June 30, 2015. No information was available prior to that c

TAMALPAIS COMMUNITY SERVICES DISTRICT

Required Supplementary Information

For the year ended June 30, 2023

Schedule of Changes in the Net OPEB Liability and Related Ratios

Last 10 years*

For the Measurement Period Ended June 30,	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB Liability						
Service cost	\$ 62,431	\$ 49,133	\$ 47,702	\$ 57,261	\$ 61,097	\$ 75,472
Interest	100,749	115,140	109,883	95,186	89,212	78,029
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	-	(351,858)	-	134,818	-	-
Changes of assumptions	-	45,598	-	(987,069)	(131,025)	(368,150)
Benefit payments	<u>(74,707)</u>	<u>(84,121)</u>	<u>(69,284)</u>	<u>(69,273)</u>	<u>(34,035)</u>	<u>(28,445)</u>
Net change in total OPEB liability	88,473	(226,108)	88,301	(769,077)	(14,751)	(243,094)
Total OPEB liability - beginning	<u>1,587,340</u>	<u>1,813,448</u>	<u>1,725,147</u>	<u>2,494,224</u>	<u>2,508,975</u>	<u>2,752,069</u>
Total OPEB liability - ending (a)	<u>\$ 1,675,813</u>	<u>\$ 1,587,340</u>	<u>\$ 1,813,448</u>	<u>\$ 1,725,147</u>	<u>\$ 2,494,224</u>	<u>\$ 2,508,975</u>
Plan fiduciary Net Position						
Contributions - employer	\$ 74,707	\$ 137,166	\$ 120,784	\$ 119,486	\$ 34,035	\$ -
Benefit payments	(74,707)	(84,121)	(69,284)	(69,273)	(34,035)	-
Net investment income	(25,079)	28,525	2,110	-	-	-
Administrative expenses	<u>(47)</u>	<u>(39)</u>	<u>(25)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in plan fiduciary net position	(25,126)	81,531	53,585	50,213	-	-
Plan fiduciary net position - beginning	<u>185,329</u>	<u>103,798</u>	<u>50,213</u>	<u>-</u>	<u>-</u>	<u>-</u>
Plan fiduciary net position - ending (b)	<u>\$ 160,203</u>	<u>\$ 185,329</u>	<u>\$ 103,798</u>	<u>\$ 50,213</u>	<u>\$ -</u>	<u>\$ -</u>
Net OPEB liability - ending (a) - (b)	<u>\$ 1,515,610</u>	<u>\$ 1,402,011</u>	<u>\$ 1,709,650</u>	<u>\$ 1,674,934</u>	<u>\$ 2,494,224</u>	<u>\$ 2,508,975</u>
Plan fiduciary net position as a percentage of the total OPEB liability	9.56%	11.68%	5.72%	2.91%	0.00%	0.00%
Covered - employee payroll	\$ 1,339,900	\$ 1,204,882	\$ 1,268,868	\$ 1,127,091	\$ 1,146,165	\$ 1,160,050
Net OPEB liability as a percentage of covered - employee payroll	113.11%	116.36%	134.74%	148.61%	217.61%	216.28%

Notes to Schedule:

* Historical information is required only for measurement periods for which GASB 75 is applicable. Future years' information will be displayed up to 10 years as information becomes available.

TAMALPAIS COMMUNITY SERVICES DISTRICT

Required Supplementary Information

**Budgetary Comparison Schedule
Major Special Revenue Fund**

Year ended June 30, 2023

	Parks and Recreation Fund		
	Budgeted amounts <u>original/final</u>	Actual amounts	Variance with final budget positive/ (negative)
Fund Balance, July 1	\$ 1,091,017	\$ 1,091,017	\$ -
Resources (inflows):			
Property taxes	975,800	1,055,852	80,052
Rental income	29,900	34,265	4,365
Special events and class fees	93,400	124,784	31,384
Investment income	15,000	8,933	(6,067)
Operating grants and contributions	1,500	77,970	76,470
Other revenues	<u>1,000</u>	<u>16,970</u>	<u>15,970</u>
Amounts available for appropriations	<u>2,207,617</u>	<u>2,409,791</u>	<u>202,174</u>
Charges to appropriations (outflows):			
Parks and recreation			
Salaries and benefits	730,300	631,728	98,572
All other	<u>360,400</u>	<u>451,264</u>	<u>(90,864)</u>
Total charges to appropriations	<u>1,090,700</u>	<u>1,082,992</u>	<u>7,708</u>
Fund Balance, June 30	<u>\$ 1,116,917</u>	<u>\$ 1,326,799</u>	<u>\$ 209,882</u>

Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures:

Sources/inflows of resources:

Actual amounts available for appropriation from budgetary data above \$ 2,409,791

Differences-budget to GAAP:

The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes. (1,091,017)

Total revenues as reported in the statement of revenues, expenditures and changes in fund balances-governmental funds. \$ 1,318,774

TAMALPAIS COMMUNITY SERVICES DISTRICT

Notes to Required Supplemental Information

June 30, 2023

The manager of the District prepares an expenditure budget annually which is approved by the Board of Directors setting forth the contemplated fiscal requirements. The District's budgets are maintained on the modified accrual basis of accounting. The results of operations are presented in the budget to actual schedule in accordance with the budgetary basis.

Reported budget amounts reflect the annual budget as originally adopted. There were no amendments to the budget during the year ended June 30, 2023. The budget amounts are based on estimates of the District's expenditures and the proposed means of financing them. Actual expenditures for capital outlay, debt service and contingencies may vary significantly from budget due to timing of such expenditures.

OTHER INDEPENDENT AUDITORS' REPORT



CROCE, SANGUINETTI, & VANDER VEEN^{INC}

CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Board of Directors
Tamalpais Community Services District
Mill Valley, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the **Tamalpais Community Services District** (the District) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 6, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Croce, Sanguinetti, & Vander Veen, Inc.

CROCE, SANGUINETTI, & VANDER VEEN, INC.
Certified Public Accountants
Stockton, California
December 6, 2023



CROCE, SANGUINETTI, & VANDER VEEN
INC.

CERTIFIED PUBLIC ACCOUNTANTS

December 7, 2023

To the Board of Directors
Tamalpais Community Services District
305 Bell Lane
Mill Valley, California 94941

Dear Board of Directors,

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of **Tamalpais Community Services District** for the year ended June 30, 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information to you. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by **Tamalpais Community Services District** are described in Note A to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2023. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions that 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 financial statements were:

- The estimate regarding other post-employment benefits other than pensions and deferred outflows/inflows of resources in Note K to the financial statements is based upon the June 30, 2021 actuarial valuation report. We evaluated the key factors and assumptions used to develop the estimate and determined that it is reasonable in relation to the basic financial statements taken as a whole.

- The estimates regarding net pension liabilities and deferred outflows/inflows of resources in Note H to the financial statements are based on actuarial studies determined by a consultant, which are based on the experience of the District. We evaluated the key factors and assumptions used to develop the estimate and determined it is reasonable in relation to the basic financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to the financial statement users. We did not identify any sensitive financial statement disclosures.

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. Accordingly, the following material adjustments were identified during the audit and recorded by management:

Sanitation Fund

- Entry to record \$272,137 of depreciation expense as of June 30, 2023
- Entry of \$182,177 to adjust unamortized bond premium as of June 30, 2023
- Entries of \$239,686 to adjust net pension liability as of June 30, 2023

Refuse Fund

- Entry to record \$65,199 of depreciation expense as of June 30, 2023
- Entries of \$216,679 to adjust net pension liability and related accounts as of June 30, 2023
- Entry of \$196,774 to adjust retirement contributions as of June 30, 2023
- Entries of \$148,985 to adjust net OPEB liability and related accounts as of June 30, 2023

Parks and Recreation Fund

- Entry to record \$82,645 of depreciation expense as of June 30, 2023
- Entries of \$10,562 to adjust net pension expense as of June 30, 2023
- Entries of \$84,039 to adjust retirement contributions as of June 30, 2023
- Entries of \$29,722 to adjust net OPEB liability and related accounts as of June 30, 2023

Measure A Fund

- Entry of record \$25,787 of depreciation expense as of June 30, 2023

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 December 6, 2023.

Management Consultations with Other Independent Accountants

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

Other Audit Findings or Issues

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

Other Matters

We applied certain limited procedures to the required supplementary information (RSI) that accompanies and 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.

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

Restriction on Use

This information is intended solely for the use of the Board of Directors and management of **Tamalpais Community Services District** and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Croce, Sanguinetti, & Vander Veen, Inc.

CROCE, SANGUINETTI, & VANDER VEEN, INC.
Certified Public Accountants



TAMALPAIS COMMUNITY SERVICES DISTRICT
Staff Report
Board Meeting
December 13, 2023

TO: BOARD OF DIRECTORS

FROM: GARRETT TOY, GENERAL MANAGER

SUBJECT: GENERAL MANAGER’S REPORT INCLUDING OFFICE HOLIDAY SCHEDULE

RECOMMENDATION

Receive and discuss the November 2023 General Manager’s report.

DISCUSSION

Wastewater Statistics and Work

- September flow through Bell Lane Pump Station: 7,990,600 gallons
- September flow through Bob Bunce Pump Station: 140,795 gallons
- Rain: 8 events-3.11 total inches
- Sewer Spill: none
- Lateral Inspections Jan –November: 69 (for resales, ADU’s, CIP, other)

Solid Waste Statistics and Work

SOLID WASTE CALLS FOR SERVICE 2023											
TYPE OF SERVICE	Month										
	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov
Missed pick-up	26	27	20	20	18	25	39	27	18	26	31
New Service request	2	2	5	7	12		3	9	6	16	10
Replacement carts	17	8	10	6	8	18	10	13	8	8	8
Dumpsters	14	11	5	7	4	4	6	3	3	9	13
Extra trash pick-up	17	20	17	16	12	11	11	15	7	12	11
Late put out	2	4	2	-	1	2	1	1	2	3	-
Other	-	-	-	1	2	-	4	8	6	-	-
Total	78	72	59	57	57	60	74	76	50	74	73
YTD Total											730

Average calls per month- 73

- TCSD is leading the effort among the Marin Special Districts, who are responsible for providing solid waste services, to apply for a regional SB1383 local assistance grant from CalRecycle. Seven of the nine eligible Special Districts agreed to participate in the regional effort. As a result, we were able to submit for a \$525,000 grant which will provide funding for SB1383 education/outreach, materials/equipment, professional services, compliance, and enforcement activities.

The SB 1383 regulations (state law) require that jurisdictions conduct education and outreach on organics recycling to all residents, businesses (including those that generate edible food that can be donated) haulers, solid waste facilities, and local food banks and other food recovery organizations. The grant becomes available from CalRecycle in March 2024. Effective January 1, 2024, local jurisdiction are required to become more proactive in SB 1383 enforcement and compliance.

Zero Waste Marin has mailed out a letter this week to every resident in Marin regarding the requirements for residents under SB 1383. Residents will be receiving this letter within the next 2 weeks.

Parks and Recreation Work

- Staff has been working with SMFD to remove dead and/or dying trees from TCSD properties. SMFD has a grant for tree removals. We have or will be removing and/or pruning trees in Eastwood and Kay Parks, Community Center, and the Cabin. We plan to replace the trees in Kay Park.
- The perimeter fence replacement project for the Community Center is beginning in December. Staff has been working to clear brush and trees from along the fence line for the project.

Administration

- Office Holiday Hours- The office is open from 8:am to 12:00pm (half day) on 12/22 and 12/29. We are closed for Christmas on 12/25 and New Year's day on 1/1/24. Regular refuse collection days remains the same during this period.
- We prepared the agenda and attended the PARC meeting on November 17th and December 8th at the Tam Valley Community Center.



TAMALPAIS COMMUNITY SERVICES DISTRICT

Staff Report
December 13, 2023

TO: BOARD OF DIRECTORS
FROM: SARAH MEHTAR, FINANCE AND PROGRAMS MANAGER
SUBJECT: RECEIVE MONTHLY FINANCIAL REPORTS

RECOMMENDATION

Receive and file the November 2023 financial reports.

BACKGROUND

In the fall of 2021, the TCSD Financial Reporting Ad Hoc Committee provided additional recommendations regarding reports and the schedule to reflect industry standards and provide improved transparency into TCSDs finances. TCSD staff continues to provide all required financial reporting.

Schedule of Reports

Disbursements (checks & credit card register)	Monthly
Budget year-to-date report	Monthly
CIP project expenditure report	Quarterly
Measure A expenditure report	Quarterly
Treasurer's report	Quarterly
Audited financial statements	January
Proposed and adopted budgets	May and June
Multi-year financial plans	As needed
Mid-year budget report	Jan or Feb

Please note that Fiscal Year Quarters are as follows:

1 st Quarter (July-Sept)	Report in November
2 nd Quarter (Oct-Dec)	Report in February
3 rd Quarter (Jan-Mar)	Report in May
4 th Quarter (Apr-June)	Report in August

The staff quarterly reports lag the actual quarters because the Board meets the Second Wednesday of each month. As a result, often the data cannot be compiled and analyzed by the Board meeting after the quarter ends. However, from time to time, a quarterly report may be delayed by an additional month due to other factors (e.g., vacations), but for the most part staff will meet the above schedule.

DISCUSSION

As of November 30, 2023, TCSD had the following cash and investment balances:

Institution	Account	31-Oct-23	30-Nov-23
Wells Fargo	General Checking	\$ 219,364.37	\$ 243,370.21
Wells Fargo	General Savings	\$ 890,028.73	\$ 614,332.04
Wells Fargo	General Merchant Services	\$ 34,375.04	\$ 10,369.64
State of CA - LAIF	General Account	\$ 8,558,468.92	\$ 8,558,468.92
Total Balances		\$ 9,702,237.06	\$ 9,426,540.81

TCSD budgets are divided into the District’s three main service areas: a) Wastewater, b) Solid Waste, and c) Parks and Recreation. Wastewater and Solid Waste are proprietary funds based on service fees, whereas the Parks and Recreation fund is a governmental fund supported primarily by ad valorem property tax revenues and Measure A parks funds generated by sales tax revenues. Expenses for each of the three funds are tracked separately.

MONTHLY REPORTS

The disbursement reports for November 2023 are attached to this report (Attachment A). The largest disbursement for the period was to Marin Sanitary Services, \$26,707.55 for solid waste disposal for a period of two months.

The year-to-date annual budget report (Attachment B) is through the end of November 2023. The report gives the cumulative totals for the fiscal year with budget comparisons. YTD Parks and Recreation revenues are \$137,246.54, which is 13% of the budget. YTD Wastewater revenues are \$157,523.25, which is 2% of the budget. Finally, YTD Solid Waste revenues are YTD \$80,089.80, which is 3% of the budget.

The County disburses rate payments for wastewater and refuse, collected through property tax bills, to public agencies in installments. The District expects its first disbursement for the fiscal year from the County of Marin in December and the second payment is expected in April.

FISCAL IMPACT

N/A

ATTACHMENTS

- A. Monthly Disbursement Reports
- B. Year-to-Date Annual Budget Reports



Tamalpais Community Services District
Disbursements from U.S. Bank Credit Card

Date	Name	Memo	Amount
11/20/2023	Marin County Community Development Agency	Permit for Comm. Ctr. Bathroom Project	\$ 865.42
11/29/2023	United Site Services	ADA porta potty	\$ 420.01
11/01/2023	Microsoft	Software Licenses	\$ 350.00
11/06/2023	Verizon Wireless	Device & Data Plan	\$ 305.34
11/03/2023	Comcast	Internet Oct 13 - Nov 12 @ 305 Bell Ln.	\$ 256.26
11/01/2023	Go To Communications, Inc.	(415)388-6393 Voice & Data Lines and Wireless Services	\$ 251.16
11/01/2023	Duracable Manufacturing	small machine cable, replaces broken cable	\$ 227.59
11/06/2023	BingBanners	Signage: Jolly Jingle & Breakfast w/ Santa	\$ 208.44
11/03/2023	Comcast	Internet Oct13 - Nov 12 @ 203 Marin Ave.	\$ 141.59
11/08/2023	QuickBooks Time, Inc.	Online Time Card Service- Oct 2023	\$ 132.00
11/10/2023	Verizon Wireless	Data Plan for Refuse Driver's iPads	\$ 120.48
11/06/2023	Terminix	Pest Control Servicing at Community Center & Main Office	\$ 106.00
11/16/2023	Amazon.com	office supplies: check envelopes	\$ 73.61
11/20/2023	Checksforless.com	Envelopes for Checks	\$ 72.70
11/13/2023	Franklin Planner	office supplies: annual desk planner/calendar	\$ 69.22
11/06/2023	Transbay Security	replace lock at cabin front door	\$ 55.85
11/06/2023	Amazon.com	office supplies: check envelopes & post it tabs	\$ 46.29
11/20/2023	Ring	Protect Basic Plan for Security Camera - Annual Subscription	\$ 39.99
11/01/2023	Amazon.com	coffee machine replacement carafe & coffee filters	\$ 37.31
11/10/2023	Peak Productions Event Tents	Fire Inspection Fees for Oktoberfest Tent	\$ 35.02
11/19/2023	Amazon.com	P&R Supplies	\$ 31.38
11/13/2023	Shutter Stock	Stock Images for P&R	\$ 29.00
11/02/2023	Grainger	Misc. Tools	\$ 25.98
11/08/2023	Amazon.com	office supplies: wall calendar	\$ 24.05
11/16/2023	Zazzle	Office Employee ID Cards	\$ 11.19



Tamalpais Community Services District
 Disbursements from Wells Fargo Transaction Account

Date	Num	Name	Memo	Amount
11/17/2023		QuickBooks Payroll Service	Payroll Service on 11/17/2023	\$ 60,446.34
11/03/2023		QuickBooks Payroll Service	Payroll Service on 11/03/2023	\$ 59,077.66
11/02/2023	100632	Marin Sanitary Service	Sept 2023 Solid Waste 120.13 tons @\$110.99/T AND Oct 2023 Solid Waste 120.50 tons @\$110.99/T	\$ 26,707.55
11/03/2023	100643	U. S. Bank Corporate Payment System	Credit Card Purchases - Statement Oct 23, 2023	\$ 16,430.64
11/03/2023	100646	Marin County Employees Retirement Sys.	PP22 2023 Oct 21 - Nov 03, 2023	\$ 13,469.53
11/17/2023	100679	Marin County Employees Retirement Sys.	PP23 2023 Nov 04 - Nov 17, 2023	\$ 12,817.60
11/15/2023	100663	Marin County Tax Collector	Joint Powers Authority, 1st installment FY 23/24	\$ 12,450.00
11/02/2023	100630	Hayes, Robert W. - Architect	Community Center Bathroom Remodel, Schematic Time; Design Time July and Aug 2023	\$ 11,900.00
11/15/2023	100664	Mark Horton Architecture (MH/A)	Com Ctr stage ADA access, billing thru 11/1/23	\$ 10,778.00
11/08/2023	100648	Marin Resource Recovery Center	Green Waste, 89.28 Tons @ \$102.48/T, Oct 2023	\$ 9,149.08
11/20/2023	100674	J. W. Mobile/Napa Truck Service	6: Replace head gasket, leaking from overheating. Labor & Materials	\$ 8,827.69
11/02/2023	100628	G. Moran Construction, Inc.	Marin View Park Bridge Repair and material cost reimbursed	\$ 7,462.80
11/08/2023	100656	Jorges Tree Services	Monthly Parks & Open Space Mani.- 3 days/week - Oct	\$ 5,565.00
11/20/2023	100675	Jorges Tree Services	tree removals	\$ 5,400.00
11/03/2023	100644	Marin County Employees Retirement Sys.	PEPRA W/H PP22 2023 Oct 21 - Nov 03, 2023	\$ 5,016.85
11/17/2023	100677	Marin County Employees Retirement Sys.	PEPRA W/H PP23 2023 Nov 04 - Nov 17, 2023	\$ 5,016.85
11/15/2023	100665	Roy's Sewer Service, Inc.	Maint. Cleaning Multiple Segments, Oct 2023 maintenance	\$ 4,275.00
11/08/2023	100658	Raff's Construction Svc, Inc.	Eastwood Park Bathroom Maint. Work	\$ 3,840.00
11/08/2023	100654	Diesel Direct	734.7 gal Diesel, for Above Ground Tank and 251.6 gal Diesel, for Under Ground Tank	\$ 3,753.66



Tamalpais Community Services District
Disbursements from Wells Fargo Transaction Account

Date	Num	Name	Memo	Amount
11/15/2023	100667	Spec.Dist.Risk Mgmt. Auth. (SDRMA)	Insurance Claim Deductible - Three Cases	\$ 3,384.91
11/15/2023	100661	Bay Cities Refuse Service, Inc.	Good Earth, Dumping Trash Compactor Oct 2023, 9 Trips, 12.13 tons	\$ 2,903.83
11/02/2023	100626	ChromaGraphics	Fall Events Postcard & Mailing, and postage	\$ 2,137.71
11/02/2023	100625	AT&T	Office Data Lines, Wireless Services Bunce Pump Station & Comm. Ctr. Alarm Phone Lines	\$ 1,760.94
11/02/2023	100635	Pacific Window Cleaning & Janitorial, Inc	Cleaning Services October 2023	\$ 1,750.00
11/02/2023	100631	J. W. Mobile/Napa Truck Service	21: Towed to Shop and then to SF Isuzu	\$ 1,705.39
11/02/2023	100633	Matrix Computer Solutions	IT services	\$ 1,145.00
11/02/2023	100634	Pacific Gas & Electric	Office, Shop, Cabin and CC Gas & Electricity and Kay Park	\$ 1,107.67
11/08/2023	100649	Marin Sanitary Service	Flat Rate for Svc.	\$ 1,100.00
11/09/2023	44468	California Dep of Tax and Fee Admin	2023 Q3 Sales Tax on Event Sales	\$ 1,075.08
11/08/2023	100650	Johnson Controls Security Solutions	Service Called at Community Center	\$ 985.52
11/08/2023	100647	Marin Sanitary Service	Two of 25yard Metal Debris Box	\$ 750.00
11/02/2023	100636	Rocky Soil Landscaping, Inc.	Irrigation repair and new installation at Community Center	\$ 675.00
11/20/2023	100676	Safety-Kleen Systems, Inc.	parts cleaner	\$ 666.71
11/03/2023	100642	UBEO West LLC- RMC	Copier Lease 10/20- 11/19/23	\$ 650.90
11/20/2023	100672	e-Recycling of California	Misc e-waste picked up, 11/14/23	\$ 601.02
11/02/2023	100627	Cintas	Carpets, Towels, Soap	\$ 571.37
11/03/2023	100624	Employee Personal W/H	Employee Personal W/H	\$ 500.00
11/17/2023	100671	Employee Personal W/H	Employee Personal W/H	\$ 500.00
11/08/2023	100651	County of Marin Public Works	Annual Encroachment Permit	\$ 490.00
11/08/2023	100659	Laugs, Mick (Instructor)	Instructor Improv Class- 65% share of fees from Improv Show (\$705)	\$ 458.25
11/03/2023	100641	Norfield Development Partners LLC.	USA / 811 Locator LOGiX product provided	\$ 375.00
11/08/2023	100657	North Bay Bottling	Drinking Water Oct'23	\$ 315.00
11/15/2023	100662	Lytle Inc (dba Hobart Santa Rosa)	Com Ctr dishwasher repair, 10/6/23	\$ 300.00



Tamalpais Community Services District
Disbursements from Wells Fargo Transaction Account

Date	Num	Name	Memo	Amount
11/20/2023	100673	Eco-Check Compliance, Inc.	30 day designated operator inspection per UST regulations svc. on 11/9/23 & 12/7/23	\$ 300.00
11/02/2023	100638	Stericycle, Inc.	Aug 2023 supplies & Nov 2023 Medical Waste Services	\$ 237.19
11/03/2023	100640	Esposito, Camille (v)	Reimbursement for Travel for Events Work (143.60 miles Jul'23-Oct'23)	\$ 226.40
11/08/2023	100653	Atco Pest Control	Pest Control for Eastwood Park	\$ 225.00
11/08/2023	100655	Hagel Supply Company	Cleaning Supplies for P&R	\$ 211.63
11/02/2023	100629	Goodman Building Supply Co.	Top Soil, Spray paint and other P&R supplies; Thermostat for Cabin Wall Heater and Shop Furnace	\$ 177.04
11/02/2023	100637	Schwartz, Jack (v)	Senior Lunch Oct 2023 (Marinwood Market)	\$ 146.92
11/15/2023	100666	Schwartz, Jack (v)	Senior Lunch, reimb: Nov 7 & Nov 14 2023 Marinwood Market receipts	\$ 138.80
11/15/2023	100668	VSP Vision Service Plan (CA)	Employee Vision Coverage Nov 2023	\$ 133.67
11/03/2023	100639	Central Marin Sanitation Agency	F.O.G. Services for TCSD Food Service Establishments, Jul - Sep 2023	\$ 121.60
11/17/2023	100678	Teamsters Anthem PPO	Medical Insurance Premium	\$ 119.67
11/08/2023	100652	Access Answering Service	Answering Service - Sept-Oct	\$ 92.00
11/15/2023	100660	AT&T	Internet service Bob Bunce Pump Station	\$ 41.90
11/17/2023	44467	Optum Financial (COBRA)	Oct- COBRA Administration for TCSD Staff	\$ 4.44



TAMALPAIS COMMUNITY SERVICES DISTRICT
Year-to-Date Budget Report
FY 2023-24

	WASTEWATER DEPT.			
	Nov 2023 (42% of year)	Budget 2023-24	% of Budget Spent	Comments
Ordinary Revenue/Expense				
Revenue				
4101 · Sanitation Service Charges	\$ (8,359.79)	\$ 6,032,000	0%	
4103 · Permits/Lateral Connection Fees	\$ 9,140.00	\$ 31,200	29%	
4104 · Muir Woods Sanitation Svc. Chrg.	\$ 74,545.37	\$ 55,906	133%	
4420 · Interest Revenue	\$ 72,566.34	\$ 26,700	272%	
Total Revenue	<u>\$ 147,891.92</u>	<u>\$ 6,145,806</u>	<u>2%</u>	
Expense				
5010 · Salaries				
5011 · Wages and P.T.O	\$ 158,692.91	\$ 391,820	41%	
5012 · Overtime Pay	\$ 1,602.39	\$ 4,543	35%	
5013 · Performance Recognition	\$ -	\$ 7,816	0%	
5014 · Temporary Help	\$ 891.67	\$ 8,295	11%	
Total 5010 · Salaries	<u>\$ 161,186.97</u>	<u>\$ 412,474</u>	<u>39%</u>	
5020 · Employee Benefits				
5021 · Health Insurance	\$ 15,896.39	\$ 54,017	29%	
5022 · Retirement Contributions	\$ 33,290.01	\$ 73,315	45%	
5023 · Social Security and Medicare	\$ 11,508.68	\$ 31,400	37%	
5024 · Other Employee Benefit	\$ 177.00	\$ -	100%	Allowances
5025 · Retiree Medical Insurance	\$ 7,104.58	\$ 22,822	31%	
5026 · Reserve-Retiree Medical Insu.	\$ -	\$ 24,860	0%	
Total 5020 · Employee Benefits	<u>\$ 67,976.66</u>	<u>\$ 206,414</u>	<u>33%</u>	
5110 · Wastewater Treatment Expense				
5111 · SMCSD Sewage Treatment O&M	\$ -	\$ 2,439,558	0%	
5121 · SASM Sewage Treatment & Capital	\$ -	\$ 160,017	0%	
5131 · Almonte and Homestead Svc Fees	\$ -	\$ 9,000	0%	
Total 5110 · Wastewater Treatment Expense	<u>\$ -</u>	<u>\$ 2,608,575</u>	<u>0%</u>	
5140 · Sewer System Maint. & Repair	\$ 103,169.26	\$ 225,000	46%	
5330 · Tree & Landscaping	\$ -	\$ 10,000	0%	
5400 · TCSD Board Fees	\$ 1,776.00	\$ 5,000	36%	
5401 · Professional Services	\$ 5,920.40	\$ 60,000	10%	
5420 · Staff Training & Travel Expense	\$ 444.20	\$ 7,381	6%	
5425 · Office and Technology	\$ 7,311.77	\$ 19,200	38%	
5430 · Telephone and Alarms	\$ 5,075.50	\$ 15,000	34%	
5431 · Public Communications	\$ 120.75	\$ 7,000	2%	
5432 · Insurance	\$ 45,442.86	\$ 55,000	83%	
5437 · Miscellaneous	\$ -	\$ 1,000	0%	
5438 · Fees and Permits	\$ 13,324.82	\$ 37,000	36%	
5439 · Utilities	\$ 3,698.99	\$ 9,000	41%	
5440 · Fuel Expense	\$ 5,942.79	\$ 12,000	50%	
5450 · Maintenance and Supply	\$ 12,748.24	\$ 100,000	13%	
5470 · Yard & Bldg. Improvements	\$ -	\$ 10,000	0%	
5483 · Debt Issuance Costs	\$ -	\$ 1,340,000	0%	
Total Expense	<u>\$ 434,139.21</u>	<u>\$ 5,140,044</u>	<u>8%</u>	



TAMALPAIS COMMUNITY SERVICES DISTRICT
Year-to-date Budget Report
FY 2023-24

SOLID WASTE DEPT.				
	Nov 2023 (42% of year)	Budget 2022-23	% of Budget Spent	Comments
Ordinary Revenue/Expense				
Revenue				
4201 · Solid Waste Service Charges	\$ 25,799.61	\$ 2,797,000	1%	
4202 · Other Solid Waste Services	\$ 3,493.75	\$ 7,600	46%	
4410 · Donations/Fundraising/Grants	\$ -	\$ 5,000	0%	
4420 · Interest Revenue	\$ 50,796.44	\$ 18,690	272%	
Total Revenue	\$ 80,089.80	\$ 2,828,290	3%	
Expense				
5010 · Salaries				
5011 · Wages and P.T.O	\$ 254,773.49	\$ 699,737	36%	
5012 · Overtime Pay	\$ 20,619.08	\$ 52,934	39%	
5013 · Performance Recognition	\$ -	\$ 13,642	0%	
5014 · Temporary Help	\$ 1,101.18	\$ 25,000	4%	
Total 5010 · Salaries	\$ 276,493.75	\$ 791,313	35%	
5020 · Employee Benefits				
5021 · Health Insurance	\$ 45,156.04	\$ 141,000	32%	
5022 · Retirement Contributions	\$ 70,449.95	\$ 181,132	39%	
5023 · Social Security and Medicare	\$ 20,261.13	\$ 58,930	34%	
5024 · Other Employee Benefits	\$ 561.00	\$ -	100%	Allowances
5025 · Retiree Medical Insurance	\$ 12,822.66	\$ 43,616	29%	
5026 · Reserve-Retiree Medical Insu.	\$ -	\$ 27,940	0%	
Total 5020 · Employee Benefits	\$ 149,250.78	\$ 452,618	33%	
5210 · Solid Waste Disposal Expense				
5211 · Waste Disposal Fees	\$ 79,207.64	\$ 190,937	41%	
5212 · Recycling Fees	\$ 1,147.08	\$ 50,000	2%	
5213 · Green Waste Disposal Fees	\$ 50,381.80	\$ 116,284	43%	
5214 · Debris Day Expenses	\$ 2,050.00	\$ 21,679	9%	
Total 5210 · Solid Waste Disposal Expense	\$ 132,786.52	\$ 378,900	35%	
5400 · TCSD Board Fees	\$ 876.00	\$ 3,500	25%	
5401 · Professional Services	\$ 35,501.15	\$ 185,000	19%	
5420 · Staff Training & Travel Expense	\$ 369.20	\$ 3,300	11%	
5425 · Office and Technology	\$ 10,293.08	\$ 20,000	51%	
5430 · Telephone and Alarms	\$ 2,314.02	\$ 7,300	32%	
5431 · Public Communications	\$ -	\$ 25,000	0%	
5432 · Insurance	\$ 47,952.77	\$ 79,000	61%	
5437 · Miscellaneous	\$ -	\$ 1,040	0%	
5438 · Fees and Permits	\$ 17,393.17	\$ 43,300	40%	
5439 · Utilities	\$ 741.32	\$ 3,600	21%	
5440 · Fuel Expense	\$ 16,347.59	\$ 91,500	18%	
5450 · Maintenance and Supply				
5451 · General Supplies	\$ 401.54	\$ 3,448	12%	
5452 · Maint. & Supply Contract Svc	\$ 8,583.25	\$ 14,801	58%	
5454 · Vehicle Repair & Maint.	\$ 40,592.63	\$ 210,000	19%	
5456 · Bridge Tolls	\$ 2,040.00	\$ 4,268	48%	
5457 · Solid Waste Carts & Bins	\$ -	\$ 38,737	0%	
5461 · Meeting Supplies	\$ 42.01	\$ 814	5%	
Total 5450 · Maintenance and Supply	\$ 51,659.43	\$ 272,068	19%	
5470 · Yard & Bldg. Improvements	\$ -	\$ 10,000	0%	
5471 · Minor Equipment	\$ -	\$ 4,600	0%	
5472 · Donations/Grants Paid Expenses	\$ -	\$ 5,000	0%	
Vehicle Lease	\$ -	\$ 44,900	0%	
Total Expense	\$ 741,978.78	\$ 2,421,940	31%	



TAMALPAIS COMMUNITY SERVICES DISTRICT
 Year-to-date Budget Report
 FY 2023-24

PARKS AND RECREATION DEPT.

	Nov 2023 (42% of year)	Budget 2023-24	% of Budget Spent	Comments
Ordinary Revenue/Expense				
Revenue				
4301 · Taxes	\$ 61,838.39	\$ 1,058,250	6%	
4303 · Tia's After School Program Rev	\$ 24,706.00	\$ 30,600	81%	
4310 · Facilities Rental & Fees	\$ 12,728.00	\$ 28,350	45%	
4320 · Park Rentals	\$ 1,036.00	\$ 2,730	38%	
4330 · Class Fees	\$ 10,620.00	\$ 30,906	34%	
4350 · TCSD Event Revenue	\$ 24,345.60	\$ 73,800	33%	
4410 · Donations/Fundraising/Grants	\$ -	\$ 4,899	0%	
4420 · Interest Revenue	\$ 21,769.90	\$ 8,010	272%	
4430 · Miscellaneous Revenue	\$ 479.36	\$ 2,040	23%	
Total Revenue	\$ 157,523.25	\$ 1,239,585	13%	
Expense				
5011 · Wages and P.T.O	\$ 161,952.01	\$ 423,104	38%	
5012 · Overtime Pay	\$ 4,216.85	\$ 6,544	64%	
5013 · Performance Recognition	\$ -	\$ 8,448	0%	
5014 · Temporary Help	\$ 10,734.96	\$ 38,064	28%	
Total 5010 · Salaries	\$ 176,903.82	\$ 476,160	37%	
5020 · Employee Benefits				
5021 · Health Insurance	\$ 24,228.00	\$ 60,000	40%	
5022 · Retirement Contributions	\$ 32,643.85	\$ 79,244	41%	
5023 · Social Security and Medicare	\$ 13,634.80	\$ 40,000	34%	
5024 · Other Employee Benefits	\$ 222.00	\$ -	100%	Allowances
5025 · Retiree Medical Insurance	\$ 1,268.22	\$ 4,360	29%	
5026 · Reserve-Retiree Medical Insu.	\$ -	\$ 9,350	0%	
Total 5020 · Employee Benefits	\$ 71,996.87	\$ 192,954	37%	
5300 · Events Expense	\$ 43,417.77	\$ 76,450	57%	
5330 · Tree & Landscaping Services	\$ 12,270.00	\$ 30,000	41%	
5331 · Landscaping Contract Svc	\$ 21,994.00	\$ 73,000	30%	
5332 · McGlashan Trail Maintenance	\$ 1,411.00	\$ 4,500	31%	
5333 · Vegetation Management	\$ 268.00	\$ 40,000	1%	
5340 · Instructor Fees	\$ 10,897.25	\$ 9,647	113%	
5341 · Tia's Afterschool Program Exp	\$ 4,518.53	\$ 11,434	40%	
5400 · TCSD Board Fees	\$ 1,748.00	\$ 5,529	32%	
5401 · Professional Services	\$ 3,557.00	\$ 35,000	10%	
5420 · Staff Training & Travel Expense	\$ 505.16	\$ 6,000	8%	
5425 · Office and Technology	\$ 7,189.55	\$ 18,847	38%	
5430 · Telephone and Alarms	\$ 7,038.66	\$ 14,542	48%	
5431 · Public Communications	\$ 2,470.65	\$ 3,846	64%	
5432 · Insurance	\$ 22,988.93	\$ 37,240	62%	
5437 · Miscellaneous	\$ -	\$ 473	0%	
5438 · Fees and Permits	\$ 6,061.49	\$ 24,841	24%	
5439 · Utilities	\$ 10,159.36	\$ 19,995	51%	
5440 · Fuel Expense	\$ 4,967.77	\$ 4,458	111%	
5450 · Maintenance and Supply				
5451 · General Supplies	\$ 1,195.17	\$ 9,580	12%	
5452 · Maint. & Supply Contract Svc	\$ 12,151.21	\$ 23,966	51%	
5454 · Vehicle Repair & Maint.	\$ 113.29	\$ 3,854	3%	
5458 · Cabin/Comm.Ctr. Maint. & Supply	\$ 703.60	\$ 8,655	8%	
5459 · Park Maint.	\$ 19,084.07	\$ 10,729	178%	
5461 · Meeting Supplies	\$ 295.38	\$ 866	34%	
Total 5450 · Maintenance and Supply	\$ 33,542.72	\$ 57,650	58%	
5470 · Yard & Bldg. Improvements	\$ -	\$ 10,000		
5471 · Minor Equipment	\$ -	\$ 3,432	0%	
Total Expense	\$ 443,906.53	\$ 1,155,998	38%	

SMCSD Board of Directors Meeting December 5, 2023

1. New Business:

Board:

- a. Accepted Financial Statement and Auditors Report for Fiscal Year 2022-2023.
- b. Accepted Retiree Health Benefit Actuarial Valuation report.
- c. Accepted CA. Department of Finance Office of State Audit Evaluation Covid-19 Fiscal Relief for Special Districts.
- d. Authorized Board to attend 2024 conferences and performance development hosted by CASD or CSDA.

2 Plant and Collection System : No High flows, SSO's or blending events.

3. Projects:

- a. South Clarifier: design complete, bids due December
- b. Op Center and Lab remodel: substantial completion achieved. Occupied in October
- c. Beach Force Main: no impact to TCSD
- d. Biosolids Handling: District working with contract engineer to develop plans
- e. Primary Digester Heating System Replacement: System at end of useful life. Project begins this winter.
- f. Plant Electrical System Upgrades: Systems at end of useful life. In design. Bids due December.
- g. TCSD Flow Meter: Design complete, bid October, bids due December

Steve Levine
Dec. 5, 2023



TAMALPAIS COMMUNITY SERVICES DISTRICT

Staff Report

December 13, 2023

TO: BOARD OF DIRECTORS

FROM: GARRETT TOY, GENERAL MANAGER

SUBJECT: ADOPT RESOLUTION APPROVING REGULAR BOARD MEETING SCHEDULE FOR 2024

RECOMMENDATION

Adopt resolution approving regular Board meeting schedule for 2024.

DISCUSSION

The regular monthly TCSD Board meetings are the second and fourth Wednesdays of the month. Typically, the Board cancels the fourth Wednesday meetings in November and December due to the holidays. The Board also previously indicated it was ok to cancel the February 28th work session because of the Board retreat scheduled for February 10, 2024. Staff also checked to ensure that the Board meeting dates did not conflict with religious holidays.

Ordinance No. 79 adopted in May 2006 establishes the regular meeting schedule for Tamalpais Community Services District (TCSD) as the second Wednesday of the month at 7:00pm. Ordinance No. 79 also allows the TCSD Board to make changes to the regular meeting schedule by ordinance or resolution. The attached resolution sets the regular Board meeting schedule for 2024.

FISCAL IMPACT

N/A

ATTACHMENTS

- A. Resolution with schedule



TAMALPAIS COMMUNITY SERVICES DISTRICT

305 Bell Lane, Mill Valley, CA 94941 ♦ 415.388.6393 ♦ Fax: 415.388.4168
info@tamcsd.org ♦ www.tamcsd.org

RESOLUTION NO. 2023-23

RESOLUTION OF THE BOARD OF DIRECTORS OF THE TAMALPAIS COMMUNITY SERVICES DISTRICT ADOPTING REGULAR MEETING SCHEDULE FOR 2024

WHEREAS, Ordinance No. 79 adopted in May 2006 establishes the regular meeting schedule for Tamalpais Community Services District (TCSD) as the second Wednesday of the month at 7:00pm; and

WHEREAS, Ordinance No. 79 also allows the TCSD Board to makes changes to the regular meeting schedule by ordinance or resolution; and

WHEREAS, the TCSD Board desires to approve the regular meeting schedule for the upcoming calendar year.

THEREFORE, BE IT RESOLVED that the Tamalpais Community Services District approves the regular meeting schedule for 2024 attached as Exhibit A and incorporated herein by reference.

The foregoing resolution was duly passed and adopted by the Board of Directors of the Tamalpais Community Service District at a duly noticed meeting held in said District on the 13th day of December 2023 by the following vote:

AYES:

NAYS:

ABSENT:

Steffen Bartschat, President

ATTEST:

Secretary, Tamalpais Community Services District



TAMALPAIS COMMUNITY SERVICES DISTRICT

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TCSD 2024 BOARD MEETING SCHEDULE

REGULAR BOARD MEETINGS – Second Wednesday of each month – 7:00pm at Tam Valley Community Center

REGULAR BOARD WORK SESSIONS – Fourth Wednesday of the Month- 8:30am at Tam Valley Community Center

MEMBERS OF THE PUBLIC ARE INVITED TO ALL OPEN MEETINGS

DATE	TYPE <i>(Specific Topic for work sessions)</i>	LOCATION
1/10/24	BOARD MEETING	TAM VALLEY COMMUNITY CENTER
1/24/24	BOARD WORK SESSION	TAM VALLEY COMMUNITY CENTER
2/14/24	BOARD MEETING	TAM VALLEY COMMUNITY CENTER
2/10/24	BOARD PLANNING RETREAT	FERNWOOD CEMETERY (9am-1pm)
2/28/24	BOARD WORK SESSION	CANCELED
3/13/24	BOARD MEETING	TAM VALLEY COMMUNITY CENTER
3/27/24	BOARD WORK SESSION	TAM VALLEY COMMUNITY CENTER
4/10/24	BOARD MEETING	TAM VALLEY COMMUNITY CENTER
4/24/24	BOARD WORK SESSION	TAM VALLEY COMMUNITY CENTER
5/8/24	BOARD MEETING	TAM VALLEY COMMUNITY CENTER
5/22/24	BOARD WORK SESSION <i>(Budget Workshop)</i>	TAM VALLEY COMMUNITY CENTER
6/12/24	BOARD MEETING	TAM VALLEY COMMUNITY CENTER
6/26/24	BOARD WORK SESSION	TAM VALLEY COMMUNITY CENTER
7/10/24	BOARD MEETING	TAM VALLEY COMMUNITY CENTER
7/24/24	BOARD WORK SESSION	TAM VALLEY COMMUNITY CENTER
8/14/24	BOARD MEETING	TAM VALLEY COMMUNITY CENTER
8/28/24	BOARD WORK SESSION	TAM VALLEY COMMUNITY CENTER
9/11/24	BOARD MEETING	TAM VALLEY COMMUNITY CENTER
9/25/24	BOARD WORK SESSION	TAM VALLEY COMMUNITY CENTER
10/9/24	BOARD MEETING	TAM VALLEY COMMUNITY CENTER
10/23/24	BOARD WORK SESSION	TAM VALLEY COMMUNITY CENTER
11/13/24	BOARD MEETING	TAM VALLEY COMMUNITY CENTER
12/11/24	BOARD MEETING	TAM VALLEY COMMUNITY CENTER
11/27/24 & 12/25/24	NO BOARD WORK SESSIONS	Thanksgiving Recess & Winter Break

Tam Valley Community Center, 203 Marin Drive, Mill Valley

Agendas for public meetings are located either in the bulletin board at TCSD's Main Office or online at www.tamcsd.org



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TCS D BOARD OF DIRECTORS MEETING

MINUTES

WEDNESDAY, NOVEMBER 8, 2023, AT 7:00 P.M.

1. CALL TO ORDER

The Tamalpais Community Services District Board of Directors Meeting was called to order by President Bartschat at 7:01 pm on Wednesday, November 8, 2023.

2. ROLL CALL

President Steffen Bartschat

Vice president Jeff Brown, Directors Jim Jacobs, Steve Levine, Mat McMahon

Staff Present: General Manager (GM), Garrett Toy; Assistant General Manager (AGM), Alan Shear; Finance and Programs Manager, Sarah Mehtar; Events & Communications Coordinator, Camille Esposito; TCS D Clerk, Natalie Callahan

Others present: Erin Rosenblatt, Pam Keon, PARC Commissioner.

3. APPROVE AGENDA

MOTION TO APPROVE THE AGENDA

M/S: J. JACOBS / S. LEVINE AYES: 5 (S. BARTSCHAT, J. BROWN, J. JACOBS, S. LEVINE, M. McMAHON) NAYS: 0 ABSENT: 0

4. PUBLIC EXPRESSION

President Bartschat invited public expression on non-agenda items, in response to which there was the following:

Director Levine congratulated Josh Everhart with working with the Southern Marin Fire District for doing an incredible job. Not only securing the dollars associated with it but the clearing of the path at Eastwood Park which looks fantastic.

Chris Holland, Tam Valley resident, shared his concerns with the Board regarding the lack of safe biking routes in the community.

The Board made the following suggested to Mr. Holland:

- Write a letter to the Board stating what he wants the Board to do to help with this matter.
- Reach out to Supervisor Moulton-Peters.
- Contact Emily Spady, volunteer rep, at Tam Valley Elementary for Safe Routes to School.

5. REGULAR BUSINESS: Board Actions

- A. Received oral update from PARC's President, Erin Rosenblatt, and Vice Chair, Pam Keon, on PARC's activities.

Erin Rosenblatt shared with the Board the top six things PARC would like to focus on.

- Understanding what Parks & Recreation covers
- Enhance Community Outreach
- Assess the existing events
- How to enhance the volunteer program
- Explore new community gathering space
- Policies related to Parks & Rec – what's working/what's not

Board suggested brainstorming for new events and ways to improve communication Between PARC, the public and the Board.

There was no public comment.

- B. Received monthly financial reports.

There was no public comment.

- C. Received Quarterly Treasurer's report.

There was no public comment.

- D. Discussed/consider Resolution amending investment policy authorizing investment of reserve funds with Wells Fargo Bank, N.A. Allspring Government Money Market Mutual

The Board discussed and asked questions of staff.

There was no public comment.

MOTION TO ADOPT RESOLUTION AMENDING INVESTMENT POLICY AUTHORIZING INVESTMENT OF RESERVE FUNDS WITH WELLS FARGO BANK, N.A. ALLSPRING GOVERNMENT MONEY MARKET MUTUAL FUNDS.

M/S: S. LEVINE / J. BROWN AYES: 5 (S. BARTSCHAT, J. BROWN, J. JACOBS, S. LEVINE, M. McMAHON) NAYS: 0 ABSENT: 0

- E. Discussed TCSD event schedule for December 2023 – September 2024.

Camille Esposito gave an update on TCSD events and reported on future events scheduled December 2023 – September 2024.

Director Bartschat suggested having a community/newcomer open house. Giving newcomers an opportunity to meet local government agencies, board members, and get informed on everything happening in Tam Valley.

Director Jacobs suggested having a party in the spring introducing the TVIC archive room to the public.

There was no public expression.

- F. Discussed/consider adopting Resolution approving mainline sewer extension agreement with Ruel Calalo and Ana Calalo, owners of the properties at 515 and 531 Tennessee Valley Rd.

The Board discussed and asked questions of staff.

There was no public comment.

MOTION TO ADOPT RESOLUTION APPROVING MAINLINE SEWER EXTENSION AGREEMENT WITH RUEL CALALO AND ANA CALALO, OWNERS OF THE PROPERTIES AT 515 AND 531 TENNESSEE VALLEY RD.

M/S: J. JACOBS / S. LEVINE AYES: 5 (S. BARTSCHAT, J. BROWN, J. JACOBS, S. LEVINE, M. McMAHON) NAYS: 0 ABSENT: 0

- G. Discussed/consider awarding bid to LVI Engineering Inc. bidder for the Community Center/ Corporation Yard Fence Replacement Project Phase I and approve project Contingency reserve of \$20,000.

GM Toy shared with the Board the following information:

- The formal bid opening was initially scheduled for October 31, but was extended to November 2.
- Two contractors submitted bids.
- The bid requested the removal of existing fence and construction of approximately 800 linear feet of new 6 ft. redwood fence with 2 ft. lattice around the Community Center and parking lot. The bid does request bid alternatives to reduce the size of the redwood fence slats and to substitute redwood for pressure-treated posts and 2x12 boards. The engineer's estimate for the project is \$145,000.
- Bids were opened on November 2, 2023, at 2:00 pm.
- District staff and Nute Engineering staff, Pippin Cavagnaro, P.E., reviewed the bid packages and recommend awarding the base bid to LVI Engineering Inc. as the lowest responsible bidder for a total amount of \$155,950.
- Staff are also recommending a project contingency of \$20,000 (approx.. 13%) for the bid alternative (+4,000) of redwood posts in-lieu of pressure treated posts and for unforeseen field conditions.
- Staff anticipate the contractor will start sometime the end of the year with completion by mid-March 2024.

The board discussed and asked questions of staff.

Public comment: Chris Holland, Tam Valley resident, asked TCSD staff if they were able to connect with Mr. Yamaguchi, resident at 306 Enterprise Concourse, regarding the fence project. TCSD staff replied they sent a letter to Mr Yamaguchi but have not had a response back from him. TCSD plans on communicating again with the neighbors via mail, email, and phone once they have a start date for phase 1.

MOTION TO ADOPT RESOLUTION AWARDDING A CONTRACT TO LVI ENGINEERING INC. IN AN AMOUNT NOT TO EXCEED \$155,950 FOR THE COMMUNITY CENTER / CORPORATION YARD FENCE REPLACEMENT PROJECT PHASE 1 AND ESTABLISH PROJECT CONTINGENCY RESERVE OF \$20,000.

- H. Discussed/consider adopting resolution authorizing submittal of a regional grant application for Calrecycle SB1383 local assistance grants as lead participant for the special district.

GM Toy stated a regional application provides for more cost efficient and effective grant administration, provides greater flexibility to use funds for regional compliance and enforcement, and maximizes regional resources because each Special District is eligible for the base grant amount of \$75,000.

GM Toy shared with the Board that a regional grant does require a lead participant (agency) to manage the grant. Staff is recommending that TCSD be the lead participant for the regional application.

The board discussed and asked questions of staff.

There was no public comment.

MOTION TO ADOPT RESOLUTION AUTHORIZING SUBMITTAL OF A REGIONAL GRANT APPLICATION FOR CALRECYCLE SB1383 LOCAL ASSISTANCE GRANTS AS LEAD PARTICIPANT FOR THE SPECIAL DISTRICT.

M/S: J. BROWN/ S. BARTSCHAT AYES: 5 (S. BARTSCHAT, J. BROWN, J. JACOBS, S. LEVINE, M. McMAHON) NAYS: 0 ABSENT: 0

6. A. General Manager Report

GM Toy reported the following:

- The interior of Eastwood Park's restroom has been completed.
- The footbridge behind Tam Valley Elementary School & the bottom of the steps from Carrera Dr. has been replaced and repaired.

GM Toy shared the Board meeting schedule for 2024. The board and staff set the BOD Retreat date for February 10, 2024, from 9:00 am – 1:00 pm.

Director McMahon gave staff compliment on handling one of his neighbors wastewater billing issues. Neighbor shared with Dir. McMahon she had a positive experience with the staff.

Director Levine shared his concern with the current voice message for TCSD on Mondays. Staff indicated it is because the office calls get forwarded to the clerk's personal phone on Mondays when she works remotely. Staff will work on a solution.

GM Toy gave an update on PG&E regarding relocation of the transmission tower. GM Toy did let PG&E know the need for a special meeting. PG&E is fine with having a special meeting. The Board would like GM Toy to convey to PG&E that the Board is very uncomfortable with the current location of the transmission tower and look forward to engaging with PG&E on figuring out how to resolve this problem.

There was no public comment.

B. Received sewer treatment plant update reports: SASM and SMCSD

Director Jacobs reported that SASM Board of Commissioners meeting was cancelled.

Director Levine attended the SMCSD Board of Directors meeting on November 7, 2023.
Director Levine reported on his written report.

C. Board member and Subcommittee report

Director McMahon reported on Stephanie Moulton-Peters advisory working group meeting he attended.

Assistant GM Shear gave the Board an update on the Community Center restroom renovation.

Director Jacobs and Director Levine shared that they attended the Southern Marin Fire District Day.

7. CONSENT CALENDAR

- A. Approve minutes of October 11, 2023, BOD meeting
- B. Approve minutes of October 25, 2023, BOD work session meeting
- C. Approve regular Parks and Recreation Commission (PARC) meeting schedule of the Second Friday of every month for 2024

MOTION TO APPROVE THE CONSENT CALENDAR

M/S: J. BROWN / J. JACOBS AYES: 5 (S. BARTSCHAT, J. BROWN, J. JACOBS, S. LEVINE, M. McMAHON) NAYS: 0 ABSENT: 0

8. FUTURE AGENDA ITEMS

A. Review of meeting

Director McMahon shared that it was great to have Erin Rosenblatt and Pam Keon, with PARC attend the meeting.

B. Board input for future Board Meeting Agenda

December 13, 2023 board meeting:

- Have PG&E attend meeting
- Audit

No Work Session Meeting in December 2023.

9. ADJOURNMENT

MOTION TO ADJOURN

M/S/C: S. LEVINE / J. JACOBS AYES: 5 (S. BARTSCHAT, J. BROWN, J. JACOBS, S. LEVINE,
M. McMAHON) NAYS: 0 ABSENT: 0

THE MEETING WAS ADJOURNED TO CLOSE SESSION AT 8:55 PM.
9:59 PM REPORTED OUT A CLOSE SESSION. NO REPORTABLE ACTION.
THE CLOSED SESSION WAS ADJOURNED AT 10:00 PM.

Approved by Board on: _____