

**GARBERVILLE SANITARY DISTRICT
BOARD OF DIRECTORS MEETING
AGENDA**

**There will be a regular meeting held by the Garberville Sanitary District Board of Directors at the
GSD District Office
919 Redwood Dr. Garberville, CA**

**January 24, 2017
5:00 p.m. – Closed Session
6:00 p.m. – Open Public Session**

Any writings or documents that are public records and are provided to a majority of the governing board regarding an open session item on this agenda will be made available for public inspection in the District Office located at 919 Redwood Dr. during normal business hours.

I. REGULAR MEETING CALLED TO ORDER

II. ESTABLISHMENT OF QUORUM

Rio Anderson___, Linda Brodersen___, Doug Bryan___, Richard Thompson___, Gary Wellborn___

III. APPROVAL OF AGENDA - Action to add or delete items from any portion of the agenda or to discuss any consent agenda items must be taken prior to adoption of the agenda.

IV. PUBLIC COMMENT ON ANY ITEM ON THE CLOSED SESSION AGENDA

V. CLOSED SESSION

A. General Manager Evaluation---Personnel

VI. OPEN SESSION

A. Board Report of action, if any taken during closed session

VII. COMMENTS AND QUESTIONS FROM THE AUDIENCE

Up to fifteen minutes of this portion of the meeting are reserved for members of the public to address the Board on items not listed on the agenda and within the jurisdiction of the GSD Board. Speakers are limited to 3 minutes. The GSD Board is prohibited by law from taking action on matters discussed that are not on the Agenda, and no adverse conclusions should be drawn if the GSD Board does not respond to public comment at this time.

General Public / Community Groups

VIII. ANNOUNCEMENTS AND COMMUNICATIONS

REPORTS AND PRESENTATIONS – Routine report of activities, operations, meetings / conferences held and/or attended by Board members, Staff, and General Manager

Operations Staff-

Office Staff-

Board Members-

General Manager—Ralph Emerson pg. 4

Government Code Section 54954.3 provides that the public will have an opportunity to address the Board on any item described on a regular or special meeting either before or during the consideration of that item. The Board reserves the right to limit the time of presentation by individuals and groups

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X. ITEMS FOR NEXT BOARD MEETING

1. Sale of Surplus Pickup Acceptance of Bid
2. New Easement for Wallan Rd. tank
3. 2017 Master Calendar
4. Job Descriptions
5. Rate Committee Recommendations

XI. ADJOURNMENT

Posting of Notice at the District Office no later than January 20, 2017: Agenda is emailed to the local newspapers and those who have requested an agenda in writing or e-mail.

In accordance with the Americans with Disabilities Act, if you need a special accommodation to participate, please contact the Garberville Sanitary District Office at (707)923-9566 at least 48 hours in advance.

**Garberville Sanitary District
PO Box 211
Garberville, CA. 95542
(707)923-9566**

GENERAL MANAGER REPORT

Date: January 24, 2017

Staff has been outstanding in handling the storm events with power outages, high river levels and raw water turbidity which on one occasion was above our analyzer range which is 100 ntu. The finished water ntus stayed within the safe drinking water range and our desired range of .018-- .029 because of all night monitoring and operator adjustments to chlorine and polymer coagulant to combine turbidity particles into one form and be removed through filtration.

To put this in perspective, none of the neighboring Districts were able to have these results and in some cases were unable to reach the desired levels of treatment.

Staff assisted a neighboring district when requested in an effort to provide physical and technical support as needed. I strongly support working with and asking for assistance from other districts and sharing ideas about treatment practices.

Mary Neito has been working with Tina and myself in an effort to lend backup and assist in doing research while learning to do customer service and daily office duties. She has been doing a good job and willing to be trained by Tina while having a positive attitude with staff and customers.

There was a rate study committee meeting scheduled for January 18, 2017 but because of conflicting obligations from members of the committee, we have postponed the meeting until after this Board meeting.

I have been in contact with Andy Sundquist (formerly with LACO) to help me design a few "Shovel Ready" projects which include pipe conduits along redwood drive over highway 101 and Bear Canyon. This is in anticipation of future funding for re-routing the Bear Canyon main water pipe and installing a new sewer collection pipe. Funding for some projects are easier to receive if the projects are already designed by an engineer and ready to proceed.

Respectfully Submitted:

Ralph Emerson

Garberville Sanitary District
Register QuickReport
December 2016

			Date	Num	Memo	Amount
1	101 Netlink					
2			12/08/2016	8454	internet	-230.00
3	Total 101 Netlink					-230.00
4	Amazon.com					
5			12/05/2016	12/55826	Amazon prime membership	-106.92
6	Total Amazon.com					-106.92
7	Anderson, Lucas, Somerville & Borges					
8			12/13/2016	8477	June 30 2016 Fiscal Audit	-7,500.00
9	Total Anderson, Lucas, Somerville & Borges					-7,500.00
10	Blue Star Gas					
11			12/05/2016	8447	office	-9.50
12			12/22/2016	8490	office	-22.78
13	Total Blue Star Gas					-32.28
14	Branscomb Center					
15			12/08/2016	8455	flash drives	-113.35
16	Total Branscomb Center					-113.35
17	Brenntag Pacific, Inc.					
18			12/08/2016	8456	Sodium Hypochlorite	-2,815.95
19	Total Brenntag Pacific, Inc.					-2,815.95
20	Brian Miller					
21			12/08/2016	8457	fittings for radio telemetry	-32.08
22	Total Brian Miller					-32.08
23	Capital Bank & Trust					
24			12/06/2016	31915	025158148	-307.98
25			12/06/2016	41915	557880519	-559.56
26			12/21/2016	42020	557880519	-637.16
27			12/21/2016	32020	025158148	-320.14
28	Total Capital Bank & Trust					-1,824.84
29	Carolyn J Jordan					
30			12/13/2016	8478	Bookkeeping, eureka meeting at Corsetti	-487.50
31	Total Carolyn J Jordan					-487.50
32	Cresco Equipment Rentals LLC					
33			12/08/2016	8458	backhoe rental	-2,118.76
34	Total Cresco Equipment Rentals LLC					-2,118.76
35	Crystal Springs Bottled Water					
36			12/22/2016	8491	water	-15.00
37	Total Crystal Springs Bottled Water					-15.00
38	CSDA					
39			12/08/2016	8459	2017 Membership Dues	-1,622.00
40	Total CSDA					-1,622.00
41	Dan Arreguin					
42			12/05/2016	8448	Reimbursement for Wastewater training	-461.07
43	Total Dan Arreguin					-461.07
44	Dazey's Building Center					
45			12/13/2016	8479	Supplies	-282.28
46			12/22/2016	8492	Supplies	-248.22
47	Total Dazey's Building Center					-530.50
48	DAZEY'S/STEPHEN'S					
49			12/13/2016	8480	2 Suncourt Thermostats	-68.90
50	Total DAZEY'S/STEPHEN'S					-68.90
51	De Nora Water Technologies Inc.					
52			12/08/2016	8460	buffer	-282.96
53	Total De Nora Water Technologies Inc.					-282.96
54	EDD					

**Garberville Sanitary District
Register QuickReport
December 2016**

			Date	Num	Memo	Amount
55			12/06/2016	626834	499-0538-3	-481.98
56			12/06/2016	626843	499-0538-3	-9.30
57			12/21/2016	682834	499-0538-3	-535.98
58			12/21/2016	682844	499-0538-3	-10.00
59	Total EDD					-1,037.26
60	Eel River Disposal & Resource Recovery					
61			12/08/2016	8461	11/16 dump run	-16.29
62			12/22/2016	8493	12/16 dump run	-14.48
63	Total Eel River Disposal & Resource Recovery					-30.77
64	Fluentstream Tech					
65			12/02/2016	24388	office phones	-114.51
66	Total Fluentstream Tech					-114.51
67	Frontier Communications					
68			12/05/2016	8449	lease lines and other phones	-392.01
69			12/22/2016	8494	12/16 SWTP	-63.32
70	Total Frontier Communications					-455.33
71	G.R. Wilcox Enterprises, Inc					
72			12/05/2016	8450	Linda Lane Culvert	-12,341.00
73	Total G.R. Wilcox Enterprises, Inc					-12,341.00
74	HACH COMPANY					
75			12/08/2016	8462	Prepaid 4 on site maintenance visits at W	-3,420.00
76	Total HACH COMPANY					-3,420.00
77	Harper Ford					
78			12/20/2016	12/20-5826	1999 Ford repair	-11,514.62
79	Total Harper Ford					-11,514.62
80	Humboldt County Dept. of Health & Human S					
81			12/08/2016	8463	Water intake Generator Haz MAAt. Fee Fa	-339.77
82	Total Humboldt County Dept. of Health & Human S					-339.77
83	IRS					
84			12/06/2016	68418	68-0296323	-2,518.64
85			12/21/2016	95233	68-0296323	-2,709.36
86	Total IRS					-5,228.00
87	Jamie Corsetti, CPA					
88			12/08/2016	8464	Monthly & Year-End Accounting / Meetin	-676.25
89	Total Jamie Corsetti, CPA					-676.25
90	JAYHAWK SOFTWARE					
91			12/22/2016	8495	bill cards	-370.00
92	Total JAYHAWK SOFTWARE					-370.00
93	Jennie Short					
94			12/22/2016	8496		-4,633.64
95	Total Jennie Short					-4,633.64
96	KEENAN SUPPLY					
97			12/08/2016	8465	3 tape measures	-51.26
98			12/22/2016	8497	ROMACS	-364.12
99	Total KEENAN SUPPLY					-415.38
100	NALCO					
101			12/22/2016	8498	Ultrion	-2,442.05
102	Total NALCO					-2,442.05
103	NAPA					
104			12/08/2016	8466	hose clamp WWTP Chlorine Feed	-21.49
105	Total NAPA					-21.49
106	NCUAQMD					
107			12/06/2016	12/06-5297	2017 Burn Permit	-30.00
108	Total NCUAQMD					-30.00

Garberville Sanitary District
Register QuickReport
December 2016

		Date	Num	Memo	Amount
109	North Coast Laboratories Ltd.				
110		12/13/2016	8481	Monitoring	-765.00
111		12/22/2016	8499	Monitoring	-2,132.00
112	Total North Coast Laboratories Ltd.				-2,897.00
113	Office World				
114		12/07/2016	12/07-5297	supplies	-61.29
115	Total Office World				-61.29
116	PG&E				
117		12/08/2016	8467		-4,524.78
118	Total PG&E				-4,524.78
119	Ralph Emerson				
120		12/08/2016	8468	reimburse for phone	-50.00
121	Total Ralph Emerson				-50.00
122	Randall Sand & Gravel				
123		12/08/2016	8469	Road Repair at WWTP, SWTP, and Linc	-1,983.37
124	Total Randall Sand & Gravel				-1,983.37
125	Redway True Value				
126		12/08/2016	8470	cleaning supplies	-52.34
127	Total Redway True Value				-52.34
128	Redwood Merchant Services				
129		12/02/2016	12/2debit	11/16 Credit Card Fees	-39.61
130		12/31/2016	12/16bkcdfe	12/16 credit card fees	-98.76
131	Total Redwood Merchant Services				-138.37
132	RENNER				
133		12/09/2016	12/9debit	fuel	-648.52
134	Total RENNER				-648.52
135	Rural Community Assistance Program				
136		12/01/2016	12/16lnpmt	RCAC Ln Pmt	-4,717.81
137	Total Rural Community Assistance Program				-4,717.81
138	SDRMA				
139		12/22/2016	8500	medical ins	-389.64
140	Total SDRMA				-389.64
141	Sentry III Center				
142		12/05/2016	8451	rent	-835.00
143	Total Sentry III Center				-835.00
144	Staples Credit Plan				
145		12/08/2016	8471	office supplies	-81.91
146	Total Staples Credit Plan				-81.91
147	State Board of Equalization				
148		12/05/2016	8452	Water rights fee	-335.79
149	Total State Board of Equalization				-335.79
150	State Water Resources Control Board WWOCP				
151		12/19/2016	8484	Arreguin - Wastewater Treatment Certific	-170.00
152	Total State Water Resources Control Board WWOCP				-170.00
153	Streamline				
154		12/08/2016	8472	streamline member fee	-200.00
155		12/22/2016	8501	streamline member fee	-100.00
156	Total Streamline				-300.00
157	SWRCB				
158		12/22/2016	8502	WDR annual Fees	-17,017.00
159	Total SWRCB				-17,017.00
160	SWRCB - 2013CX103				
161		12/08/2016	8473	DWTP Loan Contract #. 2013CX103	-22,991.18
162	Total SWRCB - 2013CX103				-22,991.18

**Garberville Sanitary District
Register QuickReport
December 2016**

		Date	Num	Memo	Amount
163	Umpqua Bank				
164		12/20/2016	12/20debit	11/16 bank fees	-120.33
165	Total Umpqua Bank				-120.33
166	US Cellular				
167		12/08/2016	8474	cell phones	-343.93
168	Total US Cellular				-343.93
169	Wahlund Construction				
170		12/08/2016	8475	Sewer repair on Meridith & Grit	-9,060.55
171	Total Wahlund Construction			Chamber cleaning	-9,060.55
172	Wells Fargo				
173		12/05/2016	8453	11/16 copier lease	-90.72
174		12/22/2016	8503	12/16 copier	-90.72
175	Total Wells Fargo				-181.44
176	WYCKOFF'S				
177		12/08/2016	8476	supplies	-12.36
178	Total WYCKOFF'S				-12.36
179	Arreguin, Daniel J				
180		12/05/2016	8442		-1,958.62
181		12/20/2016	8485		-1,760.94
182	Total Arreguin, Daniel J				-3,719.56
183	Emerson, Ralph K				
184		12/05/2016	8443		-2,682.94
185		12/20/2016	8486		-2,682.95
186	Total Emerson, Ralph K				-5,365.89
187	Miller, Brian A				
188		12/05/2016	8444		-1,248.99
189		12/20/2016	8487		-1,690.13
190	Total Miller, Brian A				-2,939.12
191	Nieto, Mary				
192		12/20/2016	8488		-147.46
193	Total Nieto, Mary				-147.46
194	Ruiz, Ricardo				
195		12/05/2016	8445		-137.18
196	Total Ruiz, Ricardo				-137.18
197	Stillwell, Christina				
198		12/05/2016	8446		-1,038.41
199		12/20/2016	8489		-910.45
200	Total Stillwell, Christina				-1,948.86
201	TOTAL				-142,482.86

Garberville Sanitary District
Balance Sheet Prev Year Comparison
As of December 31, 2016

		Dec 31, 16	Jun 30, 16	\$ Change
1	ASSETS			
2	Current Assets			
3	Checking/Savings			
4	1005 - Umpqua Checking- Operating	21,157.79	110,627.79	(89,470.00)
5	1006 - Umpqua System Reserve - Water	75,922.95	72,592.66	3,330.29
6	1007 - Umpqua System Reserve - Sewer	80,089.12	75,153.24	4,935.88
7	1011 - Water Enterprise Fund	46,274.38	46,192.82	81.56
8	1030 - County Treasury - Sewer Reserve	344,370.84	344,370.84	0.00
9	1031 - County Treasury - Water Reserve	236,225.85	236,225.85	0.00
10	1040 - Petty Cash	49.51	49.51	0.00
11	1050 - Cash Drawer	237.97	186.56	51.41
12	Total Checking/Savings	804,328.41	885,399.27	(81,070.86)
13	Accounts Receivable			
14	11000 - Accounts Receivable - Other	415.00	415.00	0.00
15	Total Accounts Receivable	415.00	415.00	0.00
16	Other Current Assets			
17	1100 - Accounts Receivable			
18	1110 - Accts Receivable Over Payments	(1,139.33)	(809.85)	(329.48)
19	1100 - Accounts Receivable - Other	94,267.38	90,007.92	4,259.46
20	Total 1100 - Accounts Receivable	93,128.05	89,198.07	3,929.98
21	1120 - A/R - Employee	0.00	256.30	(256.30)
22	1500 - Prepaid Insurance	11,662.22	4,164.15	7,498.07
23	1501 - Prepaid Workers Comp	5,200.57	0.00	5,200.57
24	1502 - Prepaid Expenses	1,710.00	0.00	1,710.00
25	1510 - Prepaid Licenses and Permits	10,146.00	0.00	10,146.00
26	1550 - Allowance for Doubtful Accounts	(5,000.00)	(5,000.00)	0.00
27	Total Other Current Assets	116,846.84	88,618.52	28,228.32
28	Total Current Assets	921,590.25	974,432.79	(52,842.54)
29	Fixed Assets			
30	Fire Hydrant Project	23,980.03	0.00	23,980.03
31	CIP - Leino Ln	585.00	585.00	0.00
32	CIP - Bear Canyon Aerial	576.10	576.10	0.00
33	DWTP (Water) 2015	4,968,104.88	4,968,104.88	0.00
34	Tobin Well Project 2014	40,189.31	40,189.31	0.00
35	Melville Project Lines 2015	59,612.79	59,612.79	0.00
36	Alderpoint Tank Project (Water)	671,516.84	671,516.84	0.00
37	Collection Facilities			
38	Cost - Coll Fac	44,170.59	44,170.59	0.00
39	Cost - IP 2000	2,029,949.22	2,029,949.22	0.00
40	Cost - Lines	2,080,180.29	2,080,180.29	0.00
41	Total Collection Facilities	4,154,300.10	4,154,300.10	0.00
42	Office Equipment	32,004.40	32,004.40	0.00
43	Equipment	158,306.60	158,306.60	0.00
44	Land - Water	88,698.62	88,698.62	0.00
45	Land - Sewer	129,810.68	129,810.68	0.00
46	Sewer Project - 2011	2,792,451.91	2,792,451.91	0.00
47	Sewer Treatment Facilities			
48	Cost - Equipment	14,492.40	8,069.38	6,423.02
49	Cost - Sewer Plant	488,193.00	488,193.00	0.00
50	Sewer Treatment Facilities - Other	4,500.00	4,500.00	0.00
51	Total Sewer Treatment Facilities	507,185.40	500,762.38	6,423.02
52	SWTP Office	19,740.96	19,740.96	0.00
53	Vehicles	90,378.67	48,023.52	42,355.15
54	Water Easements & Intangibles	177,797.11	177,397.11	400.00
55	MSR/SOI and Annexation Project	157,367.08	157,367.08	0.00
56	Water System	138,343.11	133,382.22	4,960.89
57	Accumulated Depreciation-Water	(1,013,146.26)	(836,152.26)	(176,994.00)
58	Accumulated Depreciation-Sewer	(1,556,557.06)	(1,469,281.06)	(87,276.00)
59	Total Fixed Assets	11,641,246.27	11,827,397.18	(186,150.91)
60	TOTAL ASSETS	12,562,836.52	12,801,829.97	(238,993.45)
61	LIABILITIES & EQUITY			
62	Liabilities			
63	Current Liabilities			
64	Accounts Payable			
65	2000 - Accounts Payable	66,967.80	25,026.74	41,941.06
66	Total Accounts Payable	66,967.80	25,026.74	41,941.06
67	Other Current Liabilities			
68	2660 - Lease Payable - Ford Motor Cred	27,338.94	0.00	27,338.94
69	*Accounts Payable	9,651.84	0.00	9,651.84
70	2205 - Accrued Simple	0.00	1,437.87	(1,437.87)
71	2230 - Accrued Vacation	14,654.79	25,910.51	(11,255.72)
72	2250 - Loans Payable - Current Portion	115,634.01	115,634.01	0.00
73	Total Other Current Liabilities	167,279.58	142,982.39	24,297.19
74	Total Current Liabilities	234,247.38	168,009.13	66,238.25
75	Long Term Liabilities			
76	2500 - N/P - SWRCB	168,855.28	191,123.20	(22,267.92)
77	2605 - RCAC Loan #6200-GSD-02	200,996.95	223,943.09	(22,946.14)

Garberville Sanitary District
Balance Sheet Prev Year Comparison
As of December 31, 2016

		Dec 31, 16	Jun 30, 16	\$ Change
78	2655 - Lease Payable - Copier	2,988.82	3,438.07	(449.25)
79	2700 - SRF Loan - Water	1,333,488.64	1,356,479.82	(22,991.18)
80	2900 - Less Current Portion	(115,634.01)	(115,634.01)	0.00
81	Total Long Term Liabilities	1,590,695.68	1,659,350.17	(68,654.49)
82	Total Liabilities	1,824,943.06	1,827,359.30	(2,416.24)
83	Equity			
84	3000 - Contributed Capital	6,129,491.75	6,129,491.75	0.00
85	3100 - Retained Earnings	4,842,018.92	5,105,728.46	(263,709.54)
86	3200 - Prior Period Adjustment	2,960.00	2,960.00	0.00
87	Net Revenue	(236,577.21)	(263,709.54)	27,132.33
88	Total Equity	10,737,893.46	10,974,470.67	(236,577.21)
89	TOTAL LIABILITIES & EQUITY	12,562,836.52	12,801,829.97	(238,993.45)

Garberville Sanitary District
Statement of Revenue & Expense
For the one and Six Months Ending Dec 31, 2016

		Total Water		Total Sewer	
		Dec 16	Jul - Dec 16	Dec 16	Jul - Dec 16
1	Ordinary Revenue/Expense				
2	Revenue				
3	Water Charges				
4	4100 · Residential	23,397.36	154,631.87	0.00	0.00
5	4110 · Commercial	17,429.70	110,445.27	0.00	0.00
6	Total Water Charges	40,827.06	265,077.14	0.00	0.00
7	4200 · Sewer Charges	0.00	0.00	29,949.63	184,654.41
8	4650 · Late Charges	302.50	1,599.52	302.50	1,599.52
9	4700 · Other Operating Revenue	528.01	1,290.51	28.00	105.50
10	Total Revenue	41,657.57	267,967.17	30,280.13	186,359.43
11	Gross Revenue	41,657.57	267,967.17	30,280.13	186,359.43
12	Expense				
13	Administrative and General				
14	5010 · Bank Charges				
15	5012 · Merchant Account	96.65	374.77	96.65	374.82
16	5010 · Bank Charges - Other	0.00	323.73	0.00	323.74
17	Total 5010 · Bank Charges	96.65	698.50	96.65	698.56
18	5020 · Directors Fees	0.00	662.50	0.00	662.50
19	5030 · Dues and Memberships	53.46	1,466.06	53.46	1,466.06
20	5035 · Education and Training	(52.46)	328.49	(52.46)	1,039.58
21	Insurance				
22	5040 · Liability	674.70	3,897.73	674.68	3,897.64
23	5050 · Workers' Comp	543.34	3,412.63	297.75	2,859.80
24	5055 · Health				
25	5055.1 · Employee Port	(656.85)	(3,631.98)	(516.15)	(3,406.02)
26	5055 · Health - Other	1,782.96	11,595.12	1,782.96	11,595.09
27	Total 5055 · Health	1,126.11	7,963.14	1,266.81	8,189.07
28	Total Insurance	2,344.15	15,273.50	2,239.24	14,946.51
29	5060 · Licenses, Permits, and	564.77	2,361.99	1,191.00	8,691.60
30	5065 · Auto	6,266.85	6,424.32	6,266.84	6,424.31
31	5080 · Office Expense	38.15	1,361.84	38.14	1,361.87
32	5085 · Outside Services	172.24	2,343.42	172.24	2,100.47
33	5090 · Payroll Taxes	1,064.50	6,212.45	580.30	5,158.23
34	5100 · Postage	104.50	623.61	104.49	623.63
35	5110 · Professional Fees	1,300.00	12,767.26	1,300.00	8,764.08
36	5120 · Property Taxes	0.00	12.00	0.00	0.00
37	5125 · Repairs and Maintenan	0.00	3.02	0.00	3.01
38	5130 · Rents	417.50	2,505.00	417.50	2,505.00
39	5135 · Retirement	404.83	2,393.50	223.29	2,003.40
40	5137 · Supplies	0.00	26.17	0.00	26.17
41	5140 · Telephone	91.88	676.74	91.88	676.80
42	5145 · Tools	176.01	2,608.10	175.98	1,669.39
43	5150 · Travel and Meetings	0.00	366.75	0.00	357.44
44	5155 · Utilities	61.89	577.22	61.89	577.26
45	5160 · Wages	7,158.74	38,469.27	5,116.01	35,315.04
46	Total Administrative and General	20,263.66	98,161.71	18,076.45	95,070.91
47	Sewage Collection				
48	6010 · Fuel	0.00	0.00	236.16	1,160.37
49	6030 · Repairs and Maintenan	0.00	0.00	461.17	31,232.83
50	6040 · Supplies	0.00	0.00	191.84	981.55

Garberville Sanitary District
Statement of Revenue & Expense
For the one and Six Months Ending Dec 31, 2016

51	6050 · Utilities	0.00	0.00	435.70	2,477.64
52	6060 · Wages				
53	6065 · Wages - Overtime S	0.00	0.00	85.50	2,032.50
54	6060 · Wages - Other	0.00	0.00	1,302.00	10,556.00
55	Total 6060 · Wages	0.00	0.00	1,387.50	12,588.50
56	Total Sewage Collection	0.00	0.00	2,712.37	48,440.89
57	Sewage Treatment				
58	6075 · Fuel	0.00	0.00	236.16	1,160.37
59	6080 · Monitoring	0.00	0.00	560.50	2,289.17
60	6100 · Repairs and Maintenan	0.00	0.00	367.19	6,062.39
61	6110 · Supplies	0.00	0.00	1,412.70	4,613.73
62	6120 · Utilities	0.00	0.00	1,005.98	4,936.07
63	6130 · Wages				
64	6135 · Wages - Overtime S	0.00	0.00	0.00	154.50
65	6130 · Wages - Other	0.00	0.00	1,018.50	13,452.00
66	Total 6130 · Wages	0.00	0.00	1,018.50	13,606.50
67	Total Sewage Treatment	0.00	0.00	4,601.03	32,668.23
68	Water Trans and Distribution				
69	7075 · Fuel	236.16	1,160.34	0.00	0.00
70	7090 · Repairs and Maintenan	55,379.21	60,517.71	0.00	0.00
71	7100 · Supplies	394.84	1,732.28	0.00	0.00
72	7110 · Utilities	927.34	4,851.14	0.00	0.00
73	7120 · Wages				
74	7125 · Wages - Overtime V	429.00	2,645.25	0.00	0.00
75	7120 · Wages - Other	2,478.50	14,856.50	0.00	0.00
76	Total 7120 · Wages	2,907.50	17,501.75	0.00	0.00
77	Total Water Trans and Distributio	59,845.05	85,763.22	0.00	0.00
78	Water Treatment				
79	7020 · Fuel	236.15	1,160.27	0.00	0.00
80	7010 · Monitoring	2,003.69	3,052.70	0.00	0.00
81	7030 · Repairs and Maintenan	313.03	6,651.96	0.00	0.00
82	7040 · Supplies	3,922.18	6,635.68	0.00	0.00
83	7050 · Utilities	2,766.13	21,140.36	0.00	0.00
84	7060 · Wages				
85	7065 · Wages - Overtime V	954.00	1,455.00	0.00	0.00
86	7060 · Wages - Other	2,706.00	17,515.50	0.00	0.00
87	Total 7060 · Wages	3,660.00	18,970.50	0.00	0.00
88	Total Water Treatment	12,901.18	57,611.47	0.00	0.00
89	Total Expense	93,009.89	241,536.40	25,389.85	176,180.03
90	Net Ordinary Revenue	(51,352.32)	26,430.77	4,890.28	10,179.40
91	Other Revenue/Expense				
92	Other Revenue				
93	8060 · Interest Revenue	36.31	211.85	23.80	135.88
94	Total Other Revenue	36.31	211.85	23.80	135.88
95	Other Expense				
96	9040 · Depreciation	29,499.00	176,994.00	14,546.00	87,276.00
97	9050 · Interest Expense	862.56	5,401.91	8.96	3,863.20
98	Total Other Expense	30,361.56	182,395.91	14,554.96	91,139.20
99	Net Other Revenue	(30,325.25)	(182,184.06)	(14,531.16)	(91,003.32)
100	Net Revenue	(81,677.57)	(155,753.29)	(9,640.88)	(80,823.92)

**Garberville Sanitary District
Statement of Revenue & Expense
For the one and Six Months Ending Dec 31, 2016**

		TOTAL	
		Dec 16	Jul - Dec 16
1	Ordinary Revenue/Expense		
2	Revenue		
3	Water Charges		
4	4100 · Residential	23,397.36	154,631.87
5	4110 · Commercial	17,429.70	110,445.27
6	Total Water Charges	40,827.06	265,077.14
7	4200 · Sewer Charges	29,949.63	184,654.41
8	4650 · Late Charges	605.00	3,199.04
9	4700 · Other Operating Revenue	556.01	1,396.01
10	Total Revenue	71,937.70	454,326.60
11	Gross Revenue	71,937.70	454,326.60
12	Expense		
13	Administrative and General		
14	5010 · Bank Charges		
15	5012 · Merchant Account	193.30	749.59
16	5010 · Bank Charges - Other	0.00	647.47
17	Total 5010 · Bank Charges	193.30	1,397.06
18	5020 · Directors Fees	0.00	1,325.00
19	5030 · Dues and Memberships	106.92	2,932.12
20	5035 · Education and Training	(104.92)	1,368.07
21	Insurance		
22	5040 · Liability	1,349.38	7,795.37
23	5050 · Workers' Comp	841.09	6,272.43
24	5055 · Health		
25	5055.1 · Employee Port	(1,173.00)	(7,038.00)
26	5055 · Health - Other	3,565.92	23,190.21
27	Total 5055 · Health	2,392.92	16,152.21
28	Total Insurance	4,583.39	30,220.01
29	5060 · Licenses, Permits, and	1,755.77	11,053.59
30	5065 · Auto	12,533.69	12,848.63
31	5080 · Office Expense	76.29	2,723.71
32	5085 · Outside Services	344.48	4,443.89
33	5090 · Payroll Taxes	1,644.80	11,370.68
34	5100 · Postage	208.99	1,247.24
35	5110 · Professional Fees	2,600.00	21,531.34
36	5120 · Property Taxes	0.00	12.00
37	5125 · Repairs and Maintenan	0.00	6.03
38	5130 · Rents	835.00	5,010.00
39	5135 · Retirement	628.12	4,396.90
40	5137 · Supplies	0.00	52.34
41	5140 · Telephone	183.76	1,353.54
42	5145 · Tools	351.99	4,277.49
43	5150 · Travel and Meetings	0.00	724.19
44	5155 · Utilities	123.78	1,154.48
45	5160 · Wages	12,274.75	73,784.31
46	Total Administrative and General	38,340.11	193,232.62
47	Sewage Collection		
48	6010 · Fuel	236.16	1,160.37
49	6030 · Repairs and Maintenan	461.17	31,232.83
50	6040 · Supplies	191.84	981.55

Garberville Sanitary District
Statement of Revenue & Expense
For the one and Six Months Ending Dec 31, 2016

51	6050 · Utilities	435.70	2,477.64
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79	7020 · Fuel	236.15	1,160.27
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82	7040 · Supplies	3,922.18	6,635.68
83	7050 · Utilities	2,766.13	21,140.36
84	7060 · Wages		
85	7065 · Wages - Overtime V	954.00	1,455.00
86	7060 · Wages - Other	2,706.00	17,515.50
87	Total 7060 · Wages	3,660.00	18,970.50
88	Total Water Treatment	12,901.18	57,611.47
89	Total Expense	118,399.74	417,716.43
90	Net Ordinary Revenue	(46,462.04)	36,610.17
91	Other Revenue/Expense		
92	Other Revenue		
93	8060 · Interest Revenue	60.11	347.73
94	Total Other Revenue	60.11	347.73
95	Other Expense		
96	9040 · Depreciation	44,045.00	264,270.00
97	9050 · Interest Expense	871.52	9,265.11
98	Total Other Expense	44,916.52	273,535.11
99	Net Other Revenue	(44,856.41)	(273,187.38)
100	Net Revenue	(91,318.45)	(236,577.21)

Garberville Sanitary District
Statement of Cash Flows
July through December 2016

		Jul - Dec 16
1	OPERATING ACTIVITIES	
2	Net Income	(236,577.21)
3	Adjustments to reconcile Net Income	
4	to net cash provided by operations:	
5	1100 · Accounts Receivable	(4,259.46)
6	1100 · Accounts Receivable:1110 · Accts Receivable Over Payments	329.48
7	1120 · A/R - Employee	256.30
8	1500 · Prepaid Insurance	(7,498.07)
9	1501 · Prepaid Workers Comp	(5,200.57)
10	1502 · Prepaid Expenses	(1,710.00)
11	1510 · Prepaid Licenses and Permits	(10,146.00)
12	2000 · Accounts Payable	41,941.06
13	*Accounts Payable	9,651.84
14	2205 · Accrued Simple	(1,437.87)
15	2230 · Accrued Vacation	(11,255.72)
16	2660 · Lease Payable - Ford Motor Cred	27,338.94
17	Net cash provided by Operating Activities	(198,567.28)
18	INVESTING ACTIVITIES	
19	Sewer Treatment Facilities:Cost - Equipment	(6,423.02)
20	Vehicles	(42,355.15)
21	Water Easements & Intangibles	(400.00)
22	Water System	(4,960.89)
23	Accumulated Depreciation-Water	176,994.00
24	Accumulated Depreciation-Sewer	87,276.00
25	Fire Hydrant Project	(23,980.03)
26	Net cash provided by Investing Activities	186,150.91
27	FINANCING ACTIVITIES	
28	2500 · N/P - SWRCB	(22,267.92)
29	2605 · RCAC Loan #6200-GSD-02	(22,946.14)
30	2655 · Lease Payable - Copier	(449.25)
31	2700 · SRF Loan - Water	(22,991.18)
32	Net cash provided by Financing Activities	(68,654.49)
33	Net cash increase for period	(81,070.86)
34	Cash at beginning of period	885,399.27
35	Cash at end of period	804,328.41

**GARBERVILLE SANITARY DISTRICT
BOARD OF DIRECTORS MEETING
MINUTES
December 20, 2016 5:00 p.m.**

I. REGULAR MEETING CALLED TO ORDER

II. ESTABLISHMENT OF QUORUM

Present:

Linda Brodersen

Rio Anderson

Doug Bryan

Richard Thompson

Gary Wellborn

III. APPROVAL OF AGENDA

Chair Brodersen asked for a motion to approved the agenda. Director Wellborn made a motion to approve the agenda. Director Thompson seconded the motion. The motion was passed by a 5-0 vote.

IV. COMMENTS AND QUESTIONS FROM THE AUDIENCE

Charlie Butterworth has rentals on Locust St. he has turned them into multi-family units. He received a letter from Emerson and was not happy with the demands. He said he wanted to change the rentals to multi-family and pay the bill himself.

Emerson said he would do more research and bring it back on the next agenda and make a decision based on the ordinance.

V. ANNOUNCEMENTS AND COMMUNICATIONS

REPORTS AND PRESENTATIONS

Operations Staff- No

Office Staff- Stillwell reported on the clerk conference.

Board Members- Brodersen reported she & Emerson met with RCSD and also she and Rio met with Barbara concerning the June 2016 audit.

General Manager—Ralph Emerson announced the website is up and running. He took pictures of the directors for the website. He also said that the office needs someone here when Tina is gone. He said that Mary Nieto will be coming in to work part time.

Director Thompson asked about the BOD requirements and the Kimtu Line. Emerson said the Kimtu line is a tight line and we can't tap into it. Leino Ln customers has a small line that needs upgraded but the district can't tie into the Kimtu line. The district is trying to get the State to release the line to GSD.

Emerson said that the BOD is at the Wastewater Plant and that the engineer that designed the WWTP needs to write a letter to the State to change the BOD range.

VI. REGULAR AGENDA ITEMS

A. CONSENT AGENDA

A.1 Approve October 2016 Financials

A.2 Approve 10/25/2016 Regular Meeting Minutes

A.3 Operations Safety Report - None

Chair Brodersen asked for a motion to approve the consent calendar.

Motion: Rio

Second: Bryan

Vote: 5-0

B. GENERAL BUSINESS

- B.1 Declaration of 2012 Chevy Silverado as Surplus Property
Adopt Resolution #16-009 to declare the 2012 Chevy Silverado as surplus property.

Motion: Thompson

Second: Wellborn

Vote: 5-0

- B.2 Wallan Rd tank and road repairs
Emerson gave a report on the Wallan Tank area

- B.3 On-Call Compensation

Emerson explained the responsibilities of being on call. He said that most agencies range from \$150 to \$300 dollars per day. Emerson said he proposes something less than that to kind of split the middle and it becomes \$25.00 per day. After discussion Chair Brodersen asked for a motion raise the on-call compensation to \$25.00 per day.

Motion: Wellborn

Second: Bryan

Vote: 5-0

- B.4 Rate Study Update

Emerson said that there is a lot of conversations going back and forth with RCAC and because there is so many scenarios that we can do, it appears that the rate study is so that we can look at possibly rate changes. Emerson said he feels the customers' pays too much for the base rate, he said he thinks the conservative people are paying too much and there is people who use a lot of water not paying enough. Having a rate study allows us to have a discussion and determine what we need as far as projections for capital improvement projects in the future and what it's going to cost for us to maintain operations with staff and projects and everything included with doing business and the rate study determines what percentage has to go up or can you stay the same and so because there is once again a lot of scenarios, we have two loans that are taking a large chunk of our budget. Emerson would like to have a rate study committee, two board members, himself and Tina and look at what our capital improvement projects are and what the cost are going to be and bring something back to the board.

Chair Brodersen confirmed Emerson was requesting a rate study committee. Director wellborn pointed out that there was a committee already established. Director Wellborn asked the status of the rate study. Emerson said he should have everything he needs by the end of the year.

- B.5 Joint meeting between RCSD and GSD

Chair Brodersen explained the meeting with Redway Community Services District went well. They discussed working together with staff, equipment and helping each other in the time of need. Director Anderson said an easy collaboration would be customer education, community outreach and continuing education.

It was decided a study session with both boards would be a good next step, Chair Brodersen will write something up to invite RCSD to a study session.

C. POLICY REVISION / ADOPTION

- C.1 Policy Manual updates-Section 1-3:4

Adopt Resolution 16-010 Authorizes the Garberville Sanitary District to Change the Personnel Policy Section 1-3:4

Chair Brodersen asked for a motion to adopt resolution 16-010

Motion: Bryan

Second: Anderson

Roll Call Vote: Brodersen, Anderson,

Bryan, Thompson and Wellborn Yes

C.2 Whistle Blower Policy (add) 9.1

The Board review the whistle blower policy and agreed to bring it back for the second reading.

VII. ITEMS FOR NEXT BOARD MEETING

1. Audit Report
2. Butterworth connection fees and meters
3. Job Descriptions
4. Master Calendar

VIII. ADJOURNMENT

Meeting was adjourned at 6:20 pm

**Respectfully
Tina Stillwell**

ATTENDANCE ROSTER

Safety Meeting

Date of Meeting: 1/4/17 Leader Name: Ralph Emerson

Instructions:

- a. Fill in the date of the meeting and the name of the safety meeting leader.
b. Have all safety meeting participants sign this roster.
c. File this roster and the associated documents as outlined in the Leader Discussion Guide.

Name (print)

Name (signature)

Table with 2 columns: Name (print) and Name (signature). Rows 1-4 contain handwritten entries: 1. Ralph Emerson, 2. Brian Miller, 3. Dan Arreguin, 4. Tina Stillwell.

Attachments: 1. Leader Discussion Guide 2. Safety Meeting Booklet



Garberville Sanitary District
PO Box 211
919 Redwood dr.
Garberville, CA. 95542
Office(707)923-9566 Fax(707)923-3130

Charles Butterworth
1620 Marilann CT.
Arcata, CA. 95521
(707)498-1792

December 2, 2016

Mr. Butterworth,

Thank You for conversing with me about your rental units and the requirement GSD has for having individual water meters for each occupant.

The duplex at 638 Fir Ln. was renovated to create a third unit on one meter.
The single family residence at 646 Locust St. was renovated to add a second unit on one meter.

Garberville Sanitary District requires a separate water meter be installed for every multi family unit. If payment is not received by the person of record (tenant), then the owner of property is responsible for all charges incurred including staff time and late fees.

The current connection fee is \$8,000 for water and \$8,000 for sewer. Since some of your renovations were made prior to the connection fee increase.

I will allow you to pay the old connection fees at 638C Fir Ln. because this was done prior to the increase.
\$1,200 for sewer and \$1,000 for water connection
646B Locust will be \$8,000 for water and \$8,000 for sewer connection

638A and 638B Fir Ln. will be charged a multi-family rate for sewer and water
638C Fir Ln. will be charged a single family rate for sewer and water
646 Locust St. will be charged a single family rate for sewer and water
646B Locust St. will be charged a single family rate for sewer and water

Total connection fees due now are \$18,200 and if not paid within 30 days from this date will result in water being turned off to both addresses.

Garberville Sanitary District will work with you or your plumber to install the meters and assist where needed.

I am available to talk about the details at your convenience.

Respectfully,

Ralph Emerson

General Manager
Garberville Sanitary District



RECEIVED
JAN 11 2017

FLOYD LAW FIRM

819 Seventh Street

Eureka, California 95501

Telephone:(707) 445-9754

Facsimile:(707) 445-5915

E-mail: bcfloyd@floydlawfirm.net

Attorneys:

Bradford C Floyd

Carlton D. Floyd

January 9, 2017

Ralph Emerson
General Manager
Garberville Sanitary District
PO Box 211
Garberville CA 95542-0211

RE: Butterworth/Water Connection Fees

Gentlepersons:

I have been retained by Charles Butterworth regarding a dispute that has arisen between the Garberville Sanitary District ("GSD") and Mr. Butterworth. On December 2, 2016, you authored a letter to Mr. Butterworth, a copy of which is attached hereto as **Exhibit A** and incorporated herein by reference. This letter is in response to that letter.

As you know, Mr. Butterworth owns real property at 638 Fir Lane and 646 Locust Street in Garberville. The Fir Lane property has three units, and the Locust Street property has two units. GSD is now demanding my client pay water connection fees in the amount of \$18,200, or water to these properties will be turned off. There is currently a hearing set on January 24, 2017, with GSD regarding this matter.

In your letter you assert "Garberville Sanitary District requires a separate water meter be installed for every multi-family unit." Please provide me with a copy of the ordinance wherein you believe GSD requires separate water meters for multi-unit properties. I have reviewed Water Ordinance No. 1 and do not find any such requirement.

Demand is hereby made that within ten days of the date of this letter, you respond with your legal authorities so we will be fully prepared to address this matter at the hearing of January 24. I look forward to your response.

Sincerely,



Bradford C. Floyd

BCF/gme

cc: Gary Wellborn (via email)
Richard Thompson (via email)
Client

Sec 2.19 Single Family Unit A single family unit is defined to mean and refer to the place of residence for a single family.

Sec 2.20 Multiple Dwelling shall mean a building for residential purposes containing more than one kitchen or having facilities for the occupancy of more than one person or families, including but not limited to the following: hotels, motels, mobile home parks, recreational vehicle parks, apartment houses, duplex, rooming houses, boarding houses, and dormitories.

Sec 4.4 Installation Charges. New water service will require an application be filled out at the District office and a non-refundable connection fee of \$8,000 be paid before any water service is provided---approved 9/22/2015

Sec 4.9 Service Connection. It shall be unlawful to maintain a connection excepting in conformity with the following rules:

- a. Each building under separate ownership must be provided with a separate service connection and meter. Two or more buildings under same ownership and on the same lot or parcel may be supplied through the same service connection and meter if authorized by the General Manager or GSD Board.
- b. Multiple service connections for single parcel with single owner are allowed under these conditions:
 1. A master meter is installed at the property line
 2. Metered service connections are provided for each sub unit. Meters and valves will be supplied and remain property of GSD.
 3. Supply line from master meter to each of the units shall be installed and maintained by owner.
 4. Owner will be responsible for usage on master meter, determined by deducting each sub unit from master meter.

MR. Floyd,

I have received your letter regarding the five Butterworth rental units on two water meters and am responding to that letter with the Ordinances in which I referred to in writing my letter to Mr. Butterworth.

When somebody pulls an improvement or building permit we receive a request from the County to provide a will-serve letter for that property and we would inspect the location and verify that the infrastructure and service lines are adequate for that property. That was not done and when I called the County Building Department, they were unaware of these improvements. If Mr. Butterworth would have contacted us we would have given direction and assistance prior to the improvements.

I was made aware of this situation by a tenant and a neighbor at which time I became involved and found that District Ordinances were not complied with and we were not notified as the utility District serving these properties.

This will be discussed at the January 24th Board meeting and at such time I will present your comments along with the statement of Mr. Butterworth at last meeting and will make a recommendation for the Board to consider and make a decision.

Respectively,

Ralph Emerson

GARBERVILLE SANITARY DISTRICT

FINANCIAL STATEMENTS

JUNE 30, 2016

DRAFT

GARBERVILLE SANITARY DISTRICT

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June 30, 2016

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Garberville Sanitary District

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities, each major fund, and the aggregate remaining fund information of Garberville Sanitary District as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Board of Directors
Garberville Sanitary District

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, each major fund, and the aggregate remaining fund information of the Garberville Sanitary District, as of June 30, 2016, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America required to be presented to supplement the basic financial statements. Such missing information, 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. Our opinion on the basic financial statements is not affected by this missing information.

December 20, 2016
Fortuna, California

BASIC FINANCIAL STATEMENTS



GARBERVILLE SANITARY DISTRICT

Statement of Net Position

June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 258,610	\$ 733,006
Restricted Cash	46,193	46,025
Accounts Receivable - net of \$5,000		
Allowance for Doubtful Accounts	84,869	101,615
Grants Receivable	-	39,910
Prepays and Deposits	4,164	41,942
Total Current Assets	<u>393,836</u>	<u>962,498</u>
Restricted Assets		
Cash in County Treasury	580,597	322,441
Total Restricted Assets	<u>580,597</u>	<u>322,441</u>
Noncurrent Assets		
Capital Assets, Net of Depreciation	11,668,935	11,348,175
Construction in Progress	158,528	499,061
Total Noncurrent Assets	<u>11,827,463</u>	<u>11,847,236</u>
Total Assets	<u>\$ 12,801,896</u>	<u>\$ 13,132,175</u>
LIABILITIES		
Current Liabilities		
Accounts Payable	\$ 25,027	\$ 247,648
Accrued Payroll Liabilities	1,438	3
Accrued Vacation	25,910	19,345
Current Portion of Long-Term Obligations	115,634	78,918
Total Current Liabilities	<u>168,009</u>	<u>345,914</u>
Noncurrent Liabilities		
Noncurrent Portion of Long-Term Obligations	1,659,350	1,551,041
Total Liabilities	1,827,359	1,896,955
NET POSITION		
Invested in Capital Assets, Net of Related Debt	10,052,479	10,217,277
Reserved for Debt Service	46,193	46,025
Unrestricted	875,865	971,918
Total Net Position	<u>\$ 10,974,537</u>	<u>\$ 11,235,220</u>

The accompanying notes are an integral part of these financial statements

GARBERVILLE SANITARY DISTRICT
Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended June 30, 2016

	Water	Sewer	Total 2016
OPERATING REVENUES			
Utility Sales	\$ 481,221	\$ 365,409	\$ 846,630
Connection Fees	8,600	7,200	15,800
Other Revenues	6,054	2,420	8,474
<u>Total Operating Revenues</u>	495,875	375,029	870,904
OPERATING EXPENSES			
Salaries and Wages	73,162	68,030	141,192
Payroll Taxes	14,284	10,145	24,429
Employee Benefits	19,552	18,668	38,220
Rent	5,575	4,975	10,550
Materials and Supplies	4,182	4,875	9,057
Transportation	1,598	1,597	3,195
Sewage Collection	-	31,255	31,255
Office Expense	11,072	10,215	21,287
Insurance	21,340	19,520	40,860
Professional Services	24,548	22,046	46,594
Sewage Treatment	-	86,832	86,832
Water Treatment	117,884	-	117,884
Water Distribution	63,398	-	63,398
Permits and Fees	3,736	18,304	22,040
Utilities	3,256	3,472	6,728
Bad Debts	1,500	1,500	3,000
Other Expenses	1,500	-	1,500
Deprecation and Amortization	317,263	165,025	482,288
<u>Total Operating Expenses</u>	683,850	466,459	1,150,309
OPERATING GAIN (LOSS)	(187,975)	(91,430)	(279,405)
NON-OPERATING REVENUES (EXPENSES)			
Property Taxes and Exemptions	(12)	24,452	24,440
Interest Income	1,169	3,009	4,178
Interest Expense	(8,231)	(4,625)	(12,856)
<u>Total Non-operating Revenues (Expenses)</u>	(7,074)	22,836	15,762
CHANGE IN NET POSITION	(\$195,049)	(\$68,594)	\$ (263,643)
NET POSITION			
BEGINNING OF YEAR			\$ 11,235,220
PRIOR PERIOD ADJUSTMENT			\$ 2,960
END OF YEAR			\$ 10,974,537

The accompanying notes are an integral part of these financial statements

GARBERVILLE SANITARY DISTRICT
Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended June 30, 2015

	Water	Sewer	Total 2015
OPERATING REVENUES			
Utility Sales	\$ 490,533	\$ 365,128	\$ 855,661
Connection Fees	16,100	22,500	38,600
Other Revenues	6,303	3,387	9,690
<u>Total Operating Revenues</u>	512,936	391,015	903,951
OPERATING EXPENSES			
Salaries and Wages	49,891	43,691	93,582
Payroll Taxes	11,309	8,076	19,385
Employee Benefits	16,393	15,518	31,911
Rent	5,400	4,800	10,200
Materials and Supplies	3,257	2,185	5,442
Transportation	1,719	1,718	3,437
Sewage Collection	-	53,285	53,285
Office Expense	9,277	8,105	17,382
Insurance	19,329	17,164	36,493
Professional Services	17,605	15,540	33,145
Sewage Treatment	-	70,406	70,406
Water Treatment	112,274	-	112,274
Water Distribution	67,694	-	67,694
Permits and Fees	3,493	18,021	21,514
Bad Debts	2,708	3,385	6,093
Other Expenses	5,366	4,830	10,196
Depreciation and Amortization	155,607	149,606	305,213
<u>Total Operating Expenses</u>	481,322	416,330	897,652
OPERATING GAIN (LOSS)	31,614	(25,315)	6,299
NON-OPERATING REVENUES (EXPENSES)			
Capital Grants	687,192	-	687,192
Property Taxes and Exemptions	(12)	23,831	23,819
Interest Income	237	2,378	2,615
Interest Expense	(3,120)	(5,755)	(8,875)
Other Expenses	-	950	950
Gain (Loss) on Dispositions	(10,160)	-	(10,160)
<u>Total Non-operating Revenues (Expenses)</u>	674,137	21,404	695,541
CHANGE IN NET POSITION	\$705,751	(\$3,911)	\$ 701,840
NET POSITION			
BEGINNING OF YEAR			\$ 10,538,893
PRIOR PERIOD ADJUSTMENT			\$ (5,513)
END OF YEAR			\$ 11,235,220

The accompanying notes are an integral part of these financial statements

GARBERVILLE SANITARY DISTRICT
Statement of Cash Flows
For the Years Ended June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Cash Flows From Operating Activities		
Cash Received from Customers	\$ 925,428	\$ 874,282
Cash Paid for Employees	(203,841)	(144,878)
Cash Paid for Goods and Services	<u>(456,180)</u>	<u>(454,018)</u>
Net Cash Provided by Operating Activities	<u>265,407</u>	<u>275,386</u>
Cash Flows From Non-Capital Financing Activities		
Other Non-Operating Revenue	-	950
Property Tax Revenues	<u>24,440</u>	<u>23,819</u>
Net Cash Provided by Non-Capital Financing Activities	<u>24,440</u>	<u>24,769</u>
Cash Flows From Capital and Related Financing Activities		
Proceeds from Long-Term Debt	250,000	1,065,474
Principal Paid on Long-Term Debt	(104,975)	(1,432,036)
Interest Paid on Long-Term Debt	(12,856)	(8,875)
Acquisition of Capital Assets	(462,515)	(1,880,703)
Capital Grant	<u>(179,751)</u>	<u>1,122,618</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(510,097)</u>	<u>(1,133,522)</u>
Cash Flows From Investing Activities		
Interest on Investments	<u>4,178</u>	<u>2,615</u>
Net Cash Provided by Investing Activities	<u>4,178</u>	<u>2,615</u>
Net (Decrease) in Cash and Cash Equivalents	(216,072)	(830,752)
Cash and Cash Equivalents - Beginning of Year	<u>1,101,472</u>	<u>1,932,224</u>
Cash and Cash Equivalents - End of Year	<u><u>\$ 885,400</u></u>	<u><u>\$ 1,101,472</u></u>

The accompanying notes are an integral part of these financial statements

GARBERVILLE SANITARY DISTRICT
Statement of Cash Flows
For the Years Ended June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Reconciliation of Operating Gain (Loss) to Net Cash Provided by Operating Activities		
Operating Gain (Loss)	\$ (279,405)	\$ 6,299
Adjustment to Reconcile Operating Gain (Loss) to Net Cash Provided by Operating Activities:		
Depreciation and Amortization	482,288	305,213
(Increase) Decrease in Accounts Receivable	16,746	10,018
(Increase) Decrease in Other Receivable	-	-
(Increase) Decrease in Prepaid Expenses	37,778	(39,687)
Increase (Decrease) in Accounts Payable	-	-
Increase (Decrease) in Accrued Liabilities	<u>8,000</u>	<u>(6,457)</u>
Total Adjustments	<u>544,812</u>	<u>269,087</u>
Net Cash Provided by Operating Activities	<u>\$ 265,407</u>	<u>\$ 275,386</u>
 Reconciliation of Cash and Cash Equivalents per Statement of Cash Flows to Cash and Cash Equivalents per Balance Sheet		
Cash and Cash Equivalents per Statement of Cash Flows	<u>\$ 885,400</u>	<u>\$ 1,101,472</u>
Cash and Cash Equivalents per Balance Sheet:		
Cash and Cash Equivalents	\$ 304,803	\$ 779,031
Cash in County Treasury	<u>580,597</u>	<u>322,441</u>
	<u>\$ 885,400</u>	<u>\$ 1,101,472</u>

The accompanying notes are an integral part of these financial statements

NOTES TO FINANCIAL STATEMENTS



GARBERVILLE SANITARY DISTRICT

Notes to Financial Statements

June 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity - On April 12th, 1932, the Garberville Sanitary District (the "District") was formed, pursuant to the Sanitary District Act of 1923, Health & Safety Code Section 6400 et seq. for the following purposes:

1. The collection, treatment, and disposal of wastewater for the District and its inhabitants.

In December of 2004, the community voted to purchase the assets of the Garberville Water Company for the following purposes:

1. To supply the inhabitants of the District with water for domestic use, irrigation, sanitation,
Industrial use, fire protection and recreation.

Garberville is an unincorporated community in the southern reaches of Humboldt County, California.

Measurement Focus and Basis of Accounting - The financial statements of the District are prepared in accordance with Generally Accepted Accounting Principles (GAAP). The District applies all applicable Governmental Accounting Standards Board (GASB) pronouncements.

The accounts are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The District uses proprietary funds. Proprietary funds are accounted for using the *economic resources measurement focus* and the *accrual basis of accounting*. Accordingly, all of the District's assets and liabilities including capital assets and long-term liabilities are included in the accompanying Balance Sheet. Under the accrual method of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. The District reports the following proprietary funds:

Enterprise Funds - These funds are used to account for those operations that are financed and operated in a manner similar to a private business or where the board of directors has decided that the determination of revenues earned, costs incurred, and/or net income is necessary for management accountability.

GARBERVILLE SANITARY DISTRICT

Notes to Financial Statements

June 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgets and Budgetary Accounting - The Business Manager presents proposed budgets to the Board of Directors for approval. The budget is approved by a motion to adopt by the Board of Directors.

The budgets for the enterprise funds are adopted on the full accrual basis of accounting consistent with the comparative actual amounts.

Cash and Cash Equivalents - Cash and cash equivalents for purposes of the statement of cash flows includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the District. Restricted assets are included.

The District has a pooled investment which is administered by the County of Humboldt. These approved investments are carried at cost, which approximates market value, and may be liquidated as needed. The investment pool has not been assigned a risk category since the District is not issued securities, but rather owns an undivided beneficial interest in the assets of this pool.

Capital Assets and Depreciation - Capital assets are recorded at cost. Capital asset purchases with values exceeding \$250 and having a life expectancy of at least 3 years are capitalized.

Depreciation is computed under the straight-line method using lives ranging from 3 to 50 years. Depreciation expense is calculated by using annual allowance rates varying from 2% to 33% of the various year-end account balances.

Compensated Absences - Qualified employees of the District accrue vacation, sick, compensatory and other leave time. Upon retirement, resignation, or dismissal, employees are paid in cash for all leave time accumulated except sick leave. No compensation for accrued sick leave upon retirement or termination is made. Accordingly, sick pay is charged to expenditures when taken. No provision has been made in the financial statements for unused sick leave. The liability for compensated absences at June 30, 2016 was \$25,910, and at June 30, 2015 was \$19,345, and has been reflected thus on the Balance Sheet.

Fund Equity - Reservations of the ending retained earnings indicate the portions of retained earnings not appropriate for expenditures or amounts legally segregated for a specific future use. These amounts are not available for appropriation and expenditure at the balance sheet date.

Allowance Method Used to Record Bad Debts - Management has provided an allowance for doubtful accounts equal to the estimated uncollectible amounts. The estimate is based on a review of the current status of trade accounts receivable. It is reasonably possible that the District's estimate of the allowance for doubtful accounts will change. Accounts receivable are presented net of an allowance for doubtful accounts of \$5,000 at June 30, 2016.

GARBERVILLE SANITARY DISTRICT

Notes to Financial Statements

June 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Policy for Defining Operating and Non-Operating Revenues - The District's proprietary funds make a distinction between operating and non-operating revenues and expenses. Operating revenues and expenses generally result from providing goods and services related directly to the principal operations of the funds. All revenues and expenses not meeting this definition are reported as non-operating including interest income and expense.

Policy for Applying FASB Pronouncements - The District has adopted all applicable FASB Statements and Interpretations, APB Opinions, and ARBs issued after November 30, 1989, except those that are limited to not-for-profit organizations.

Policy for Applying Restricted/Unrestricted Resources - When an expense is incurred for which both restricted and unrestricted retained earnings are available, restricted resources are applied first.

NOTE 2 - CASH AND CASH EQUIVALENTS

The District has no self-directed investments other than the pooled investment administered by the County referred to in Note 1. The District's funds invested and maintained by other agencies are as follows:

<u>2016</u>	<u>Cash in Checking</u>	<u>Cash in Savings</u>	<u>Cash in County</u>	<u>Petty Cash</u>	<u>Total</u>
Insured by FDIC	110,628	147,746	-	-	258,374
Restricted Water fund	46,193	-	-	-	46,193
Petty Cash	-	-	-	236	236
Subtotal					<u>304,803</u>
Pooled with County	-	-	580,597	-	580,597
Total	<u>156,821</u>	<u>147,746</u>	<u>580,597</u>	<u>236</u>	<u>885,400</u>

GARBERVILLE SANITARY DISTRICT
Notes to Financial Statements
June 30, 2016

NOTE 2 - CASH AND CASH EQUIVALENTS (Continued)

<u>2015</u>	<u>Cash in Checking</u>	<u>Cash in Savings</u>	<u>Cash in County</u>	<u>Petty Cash</u>	<u>Total</u>
Insured by FDIC	643,766	135,015	-	-	778,781
Petty Cash	-	-	-	250	250
Subtotal					779,031
Pooled with County	-	-	322,441	-	322,441
Total	<u>643,766</u>	<u>135,015</u>	<u>322,441</u>	<u>250</u>	<u>1,101,472</u>

NOTE 3 - CAPITAL ASSETS AND DEPRECIATION

Capital Assets for the District for the years ended June 30, 2016 and 2015 consisted of the following:

	<u>Balance 6/30/15</u>	<u>Additions</u>	<u>Deletions Transfers</u>	<u>Balance 6/30/16</u>
Land - Sewer	129,811	-	-	129,811
Land - Water	88,699	-	-	88,699
Water System	153,405	-	(20,023)	133,382
Water Easements	177,397	-	-	177,397
Collection Facilities	2,265,653	-	(20,022)	2,245,631
Kimtu Waterline	1,908,669	-	-	1,908,669
Treatment Facilities	496,074	4,688	-	500,762
Water Project 2015	4,968,105	-	-	4,968,105
Tobin Well 2015	40,189	-	-	40,189
Sewer Project 2011	2,792,452	-	-	2,792,452
SWTP Office Remodel	-	19,741	-	19,741
Alderpoint Tank	-	327,908	343,609	671,517
Melville Road (2015)	-	19,568	40,045	59,613
Office Equipment	29,320	2,684	-	32,004
Equipment	73,456	84,851	-	158,307
Vehicles	48,024	-	-	48,024
CIP Leino Lane	-	585	-	585
CIP Bear Canyon	-	576	-	576
Annexation Project CIP	155,452	1,915	-	157,367
CIP Alderpoint Tank	343,609	-	(343,609)	-
Less: Accumulated Depreciation	<u>(1,823,079)</u>	<u>(482,288)</u>	<u>-</u>	<u>(2,305,367)</u>
Total	<u>\$ 11,847,236</u>	<u>(19,772)</u>	<u>-</u>	<u>\$ 11,827,464</u>

GARBERVILLE SANITARY DISTRICT

Notes to Financial Statements

June 30, 2016

NOTE 3 - CAPITAL ASSETS AND DEPRECIATION (Continued)

	Balance 6/30/14	Additions	Deletions Transfers	Balance 6/30/15
Land - Sewer	129,811	-	-	129,811
Land - Water	88,699	-	-	88,699
Water System	120,924	43,823	(11,342)	153,405
Water Easements	177,397	-	-	177,397
Collection Facilities	2,245,631	20,022	-	2,265,653
Kimtu Waterline	1,908,669	-	-	1,908,669
Treatment Facilities	491,574	4,500	-	496,074
Water Project 2015	-	-	4,968,105	4,968,105
Tobin Well 2015	-	-	40,189	40,189
Sewer Project 2011	2,792,452	-	-	2,792,452
Annexation Project	145,075	10,377	-	155,452
Office Equipment	17,765	11,555	-	29,320
Equipment	-	73,456	-	73,456
Vehicles	48,024	-	-	48,024
CIP Water	3,993,477	974,628	(4,968,105)	-
CIP Tobin Well	34,364	5,825	(40,189)	-
CIP Alderpoint Tank	75,710	267,899	-	343,609
Less: Accumulated Depreciation	<u>(1,519,048)</u>	<u>(305,213)</u>	<u>1,182</u>	<u>(1,823,079)</u>
Total	<u>\$ 10,750,524</u>	<u>1,106,872</u>	<u>(10,160.00)</u>	<u>\$ 11,847,236</u>

GARBERVILLE SANITARY DISTRICT
Notes to Financial Statements
June 30, 2016

NOTE 4 - LONG-TERM DEBT

Long-term debt of the District for the years ended June 30, 2016 and 2015 consisted of the following:

	Balance 6/30/15	Additions	Principal Payments	Balance 6/30/16
SWRCB	212,954	-	(21,831)	191,123
MFC	33,236	-	(33,236)	-
RCAC-2	-	250,000	(26,057)	223,943
SRF Loan	1,379,471	-	(22,991)	1,356,480
Copier Lease	4,298	-	(860)	3,438
	<u>1,625,661</u>	<u>250,000</u>	<u>(104,975)</u>	<u>1,774,984</u>

	Balance 6/30/2014	Additions	Principal Payments	Balance 6/30/15
SWRCB	234,358	-	(21,404)	212,954
MFC	97,648	-	(64,412)	33,236
RCAC	925,269	420,515	(1,345,784)	-
Copier Lease	-	4,736	(438)	4,298
SRF Loan	739,247	640,224	-	1,379,471
	<u>1,996,522</u>	<u>1,065,475</u>	<u>(1,432,038)</u>	<u>1,629,959</u>

Current portion of long-term debt is as follows:

SWRCB	\$ 22,268
SRF Loan	45,982
RCAC Loan	46,472
Copier	912
	<u>\$ 115,634</u>

Descriptions, terms, and other information on each of the above categories of debt are as follows:

STATE WATER RESOURCES CONTROL BOARD (SWRCB):

On June 28, 2005, the District borrowed \$395,340 for the Sewer System Relocation Project. On September 27, 2006, the District received additional loan funding of \$33,567. The loan is payable in annual installments of \$26,090 each August 1, including 2% interest, through August 1, 2023. Net revenues of the District are pledged as collateral for this loan. The principal balance due as of June 30, 2016 was \$191,123.

GARBERVILLE SANITARY DISTRICT

Notes to Financial Statements

June 30, 2016

NOTE 4 - LONG-TERM DEBT (Continued)

Following are the principal and interest requirements to maturity for each of the five subsequent fiscal years and in five-year increments thereafter:

SWRCB LOAN

<u>Year(s) Ending</u> <u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	22,268	3,822	26,090
2018	22,713	3,377	26,090
2019	23,167	2,923	26,090
2020	23,631	2,459	26,090
2021	24,103	1,987	26,090
2022-2024	75,241	3,029	78,270
	<u>\$ 191,123</u>	<u>\$ 17,597</u>	<u>\$ 208,720</u>

WELLS FARGO FINANCIAL LEASING

On January 9, 2015, the District entered a capital lease agreement for a Toshiba Copier. The terms were for a 60 month period with purchase option. The following principal and interest to maturity are:

<u>Year(s) Ending</u> <u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	912	177	1,089
2018	967	122	1,089
2019	1,025	64	1,089
2020	534	9	543
	<u>\$ 3,438</u>	<u>\$ 372</u>	<u>\$ 3,810</u>

MUNICIPAL FINANCE CORPORATION (MFC)

On August 24, 2010, the District borrowed \$300,000 for a Wastewater Construction Project. The loan is payable in semi-annual installments of \$34,233.36, including 4.95% interest. This loan was paid off during the year.

GARBERVILLE SANITARY DISTRICT

Notes to Financial Statements

June 30, 2016

NOTE 4 - LONG-TERM DEBT (Continued)

RURAL COMMUNITY ASSISTANCE CORPORATION (RCAC)

The District entered into a five year note and loan agreement on October 14, 2015. The maturity date is November 1, 2020 with interest at 5.00 %. Monthly payments beginning December 1, 2015 are \$4,717.81. The principal balance at June 30, 2016 was \$223,943.

Year(s) Ending June 30	Principal	Interest	Total
2017	46,472	10,142	56,614
2018	48,850	7,764	56,614
2019	51,349	5,265	56,614
2020	53,976	2,638	56,614
2021	23,296	248	23,544
	<u>\$ 223,943</u>	<u>\$ 26,057</u>	<u>\$ 250,000</u>

STATE REVOLVING FUND (SRF)

The District entered into a funding agreement (Project 1210008-006C) under the provisions of California Safe Drinking Water State Revolving Fund in April 2013 for a total Project cost of \$4,379,431. Under this agreement, the Loan amount is not to exceed \$1,379,471 at 0% interest, over 30 years, with principal payments of \$22,991.18 due semiannually on January 1 and July 1 commencing January 2016. The principal balance at June 30, 2016 was \$1,356,480.

Year(s) Ending June 30	Principal	Interest	Total
2017	45,982	-	45,982
2018	45,982	-	45,982
2019	45,982	-	45,982
2020	45,982	-	45,982
2021	45,982	-	45,982
2022-2046	1,126,570	-	1,126,570
	<u>\$ 1,356,480</u>	<u>\$ -</u>	<u>\$ 1,356,480</u>

GARBERVILLE SANITARY DISTRICT

Notes to Financial Statements

June 30, 2016

NOTE 5 - INSURANCE

The District is exposed to various risks of loss related to torts; damage to, and theft or destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District was a member of the Special District Risk Management Authority (SDRMA), an intergovernmental risk sharing joint powers authority created pursuant to California Government Code Sections 6500, et. seq., effective July 1, 2015 through June 30, 2016. During its membership, the following policies were in effect:

	<u>Limits</u>
General and Auto Liability, Public Officials' and Employees' Errors and Omissions and Employment Practices Liability (per occurrence)	2,500,000
Employee Dishonesty Coverage (per loss)	400,000
Property Loss (per occurrence)	1,000,000,000
Boiler and Machinery (per occurrence)	100,000,000
Public Officials Personal Liability (per occurrence)	500,000

NOTE 6 - PROPERTY TAXES/EXEMPTIONS

The County Board of Supervisors has authorized the District's receipt of taxes and exemptions from the

County-wide \$1 per \$100 assessed valuation general purpose tax, as well as special taxes assessed for purposes of the general obligation bonds. The purpose of these appropriations is to assist the District in providing water and solid waste utility services. Following is a listing of the District's receipts by source:

	<u>2016</u>	<u>2015</u>
Current Secured Taxes	23,010	22,431
Current Unsecured Taxes	859	868
Taxes-Prior Years	11	26
Taxes-Current-Supplemental Rolls	220	141
State-Homeowners' Exemptions	322	329
Taxes-Prior Years-Supplemental	30	36
Total Taxes/Exemptions	<u>24,452</u>	<u>23,831</u>

GARBERVILLE SANITARY DISTRICT

Notes to Financial Statements

June 30, 2016

**NOTE 7 – SURFACE WATER TREATMENT PLANT AND INFRASTRUCTURE
CAPITAL IMPROVEMENT PROJECT**

The project was expected to cost \$4.5 million dollars. Funding for this project is from CDPH, in Funding Agreement SRFCX103, executed on May 10, 2013 in the amount of \$4,060,478. The grant amount is \$3,000,000 and the loan amount is \$1,060,478 with 0% interest and a 30-year term. The Funding agreement was amended September 2014 to increase the total cost to \$4,379,471 with the original loan amount increased to \$1,379,471. (See Note 4) The project was completed January 29, 2015.

The total amount of interest cost capitalized for this project was \$ -0- , \$15,510 and \$29,259 as of June 30, 2016, 2015 and 2014, respectively.

Grant receivables were \$-0- and \$39,909 at June 30, 2016 and 2015, respectively.

**NOTE 8 – ANNEXATION (JURISDICTIONAL BOUNDARY, SOI EXPANSION, CHANGE
IN PLACE OF USE, AND MSR) PROJECT**

Every five years, the Humboldt County Local Agency Formation Commission (LAFCo) is mandated to review the Spheres of Influence (SOI's) of all government entities within the District. A Municipal Service Review (MSR) is prepared by LAFCo as part of the SOI review. The District participates in the preparation of the document and provides the data necessary for the LAFCo to perform the review. As part of the MSR/SOI review, in 2011, the District identified numerous parcels that are being provided with water service which are outside of the existing District's Jurisdictional Boundary and SOI. The LAFCo process for remedy of this condition is to complete an annexation of these parcels into the boundaries by petitioning LAFCo for the proposed change. As part of this project the District also needs to modify the Place of Use for the Diversion License and Permit as regulated by the State Water Resources Control Board Division of Water Rights to be consistent with the areas served. Upon completion of the Annexation, the Change in Place of Use, the Municipal Services Review and Sphere of Influence Update, the District will not need to complete this planning process for five years or until a property asks to be annexed into the District Boundary or Sphere of Influence.

NOTE 9 – PRIOR PERIOD ADJUSTMENT

A prior period adjustment was required during the years ended June 30, 2016 and 2015. The adjustment was needed to correctly capitalize an invoice that was expensed in error in 2015. The adjustment for 2014 was for an engineering invoice that was written off in 2015.

	<u>2015</u>	<u>2014</u>
Capitalize invoice American Leak Detection for Melville Project	<u>\$ 2,960</u>	
Write- off Arc-Sine invoice		<u>\$ 5,513</u>

GARBERVILLE SANITARY DISTRICT
Notes to Financial Statements
June 30, 2016

NOTE 10 – LEASE

Management has obtained a three year vehicle lease effective September 2, 2016 for a Ford F250 Utility truck. Three annual payments of \$15,016.21 are due on September 2 with a total of \$2,693 in interest.

NOTE 11 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 20, 2016, the date the financial statements were available to be issued.

DRAFT

December 20, 2016

DRAFT

To the Board of Directors and Members of Management
Garberville Sanitary District
Garberville, California

Board of Directors and Members of Management:

We have audited the financial statements of the business-type activities of the Garberville Sanitary District as of and for the year ended June 30, 2016. Professional standards require that we provide you with the following 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 in our letter dated September 22, 2016. Professional standards also require that we communicate to you the following information related to our audit.

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our audit engagement letter, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

Planned Scope and Timing of the Audits

We performed the audits according to the planned scope and timing previously communicated to you in our engagement letter.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the District are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year. 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 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 accumulated depreciation and depreciation expense.

Management's estimate of the accumulated depreciation and related expense for the current year was based on management's estimate of the life expectancy of the fixed assets. We reviewed the capital asset listing, and current year depreciation schedule. We were satisfied that the calculations used were reasonable.

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

Difficulties Encountered in Performing the Audits

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

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 auditors' report. We are pleased to report that no such disagreements arose during the course of 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. There were no adjustments to the financial statements in the current year.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 20, 2016.

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, 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.

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

ANDERSON, LUCAS, SOMERVILLE & BORGES, LLP

DRAFT

Board of Directors and Management
Garberville Sanitary District

In planning and performing our audit of the financial statements of the business-type activities of the Garberville Sanitary District as of and for the year ended June 30, 2016 in accordance with auditing standards generally accepted in the United States of America, we considered Garberville Sanitary District's internal control over financial reporting (internal control) as a basis for designing auditing 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.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, described in the accompanying letter, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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 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.

Significant Deficiencies

Inadequate segregation of duties.

When designing a system of internal controls, it is prudent to separate the recordkeeping function, custody of assets, and authorization function whenever feasible. With regard to cash disbursements, we noted that the Office Administrator records disbursements, has access to check stock, and is an authorized signor on the checking account.

We have found that the Check Signing policy has not been followed with regard to the two signature requirement for checks over \$500 and under \$5,000. These types of items are typical of small entities where staff may not be available to sign the checks. We suggest the Board either amend their policy or have the staff contact the Board for the second signatures when necessary.

DRAFT

Absence of appropriate reviews and approvals of transactions.

In a good internal control system there is oversight, review processes and monitoring to ensure that errors can be prevented and detected. We found certain approvals lacking for exceeding the 10 hour weekly maximum for the contract project manager's invoices. We also suggest updating this contract agreement to put it in the same name as the invoices and to reflect what duties are being performed for the District since the original project has been completed.

Outdated Personnel Policy and Procedures

During our audit we found that the Vacation and Sick policies are not being followed according to the written manual. The policies have not been amended since 2009. We discovered one long time employee recently retired and was paid for more vacation time than he should have had accrued. Sick hours are limited to 192 hours accrual. We found that the hours in the payroll records show some employees with more than that. When we asked for the most recent manual, the Office Administrator gave us an older version than we already had on file. We suggest all employees be given the most recent policy. We understand the District intends to update this manual in the current year.

Accounting Manual Needed

During the audit, we noted that there is no accounting manual. The purposes of such a manual are to ensure that proper accounting principles are being applied, that similar transactions are treated consistently, and to aid in the training of new employees. Instructions on how to operate the Accounts receivable software program would ensure continuity and uniformity of use. We recommend the District develop this manual which will assist management in eliminating or improving procedures, thereby creating a more efficient and effective system.

Cash Management and Deposits

Many of the Garberville customers pay their bills with cash. We understand that a new lockbox has been installed to provide customers the ability to pay when the office is closed. During our audit we discovered that deposits to the bank are made twice a week. We suggest daily deposits to minimize the amount of cash on site. We also suggest the District invest in a safe to hold the cash and checks overnight.

Inadequate Communication

While conducting the audit, we became aware of the lack of communication and potentially dysfunctional office interaction. These misunderstandings have led to obvious friction between the employees and management. This can have an extremely negative impact on internal efficiencies, and contribute to low employee morale, ultimately impacting the District's future. We highly recommend this lack of communication be investigated and a solution implemented as soon as possible. We suggest the Board take a more active role. We understand the District is adopting a Whistleblower Policy as we previously suggested.

Material Weaknesses

Outside Employment

During the audit, we discovered that the General Manager holds multiple positions at three other Districts. Since this District employs him fulltime, there should be some accountability for the time he spends at his outside employment. We have suggested to the Board that his contract should reflect their understanding with regards to his other employment. We have also suggested that District personnel responsible for entering payroll information should know the whereabouts of the Chief Operator in case of emergencies. We noted that the timesheets kept for the general manger do not indicate what jobs or duties he is performing. We suggest that he provide the job detail which is lacking on the current timecards. Because he has other positions, it is necessary to be assured that he is working solely for Garberville during his hours of work. We suggest that the Board approve the General Manager’s time cards. It was also found that his most recent employment contract had yet to be signed.

It is important that all employees take vacation. During our audit, we were informed that the General Manager considers himself at work while at home and on vacation. There should be some accountability and possibly a temporary replacement operator for the time the General Manager is off duty.

We have also determined that fringe benefits paid to the General Manager have not been recorded on the previous year’s W2 form. We have informed the outside accountant and the Board that monies paid for telephone, fuel and auto repairs are considered additional wages to the General Manager.

During the audit we noticed that the District’s credit was used to purchase a tool for another district. Although this tool was replaced, it is a major internal control concern. We suggest that if the General Manager is purchasing anything for an outside employer, that he purchase it directly and get reimbursed by the other entity without running it through the Garberville books and records.

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

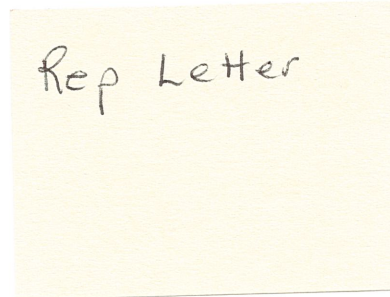
ANDERSON, LUCAS, SOMERVILLE & BORGES, LLP

Fortuna, California
December 20, 2016



GARBERVILLE SANITARY DISTRICT

P. O. BOX 211 GARBERVILLE CA 95542
PHONE (707) 923-9566 / FAX (707) 923-3130



December 20, 2016

Anderson, Lucas, Somerville & Borges
1338 Main Street
Fortuna, CA 95540

We are providing this letter in connection with your audits of the financial statements of Garberville Sanitary District as of June 30, 2016 and for the year then ended for the purpose of expressing opinions as to whether the financial statements present fairly, in all material respects, the respective financial position of the business-type activities, each major fund and the aggregate remaining fund information of Garberville Sanitary District and the respective changes in financial position and cash flows in conformity with U.S. generally accepted accounting principles. We confirm that we are responsible for the fair presentation of the previously mentioned financial statements in conformity with U.S. generally accepted accounting principles. We are also responsible for adopting sound accounting policies, establishing and maintaining effective internal control over financial reporting, and preventing and detecting fraud.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgement of a reasonable person relying on the information would be changed or influenced by the omission or misstatements. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of December 20, 2016, the following representations made to you during your audits.

1. The financial statements referred to above are fairly presented in conformity with U.S. generally accepted accounting principles and include all properly classified funds and other financial information of the business-type activities required by generally accepted accounting principles to be included in the financial reporting entity.

2. We have made available to you all —
 - a. Financial records and related data.
 - b. Minutes of the meetings of the Board of Directors of the Garberville Sanitary District or summaries of actions of recent meetings for which minutes have not yet been prepared.
3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
4. There are no material transactions that have not been properly recorded in the accounting records underlying the financial statements.
5. We believe the effects of the uncorrected financial statement misstatements summarized in the attached schedule, if any, are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. In addition, you have proposed adjusting journal entries that have been posted. We are in agreement with those adjustments.
6. We acknowledge our responsibility for the design and implementation of programs and controls to prevent and detect fraud.
7. We have no knowledge of any fraud or suspected fraud affecting the entity involving:
 - a. Management,
 - b. Employees who have significant roles in internal control, or
 - c. Others where the fraud could have a material effect on the financial statements.
8. We have no knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, analysts, regulators, or others.
9. We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.

10. The District has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or fund equity.
11. The following, if any, have been properly recorded or disclosed in the financial statements:
 - a. Related party transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties.
 - b. Guarantees, whether written or oral, under which the District is contingently liable.
 - c. All accounting estimates that could be material to the financial statements, including the key factors and significant assumptions underlying those estimates and measurements. We believe the estimates and measurements are reasonable in the circumstances, consistently applied and adequately disclosed.
12. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and we have identified and disclosed to you all laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives, including legal and contractual provisions for reporting specific activities in separate funds.
13. There are no —
 - a. Violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, or for reporting on noncompliance.
 - b. Unasserted claims or assessments that our lawyer has advised us are probable of assertion and must be disclosed in accordance with generally accepted accounting principles (Statement of Financial Accounting Standards No. 5).

- c. Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by Financial Accounting Standards Board (FASB) Statement No. 5.
 - d. Reservations or designation of fund equity that were not properly authorized and approved.
14. As part of your audit, you assisted with preparation of the financial statements and related notes. We have designated an individual with suitable skill, knowledge, or experience to oversee your services and have made all management decisions and performed all management functions. We have reviewed, approved, and accepted responsibility for those financial statements and related notes.
 15. The District has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
 16. The District has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
 17. We have followed all applicable laws and regulations in adopting, approving and amending budgets.
 18. The financial statements properly classify all funds and activities.
 19. All funds that meet the quantitative criteria in GASB Statement Nos. 34 & 37 for presentation as major are identified and presented.
 20. Net asset components (invested in capital assets, net of related debt; restricted; and unrestricted) and equity amounts are properly classified and, if applicable, approved.
 21. Provisions for uncollectible receivables have been properly identified and recorded.
 22. Interfund, internal and inter-entity activity and balances have been appropriately classified and reported.
 23. Deposits and investment securities, if any, are properly classified as to risk, and investments are properly valued.
 24. Capital assets are properly capitalized, reported, and, if applicable, depreciated.

25. We acknowledge our responsibility for the required supplementary information (RSI), if any. The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used on the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurements and presentations of the RSI.

To the best of our knowledge and belief, no events, including instances of noncompliance, have occurred subsequent to the balance sheet date and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements.

Signed: _____

Title: _____



The Division of Labor Standards Enforcement believes that the sample posting below meets the requirements of Labor Code Section 1102.S(a). This document must be printed to 8.5 x 14 inch paper with margins no larger than one-half inch in order to conform to the statutory requirement that the lettering be larger than size 14 point type.

WHISTLEBLOWERS ARE PROTECTED

It is the public policy of the State of California to encourage employees to notify an appropriate government or law enforcement agency, person with authority over the employee, or another employee with authority to investigate, discover, or correct the violation or noncompliance, and to provide information to and testify before a public body conducting an investigation, hearing or inquiry, when they have reason to believe their employer is violating a state or federal statute, or violating or not complying with a local, state or federal rule or regulation.

Who is protected?

Pursuant to [California Labor Code Section 1102.5](#), employees are the protected class of individuals. "Employee" means any person employed by an employer, private or public, including, but not limited to, individuals employed by the state or any subdivision thereof, any county, city, city and county, including any charter city or county, and any school district, community college district, municipal or public corporation, political subdivision, or the University of California. [[California Labor Code Section 1106](#)]

What is a whistleblower?

A "whistleblower" is an employee who discloses information to a government or law enforcement agency, person with authority over the employee, or to another employee with authority to investigate, discover, or correct the violation or noncompliance, or who provides information to or testifies before a public body conducting an investigation, hearing or inquiry, where the employee has reasonable cause to believe that the information discloses:

1. A violation of a state or federal statute,
2. A violation or noncompliance with a local, state or federal rule or regulation, or
3. With reference to employee safety or health, unsafe working conditions or work practices in the employee's employment or place of employment.

A whistleblower can also be an employee who refuses to participate in an activity that would result in a violation of a state or federal statute, or a violation of or noncompliance with a local, state or federal rule or regulation.

What protections are afforded to whistleblowers?

1. An employer may not make, adopt, or enforce any rule, regulation, or policy preventing an employee from being a whistleblower.
2. An employer may not retaliate against an employee who is a whistleblower.
3. An employer may not retaliate against an employee for refusing to participate in an activity that would result in a violation of a state or federal statute, or a violation or noncompliance with a state or federal rule or regulation.
4. An employer may not retaliate against an employee for having exercised his or her rights as a whistleblower in any former employment.

Under [California Labor Code Section 1102.5](#), if an employer retaliates against a whistleblower, the employer may be required to reinstate the employee's employment and work benefits, pay lost wages, and take other steps necessary to comply with the law.

How to report improper acts

If you have information regarding possible violations of state or federal statutes, rules, or regulations, or violations of fiduciary responsibility by a corporation or limited liability company to its shareholders, investors, or employees, **call the California State Attorney General's Whistleblower Hotline at 1-800-952-5225** Attorney General will refer your call to the appropriate government authority for review and possible investigation.

RESOLUTION 17-002

THIS RESOLUTION AUTHORIZES THE GARBERVILLE SANITARY DISTRICT TO INCLUDE THE CALIFORNIA LABOR DEPARTMENT APPROVED WHISTLE BLOWER POLICY TO THE PERSONNEL POLICY MANUAL

A. WHEREAS, It has been determined that the Garberville Sanitary District will include the California Labor Department approved Whistle Blower policy to the Personnel Policy

B. WHEREAS, Resolution 17-002 will allow the District to add the Whistle Blower policy as section 9.1

C. WHEREAS, This Resolution insures that employees and the District will abide by the Whistle Blower policy

D. WHEREAS, A "whistleblower" is an employee who discloses information to a government or law enforcement agency, person with authority over the employee, or to another employee with authority to investigate, discover, or correct the violation or noncompliance, or who provides information to or testifies before a public body conducting an investigation, hearing or inquiry, where the employee has reasonable cause to believe that the information discloses:

1. A violation of a state or federal statute,
2. A violation or noncompliance with a local, state or federal rule or regulation, or
3. With reference to employee safety or health, unsafe working conditions or work practices in the employee's employment or place of employment.

A whistleblower can also be an employee who refuses to participate in an activity that would result in a violation of a state or federal statute, or a violation of or noncompliance with a local, state or federal rule or regulation.

ADDITION OF THE CALIFORNIA LABOR DIVISION WHISTLE BLOWER POLICY

Garberville Sanitary District will include the Whistle Blower policy to the Personnel Policy so as to insure employees are protected under the law if they report illegal or inappropriate behavior as the law states.

Pursuant to [California Labor Code Section 1102.5](#), employees are the protected class of individuals. "Employee" means any person employed by an employer, private or public, including, but not limited to, individuals employed by the state or any subdivision thereof, any county, city, city and county, including any charter city or county, and any school district, community college district, municipal or public corporation, political subdivision, or the University of California. [[California Labor Code Section 1106](#)]

NOW, THEREFORE LET IT BE KNOWN THAT, THE BOARD OF DIRECTORS OF THE GARBERVILLE SANITARY DISTRICT APPROVES THE ADDITION OF THE CALIFORNIA LABOR CODE APPROVED WHISTLE BLOWER POLICY AS SECTION 9.1 OF THE PERSONNEL POLICY

**PASSED, APPROVED AND ADOPTED this 24th day of January 2017
by the following roll call vote:**

AYES:

NOES:

ABSTAIN:

ABSENT:

Linda Brodersen, Board Chairperson

ATTEST:

Ralph Emerson, General Manager

CHIEF PLANT OPERATOR

ESSENTIAL FUNCTION

Under supervision of **General Manager**, responsible for performing water and wastewater treatment processing and analysis work in conformance with regular procedures, approved treatment processing methods and regulatory prescribed techniques and verifying compliance with requirements and validating quality of completed work.

PRIMARY DUTIES

This position reports to the **District Administrator General Manager** and will direct and assist in the maintenance and operations of all district facilities. Make routine purchases of materials and maintain inventory of equipment. Coordinate with **all Regulatory Agencies** for the operations of District facilities. **Responsible for all reports and communication with Regulatory Agencies under the direction of the General Manager.**

System Operation: **Identify operational needs and make** adjustments indicated by current conditions and variations to control and alter flow and/or treatment processes. Operates **direct and remote** controls of manual and automatic equipment to start and stop pumps, engines, generators, valves and other equipment and devices which control and adjust power, water or wastewater conveyance, flow, treatment, discharge and biosolids removal processes. Controls the application of hazardous materials and chemicals such as chlorine. Records shift operating information on standard logs and checks lists. Will assign work, provide on the job instruction, and supervise field staff learning water or wastewater treatment operations.

System Monitoring: Reviews readings, logs and test results to determine current status of systems and plant processes. Reads, records, interprets and monitors meters, gauges, control panels and laboratory tests results to assess system functions and determine processing requirements. Extracts water and wastewater samples; prepares and maintains associated chain of custody and quality control records; transfers samples to laboratory and performs routine laboratory tests and analyses.

Service and Facilities Maintenance: Identifies and assists in diagnosing existing and potential repair requirements to plant, wells, pump stations, power generators and all related facilities and equipment. Performs routine scheduled preventive maintenance work and maintenance on equipment. Prepares maintenance and repair service requests and suggests changes to preventive maintenance schedules and actions. Establish or amend operational procedures and maintenance procedures to be approved the District Administrator. Assists external contractors and internal repair crews to locate, evaluate, adjust, maintain and/or replace equipment, systems and facilities. Maintains central and remote work places. Performs maintenance work on facilities and grounds as needed. Administers safety program, performs monthly safety inspections. Responds to service requests and complaints from service users. Conducts field investigations and/or inspections of service conditions at user locations. Takes actions needed to resolve service needs. Prepares reports of service calls and complaints. Responds to utility service alerts.

General: Participates in the general housekeeping and administrative record keeping operations of the operations section. Prepares and presents monthly formal reports, including cost proposals for major equipment purchases and recommendations as appropriate. Prepares employee performance reviews on field staff for the **District Administrator General Manager**. Maintain records required by all regulatory

agencies, ordinances and policies. Assist the **District Administrator General Manager** preparing annual budget, and coordinate field operations. **with office operations.** Reports all **District** emergencies **with the operations of facilities** to both the **District Administrator General Manager and the** or Board Chairperson if **General Manager is unavailable.**

Other Assigned Duties: Perform other duties assigned by the **District Administrator General Manager** which are consistent with the responsibilities of the position and necessary to the operations of the District

3

Knowledge of the following is required to perform the essential function:

- Current practices, equipment and procedures applied to water and wastewater conveyance and treatment systems in the State.
- Federal, State and local legal and regulatory provisions and related technical terminology applicable to water and wastewater treatment processes.
- Chemical and biological procedures and tests applied in water and wastewater treatment.
- Basic construction, assembly and operational norms of hydraulic equipment, power generators, pumps and controls.
- Safety practice procedures applicable to all aspects of treatment and conveyance systems operations; procedures for using protective gear; and specific procedure applicable in handling and using hazardous materials and chemicals.

Ability to do the following is required to perform the essential function:

- Extract water and wastewater samples and perform standard laboratory tests.
- Observe, interpret and record measurements indicated on gauges, meters and similar measuring devices.
- Perform maintenance on water and wastewater equipment and facilities.
- Understand, retain and apply written procedures.
- Understand and explain specific provisions and procedures contained in technical manuals, drawings, specifications, blueprints, layouts and schematics.
- Exhibit a high customer service priority.
- Establish and maintain open and honest communications with co-workers at all levels of the organization.
- Instruct others in specific processes and procedures applied in treatment and equipment operations.
- Operate vehicles, office computers and field communications equipment.
- Operate water and wastewater equipment and process controls.
- Tolerate physical presence of height.
- Ascend and descend ladders and stairs.
- Within CALOSHA guidelines, withstand periods of physical exposure to the presence of fumes, odors, dust and pollen without incapacitating adverse effect.
- Safely enter and leave confined spaces.
- Safely transport and lift bulky objects.

Basic Qualifications: Must possess proper certification for operating the Water Treatment Plant and Wastewater Treatment Plant. At least three (3) years experience in the operation and maintenance of Water and Wastewater systems. Computer skills, ability to use word processing, spread sheets, and data processing is required.

Employment Requirements: A valid California State Class C license must be maintained at all times. Pass physical examination and illegal drug screen. Maintain telephone service and reside within 30 minutes response time to GSD. Be available to assist “on call” operator after normal scheduled work hours as needed.

Qualifying Training and Experience:

A combination of training and experience which demonstrates that a person has obtained the required knowledge and is able to perform the required work.

Employment Conditions:

Specifications Approved by the **General Manager Board of Directors.**

Fair Labor Standards Act Overtime:

Non-Exempt, receives overtime compensation.

Appointment and Removal Authority:

District Administrator. **General Manager**

SENIOR OPERATOR

ESSENTIAL FUNCTION

Under supervision, responsible for performing water and wastewater treatment processing and analysis work in conformance with regular procedures, approved treatment processing methods and regulatory prescribed techniques and verifying compliance with requirements and validating quality of completed work.

PRIMARY DUTIES

This position reports to the **District Administrator Chief Plant Operator** and will direct and assist in the maintenance and operations of all district facilities. Make routine purchases of materials through **administration** and maintain inventory of equipment. Coordinate with **the Chief Plant Operator and all Regulatory Agencies** for the operations of District facilities.

System Operation: Identifies adjustments indicated by current conditions and variations to control and alter flow and/or treatment processes. Operates direct and remote controls of manual and automatic equipment to start and stop pumps, engines, generators, valves and other equipment and devices which control and adjust power, water or wastewater conveyance, flow, treatment, discharge and biosolids removal processes. Controls the application of hazardous materials and chemicals such as chlorine. Records shift operating information on standard logs and checks lists. Will provide on the job instruction and train field staff learning water or wastewater treatment operations.

System Monitoring: Reviews readings, logs and test results to determine current status of systems and plant processes. Reads, records, interprets and monitors meters, gauges, control panels and laboratory tests results to assess system functions and determine processing requirements. Extracts water and wastewater samples; prepares and maintains associated chain of custody and quality control records; transfers samples to laboratory and performs routine laboratory tests and analyses.

Service and Facilities Maintenance: Identifies and assists in diagnosing existing and potential repair requirements to plant, wells, pump stations, power generators and all related facilities and equipment. Performs routine scheduled preventive maintenance work and maintenance on equipment. Prepares maintenance and repair service requests and suggests changes to preventive maintenance schedules and actions. Establish or amend operational procedures and maintenance procedures to be approved by the **District Administrator Chief Plant Operator**. Assists external contractors and internal repair crews to locate, evaluate, adjust, maintain and/or replace equipment, systems and facilities. Maintains central and remote work places. Performs maintenance work on facilities and grounds as needed. Administers the hazard material safety program, performs monthly safety inspections. Responds to service requests and complaints from service users. Conducts field investigations and/or inspections of service conditions at user locations. Takes actions needed to resolve service needs. Prepares reports of service calls and complaints. Responds to utility service alerts.

General: Participates in the general housekeeping and administrative record keeping operations of the operations section. Prepares and presents monthly formal reports, including cost proposals for major equipment purchases and recommendations as appropriate. Maintain records required by all regulatory agencies, ordinances and policies. Assist the **District Administrator Chief Plant Operator** preparing annual budget, and coordinate field operations **with office operations**. Reports all emergencies **with in** the

District operations of facilities to both the to the District Administrator Chief Plant Operator and General Manager and or the Board Chairperson if the General Manager is unavailable.

Other Assigned Duties: Perform other duties assigned by the District Administrator Chief Plant Operator which are consistent with the responsibilities of the position and necessary to the operations of the District

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Knowledge of the following is required to perform the essential function:

- Current practices, equipment and procedures applied to water and wastewater conveyance and treatment systems in the State.
- Federal, State and local legal and regulatory provisions and related technical terminology applicable to water and wastewater treatment processes.
- Chemical and biological procedures and tests applied in water and wastewater treatment.
- Basic construction, assembly and operational norms of hydraulic equipment, power generators, pumps and controls.
- Safety practice procedures applicable to all aspects of treatment and conveyance systems operations; procedures for using protective gear; and specific procedure applicable in handling and using hazardous materials and chemicals.

Ability to do the following is required to perform the essential function:

- Extract water and wastewater samples and perform standard laboratory tests.
- Observe, interpret and record measurements indicated on gauges, meters and similar measuring devices.
- Perform maintenance on water and wastewater equipment and facilities.
- Understand, retain and apply written procedures.
- Understand and explain specific provisions and procedures contained in technical manuals, drawings, specifications, blueprints, layouts and schematics.
- Exhibit a high customer service priority.
- Establish and maintain open and honest communications with co-workers at all levels of the organization.
- Instruct others in specific processes and procedures applied in treatment and equipment operations.
- Operate vehicles, office computers and field communications equipment.
- Operate water and wastewater equipment and process controls.
- Tolerate physical presence of height.
- Ascend and descend ladders and stairs.
- Within CALOSHA guidelines, withstand periods of physical exposure to the presence of fumes, odors, dust and pollen without incapacitating adverse effect.
- Safely enter and leave confined spaces.
- Safely transport and lift bulky objects.

Basic Qualifications: Must possess proper certification for operating the Water Treatment Plant and Wastewater Treatment Plant. At least three (3) years experience in the operation and maintenance of Water and Wastewater systems. Computer skills, ability to use word processing, spread sheets, and data processing is required.

Employment Requirements: A valid California State Class C license must be maintained at all times. Pass physical examination and illegal drug screen. Maintain telephone service and reside within 30 minutes response time to GSD. Be available to assist “on call” operator after normal scheduled work hours as needed.

Qualifying Training and Experience:

A combination of training and experience which demonstrates that a person has obtained the required knowledge and is able to perform the required work.

Employment Conditions:

Specifications Approved by **Board of Directors** **General Manager**.

Fair Labor Standards Act Overtime:

Non-Exempt, receives overtime compensation.

Appointment and Removal Authority:

District Administrator **General Manager**

TITLE:

WATER-WASTEWATER OPERATOR I

ESSENTIAL FUNCTION

Under direct supervision, responsible for performing water and wastewater treatment processing work in conformance with routine processes, treatment methods and in conformance with regulations and standard work and safety techniques.

PRIMARY DUTIES

This is an entry level technical water and wastewater treatment classification. This position reports to the Chief Operator.

System Operations: Reviews readings, logs and test results to determine current status of systems and plant processes. Reads, records, interprets and monitors meters, gauges, control panels and laboratory test results to assess system functions and determine processing requirements. Operates direct and remote controls of manual and automatic equipment to start and stop pumps, engines, generators, valves and other equipment and devices which control and adjust power, water or wastewater conveyance, flow, treatment, discharge and biosolids removal processes. Extracts water and/or wastewater samples; prepares and maintains associated control records; transfer samples to laboratory and performs routine laboratory tests and analyses. Assists in applying chemicals to treatment processes.

Facilities Maintenance: Identifies and assists in diagnosing existing and potential repair requirements to plant, wells, pump stations, power generators and all related facilities and equipment. Performs routine scheduled preventive maintenance work and maintenance on equipment. Prepares maintenance and repair service requests. Assists external contractors and internal repair crews to locate, evaluate, adjust, maintain and/or replace equipment, systems and facilities. Maintains central and remote work places. Performs maintenance work on facilities and grounds as needed. Responds to customer service calls. Assists in conducting field investigations and/or inspections of service conditions at user locations. Takes actions needed to resolve service needs. Prepares reports of service calls and complaints. Responds to utility service alerts. Assists in housekeeping maintenance of work places.

General: Participates in the general housekeeping and administrative record keeping operations of the operations section. Prepares and presents formal reports and recommendations as appropriate. Inform if new or additional equipment is needed and maintain an inventory of equipment. Perform daily laboratory test and data entries on plant performance and equipment logs. Reports all emergencies with the operations of facilities to the Chief Operator.

Other Assigned Duties: Perform other duties assigned which are consistent with the responsibilities of the position and necessary to the operations of the District.

Knowledge of the following is required to perform the essential function:

TITLE:

Current practices, equipment and procedures applied to water and wastewater conveyance and treatment systems in the State.

Federal, State and local legal and regulatory provisions and related technical terminology applicable to water and wastewater treatment processes.

Chemical and biological procedures and tests applied in water and wastewater treatment.

Basic construction, assembly and operational norms of hydraulic equipment, power generators, pumps and controls.

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Safety practice procedures applicable to all aspects of treatment and conveyance systems operations; procedures for using protective gear; and specific procedure applicable in handling and using hazardous materials and chemicals.

Ability to do the following is required to perform the essential function:

Extract water and wastewater samples and perform standard laboratory tests.

Observe, interpret and record measurements indicated on gauges, meters and similar measuring devices.

Perform maintenance on water and wastewater equipment and facilities.

Understand, retain and apply written procedures.

Understand and explain specific provisions and procedures contained in technical manuals, drawings, specifications, blueprints, layouts and schematics.

Exhibit a high customer service priority.

Establish and maintain open and honest communications with co-workers at all levels of the organization.

Instruct others in specific processes and procedures applied in treatment and equipment operations.

Operate vehicles, office computers and field communications equipment.

Operate water and wastewater equipment and process controls.

Tolerate physical presence of height.

Ascend and descend ladders and stairs.

Within CALOSHA guidelines, withstand periods of physical exposure to the presence of fumes, odors, dust and pollen without incapacitating adverse effect.

Safely enter and leave confined spaces.

Safely transport and lift bulky objects.

Basic Qualifications: Must possess Grade I certification for operating Water Treatment. At least two (2) years experience in the operation and maintenance of Water Treatment systems. Must obtain Grade II Water Treatment certificate within one (1) year and a Grade II Wastewater Treatment certificate in three (3) years. Computer skills, ability to use word processing, spread sheets, and data processing is desirable.

Employment Requirements: A valid California State Class C license must be maintained at all times. Pass physical examination and illegal drug screen. Maintain telephone service and reside within 30 minutes response time to GSD. Be available to assist "on call" operator after normal scheduled work hours as needed. Participate in the Safety Program and be physically able to use safety equipment.

Qualifying Training and Experience:

Appendix B

TITLE:

A combination of training and experience which demonstrates that a person has obtained the required knowledge and is able to perform the required work.

Employment Conditions:

Specifications Approved by Board of Directors the General Manager.

Fair Labor Standards Act Overtime:

Non-Exempt, receives overtime compensation.

Appointment and Removal Authority:

District Administrator. General Manager

Sec 4.9 Service Connection. It shall be unlawful to maintain a connection excepting in conformity with the following rules:

- a. Each building under separate ownership must be provided with a separate service connection and meter. **Two or more buildings under same ownership and on the same lot or parcel may be supplied through the same service connection and meter if authorized by the General Manager or GSD Board.**
- b. Multiple service connections for a single parcel **with single owner** are allowed under these conditions:
 1. A master meter is installed at the property line
 2. Metered service connections are provided for each sub unit or single family residence. Meters and valves will be supplied and remain property of GSD.
 3. Supply line from master meter to each of the units shall be installed and maintained by owner.
 4. Owner will be responsible for usage on master meter, determined by deducting each sub unit from master meter.
 5. **Owner will be responsible for notifying the District of any changes to property or buildings at such time the General Manager or designee will inspect property for compliance of District service connection ordinances.**
 6. **Failure to notify the District when making improvements to the property or buildings may result in inspections costs and reimbursement of staff time, meters and construction expenses along with applicable connection fees.**
- c. Different Owner. A service connection shall not be used to supply adjoining property of a different owner or to supply property of the same owner across a street or alley.
- d. Divided Property. When property provided with a service connection is divided, each parcel will have a separate service connection. Changes to existing services is also subject to but not limited to sections 2.6 and 4.4.

For Reference to above Ordinance

Sec 2.6 Main shall mean a water line in a street, highway, alley, or easement used for public and private fire protection and for general distribution of water.

Sec 4.4 Installation Charges. New water service will require an application be filled out at the District office and a non-refundable connection fee of \$8,000 be paid before any water service is provided

RESOLUTION NO. 2017-001

RESOLUTION OF THE GARBERVILLE SANITARY DISTRICT CONFIRMING WATER AND SEWER COLLECTION ASSESSMENTS AND ESTABLISHING THE METHOD OF COLLECTION

WHEREAS, the Garberville Sanitary District has directed staff to enforce the provisions of the Water and Sewer Collection Ordinance to cause delinquent fees for Water and Sewer collection services be collected in the manner described in the Ordinance and California Government Code Section 6520.6, 6520.10; and

WHEREAS, the District staff has followed these provisions by duly notifying property owners of delinquent accounts; and

WHEREAS, certain property owners, when duly notified, made arrangements with the District to pay delinquent bills; and

WHEREAS, the delinquent and unpaid charges for Water and Sewer services can become a lien on the property pursuant to California Government Code Section 6520.10; when charges remain delinquent for 60 days, California Government Code Section 6520.11

WHEREAS, Tuesday, February 28th, 2017 at 5:00 pm in the Garberville Sanitary District Office, was fixed as the time and place of hearing protests or objections from property owners liable to be assessed for costs incurred; and

WHEREAS, said property owners were duly notified of this hearing in the manner described by said Ordinance and California Government Code Section 25124.

NOW THEREFORE, BE IT RESOLVED by the Garberville Sanitary District,

1. The District confirms the attached Report of Fees for Water and Sewer Collection pursuant to California Government Code Section 6520.6, 6520.10.
2. If said fees are not paid within 20 days of the date of this resolution, the General Manager shall record a lien as authorized by California Government Code Section 6520.6, 6520.10.
3. The lien shall be turned over to the County Auditor to be added to the annual tax bills as authorized by California Government Code Section 6520.6, 6520.10.

RESOLUTION IS HEREBY PASSED, APPROVED AND ADOPTED by the Garberville Sanitary District in the County of Humboldt, State of California, on the ____ day of _____2017 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

A ttest:

Ralph Emerson, General Manager

Linda Brodersen, Board Chairperson

