

**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 23, 2018
5:00 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___

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. No items for closed session

VI. OPEN SESSION

A. Board Report of action, if any, taken during closed session—No action

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. 4-7

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

IX. REGULAR AGENDA ITEMS

A. CONSENT AGENDA

Notice to the Public

All matters listed under Consent Agenda are considered to be routine and all will be enacted by one motion and voice vote. There will be no separate discussion of these items unless the Board of Directors requests items to be removed from the Consent Agenda for separate action. Any items will be considered after the motion to approve the Consent Agenda.

- A.1 Approve Financials – **pg 8-33**
 - A.2 Approve 12/19/2017 Regular Meeting Minutes - **pg 34-35**
 - A.3 Operations Safety Report- **pg 36-37**
- Motion:** **Second:** **Vote:**

B. GENERAL BUSINESS – Action items

Notice to the Public

The Board of Directors will allow public comment on agenda items although any person who wishes to speak on an agenda item must submit a request prior to the meeting being called to order. You will be given 5 minutes on each agenda item that you wish to comment and then the Board of Directors will discuss the item amongst themselves with no other public comment.

- B.1 Board Organization and Duties **pg. 38**
(action requested)
Nomination of Chairperson
Motion: **Second:** **Vote:**

Nomination of Vice Chairperson
Motion: **Second:** **Vote:**

Nomination of Secretary
Motion: **Second:** **Vote:**

Nomination of Treasurer
Motion: **Second:** **Vote:**

Authorized Signatures to Sign For District
Motion: **Second:** **Vote:**
- B.2 Approve Board Calendar for 2018 **pg. 39**
(action requested)
Motion: **Second:** **Vote:**
- B.3 Approve Bids for the Measure Z Fire Hydrant Replacement Project **pg. 40-44**
(discussion-possible action)
Motion: **Second:** **Vote:**
- B.4 How to Calculate a Water Bill pg.
(information only) (Mary report)
- B.5 Approve Draft Audit **Pg. 45-85**
(discussion-possible action)
Motion: **Second:** **Vote:**

- B.6 Rate Study Update **Pg. 86**
(information only)
- B.7 Water Connection between Redway and Garberville
(discussion-possible action)
Motion: **Second:** **Vote:**
- B.8 Water Treatment Plant Contact Chamber repairs
(discussion-possible action) Update
Motion: **Second:** **Vote:**
- B.9 Board Member Recruitment and Applications
(discussion-possible action)
Motion: **Second:** **Vote:**

C. POLICY REVISION / ADOPTION

- C.1 Agricultural Water use Ordinance –Section 15.9 **Pg. 87-94**
(discussion possible action) second reading—resolution # 18-001
Motion: **Second:** **Vote:**
- C.2 Payment of Bills, insufficient funds, Sec 9.5 **Pg. 95-98**
(discussion—possible action) second reading—resolution #18-002

X. ITEMS FOR NEXT BOARD MEETING

1. Rate Study
2. 10 year Capital Improvement Plan
3. Agricultural Water Use Ordinance –Sec 15.9
4. Budget Update 2017-2018
5. Audit Approval
6. Update on Measure Z Funded Fire Hydrants
7. Contact Chamber Replacement Update

XI. ADJOURNMENT

Posting of Notice at the District Office no later than January 19, 2018: 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 23, 2018

We have been working hard on the Contact Chamber replacement but are waiting for designs, costs and Insurance adjuster findings.

We have been meeting with engineers to design a contact chamber which we can build “in house” and are close to having a system in place that will meet our needs while waiting for the insurance company investigation.

With the assistance of Wahlund construction we repaired the water leak at the intersection of Sprowel Creek Rd. and Redwood Dr.

There was an old 4” water pipe which had a Blue Star Gas concrete and brick valve box and base sitting on the pipe. The broken pipe was a few feet to the east of the valve box. We were able to turn water off, remove the valve box base and add new compacted material. We will be paving this section of the intersection next summer.

I would like to Than Blue Star Gas, Wahlund Construction and our staff for the timely manner in which this leak was repaired with minimal negative impact to our customers or for traffic.

We rented a backhoe/loader for a week to do winterizing projects, clean up the wastewater plant and add base rock to the Arthur Road booster pump driveway.

I authorized installing a sliding gate at the wastewater treatment plant so we can get large trucks and trailers onto property. Currently it is very difficult and impossible for some longer truck and trailers. Humboldt Fence is installing the gate for the quoted price of \$2,000 plus hurly cost for additional concrete needed for wheels to roll on.

Respectfully Submitted:

Ralph Emerson



HUMBOLDT FENCE CO.
 564 HWY 36
 FORTUNA, CA 95540
 (707) 822-9511
 www.humboldtffence.com
 CA Contractor's License No. 808339

PROPOSAL/CONTRACT

Page 1
 12/15/2017

Customer Information:

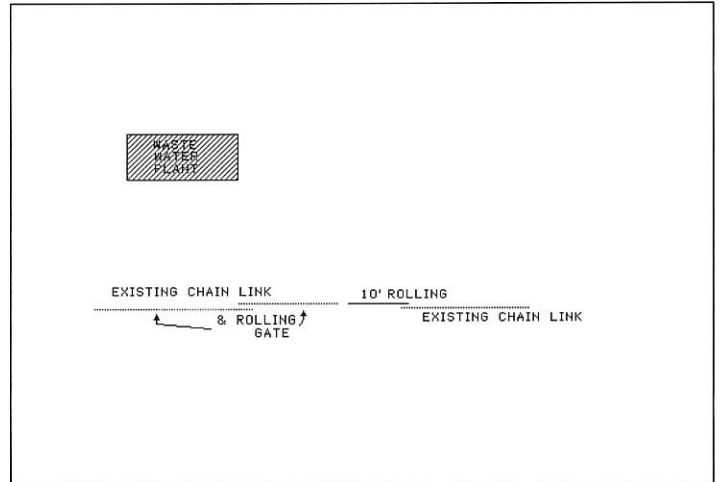
Garberville Sanitary Dist
 919 Redwood Dr
 Garberville, Ca

Job Information:

Notes:

- CONTRACT INCLUDES:

6'CHAIN LINK ROLLING GATE (10')
 W/GRADE BEAM



"UNDER THE MECHANIC LIEN LAW (CALIFORNIA CODE OF CIVIL PROCEDURE, SECTION 1181 ET SEQ.) ANY CONTRACTOR, SUBCONTRACTOR, LABORER, SUPPLIER OR OTHER PERSON WHO HELPS TO IMPROVE YOUR PROPERTY BUT IS NOT PAID FOR HIS WORK OR SUPPLIES, HAS A RIGHT TO ENFORCE A CLAIM AGAINST YOUR PROPERTY. THIS MEANS THAT, AFTER A COURT HEARING, YOUR PROPERTY COULD BE SOLD BY A COURT OFFICER AND THE PROCEEDS OF THE SALE USED TO SATISFY THE INDEBTEDNESS. THIS CAN HAPPEN EVEN IF YOU HAVE PAID YOUR OWN CONTRACTOR IN FULL, IF THE SUBCONTRACTOR, LABORER OR SUPPLIER REMAINS UNPAID."

BUYER HAS THE RIGHT TO REQUIRE CONTRACTOR TO HAVE A PERFORMANCE OR PAYMENT BOND. THE COST TO OBTAIN SUCH BOND IF REQUIRED WILL BE ADDED TO THE AMOUNT CURRENTLY SHOWN ON THIS CONTRACT.

In the State of California: Contractors are required by law to be licensed and regulated by the contractor's State License Board. Any questions concerning a contractor may be referred to the Registrar of the Board whose address is:

Contractors State License Board
 PO Box 26000, Sacramento, CA 95826
 Where extended payment type financing is involved each contract is accepted with the provision that satisfactory financing be secured for all parties thereto. The purchaser agrees to pay all court costs and reasonable attorney's fees incurred should legal action be necessary in the collection of any unpaid amount under this contract.

All property lines must be properly marked by owner. We assume no responsibility whatsoever for location of property lines.

Merchandise remains property of HUMBOLDT FENCE CO. until total amount is paid.

HUMBOLDT FENCE CO. does not assume responsibility for damage to plants, trees, shrubs, unless specified to crew before work commences, lawns when heavy equipment is required, water lines, sprinkler lines, electrical wire unless posted, or staked out, or shown to crew during the actual installation at the job site.

HUMBOLDT FENCE CO. invoice is due and payable upon receipt or substantial completion of project, 10% retention may be held till project is completed per contract.

Approved & Accepted for Customer:

 Customer Date

Accepted for HUMBOLDT FENCE CO.:

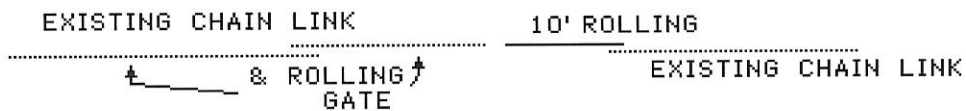
 Salesperson Date

Contract Amount: \$ 2000.00
 Down Payment: \$ _____
 Balance Due: \$ 2000.00

JOB SKETCH

Garberville Sanitary Dist
919 Redwood Dr
Garberville, Ca

10' - 6" SCHOOL SPEC Fencing



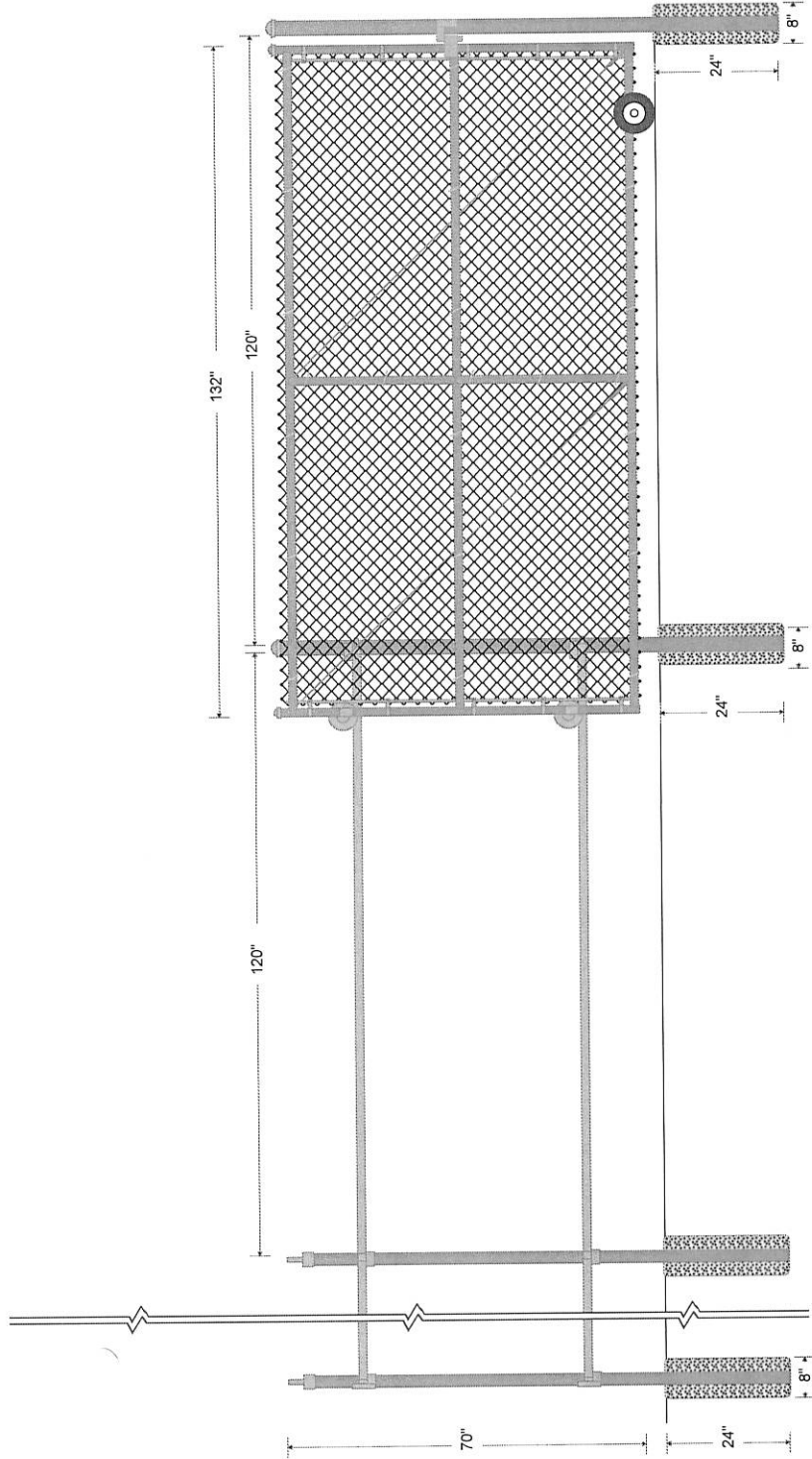
FABRIC: 72" 9 GA. G.B.W. (2" Mesh)
CLASS 1 KK CHAIN LINK FABRIC.

GATES: Framework of 1 5/8" STRUCTURAL PIPE, 1.73 lbs. per foot. Gates braced and trussed as necessary. Same fabric as fence.

GATE POST: 2 7/8" O.D. STRUCTURAL PIPE POST, 3.75 lbs. per foot.

FITTINGS: REGULAR BRACE BAND & CARRIAGE BOLT, PRESSED STEEL RAIL-END, PRESSED STEEL EYE-TOP, PRESSED STEEL CAP, 3/16" X 3/4" TENSION BAR, REGULAR TENSION BAND & CARRIAGE BOLT.

TIE WIRE: 6 1/2" 9 GA. ALUMINUM TIE WIRE spaced 15" on center for line posts & 24" on center for rails.



**HUMBOLDT
FENCE CO.**

HUMBOLDT FENCE CO.
564 HWY 36
FORTUNA, CA 95540
(707) 822-9511

Garberville Sanitary Dist
919 Redwood Dr
Garberville, Ca
209-743-0125

Drawn: 12/15/2017

File: garberville sanitary dist

10' ROLLING GATE, 1 5/8" STRUCTURAL PIPE FRAME



GARBERVILLE SANITARY DISTRICT

P.O. BOX 211 • GARBERVILLE, CA 95542 • (707) 923-9566

BOARD AGENDA MEMORANDUM

Meeting Date: January 23, 2018

To: Garberville Sanitary District Board of Directors

From: Jennie Short, Consultant Project Manager

Subject: October and November Financial Statements

GENERAL OVERVIEW AND FINANCIAL CONSIDERATIONS

The attached Financial Statements are for October and November. As can be seen on the "Combined (both water and sewer) Revenue & Expense Report for Board" in the YTD Actual (first 5 months of year) column:

- The revenue is \$436,085.90, which is \$10,671.10 under budget so far this year
- Of this revenue, \$22,764 is bulk water sales, \$2,705 is late charges, \$16,000 is one-time connection fees, and \$3,596.50 is "Other Operating Revenue" which includes reconnection fees.
- The total expenses are \$276,619.30, which is \$7,616.70 under budget
- The net income excluding depreciation is \$150,782.14, which is \$5,553.86 under budget
- The under budget net income and revenue is due to the lack of anticipated connection fees being realized.

As can be seen on the "Statement of Cash Flows Report for Board - July through November 2017":

- Net cash increase year to date is \$72,971.20
- Expenditures for fixed asset acquisition so far this year total \$25,366.90
- Total payments on long term debt so far this year total \$79,397.65. We will still need to make the second semi-annual payment on the water loan, and the monthly payments on the Alderpoint Tank Loan and Copier Lease which total about \$52,000.

Overall, we will be doing well to break even this year from a cash flow standpoint. There have been some major unanticipated repairs and equipment purchases that will necessitate postponing purchasing the trailer and other assets until spring 2018 when we have a more complete picture of what the final revenues and expenditures will be for this year. We have also experienced a potentially expensive catastrophic failure of the underground chlorine contact chamber piping at the new surface water treatment plant. The financial impacts of this situation are currently not known.

ATTACHMENTS

1. Balance Sheet with Comparison between Current month and Fiscal Year ending June 30, 2017
2. Statement of Cash Flows - July 1 - November 30, 2017
3. Check Register Report for all checks issued in October 2017 and November 2017
4. Three Revenue and Expense Reports - containing current month actual, fiscal year to date actual, and annual budget (One combined Report for Water & Sewer, one for water only, and one for sewer only)

OCTOBER & NOVEMBER 2017

CASH FLOW STATEMENT

BALANCE SHEET

Garberville Sanitary District
Statement of Cash Flows Report for Board
July through November 2017

Jul - Nov 17

	Jul - Nov 17
OPERATING ACTIVITIES	
Net Income	(66,934.51)
Adjustments to reconcile Net Income	
to net cash provided by operations:	
11000 · Accounts Receivable - Other	(1,464.30)
1100 · Accounts Receivable	6,906.65
1100 · Accounts Receivable:1110 · Accts Receivable Over Payments	194.44
1450 · Prepaid Rent	835.00
1500 · Prepaid Insurance	(11,088.84)
1501 · Prepaid Workers Comp	4,685.75
1502 · Prepaid Expenses	2,745.90
1510 · Prepaid Licenses and Permits	(11,445.00)
2000 · Accounts Payable	19,241.20
20000 · *Accounts Payable	18,392.14
2220 · Accrued State PR Taxes	(29.71)
2225 · Accrued Workers Comp	(2,019.62)
Net cash provided by Operating Activities	(39,980.90)
INVESTING ACTIVITIES	
Collection Facilities	(8,988.32)
Accumulated Depreciation-Water	143,825.40
Accumulated Depreciation-Sewer	73,891.25
CIP - Bear Canyon Aerial	(1,529.96)
WATER:Treatment	(5,451.90)
WATER:Distribution	(5,369.74)
SEWER:Pumps	(4,026.98)
Net cash provided by Investing Activities	192,349.75
FINANCING ACTIVITIES	
2500 · N/P - SWRCB	(22,713.22)
2605 · RCAC Loan #6200-GSD-02	(20,058.19)
2655 · Lease Payable - Copier	(395.88)
2700 · SRF Loan - Water	(22,991.18)
2660 · Lease Payable - Ford Motor Cred	(13,239.18)
Net cash provided by Financing Activities	(79,397.65)
Net cash increase for period	72,971.20
Cash at beginning of period	808,340.17
Cash at end of period	881,311.37

Garberville Sanitary District
Balance Sheet Prev Year Comparison
As of November 30, 2017

	Jun 30, 17	Oct 31, 17	Nov 30, 17	\$ Change 6/30 to11/30
ASSETS				
Current Assets				
Checking/Savings				
1005 · Umpqua Checking - Operating	13,489.99	66,141.07	85,665.24	72,175.25
1006 · Umpqua System Reserve - Water	56,039.48	72,570.99	75,855.99	19,816.51
1007 · Umpqua System Reserve - Sewer	80,228.22	58,301.67	58,318.44	(21,909.78)
1011 · Water Enterprise Fund	46,354.75	46,409.45	46,422.80	68.05
1030 · County Treasury - Sewer Reserve	373,134.13	375,158.53	375,158.53	2,024.40
1031 · County Treasury - Water Reserve	238,854.09	239,620.98	239,620.98	766.89
1040 · Petty Cash	39.51	39.51	39.51	0.00
1050 · Cash Drawer	200.00	184.88	229.88	29.88
Total Checking/Savings	808,340.17	858,427.08	881,311.37	72,971.20
Accounts Receivable				
11000 · Accounts Receivable - Other	814.70	3,479.00	2,279.00	1,464.30
Total Accounts Receivable	814.70	3,479.00	2,279.00	1,464.30
Other Current Assets				
1100 · Accounts Receivable				
1110 · Accts Receivable Over Payments	(1,481.30)	(3,588.46)	(1,675.74)	(194.44)
1100 · Accounts Receivable - Other	99,758.38	94,600.04	92,851.73	(6,906.65)
Total 1100 · Accounts Receivable	98,277.08	91,011.58	91,175.99	(7,101.09)
1450 · Prepaid Rent	835.00	0.00	0.00	(835.00)
1500 · Prepaid Insurance	2,468.34	15,468.41	13,557.18	11,088.84
1501 · Prepaid Workers Comp	10,225.31	6,514.75	5,539.56	(4,685.75)
1502 · Prepaid Expenses	6,590.16	4,393.44	3,844.26	(2,745.90)
1510 · Prepaid Licenses and Permits	0.00	13,080.00	11,445.00	11,445.00
1550 · Allowance for Doubtful Accounts	(5,000.00)	(5,000.00)	(5,000.00)	0.00
Total Other Current Assets	113,395.89	125,468.18	120,561.99	7,166.10
Total Current Assets	922,550.76	987,374.26	1,004,152.36	81,601.60
Fixed Assets				
CIP - SWTP Coag Project	4,806.26	4,806.26	4,806.26	0.00
CIP - Leino Ln	585.00	585.00	585.00	0.00
CIP - Bear Canyon Aerial	1,236.10	2,766.06	2,766.06	1,529.96
WATER				0.00
Land - Water	88,698.62	88,698.62	88,698.62	0.00
Water Easements & Intangibles	177,397.11	177,397.11	177,397.11	0.00
Treatment	59,930.27	65,382.17	65,382.17	5,451.90
Distribution	2,696,416.81	2,701,786.55	2,701,786.55	5,369.74
Pumps	2,909.87	2,909.87	2,909.87	0.00
DWTP (Water) 2015	4,968,104.88	4,968,104.88	4,968,104.88	0.00
Total WATER	7,993,457.56	8,004,279.20	8,004,279.20	10,821.64
Water System	142,474.97	142,474.97	142,474.97	0.00

Garberville Sanitary District
Balance Sheet Prev Year Comparison
As of November 30, 2017

	Jun 30, 17	Oct 31, 17	Nov 30, 17	\$ Change 6/30 to11/30
SEWER				
Land - Sewer	129,810.68	129,810.68	129,810.68	0.00
Collection	2,311,580.70	2,320,569.02	2,320,569.02	8,988.32
Treatment	507,552.59	507,552.59	507,552.59	0.00
Pumps	9,881.98	13,908.96	13,908.96	4,026.98
Sewer Project - 2011	2,792,451.91	2,792,451.91	2,792,451.91	0.00
Total SEWER	5,751,277.86	5,764,293.16	5,764,293.16	13,015.30
Office Equipment	32,004.40	32,004.40	32,004.40	0.00
Equipment	158,306.60	158,306.60	158,306.60	0.00
Vehicles	81,171.66	81,171.66	81,171.66	0.00
MSR/SOI and Annexation Project	157,367.08	157,367.08	157,367.08	0.00
Accumulated Depreciation-Water	(1,183,142.26)	(1,298,202.58)	(1,326,967.66)	(143,825.40)
Accumulated Depreciation-Sewer	(1,636,657.06)	(1,695,770.06)	(1,710,548.31)	(73,891.25)
Total Fixed Assets	11,502,888.17	11,354,081.75	11,310,538.42	(192,349.75)
TOTAL ASSETS	12,425,438.93	12,341,456.01	12,314,690.78	(110,748.15)
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
Accounts Payable				
2000 · Accounts Payable	26,541.07	18,742.57	45,782.27	19,241.20
Total Accounts Payable	26,541.07	18,742.57	45,782.27	19,241.20
Other Current Liabilities				
20000 · *Accounts Payable	1,227.86	19,620.00	19,620.00	18,392.14
2220 · Accrued State PR Taxes	29.71	0.00	0.00	(29.71)
2225 · Accrued Workers Comp	2,019.62	0.00	0.00	(2,019.62)
2230 · Accrued Vacation	16,720.85	16,720.85	16,720.85	0.00
2250 · Loans Payable - Current Portion	131,750.84	131,750.84	131,750.84	0.00
Total Other Current Liabilities	151,748.88	168,091.69	168,091.69	16,342.81
Total Current Liabilities	178,289.95	186,834.26	213,873.96	35,584.01
Long Term Liabilities				
2500 · N/P - SWRCB	168,855.28	146,142.06	146,142.06	(22,713.22)
2605 · RCAC Loan #6200-GSD-02	177,471.14	161,458.02	157,412.95	(20,058.19)
2655 · Lease Payable - Copier	2,526.29	2,210.36	2,130.41	(395.88)
2660 · Lease Payable - Ford Motor Cred	27,338.94	14,099.76	14,099.76	(13,239.18)
2700 · SRF Loan - Water	1,310,497.46	1,310,497.46	1,287,506.28	(22,991.18)
2900 · Less Current Portion	(131,750.84)	(131,750.84)	(131,750.84)	0.00
Total Long Term Liabilities	1,554,938.27	1,502,656.82	1,475,540.62	(79,397.65)
Total Liabilities	1,733,228.22	1,689,491.08	1,689,414.58	(43,813.64)
Equity				
3000 · Contributed Capital	6,129,491.75	6,129,491.75	6,129,491.75	0.00
3100 · Retained Earnings	4,845,044.92	4,562,718.96	4,562,718.96	(282,325.96)
Net Income	(282,325.96)	(40,245.78)	(66,934.51)	215,391.45
Total Equity	10,692,210.71	10,651,964.93	10,625,276.20	(66,934.51)
TOTAL LIABILITIES & EQUITY	12,425,438.93	12,341,456.01	12,314,690.78	(110,748.15)

NOVEMBER 2017

FINANCIAL STATEMENTS

Garberville Sanitary District
Combined Revenue & Expense Report for Board
 November 2017

	November 2017 Actual	YTD Actual	YTD Budget	Total Annual Budget
Ordinary Income/Expense				
Income				
Water Charges				
4100 · Residential	22,295.38	138,408.23	132,079.00	290,000.00
4110 · Commercial	19,253.89	97,321.32	92,956.00	215,000.00
4150 · Bulk Water Sales	5,724.00	22,764.00		
Total Water Charges	47,273.27	258,493.55	225,035.00	505,000.00
4200 · Sewer Charges	30,654.49	155,290.85	155,573.00	365,000.00
4300 · Connection Fees	0.00	16,000.00	64,000.00	64,000.00
4650 · Late Charges	670.00	2,705.00	2,084.00	5,000.00
4700 · Other Operating Revenue	800.00	3,596.50	65.00	150.00
Total Income	79,397.76	436,085.90	446,757.00	939,150.00
Gross Profit	79,397.76	436,085.90	446,757.00	939,150.00
Expense				
Administrative and General				
5000 · Advertising	0.00	0.00	144.00	350.00
5005 · Bad Debts	0.00	480.19	2,291.00	5,500.00
5010 · Bank Charges				
5012 · Merchant Account Fees	104.75	946.03	622.00	1,500.00
5010 · Bank Charges - Other	0.00	577.31	563.00	1,350.00
Total 5010 · Bank Charges	104.75	1,523.34	1,185.00	2,850.00
5020 · Directors Fees	0.00	0.00	750.00	1,800.00
5030 · Dues and Memberships	2,658.00	4,073.60	1,334.00	3,200.00
5035 · Education and Training	0.00	150.00	1,416.00	3,400.00
5036 · Education and Training - B.O.D.	0.00	0.00	127.00	306.00
Insurance				
5040 · Liability	1,911.23	9,556.15	6,500.00	15,600.00
5050 · Workers' Comp	975.19	4,685.75	8,603.00	20,643.00
5055 · Health				
5055.1 · Employee Portion	-607.62	-3,038.10	-2,991.00	-7,177.00
5055 · Health - Other	2,468.34	12,341.70	14,955.00	35,890.00
Total 5055 · Health	1,860.72	9,303.60	11,964.00	28,713.00
Total Insurance	4,747.14	23,545.50	27,067.00	64,956.00
5060 · Licenses, Permits, and Fees	2,059.71	9,726.74	9,250.00	22,200.00
5065 · Auto	0.00	454.44	2,832.00	4,000.00
5070 · Miscellaneous	0.00	-44.50	41.00	101.00
5080 · Office Expense	325.66	2,310.01	2,336.00	5,600.00
5085 · Outside Services	603.00	3,372.85	3,742.00	11,344.00
5090 · Payroll Taxes	1,920.81	8,783.13	12,037.00	28,890.00
5100 · Postage	218.23	937.29	1,083.00	2,596.00
5110 · Professional Fees	10,456.29	31,041.90	25,000.00	60,000.00
5130 · Rents	835.00	5,010.00	4,476.00	10,740.00
5135 · Retirement	597.42	2,895.18	3,094.00	7,112.00
5137 · Supplies	54.81	703.90	1,124.00	2,700.00
5140 · Telephone	630.92	1,836.66	1,167.00	2,800.00
5145 · Tools	0.00	0.00	2,833.00	4,000.00

Garberville Sanitary District
Combined Revenue & Expense Report for Board
November 2017

	November 2017 Actual	YTD Actual	YTD Budget	Total Annual Budget
5150 · Travel and Meetings	0.00	1,018.46	665.00	1,600.00
5155 · Utilities	138.97	934.81	1,000.00	2,400.00
5160 · Wages				
5165 · Wages - Overtime	346.93	933.19	0.00	0.00
5160 · Wages - Other	10,361.38	47,240.13	51,726.00	124,144.00
Total 5160 · Wages	10,708.31	48,173.32	51,726.00	124,144.00
Total Administrative and General	36,059.02	146,926.82	156,720.00	372,589.00
Sewage Collection				
6010 · Fuel	166.64	608.23	1,187.00	2,850.00
6030 · Repairs and Maintenance	220.95	2,421.58	8,333.00	20,000.00
6040 · Supplies	78.03	1,658.13	668.00	1,600.00
6050 · Utilities	281.70	1,852.27	2,042.00	4,900.00
6060 · Wages				
6065 · Wages - Overtime Sewer Collecti	235.50	502.50	832.00	2,000.00
6060 · Wages - Other	2,293.38	13,044.16	7,825.00	18,780.00
Total 6060 · Wages	2,528.88	13,546.66	8,657.00	20,780.00
Sewage Collection - Other	0.00	6.26		
Total Sewage Collection	3,276.20	20,093.13	20,887.00	50,130.00
Sewage Treatment				
6075 · Fuel	166.63	608.22	1,082.00	2,600.00
6080 · Monitoring	280.73	1,205.73	3,334.00	8,000.00
6100 · Repairs and Maintenance	47.19	2,462.74	5,207.00	12,500.00
6110 · Supplies	1,461.52	3,275.70	3,168.00	7,600.00
6120 · Utilities	761.18	3,938.50	5,000.00	12,000.00
6130 · Wages				
6135 · Wages - Overtime Sewer Treatmen	406.50	835.50	625.00	1,500.00
6130 · Wages - Other	2,289.21	10,798.67	13,292.00	31,900.00
Total 6130 · Wages	2,695.71	11,634.17	13,917.00	33,400.00
Total Sewage Treatment	5,412.96	23,125.06	31,708.00	76,100.00
Water Trans and Distribution				
7075 · Fuel	166.63	608.22	1,043.00	2,500.00
7090 · Repairs and Maintenance	2,848.05	4,089.08	6,250.00	15,000.00
7100 · Supplies	74.27	1,427.04	1,667.00	4,000.00
7110 · Utilities	402.76	3,678.52	3,750.00	9,000.00
7120 · Wages				
7125 · Wages - Overtime Water Trans &	138.00	1,814.50	1,875.00	4,500.00
7120 · Wages - Other	4,450.53	20,171.90	11,819.00	28,364.00
Total 7120 · Wages	4,588.53	21,986.40	13,694.00	32,864.00
Total Water Trans and Distribution	8,080.24	31,789.26	26,404.00	63,364.00
Water Treatment				
7020 · Fuel	166.64	608.23	1,250.00	3,000.00
7010 · Monitoring	297.50	3,559.37	2,082.00	5,000.00
7030 · Repairs and Maintenance	575.09	11,173.81	2,083.00	5,000.00
7040 · Supplies	1,457.77	5,635.33	5,000.00	12,000.00
7050 · Utilities	3,116.20	17,278.31	16,668.00	40,000.00
7060 · Wages				

Garberville Sanitary District
Combined Revenue & Expense Report for Board
November 2017

	November 2017 Actual	YTD Actual	YTD Budget	Total Annual Budget
7065 · Wages - Overtime Water Treatment	462.75	2,066.75	2,084.00	5,000.00
7060 · Wages - Other	2,949.34	14,363.23	19,350.00	46,440.00
Total 7060 · Wages	3,412.09	16,429.98	21,434.00	51,440.00
Total Water Treatment	9,025.29	54,685.03	48,517.00	116,440.00
Total Expense	61,853.71	276,619.30	284,236.00	678,623.00
Net Ordinary Income	17,544.05	159,466.60	162,521.00	260,527.00
Other Income/Expense				
Other Income				
Property Tax Revenue				
8020 · Unsecured	0.00	833.93	0.00	0.00
Total Property Tax Revenue	0.00	833.93	0.00	0.00
8053 · Water Capital Grant Income	0.00	0.00		60,000.00
8060 · Interest Income	34.35	2,238.36	417.00	1,000.00
Total Other Income	34.35	3,072.29	417.00	61,000.00
Other Expense				
9000 · Capital Improvements	0.00	2,975.00		
9040 · Depreciation	43,543.33	217,716.65	218,750.00	525,000.00
9050 · Interest Expense	683.30	8,741.25	6,602.00	15,847.00
9999 · Suspense	40.50	40.50		
Total Other Expense	44,267.13	229,473.40	225,352.00	540,847.00
Net Other Income	-44,232.78	-226,401.11	-224,935.00	-479,847.00
Net Income	-26,688.73	-66,934.51	-62,414.00	-219,320.00
9040 · Depreciation	43,543.33	217,716.65	218,750.00	525,000.00
Net Income Excluding Depreciation	16,854.60	150,782.14	156,336.00	305,680.00

Garberville Sanitary District
Revenue & Expense Report for Board - Water
 November 2017

	November 2017 Actual	YTD Actual	YTD Budget	Total Annual Budget
Ordinary Income/Expense				
Income				
Water Charges				
4100 · Residential	22,295.38	138,408.23	132,079.00	290,000.00
4110 · Commercial	19,253.89	97,321.32	92,956.00	215,000.00
4150 · Bulk Water Sales	5,724.00	22,764.00		
Total Water Charges	47,273.27	258,493.55	225,035.00	505,000.00
4300 · Connection Fees	0.00	8,000.00	32,000.00	32,000.00
4650 · Late Charges	335.00	1,312.50	1,042.00	2,500.00
4700 · Other Operating Revenue	400.00	1,998.25	65.00	150.00
Total Income	48,008.27	269,804.30	258,142.00	539,650.00
Gross Profit	48,008.27	269,804.30	258,142.00	539,650.00
Expense				
Administrative and General				
5000 · Advertising	0.00	0.00	62.00	150.00
5005 · Bad Debts	0.00	240.09	1,041.00	2,500.00
5010 · Bank Charges				
5012 · Merchant Account Fees	52.38	473.03	310.00	750.00
5010 · Bank Charges - Other	0.00	288.66	270.00	650.00
Total 5010 · Bank Charges	52.38	761.69	580.00	1,400.00
5020 · Directors Fees	0.00	0.00	375.00	900.00
5030 · Dues and Memberships	1,329.00	2,036.80	667.00	1,600.00
5035 · Education and Training	0.00	75.00	833.00	2,000.00
5036 · Education and Training - B.O.D.	0.00	0.00	62.00	150.00
Insurance				
5040 · Liability	955.62	4,778.10	3,250.00	7,800.00
5050 · Workers' Comp	545.58	2,620.12	4,303.00	10,323.00
5055 · Health				
5055.1 · Employee Portion	-324.96	-1,656.66	-1,496.00	-3,589.00
5055 · Health - Other	1,234.17	6,170.85	7,478.00	17,945.00
Total 5055 · Health	909.21	4,514.19	5,982.00	14,356.00
Total Insurance	2,410.41	11,912.41	13,535.00	32,479.00
5060 · Licenses, Permits, and Fees	619.71	1,981.14	1,542.00	3,700.00
5065 · Auto	0.00	227.22	2,000.00	2,000.00
5070 · Miscellaneous	0.00	-22.25		
5080 · Office Expense	162.83	1,155.01	1,168.00	2,800.00
5085 · Outside Services	342.50	1,727.42	2,184.00	4,804.00
5090 · Payroll Taxes	1,079.08	4,917.92	6,600.00	15,840.00
5100 · Postage	109.12	468.66	543.00	1,300.00
5110 · Professional Fees	5,228.15	17,097.70	12,500.00	30,000.00
5130 · Rents	417.50	2,505.00	2,238.00	5,370.00
5135 · Retirement	336.66	1,645.50	1,547.00	3,402.00
5137 · Supplies	27.41	351.96	562.00	1,350.00
5140 · Telephone	315.47	918.31	584.00	1,400.00
5145 · Tools	0.00	0.00	2,000.00	2,000.00
5150 · Travel and Meetings	0.00	509.23	332.00	800.00

Garberville Sanitary District
Revenue & Expense Report for Board - Water
November 2017

	November 2017 Actual	YTD Actual	YTD Budget	Total Annual Budget
5155 · Utilities	69.49	467.40	500.00	1,200.00
5160 · Wages				
5165 · Wages - Overtime	208.22	603.12	0.00	0.00
5160 · Wages - Other	5,181.12	23,620.01	25,864.00	62,072.00
Total 5160 · Wages	5,389.34	24,223.13	25,864.00	62,072.00
Total Administrative and General	17,889.05	73,199.34	77,319.00	179,217.00
Water Trans and Distribution				
7075 · Fuel	166.63	608.22	1,043.00	2,500.00
7090 · Repairs and Maintenance	2,848.05	4,089.08	6,250.00	15,000.00
7100 · Supplies	74.27	1,427.04	1,667.00	4,000.00
7110 · Utilities	402.76	3,678.52	3,750.00	9,000.00
7120 · Wages				
7125 · Wages - Overtime Water Trans &	138.00	1,814.50	1,875.00	4,500.00
7120 · Wages - Other	4,450.53	20,171.90	11,819.00	28,364.00
Total 7120 · Wages	4,588.53	21,986.40	13,694.00	32,864.00
Total Water Trans and Distribution	8,080.24	31,789.26	26,404.00	63,364.00
Water Treatment				
7020 · Fuel	166.64	608.23	1,250.00	3,000.00
7010 · Monitoring	297.50	3,559.37	2,082.00	5,000.00
7030 · Repairs and Maintenance	575.09	11,173.81	2,083.00	5,000.00
7040 · Supplies	1,457.77	5,635.33	5,000.00	12,000.00
7050 · Utilities	3,116.20	17,278.31	16,668.00	40,000.00
7060 · Wages				
7065 · Wages - Overtime Water Treatmen	462.75	2,066.75	2,084.00	5,000.00
7060 · Wages - Other	2,949.34	14,363.23	19,350.00	46,440.00
Total 7060 · Wages	3,412.09	16,429.98	21,434.00	51,440.00
Total Water Treatment	9,025.29	54,685.03	48,517.00	116,440.00
Total Expense	34,994.58	159,673.63	152,240.00	359,021.00
Net Ordinary Income	13,013.69	110,130.67	105,902.00	180,629.00
Other Income/Expense				
Other Income				
8053 · Water Capital Grant Income	0.00	0.00		60,000.00
8060 · Interest Income	34.35	950.45	210.00	500.00
Total Other Income	34.35	950.45	210.00	60,500.00
Other Expense				
9040 · Depreciation	28,765.08	143,825.40	145,832.00	350,000.00
9050 · Interest Expense	678.02	4,447.71	4,585.00	11,004.00
9999 · Suspense	20.25	20.25		
Total Other Expense	29,463.35	148,293.36	150,417.00	361,004.00
Net Other Income	-29,429.00	-147,342.91	-150,207.00	-300,504.00
Net Income	-16,415.31	-37,212.24	-44,305.00	-119,875.00
9040 · Depreciation	28,765.08	143,825.40	145,832.00	350,000.00
Net Income Excluding Depreciation	12,349.77	106,613.16	101,527.00	230,125.00

Garberville Sanitary District
Revenue & Expense Report for Board - Sewer

November 2017

	November 2017 Actual	YTD Actual	YTD Budget	Total Annual Budget
Ordinary Income/Expense				
Income				
4200 · Sewer Charges	30,654.49	155,415.55	155,573.00	365,000.00
4300 · Connection Fees	0.00	8,000.00	32,000.00	32,000.00
4650 · Late Charges	335.00	1,392.50	1,042.00	2,500.00
4700 · Other Operating Revenue	400.00	1,598.25	0.00	0.00
Total Income	31,389.49	166,406.30	188,615.00	399,500.00
Gross Profit	31,389.49	166,406.30	188,615.00	399,500.00
Expense				
Administrative and General				
5000 · Advertising	0.00	0.00	82.00	200.00
5005 · Bad Debts	0.00	240.10	1,250.00	3,000.00
5010 · Bank Charges				
5012 · Merchant Account Fees	52.37	473.00	312.00	750.00
5010 · Bank Charges - Other	0.00	288.65	293.00	700.00
Total 5010 · Bank Charges	52.37	761.65	605.00	1,450.00
5020 · Directors Fees	0.00	0.00	375.00	900.00
5030 · Dues and Memberships	1,329.00	2,036.80	667.00	1,600.00
5035 · Education and Training	0.00	75.00	583.00	1,400.00
5036 · Education and Training - B.O.D.	0.00	0.00	65.00	156.00
Insurance				
5040 · Liability	955.61	4,778.05	3,250.00	7,800.00
5050 · Workers' Comp	429.61	2,065.63	4,300.00	10,320.00
5055 · Health				
5055.1 · Employee Portion	-282.66	-1,381.44	-1,495.00	-3,588.00
5055 · Health - Other	1,234.17	6,170.85	7,477.00	17,945.00
Total 5055 · Health	951.51	4,789.41	5,982.00	14,357.00
Total Insurance	2,336.73	11,633.09	13,532.00	32,477.00
5060 · Licenses, Permits, and Fees	1,440.00	7,745.60	7,708.00	18,500.00
5065 · Auto	0.00	227.22	832.00	2,000.00
5070 · Miscellaneous	0.00	-22.25	41.00	101.00
5080 · Office Expense	162.83	1,155.00	1,168.00	2,800.00
5085 · Outside Services	260.50	1,645.43	1,558.00	6,540.00
5090 · Payroll Taxes	841.73	3,865.21	5,437.00	13,050.00
5100 · Postage	109.11	468.63	540.00	1,296.00
5110 · Professional Fees	5,228.14	13,944.20	12,500.00	30,000.00
5130 · Rents	417.50	2,505.00	2,238.00	5,370.00
5135 · Retirement	260.76	1,249.68	1,547.00	3,710.00
5137 · Supplies	27.40	351.94	562.00	1,350.00
5140 · Telephone	315.45	918.35	583.00	1,400.00
5145 · Tools	0.00	0.00	833.00	2,000.00
5150 · Travel and Meetings	0.00	509.23	333.00	800.00
5155 · Utilities	69.48	467.41	500.00	1,200.00
5160 · Wages				
5165 · Wages - Overtime	138.71	330.07	0.00	0.00
5160 · Wages - Other	5,180.26	23,620.12	25,862.00	62,072.00

Garberville Sanitary District
Revenue & Expense Report for Board - Sewer
November 2017

	November 2017 Actual	YTD Actual	YTD Budget	Total Annual Budget
Total 5160 · Wages	5,318.97	23,950.19	25,862.00	62,072.00
Total Administrative and General	18,169.97	73,727.48	79,401.00	193,372.00
Sewage Collection				
6010 · Fuel	166.64	608.23	1,187.00	2,850.00
6030 · Repairs and Maintenance	220.95	2,421.58	8,333.00	20,000.00
6040 · Supplies	78.03	1,658.13	668.00	1,600.00
6050 · Utilities	281.70	1,852.27	2,042.00	4,900.00
6060 · Wages				
6065 · Wages - Overtime Sewer Collecti	235.50	502.50	832.00	2,000.00
6060 · Wages - Other	2,293.38	13,044.16	7,825.00	18,780.00
Total 6060 · Wages	2,528.88	13,546.66	8,657.00	20,780.00
Sewage Collection - Other	0.00	6.26		
Total Sewage Collection	3,276.20	20,093.13	20,887.00	50,130.00
Sewage Treatment				
6075 · Fuel	166.63	608.22	1,082.00	2,600.00
6080 · Monitoring	280.73	1,205.73	3,334.00	8,000.00
6100 · Repairs and Maintenance	47.19	2,462.74	5,207.00	12,500.00
6110 · Supplies	1,461.52	3,275.70	3,168.00	7,600.00
6120 · Utilities	761.18	3,938.50	5,000.00	12,000.00
6130 · Wages				
6135 · Wages - Overtime Sewer Treatmen	406.50	835.50	625.00	1,500.00
6130 · Wages - Other	2,289.21	10,798.67	13,292.00	31,900.00
Total 6130 · Wages	2,695.71	11,634.17	13,917.00	33,400.00
Total Sewage Treatment	5,412.96	23,125.06	31,708.00	76,100.00
Total Expense	26,859.13	116,945.67	131,996.00	319,602.00
Net Ordinary Income	4,530.36	49,460.63	56,619.00	79,898.00
Other Income/Expense				
Other Income				
Property Tax Revenue				
8020 · Unsecured	0.00	833.93	0.00	0.00
Total Property Tax Revenue	0.00	833.93	0.00	0.00
8060 · Interest Income	0.00	1,287.91	207.00	500.00
Total Other Income	0.00	2,121.84	207.00	500.00
Other Expense				
9000 · Capital Improvements	0.00	2,975.00		
9040 · Depreciation	14,778.25	73,891.25	72,918.00	175,000.00
9050 · Interest Expense	5.28	4,293.54	2,017.00	4,843.00
9999 · Suspense	20.25	20.25		
Total Other Expense	14,803.78	81,180.04	74,935.00	179,843.00
Net Other Income	-14,803.78	-79,058.20	-74,728.00	-179,343.00
Net Income	-10,273.42	-29,597.57	-18,109.00	-99,445.00
9040 · Depreciation	14,778.25	73,891.25	72,918.00	175,000.00
Net Income Excluding Depreciation	4,504.83	44,293.68	54,809.00	75,555.00

Garberville Sanitary District
Check Register Report for Board
November 2017

Date	Num	Memo	Amount
101 Netlink			
11/28/2017	9055		-221.00
Total 101 Netlink			-221.00
Amazon.com			
11/16/2017			-40.50
Total Amazon.com			-40.50
Blue Star Gas			
11/27/2017	DBT		-22.78
Total Blue Star Gas			-22.78
Branscomb Center			
11/28/2017	9056		-7.53
Total Branscomb Center			-7.53
C & K Market Inc.			
11/01/2017	DBT		-54.81
Total C & K Market Inc.			-54.81
Capital Bank & Trust			
11/02/2017	EFT	557880519	-641.92
11/02/2017	EFT	025158148	-304.10
11/16/2017	EFT	557880519	-621.69
11/16/2017	EFT	025158148	-293.32
Total Capital Bank & Trust			-1,861.03
Cash			
11/07/2017	9032		-15.00
11/28/2017	9054		-30.00
Total Cash			-45.00
Crystal Springs Bottled Water			
11/02/2017	9019		-15.00
Total Crystal Springs Bottled Water			-15.00
Dazey's Building Center			
11/28/2017	9057		-244.23
Total Dazey's Building Center			-244.23
EDD			
11/02/2017	EFT	499-0538-3	-54.81
11/02/2017	EFT	499-0538-3	-610.78
11/16/2017	EFT	499-0538-3	-35.07
11/16/2017	EFT	499-0538-3	-574.21
Total EDD			-1,274.87
Eureka Oxygen Company			
11/02/2017	9020		-492.33
11/20/2017	9050		-145.30
Total Eureka Oxygen Company			-637.63
Fluentstream Tech			
11/28/2017	9058		-111.09
Total Fluentstream Tech			-111.09
Frontier Communications			
11/06/2017	9027		-337.29
Total Frontier Communications			-337.29

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Accrual Basis

Garberville Sanitary District
Check Register Report for Board
November 2017

Date	Num	Memo	Amount
Garberville Rotary			
11/02/2017	9021		-375.00
Total Garberville Rotary			-375.00
HACH COMPANY			
11/15/2017	9044		-2,336.87
Total HACH COMPANY			-2,336.87
Harland Clarke Check Order			
11/08/2017	D		-244.47
Total Harland Clarke Check Order			-244.47
Humboldt County Dept. of Health & Human S			
11/14/2017	9036		-787.03
Total Humboldt County Dept. of Health & Human S			-787.03
Humboldt Land Title Company			
11/20/2017	9053		-82.00
Total Humboldt Land Title Company			-82.00
IRS			
11/02/2017	EFT	68-0296323	-3,161.76
11/16/2017	EFT	68-0296323	-2,933.10
Total IRS			-6,094.86
Jamie Corsetti, CPA			
11/14/2017	9037		-275.00
Total Jamie Corsetti, CPA			-275.00
Jennie Short			
11/20/2017	9051		-2,603.88
Total Jennie Short			-2,603.88
Mitchell, Brisso, Delaney & Vrieze			
11/14/2017	9038		-1,470.19
Total Mitchell, Brisso, Delaney & Vrieze			-1,470.19
NCUAQMD			
11/21/2017		2018 Burn Permit	-30.00
Total NCUAQMD			-30.00
North Coast Laboratories Ltd.			
11/02/2017	9022		-540.00
Total North Coast Laboratories Ltd.			-540.00
Owsley Electric			
11/14/2017	9039		-2,975.00
Total Owsley Electric			-2,975.00
Parkinson Building Materials			
11/02/2017	9026		-17.72
Total Parkinson Building Materials			-17.72
PG&E			
11/14/2017	9040		-5,311.48
Total PG&E			-5,311.48

Garberville Sanitary District
Check Register Report for Board
November 2017

Date	Num	Memo	Amount
Pitney Bowes Purchase Power			
11/28/2017	9059		-208.99
Total Pitney Bowes Purchase Power			-208.99
Postmaster			
11/29/2017	DBT		-9.24
Total Postmaster			-9.24
Ralph Emerson			
11/02/2017	9023		-50.00
11/29/2017	9062		-50.00
Total Ralph Emerson			-100.00
Rays Food Place			
11/17/2017			-27.26
Total Rays Food Place			-27.26
Redway True Value			
11/06/2017	9028		-123.17
Total Redway True Value			-123.17
Redwood Merchant Services			
11/02/2017	debit		-90.46
11/30/2017	D		-104.75
Total Redwood Merchant Services			-195.21
RENNER			
11/10/2017	DBT		-666.54
Total RENNER			-666.54
Rural Community Assistance Program			
11/01/2017	dbt		-4,717.81
Total Rural Community Assistance Program			-4,717.81
SDRMA			
11/02/2017	9024		-272.34
11/14/2017	9041		-2,196.00
Total SDRMA			-2,468.34
Sentry III Center			
11/02/2017	9025		-835.00
11/28/2017	9060		-835.00
Total Sentry III Center			-1,670.00
Staples Credit Plan			
11/06/2017	9029		-103.35
Total Staples Credit Plan			-103.35
State Board of Equalization			
11/20/2017	9052		-334.71
Total State Board of Equalization			-334.71
Swift Signs, Inc.			
11/14/2017	9043		-296.31
Total Swift Signs, Inc.			-296.31

Garberville Sanitary District
Check Register Report for Board
November 2017

Date	Num	Memo	Amount
SWRCB-DWOCP			
11/06/2017	9030		-60.00
Total SWRCB-DWOCP			-60.00
Umpqua Bank			
11/21/2017	D		-139.91
Total Umpqua Bank			-139.91
US Cellular			
11/08/2017	9033		-248.43
Total US Cellular			-248.43
Wells Fargo			
11/28/2017	9061		-90.51
Total Wells Fargo			-90.51
Wyatt & Whitchurch, E.A. Inc.			
11/14/2017	9042		-1,470.00
Total Wyatt & Whitchurch, E.A. Inc.			-1,470.00
WYCKOFF'S			
11/08/2017	9034		-85.77
Total WYCKOFF'S			-85.77
Arreguin, Daniel J			
11/02/2017	9012		-2,230.56
11/16/2017	9045		-2,075.01
Total Arreguin, Daniel J			-4,305.57
Emerson, Ralph K			
11/02/2017	9013		-2,894.78
11/16/2017	9046		-2,894.79
Total Emerson, Ralph K			-5,789.57
LaFond, Jamie L			
11/02/2017	9014		-496.51
11/16/2017	9047		-393.28
Total LaFond, Jamie L			-889.79
Miller, Brian A			
11/02/2017	9015		-1,618.01
11/16/2017	9048		-1,548.74
Total Miller, Brian A			-3,166.75
Nieto, Mary			
11/02/2017	9016		-1,080.29
11/16/2017	9049		-957.44
Total Nieto, Mary			-2,037.73
Ruiz, Lori A			
11/02/2017	9017		-107.92
11/16/2017	105		-27.98
Total Ruiz, Lori A			-135.90

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01/16/18

Accrual Basis

Garberville Sanitary District
Check Register Report for Board
November 2017

<u>Date</u>	<u>Num</u>	<u>Memo</u>	<u>Amount</u>
Ruiz, Ricardo			
11/02/2017	9018		-192.04
11/16/2017	106		-96.02
Total Ruiz, Ricardo			-288.06
TOTAL			-57,645.18

OCTOBER 2017

FINANCIAL STATEMENTS

Garberville Sanitary District
Combined Revenue & Expense Report for Board
 October 2017

	October 2017 Actual	YTD Actual	YTD Budget	Total Annual Budget
Ordinary Income/Expense				
Income				
Water Charges				
4100 · Residential	24,891.77	116,112.85	109,822.00	290,000.00
4110 · Commercial	18,882.76	78,067.43	75,035.00	215,000.00
4150 · Bulk Water Sales	5,328.00	17,040.00		
Total Water Charges	49,102.53	211,220.28	184,857.00	505,000.00
4200 · Sewer Charges	30,495.11	124,636.36	124,919.00	365,000.00
4300 · Connection Fees	0.00	16,000.00	40,000.00	64,000.00
4650 · Late Charges	565.00	2,035.00	1,668.00	5,000.00
4700 · Other Operating Revenue	-15.56	2,796.50	52.00	150.00
Total Income	80,147.08	356,688.14	351,496.00	939,150.00
Gross Profit	80,147.08	356,688.14	351,496.00	939,150.00
Expense				
Administrative and General				
5000 · Advertising	0.00	0.00	115.00	350.00
5005 · Bad Debts	0.00	480.19	1,833.00	5,500.00
5010 · Bank Charges				
5012 · Merchant Account Fees	189.45	841.28	498.00	1,500.00
5010 · Bank Charges - Other	139.91	577.31	450.00	1,350.00
Total 5010 · Bank Charges	329.36	1,418.59	948.00	2,850.00
5020 · Directors Fees	0.00	0.00	600.00	1,800.00
5030 · Dues and Memberships	375.00	1,415.60	1,068.00	3,200.00
5035 · Education and Training	0.00	150.00	1,132.00	3,400.00
5036 · Education and Training - B.O.D.	0.00	0.00	102.00	306.00
Insurance				
5040 · Liability	1,911.23	7,644.92	5,200.00	15,600.00
5050 · Workers' Comp	919.94	3,710.56	6,882.00	20,643.00
5055 · Health				
5055.1 · Employee Portion	-607.62	-2,430.48	-2,393.00	-7,177.00
5055 · Health - Other	2,468.34	9,873.36	11,964.00	35,890.00
Total 5055 · Health	1,860.72	7,442.88	9,571.00	28,713.00
Total Insurance	4,691.89	18,798.36	21,653.00	64,956.00
5060 · Licenses, Permits, and Fees	1,685.00	7,667.03	7,400.00	22,200.00
5065 · Auto	0.00	454.44	2,666.00	4,000.00
5070 · Miscellaneous	0.00	-44.50	33.00	101.00
5080 · Office Expense	737.14	1,984.35	1,868.00	5,600.00
5085 · Outside Services	1,070.00	2,769.85	2,993.00	11,344.00
5090 · Payroll Taxes	1,680.28	6,862.32	9,630.00	28,890.00
5100 · Postage	80.81	719.06	866.00	2,596.00
5110 · Professional Fees	5,819.07	20,585.61	20,000.00	60,000.00
5130 · Rents	1,670.00	4,175.00	3,580.00	10,740.00
5135 · Retirement	563.81	2,297.76	2,476.00	7,112.00
5137 · Supplies	96.94	649.09	900.00	2,700.00
5140 · Telephone	376.70	1,205.74	933.00	2,800.00
5145 · Tools	0.00	0.00	2,266.00	4,000.00

Garberville Sanitary District
Combined Revenue & Expense Report for Board
 October 2017

	October 2017 Actual	YTD Actual	YTD Budget	Total Annual Budget
5150 · Travel and Meetings	0.00	1,018.46	532.00	1,600.00
5155 · Utilities	142.84	795.84	800.00	2,400.00
5160 · Wages				
5165 · Wages - Overtime	324.92	586.26	0.00	0.00
5160 · Wages - Other	10,053.45	36,878.75	41,381.00	124,144.00
Total 5160 · Wages	<u>10,378.37</u>	<u>37,465.01</u>	<u>41,381.00</u>	<u>124,144.00</u>
Total Administrative and General	<u>29,697.21</u>	<u>110,867.80</u>	<u>125,775.00</u>	<u>372,589.00</u>
Sewage Collection				
6010 · Fuel	0.00	441.59	950.00	2,850.00
6030 · Repairs and Maintenance	411.66	2,200.63	6,667.00	20,000.00
6040 · Supplies	78.19	1,580.10	534.00	1,600.00
6050 · Utilities	398.82	1,570.57	1,634.00	4,900.00
6060 · Wages				
6065 · Wages - Overtime Sewer Collecti	66.00	267.00	666.00	2,000.00
6060 · Wages - Other	2,342.15	10,750.78	6,260.00	18,780.00
Total 6060 · Wages	<u>2,408.15</u>	<u>11,017.78</u>	<u>6,926.00</u>	<u>20,780.00</u>
Sewage Collection - Other	0.00	6.26		
Total Sewage Collection	<u>3,296.82</u>	<u>16,816.93</u>	<u>16,711.00</u>	<u>50,130.00</u>
Sewage Treatment				
6075 · Fuel	0.00	441.59	866.00	2,600.00
6080 · Monitoring	300.00	925.00	2,667.00	8,000.00
6100 · Repairs and Maintenance	76.96	2,415.55	4,166.00	12,500.00
6110 · Supplies	91.19	1,814.18	2,534.00	7,600.00
6120 · Utilities	893.36	3,177.32	4,000.00	12,000.00
6130 · Wages				
6135 · Wages - Overtime Sewer Treatmen	0.00	429.00	500.00	1,500.00
6130 · Wages - Other	1,603.62	8,509.46	10,634.00	31,900.00
Total 6130 · Wages	<u>1,603.62</u>	<u>8,938.46</u>	<u>11,134.00</u>	<u>33,400.00</u>
Total Sewage Treatment	<u>2,965.13</u>	<u>17,712.10</u>	<u>25,367.00</u>	<u>76,100.00</u>
Water Trans and Distribution				
7075 · Fuel	0.00	441.59	834.00	2,500.00
7090 · Repairs and Maintenance	929.07	1,241.03	5,000.00	15,000.00
7100 · Supplies	30.79	1,352.77	1,334.00	4,000.00
7110 · Utilities	739.63	3,275.76	3,000.00	9,000.00
7120 · Wages				
7125 · Wages - Overtime Water Trans &	202.50	1,676.50	1,500.00	4,500.00
7120 · Wages - Other	3,851.64	15,721.37	9,455.00	28,364.00
Total 7120 · Wages	<u>4,054.14</u>	<u>17,397.87</u>	<u>10,955.00</u>	<u>32,864.00</u>
Total Water Trans and Distribution	<u>5,753.63</u>	<u>23,709.02</u>	<u>21,123.00</u>	<u>63,364.00</u>
Water Treatment				
7020 · Fuel	0.00	441.59	1,000.00	3,000.00
7010 · Monitoring	2,636.87	3,261.87	1,666.00	5,000.00
7030 · Repairs and Maintenance	811.80	10,598.72	1,666.00	5,000.00
7040 · Supplies	69.09	4,177.56	4,000.00	12,000.00
7050 · Utilities	3,853.30	14,162.11	13,334.00	40,000.00
7060 · Wages				

Garberville Sanitary District
Combined Revenue & Expense Report for Board
 October 2017

	October 2017 Actual	YTD Actual	YTD Budget	Total Annual Budget
7065 · Wages - Overtime Water Treatmen	411.00	1,604.00	1,667.00	5,000.00
7060 · Wages - Other	2,749.90	11,413.89	15,480.00	46,440.00
Total 7060 · Wages	3,160.90	13,017.89	17,147.00	51,440.00
Total Water Treatment	10,531.96	45,659.74	38,813.00	116,440.00
Total Expense	52,244.75	214,765.59	227,789.00	678,623.00
Net Ordinary Income	27,902.33	141,922.55	123,707.00	260,527.00
Other Income/Expense				
Other Income				
Property Tax Revenue				
8020 · Unsecured	0.00	833.93	0.00	0.00
Total Property Tax Revenue	0.00	833.93	0.00	0.00
8053 · Water Capital Grant Income	0.00	0.00		60,000.00
8060 · Interest Income	52.09	2,204.01	334.00	1,000.00
Total Other Income	52.09	3,037.94	334.00	61,000.00
Other Expense				
9000 · Capital Improvements	2,975.00	2,975.00		
9040 · Depreciation	82,763.32	174,173.32	175,000.00	525,000.00
9050 · Interest Expense	700.48	8,057.95	5,282.00	15,847.00
Total Other Expense	86,438.80	185,206.27	180,282.00	540,847.00
Net Other Income	-86,386.71	-182,168.33	-179,948.00	-479,847.00
Net Income	-58,484.38	-40,245.78	-56,241.00	-219,320.00
9040 · Depreciation	82,763.32	174,173.32	175,000.00	525,000.00
Net Income Excluding Depreciation	24,278.94	133,927.54	118,759.00	305,680.00

Garberville Sanitary District
Check Register Report for Board
October 2017

Date	Num	Memo	Amount
Mendocino Construction Company			
10/04/2017	8980		-5.00
Total Mendocino Construction Company			-5.00
101 Netlink			
10/04/2017	8982		-220.00
Total 101 Netlink			-220.00
Amazon.com			
10/30/2017	POS	outdoor security lights	-215.92
Total Amazon.com			-215.92
Blue Star Gas			
10/10/2017	DBT		-9.50
Total Blue Star Gas			-9.50
Branscomb Center			
10/04/2017	8988		-198.22
10/16/2017	9003		-204.67
Total Branscomb Center			-402.89
Brenntag Pacific, Inc.			
10/04/2017	8989		-2,982.17
Total Brenntag Pacific, Inc.			-2,982.17
Brian McNeill			
10/04/2017	8990		-500.00
Total Brian McNeill			-500.00
C & K Market Inc.			
10/02/2017	debit		-54.69
Total C & K Market Inc.			-54.69
Candor Rock, LLP			
10/04/2017	8991		-950.00
Total Candor Rock, LLP			-950.00
Capital Bank & Trust			
10/04/2017	EFT	557880519	-598.95
10/04/2017	EFT	025158148	-283.08
10/18/2017	eft	557880519	-593.14
10/18/2017	eft	025158148	-280.73
Total Capital Bank & Trust			-1,755.90
Crystal Springs Bottled Water			
10/02/2017	8960		-5.00
10/03/2017	8969		-10.00
10/04/2017	8983		-5.00
Total Crystal Springs Bottled Water			-20.00
Dazey's Building Center			
10/03/2017	8970		-58.00
Total Dazey's Building Center			-58.00

Garberville Sanitary District
Check Register Report for Board
October 2017

Date	Num	Memo	Amount
EDD			
10/04/2017	EFT	499-0538-3	-24.49
10/04/2017	EFT	499-0538-3	-556.29
10/18/2017	eft	499-0538-3	-3.00
10/18/2017	eft	499-0538-3	-530.07
Total EDD			-1,113.85
Fluentstream Tech			
10/02/2017	8967		-111.09
Total Fluentstream Tech			-111.09
Frontier Communications			
10/02/2017	8961		-251.31
10/04/2017	8984		-170.24
10/16/2017	9002		-145.61
Total Frontier Communications			-567.16
Harbor Freight Tools			
10/27/2017	Debit		-315.38
Total Harbor Freight Tools			-315.38
Humboldt Land Title Company			
10/04/2017	8973	Recording Fee-Easement	0.00
10/04/2017	8973	VOID:	0.00
10/04/2017	8973		-50.00
Total Humboldt Land Title Company			-50.00
IRS			
10/04/2017	EFT	68-0296323	-2,835.24
10/18/2017	eft	68-0296323	-2,655.34
Total IRS			-5,490.58
Jamie Corsetti, CPA			
10/04/2017	8992		-1,600.00
Total Jamie Corsetti, CPA			-1,600.00
JAYHAWK SOFTWARE			
10/11/2017	8997		-750.00
Total JAYHAWK SOFTWARE			-750.00
Jennie Short			
10/02/2017	8968		-2,199.96
10/18/2017	9011		-2,529.60
Total Jennie Short			-4,729.56
Mitchell, Brisso, Delaney & Vrieze			
10/04/2017	8993		-1,892.19
Total Mitchell, Brisso, Delaney & Vrieze			-1,892.19
NAPA			
10/02/2017	8962		-210.93
10/04/2017	8985		-51.48
Total NAPA			-262.41
North Coast Laboratories Ltd.			
10/02/2017	8963		-180.00
Total North Coast Laboratories Ltd.			-180.00

Garberville Sanitary District
Check Register Report for Board
 October 2017

Date	Num	Memo	Amount
Owsley Electric			
10/04/2017	8972		-8,988.32
Total Owsley Electric			-8,988.32
PAPER MILL			
10/23/2017	dbt		-46.87
Total PAPER MILL			-46.87
PG&E			
10/16/2017	9005		-5,462.93
Total PG&E			-5,462.93
Pitney Bowes INC.			
10/04/2017	8994		-80.81
Total Pitney Bowes INC.			-80.81
Redwood Merchant Services			
10/02/2017	ACH		-111.93
10/31/2017			-98.99
Total Redwood Merchant Services			-210.92
Rural Community Assistance Program			
10/04/2017			-4,717.81
Total Rural Community Assistance Program			-4,717.81
SDRMA			
10/02/2017	8964		-272.34
10/04/2017	8995		-2,196.00
Total SDRMA			-2,468.34
Sentry III Center			
10/02/2017	8965		-835.00
Total Sentry III Center			-835.00
Streamline			
10/02/2017	8966		-100.00
Total Streamline			-100.00
Umpqua Bank			
10/20/2017	ACH	Sept Maint Fee	-143.83
Total Umpqua Bank			-143.83
US Cellular			
10/04/2017	8986		-247.94
Total US Cellular			-247.94
USABLUBOOK			
10/04/2017	8987		-298.60
10/16/2017	9004		-87.21
Total USABLUBOOK			-385.81
Wells Fargo			
10/04/2017	8996		-90.51
Total Wells Fargo			-90.51
WYCKOFF'S			
10/03/2017	8971		-25.49
Total WYCKOFF'S			-25.49

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Accrual Basis

Garberville Sanitary District
Check Register Report for Board
October 2017

<u>Date</u>	<u>Num</u>	<u>Memo</u>	<u>Amount</u>
Arreguin, Daniel J			
10/04/2017	8974		-1,961.78
10/18/2017	9006		-1,941.57
Total Arreguin, Daniel J			-3,903.35
Emerson, Ralph K			
10/04/2017	8975		-2,894.78
10/18/2017	9007		-2,894.79
Total Emerson, Ralph K			-5,789.57
Miller, Brian A			
10/04/2017	8976		-1,457.50
10/18/2017	9008		-1,433.10
Total Miller, Brian A			-2,890.60
Nieto, Mary			
10/04/2017	8977		-1,063.46
10/18/2017	9009		-828.85
Total Nieto, Mary			-1,892.31
Ruiz, Lori A			
10/04/2017	8978		-128.03
10/18/2017	9010		-44.26
Total Ruiz, Lori A			-172.29
Ruiz, Ricardo			
10/04/2017	8979		-233.20
Total Ruiz, Ricardo			-233.20
Carol Mills			
10/04/2017	8981		-98.11
Total Carol Mills			-98.11
TOTAL			-63,020.30

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

December 19, 2017
5:00 p.m. – Open Public Session

I. REGULAR MEETING CALLED TO ORDER

Meeting called to order at 5:03 p.m.

II. ESTABLISHMENT OF QUORUM

**Rio Anderson-Present
Linda Brodersen
Doug Bryan
Richard Thompson**

III. APPROVAL OF AGENDA

Motion: Rio Anderson Second: Richard Thompson Vote: 4-0

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

V. CLOSED SESSION

A. No items for closed session

VI. OPEN SESSION

A. Board Report of action, if any, taken during closed session—No action

VII. COMMENTS AND QUESTIONS FROM THE AUDIENCE

General Public / Community Groups

VIII. ANNOUNCEMENTS AND COMMUNICATIONS

REPORTS AND PRESENTATIONS

Operations Staff- 0

Office Staff- 0

Board Members- Richard, Linda, and Ralph met for the rate study meeting.

General Manager—Ralph Emerson Pg. 4

The Audit went very smoothly. Jennie and Mary worked attentively with Keith.

IX. REGULAR AGENDA ITEMS

A. CONSENT AGENDA

A.1 Approve Financials – PULL

A.2 Approve 11/28/2017 Regular Meeting Minutes - pg 5-7

A.3 Operations Safety Report- pg 8-9

Motion: Doug Bryan Second: Rio Anderson Vote: 4-0

B. GENERAL BUSINESS

B.1 Town Square Restroom---Request to waive water base rate-upsized meter pg. 10-11
(discussion-possible action)-Jim Truitt presentation
More research needs to be done before action can be taken.

B.2 Water Treatment Plant Contact Chamber repairs pg. 12-13
(discussion-possible action) update

Engineers are researching the possible reasons why the contact chamber failed.

B.3 Measure Z funding update--Bid Package for fire hydrant replacements pg. 14-15
(discussion-possible action) Jennies packet included

B.4 Customer Contact list and Emergency Plan pg.
(discussion-possible action)
The District staff and Board are researching the best ways to contact our customer if/when emergency strikes. Mary is currently asking customers to update all contact information to build an accurate customer database.

B.5 Commercial Agricultural Water use, "Will Serve" Letter pg. 16-18
(discussion-possible action)

Motion: Rio Anderson Second: Richard Thompson Vote: 4-0

B.6 Rate Study Update pg. 19

Linda, Richard, Ralph, and Mary are working diligently on the rate study.

B.7 Alternative Electricity Research pg.
(update only)
The District is viewing all options to offset our monthly energy cost.

C. POLICY REVISION / ADOPTION

C.1 Agricultural Water use Ordinance –Section 15.9 pg. 20-26
(discussion possible action) second reading—resolution # 17-013
Bring back.

C.2 Payment of Bills, insufficient funds, Sec 9.5 pg. 27
(discussion—no action) First Reading

The Board is working on our ordinance for non-sufficient funds. The District offers an automatic payment method. Either through credit card or bank ACH.

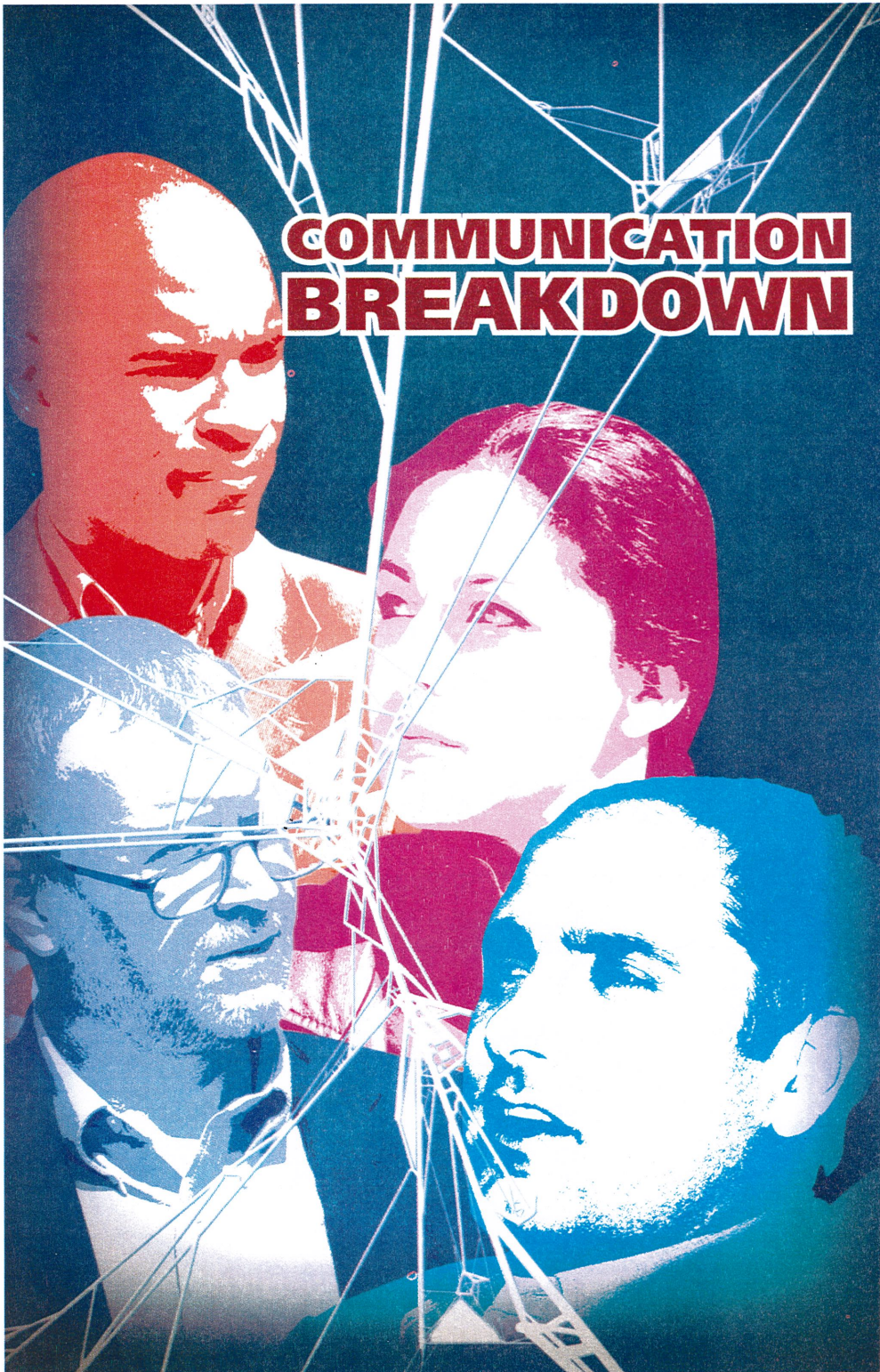
X. ITEMS FOR NEXT BOARD MEETING

1. Rate Study
2. 10 year Capital Improvement Plan
3. Agricultural Water Use Ordinance –Sec 15.9
4. Budget Update 2017-2018

XI. ADJOURNMENT

Linda Broderson called the meeting to a close at 6:46 p.m.

COMMUNICATION BREAKDOWN



Safety Meeting

Date of Meeting: 1/17/18 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.
(Copy this form if more pages are needed.)
- c. File this roster and the associated documents as outlined in the Leader Discussion Guide.

Name (print)	Name (signature)
1. <u>Ralph Emerson</u>	<u>Ralph Emerson</u>
2. <u>BRIAN Miller</u>	<u>Brian Miller</u>
3. <u>Dan Arreguin</u>	<u>Dan Arreguin</u>
4. <u>Mary Nieto</u>	<u>Mary Nieto</u>
5. _____	_____
6. _____	_____
7. _____	_____
8. _____	_____
9. _____	_____
10. _____	_____
11. _____	_____
12. _____	_____
13. _____	_____
14. _____	_____
15. _____	_____
16. _____	_____
17. _____	_____
18. _____	_____
19. _____	_____
20. _____	_____

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

GARBERVILLE SANITARY DISTRICT BOARD MEMBERS

APPOINTMENT OF OFFICERS

BOARD CHAIRPERSON

VICE CHAIRPERSON

SECRETARY

TREASURER

AUTHORIZED SIGNATURES TO SIGN FOR DISTRICT

- 1.
- 2.
3. Ralph Emerson
4. Mary Nieto

BOARD MEETING CALENDAR

2018

JANUARY 23, 2018

FEBRUARY 27, 2018

MARCH 27, 2018

APRIL 24, 2018

MAY 22, 2018

JUNE 19, 2018 (CSDA Training June 26th)

JULY 24, 2018

AUGUST 28, 2018

SEPTEMBER 18, 2018 (CSDA Conference September 25)

OCTOBER 23, 2018

NOVEMBER 27, 2018

DECEMBER 18, 2018 (Christmas December 25)

QUARTERLY AND FINAL SUMMARY REPORT

Due dates:

Quarterly reports are due one month after the end of each quarter. Quarterly reports will be based on COUNTY fiscal year quarters. The below table below shows each fiscal year quarter and the report due dates. Each agency must submit a quarterly report for each quarter in which the contract is active. The Final Summary Report is due one month after completion of the contract term.

Quarter	Dates Included	Date Report Due to County
1	July 1 through September 30	October 31
2	October 1 through December 31	January 31
3	January 1 through March31	April 30
4	April 1 through June 30	July 31
Final Summary Report	Based on contract term	One month after term end

Submission of reports:

All reports should be sent to **the County Administrative Office** at the following addresses:

cao@co.humboldt.ca.us

Or by mail to: County of Humboldt
County Administrative Office, Room 112
825 Fifth Street
Eureka, CA 95501

**ATTACHMENT 1
QUARTERLY AND FINAL SUMMARY REPORT**

**COUNTY OF HUMBOLDT – MEASURE Z
Report Form**



Organization Name: Garberville Sanitary District

Report Date: January 8, 2018

Contact Name: Jennie Short

Phone: (707)223-4567

Please attach a narrative report addressing the items outlined in section I below. Feel free to attach any other relevant materials or reports.

I. QUARTERLY NARRATIVE (please attach a maximum of 1 page, exclusive of attachments)

A. Results/Outcomes

1. Please describe the Measure Z activities completed and/or total numbers served or reached.

The activities completed for the quarter October 1 – December 31, 2017 are as follows:

- 1. GSD completed preparation of the Request for Bids for the hydrant replacement public works project**
- 2. The RFB has been circulated and is out to bid with a bid opening date of January 22, 2018.**
- 3.**

2. What difference did Measure Z funding make in our community and for the population you are serving? Please discuss evidence of effect (e.g., community indicators, outcomes, etc.). *If you have evaluation materials that document outcomes and impacts of your work, feel free to attach them in lieu of answering this or other questions.*

The evidence of the difference that this construction project makes to the community of Garberville will not be seen until the installation of the new hydrants is complete.

3. Describe any unanticipated impacts of receiving Measure Z funding, positive or negative, not already described above.

None.

II. FINAL SUMMARY REPORT (please attach a maximum of 2 pages, exclusive of attachments)

A. Lessons Learned

1. Describe what you learned based on the results/outcomes you reported in Section A above and what, if any, changes you will make based on your results/outcomes.

None so far.

2. What overall public safety improvements has your organization seen as a result of receiving Measure Z funding?

The public safety improvements that this construction project provides to the community of Garberville will not be seen until the installation of the new hydrants is complete.

GSD has not incurred any reimbursement eligible expenses for this quarter.

ATTACHMENT II - EXHIBIT F

Measure Z - Invoice

GARBERVILLE SANITARY DISTRICT JENNIE SHORT P.O. BOX 211, GARBERVILLE, CA 95542 (707)923-9566

Invoice Date: January 8, 2018

Invoice # MZ- _____

Invoice Period: Oct 1 - Dec 31, 2017

Description	Cost	Total Amount Due
Personnel Costs (Wages and Benefits)	\$0.00	
Operational Costs (Rent, Utilities, Phones, etc.)	\$0.00	
Consumables/Supplies (Supplies and Consumables should be separate)	\$0.00	
Transportation/Travel (Local and out of county should be separate)	\$0.00	
Other (Indirect Costs, Contracts, etc.)	\$0.00	
		\$0.00

I certify that the information provided above is, to the best of my knowledge, complete and accurate; the expenditures are in accordance with the approved Agreement cited for services provided under the provision of that agreement. Full justification and backup records for the expenditures are maintained in our office at the address indicated.

Signature and date: 

Print Name and Title: Jennie Short, Consultant Project Manager

Send invoice to:

COUNTY OF HUMBOLDT
 County Administrative Office
 825 Fifth Street, Room 112
 Eureka Ca 95501



_____ Date

_____ Date

(707) 445-7266

ATTACHMENT II - EXHIBIT E
Budget
Garberville Sanitary District

Invoice Date: January 8, 2018

Invoice # MZ- _____

Invoice Period: Oct 1 - Dec 31, 2017

Descriptions	Amounts	Approved Budget	Remaining Balance
A. Personnel Costs			
Title:			
Salary and Benefits			0.00
Duties Description:			
Title:			
Salary and Benefits			0.00
Duties Description:			
Total Personnel:	0.00	0.00	0.00
B. Operational Costs (Rent, Utilities, Phones, etc.)			
Title:			
Description:			
Title:			
Description:			
Total Operating Costs:	0.00	0.00	0.00
C. Consumables/Supplies (Supplies and Consumables should be separate)			
Title:			
Description:			
Title:			
Description:			
Title:			
Description:			
Total Consumable/Supplies:	0.00	0.00	0.00
D. Transportation/Travel (Local and Out-of-County should be separate)			
Title:			
Description:			
Title:			
Description:			
Total Transportation/Travel Costs:	0.00	0.00	0.00
E. Fixed Assets			
Title: HYDRANTS			
Description: MATERIALS COST OF \$4,000 PER HYDRANT FOR 8 HYDRANTS		30,000.00	30,000.00
Title: HYDRANT INSTALLATION			
Description: CONTRACT FOR INSTALLATION OF 8 HYDRANTS AT \$4,000 PER HYDRANT FOR 14 HYDRANTS		30,000.00	30,000.00
Total Other Costs:	0.00	60,000.00	60,000.00
Invoice Total:	0.00		



GARBERVILLE SANITARY DISTRICT

P.O. BOX 211 • GARBERVILLE, CA 95542 • (707) 923-9566

BOARD AGENDA MEMORANDUM

Meeting Date: January 23, 2018
To: Garberville Sanitary District Board of Directors
From: Jennie Short, Consultant Project Manager
Subject: Draft Audit for Fiscal Year 2016/17

GENERAL OVERVIEW

The District contracted with Anderson, Lucas, Somerville, and Borges to perform the annual audit for the 2016-17 fiscal year. This year the staff person performing the audit was Keith Borges. The preparatory and onsite portions of the audit went very smoothly. The Draft Audit was presented to the District on January 8, 2018. GSD staff and I have reviewed the draft audit. Attached is a letter that contains the minor comments that we have on the draft audit.

This year the management report received from the auditor was very complementary. The auditor's findings included the following statements:

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

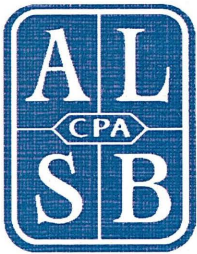
All of these findings summarize the efforts that our accounting team has made over the past year in accurately recording and reviewing the business of the District.

STAFF RECOMMENDATION FOR BOARD ACTIONS

1. Review the Draft Audit as presented
2. Review the response letter to the Draft Audit, make any revisions necessary, approve the letter, and authorize the Chair of the Board to sign on behalf of the Board.
3. Review the Representations Letter, approve it, and authorize the Chair of the Board to sign on behalf of the Board.
4. Review the 2016-17 Fiscal Year Single Audit Report exemption letter and authorize the Chair of the Board to sign on behalf of the Board.

ATTACHMENTS

Draft Audit
Draft Fiscal Year 2016/17 Audit Response letter
Representations Letter to Auditor
2016-17 Fiscal Year Single Audit Report exemption letter



ANDERSON, LUCAS, SOMERVILLE & BORGES, LLP

CERTIFIED PUBLIC ACCOUNTANTS

ART STEWART (1945-1964)
RICHARD RODRIGUE (1950-1985)
DAVID J. SOMERVILLE (1971-1982)
DONALD J. HARRIS (1962-1994)
EUGENE B. LUCAS (1950-2013)
JAMES M. ANDERSON (1964-2001)

1338 MAIN STREET
FORTUNA, CALIFORNIA 95540
(707)725-4483 & (707) 725-4442
Toll Free: 800-794-1643
FAX: (707) 725-6340
E-mail: team@alsb.com
www.alsb.com

KEITH D. BORGES
BARBARA J. GUEST
RITA CHISM
VANESSA ANDERSON, E.A.

DAVID A. SOMERVILLE, INACTIVE

January 8, 2018

Jennie Short
Garberville Sanitary District
P.O. Box 211
Garberville, CA 95542

Dear Jennie:

Enclosed are the following:

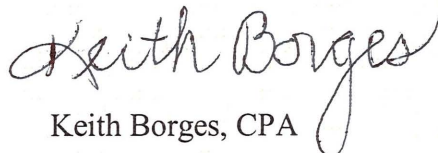
1. Draft copy of the June 30, 2017 audited financial statements for the District. Please review and let me know if you have any questions or comments.
2. A draft copy of the annual Representation Letter. Please copy on to District letterhead, have board members review, sign and return to our office.
3. Draft copies of an additional communication which need to be made as part of the annual audit. They represent communications made directly to "those charged with governance", and include certain required and recommended items directly related to the recently completed audit.

After Ralph, Jamie Corsetti and you have reviewed the financial statements and related documents, let me know if there are any questions. As I noted in my e-mail, please review the footnotes and either update or eliminate if appropriate. This includes providing us with a new note for the subsequent event storm damage.

We will be able to issue the final reports upon the Board's review and upon receipt of the signed Representation Letter.

Sincerely,

ANDERSON, LUCAS, SOMERVILLE & BORGES, LLP


Keith Borges, CPA

encl.
KB:mh

December 28, 2017

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, 2017. 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, 2017. 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 28, 2017.

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

**GARBERVILLE SANITARY DISTRICT
FINANCIAL STATEMENTS**

JUNE 30, 2017

DRAFT

GARBERVILLE SANITARY DISTRICT

Table of Contents

June 30, 2017

INDEPENDENT AUDITORS' REPORT	1
BASIC FINANCIAL STATEMENTS	
Statement of Net Position	3
Statement of Revenues, Expenses and Changes in Net Position	4
Statement of Cash Flows	6
NOTES TO FINANCIAL STATEMENTS	8

DRAFT

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, 2017, 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, 2017, 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 28, 2017
Fortuna, California

BASIC FINANCIAL STATEMENTS

CONFIDENTIAL

GARBERVILLE SANITARY DISTRICT
Statement of Net Position
June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 149,997	\$ 258,610
Restricted Cash	46,355	46,193
Accounts Receivable - net of \$5,000		
Allowance for Doubtful Accounts	94,092	84,869
Grants Receivable	-	-
Prepays and Deposits	20,119	4,164
Total Current Assets	310,563	393,836
Restricted Assets		
Cash in County Treasury	611,988	580,597
Total Restricted Assets	611,988	580,597
Noncurrent Assets		
Capital Assets, Net of Depreciation	11,496,261	11,668,935
Construction in Progress	6,627	158,528
Total Noncurrent Assets	11,502,888	11,827,463
Total Assets	\$ 12,425,439	\$ 12,801,896
LIABILITIES		
Current Liabilities		
Accounts Payable	\$ 27,769	\$ 25,027
Accrued Payroll Liabilities	2,049	1,438
Accrued Vacation	16,721	25,910
Current Portion of Long-Term Obligations	131,751	115,634
Total Current Liabilities	178,290	168,009
Noncurrent Liabilities		
Noncurrent Portion of Long-Term Obligations	1,554,938	1,659,350
Total Liabilities	1,733,228	1,827,359
NET POSITION		
Invested in Capital Assets, Net of Related Debt	9,816,199	10,052,479
Reserved for Debt Service	46,355	46,193
Unrestricted	829,657	875,865
Total Net Position	\$ 10,692,211	\$ 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, 2017

	Water	Sewer	Total 2017
OPERATING REVENUES			
Utility Sales	\$ 510,062	\$ 362,192	\$ 872,254
Connection Fees	-	-	-
Other Revenues	7,825	3,415	11,240
<u>Total Operating Revenues</u>	517,887	365,607	883,494
OPERATING EXPENSES			
Salaries and Wages	163,701	124,590	288,291
Payroll Taxes	14,327	10,978	25,305
Employee Benefits	19,887	19,977	39,864
Rent	5,010	5,010	10,020
Materials and Supplies	4,128	3,827	7,955
Transportation	1,477	1,477	2,955
Sewage Collection	-	14,784	14,784
Office Expense	10,775	10,906	21,682
Insurance	15,808	14,184	29,992
Professional Services	30,527	25,788	56,314
Sewage Treatment	-	36,581	36,581
Water Treatment	74,978	-	74,978
Water Distribution	27,305	-	27,305
Permits and Fees	3,742	17,578	21,320
Utilities	2,565	2,565	5,129
Bad Debts	-	-	0
Other Expenses	69	69	138
Deprecation and Amortization	355,832	176,212	532,044
<u>Total Operating Expenses</u>	730,131	464,525	1,194,655
OPERATING GAIN (LOSS)	(212,244)	(98,917)	(311,161)
NON-OPERATING REVENUES (EXPENSES)			
Property Taxes and Exemptions	(12)	24,891	24,879
Gain on Asset Disposal	5,446	5,446	10,891
Interest Income	3,040	4,151	7,191
Interest Expense	(10,223)	(3,903)	(14,127)
<u>Total Non-operating Revenues (Expenses)</u>	(1,749)	30,584	28,835
CHANGE IN NET POSITION	(\$213,993)	(\$68,333)	\$ (282,326)
NET POSITION			
BEGINNING OF YEAR			\$ 10,974,537
PRIOR PERIOD ADJUSTMENT			\$ -
END OF YEAR			\$ 10,692,211

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 Cash Flows
For the Years Ended June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Cash Flows From Operating Activities		
Cash Received from Customers	\$ 874,274	\$ 925,428
Cash Paid for Employees	(362,040)	(203,841)
Cash Paid for Goods and Services	<u>(322,364)</u>	<u>(456,180)</u>
Net Cash Provided by Operating Activities	<u>189,870</u>	<u>265,407</u>
Cash Flows From Non-Capital Financing Activities		
Cash from Sale of Assets	14,001	-
Property Tax Revenues	<u>24,879</u>	<u>24,440</u>
Net Cash Provided by Non-Capital Financing Activities	<u>38,880</u>	<u>24,440</u>
Cash Flows From Capital and Related Financing Activities		
Proceeds from Long-Term Debt	-	250,000
Principal Paid on Long-Term Debt	(88,295)	(104,975)
Interest Paid on Long-Term Debt	(14,127)	(12,856)
Acquisition of Capital Assets	(210,579)	(462,515)
Capital Grant	<u>-</u>	<u>(179,751)</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(313,001)</u>	<u>(510,097)</u>
Cash Flows From Investing Activities		
Interest on Investments	<u>7,191</u>	<u>4,178</u>
Net Cash Provided by Investing Activities	<u>7,191</u>	<u>4,178</u>
Net (Decrease) in Cash and Cash Equivalents	(77,060)	(216,072)
Cash and Cash Equivalents - Beginning of Year	<u>885,400</u>	<u>1,101,472</u>
Cash and Cash Equivalents - End of Year	<u><u>\$ 808,340</u></u>	<u><u>\$ 885,400</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, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Reconciliation of Operating Gain (Loss) to Net Cash Provided by Operating Activities		
Operating Gain (Loss)	\$ (311,161)	\$ (279,405)
Adjustment to Reconcile Operating Gain (Loss) to Net Cash Provided by Operating Activities:		
Depreciation and Amortization	532,044	482,288
(Increase) Decrease in Accounts Receivable	(9,223)	16,746
(Increase) Decrease in Other Receivable	-	-
(Increase) Decrease in Prepaid Expenses	(15,955)	37,778
Increase (Decrease) in Accounts Payable	2,742	-
Increase (Decrease) in Accrued Liabilities	<u>(8,577)</u>	<u>8,000</u>
Total Adjustments	<u>501,031</u>	<u>544,812</u>
Net Cash Provided by Operating Activities	<u>\$ 189,870</u>	<u>\$ 265,407</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>\$ 808,340</u>	<u>\$ 885,400</u>
Cash and Cash Equivalents per Balance Sheet:		
Cash and Cash Equivalents	\$ 196,352	\$ 304,803
Cash in County Treasury	<u>611,988</u>	<u>580,597</u>
	<u>\$ 808,340</u>	<u>\$ 885,400</u>

The accompanying notes are an integral part of these financial statements

NOTES TO FINANCIAL STATEMENTS

SECRET

GARBERVILLE SANITARY DISTRICT
Notes to Financial Statements
June 30, 2017

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, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgets and Budgetary Accounting – The General Manager with the assistance from the Consultant Project 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, 2017 was \$16,721, and at June 30, 2016 was \$25,910, and has been reflected thus on the Balance Sheet.

Fund Equity - Reservations of the ending retained earnings indicate the portions of retained earnings not appropriable 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, 2017 and 2016.

GARBERVILLE SANITARY DISTRICT
Notes to Financial Statements
June 30, 2017

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.

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>2017</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	13,490	136,268	-	-	149,758
Restricted Water Fund	46,355	-	-	-	46,355
Petty Cash	-	-	-	239	239
Subtotal					196,352
Pooled with County	-	-	611,988	-	611,988
Total	<u>59,845</u>	<u>136,268</u>	<u>611,988</u>	<u>239</u>	<u>808,340</u>

<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					304,803
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, 2017

NOTE 3 - CAPITAL ASSETS AND DEPRECIATION

Capital Assets for the District for the years ended June 30, 2017 and 2016 consisted of the following:

	Balance 6/30/16	Additions	Deletions Transfers	Balance 6/30/17
Land - Sewer	129,811	-	-	129,811
Land - Water	88,699	-	-	88,699
Water System	133,382	9,093	-	142,475
Water Easements	177,397	-	-	177,397
Collection Facilities	2,245,631	36,144	29,806	2,311,581
Kimtu Waterline	1,908,669	-	(1,908,669)	-
Sewer Treatment Facilities	500,762	6,791	-	507,553
Water Distribution	-	4,131	2,692,285	2,696,416
Water Treatment	-	-	59,930	59,930
Water Pumps	-	2,910	-	2,910
Sewer Pumps	-	9,882	-	9,882
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	671,517	-	(671,517)	-
Melville Road (2015)	59,613	-	(59,613)	-
Office Equipment	32,004	-	-	32,004
Equipment	158,307	-	-	158,307
Vehicles	48,024	53,869	(20,722)	81,171
CIP Leino Lane	585	-	-	585
CIP Bear Canyon	576	660	-	1,236
CIP SWTP Coag	-	4,806	-	4,806
Annexation Project CIP	157,367	-	-	157,367
Less: Accumulated Depreciation	(2,305,367)	(532,044)	17,612	(2,819,799)
Total	\$ 11,827,464	(403,758)	79,182	\$ 11,502,888

GARBERVILLE SANITARY DISTRICT

Notes to Financial Statements

June 30, 2017

NOTE 3 - CAPITAL ASSETS AND DEPRECIATION (Continued)

	Balance 6/30/15	Additions	Deletions Transfers	Balance 6/30/16
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
Annexation Project CIP	155,452	1,915	-	157,367
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
CIP Alderpoint Tank	343,609	-	(343,609)	-
Less: Accumulated Depreciation	(1,823,079)	(482,288)	-	(2,305,367)
Total	\$ 11,847,236	(19,772)	-	\$ 11,827,464

GARBERVILLE SANITARY DISTRICT
Notes to Financial Statements
June 30, 2017

NOTE 4 - LONG-TERM DEBT

Long-term debt of the District for the years ended June 30, 2017 and 2016 consisted of the following:

	Balance 6/30/16	Additions	Principal Payments	Balance 6/30/17
SWRCB	191,123	-	(22,268)	168,855
Ford Truck Lease	-	42,355	(15,016)	27,339
RCAC-2	223,943	-	(46,472)	177,471
SRF Loan	1,356,480	-	(45,982)	1,310,498
Copier Lease	3,438	-	(912)	2,526
	1,774,984	42,355	(130,650)	1,686,689

	Balance 6/30/2015	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
Copier Lease	4,298.00	-	(860)	3,438
SRF Loan	1,379,471	-	(22,991.00)	1,356,480
	1,629,959	250,000	(104,975)	1,774,984

Current portion of long-term debt is as follows:

SWRCB	\$ 22,713
SRF Loan	45,982
RCAC Loan	48,850
Ford Motor Credit	13,239
Copier	967
	\$ 131,751

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, 2017 was \$168,855.

GARBERVILLE SANITARY DISTRICT
Notes to Financial Statements
June 30, 2017

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

Year(s) Ending June 30	Principal	Interest	Total
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	24,585	1,505	26,090
2023-2024	50,656	1,524	52,180
	<u>\$ 168,855</u>	<u>\$ 13,775</u>	<u>\$ 182,630</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:

Year(s) Ending June 30	Principal	Interest	Total
2018	967	122	1,089
2019	1,025	64	1,089
2020	534	9	543
	<u>\$ 2,526</u>	<u>\$ 195</u>	<u>\$ 2,721</u>

RURAL COMMUNITY ASSISTANCE CORPORATION (RCAC)

The District entered into a five year note and loan agreement on October 14, 2015 for the Alderpoint Tank Replacement Project. 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, 2017 was \$177,471.

Year(s) Ending June 30	Principal	Interest	Total
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>\$ 177,471</u>	<u>\$ 15,915</u>	<u>\$ 193,386</u>

GARBERVILLE SANITARY DISTRICT

Notes to Financial Statements

June 30, 2017

NOTE 4 - LONG-TERM DEBT (Continued)

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. This loan was for the Drinking Water Improvement Project. 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 \$1,310,498.

Year(s) Ending June 30	Principal	Interest	Total
2018	45,982	-	45,982
2019	45,982	-	45,982
2020	45,982	-	45,982
2021	45,982	-	45,982
2022	45,982	-	45,982
2023-2046	1,080,588	-	1,080,588
	<u>\$ 1,310,498</u>	<u>\$ -</u>	<u>\$ 1,310,498</u>

FORD TRUCK LEASE

The District entered into a 3-year lease purchase agreement for a new Ford Truck, including interest at 6.5% and annual payments of \$15,016.21.

Year(s) Ending June 30	Principal	Interest	Total
2018	13,239	1,777	15,016
2019	14,100	916	15,016
	<u>\$ 27,339</u>	<u>\$ 2,693</u>	<u>\$ 30,032</u>

GARBERVILLE SANITARY DISTRICT

Notes to Financial Statements

June 30, 2017

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, 2016 through June 30, 2017. 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)	1,000,000
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 wastewater services. Following is a listing of the District's receipts by source:

	<u>2017</u>	<u>2016</u>
Current Secured Taxes	23,214	23,010
Current Unsecured Taxes	920	859
Taxes-Prior Years	8	11
Taxes-Current-Supplemental Rolls	406	220
State-Homeowners' Exemptions	307	322
Taxes-Prior Years-Supplemental	36	30
Total Taxes/Exemptions	<u>24,891</u>	<u>24,452</u>

GARBERVILLE SANITARY DISTRICT

Notes to Financial Statements

June 30, 2017

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

This capital improvement project was completed January 29, 2015. 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 total amount of interest cost capitalized for this project was \$ -0- as of June 30, 2016.

Grant receivables were \$-0- at June 30, 2016.

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

The MSR/SOI Annexation project is complete: the updated Place of Use was adopted on October 11, 2013 and the updated Jurisdictional Boundary was recorded on May 12, 2016. 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 were being provided with water service which were outside of the existing District's Jurisdictional Boundary and SOI. The LAFCo process for remedy of that condition was 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 modified 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. Now that the Annexation, the Change in Place of Use, the Municipal Services Review and Sphere of Influence update have been completed, 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 brought into the Sphere of Influence.

NOTE 9 – ALDERPOINT TANK REPLACEMENT PROJECT

During 2016, the Alderpoint Tank construction was completed and capitalized for a total cost of \$671,517 (See Note 3).

GARBERVILLE SANITARY DISTRICT
Notes to Financial Statements
June 30, 2017

NOTE 10 – PRIOR PERIOD ADJUSTMENT

A prior period adjustment was required during the year ended June 30, 2016. The adjustment was needed to correctly capitalize an invoice that was expensed in error in 2015.

	<u>2016</u>
Capitalize invoice American Leak Detection for Melville Project	<u>\$ 2,960</u>

NOTE 11 – 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 12 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 28, 2017, the date the financial statements were available to be issued.



GARBERVILLE SANITARY DISTRICT

P.O. BOX 211 • GARBERVILLE, CA 95542 • (707) 923-9566

January 23, 2018

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

Re: **Draft Fiscal Year 2016/17 Audit Response**

Dear Mr. Borges:

It was a pleasure to work with you this year on the audit. The District appreciates your willingness to provide these services to us. Members of the Board have reviewed the draft audit in conjunction with our management team and staff. This letter contains our very minor review comments. These comments are offered with the idea that they will make the audit documents easier to use for the reader that is unfamiliar with the workings and historical construction projects of the District.

Note 3 – CAPITAL ASSETS AND DEPRECIATION

On Page 11: In the table, for the line titled “Water Distribution,” the amount in the Additions column should be \$86,424.66 and the amount in the Transfers column should be \$2,609,992.16. The additions consisted of expenses posted into 3 locations: \$4,131.63 posted into WATER: Distribution account for replacements and clamps, \$58,313.00 in Wallen Road Tank Project expenses, and \$23,980.03 in Fire Hydrant Project expenses. These three amounts are made up of expenditures during the current fiscal year and not expenditures from previous fiscal years that were transferred into a different fixed asset account. With the cleanup of fixed asset account titles, it is easy to understand where the confusion came from. Details are attached for your reference.

Note 4 – LONG-TERM DEBT

On Page 13: In each table there is a loan titled “RCAC-2”. If possible, can we change both of them to “RCAC-ALPT TANK” so it is easier for an unfamiliar reader of the audit to be able to easily track the project for this loan?

Also, there are a couple of numbers on those tables that have not been rounded to the nearest dollar, which make it awkward to use the table.

On Page 14: please change the title of the loan here to match pg 13 request to: “RURAL COMMUNITY ASSISTANCE CORPORATION (RCAC-ALPT TANK)”.

Ms. Short is inclined to consolidate the information in Note 9 with this brief description on the funding for the project. If you concur, please delete Note 9 and use the following revised Note 4 opening paragraph:

January 23, 2018

“The Alderpoint Tank Replacement Project was completed in 2016. The total project cost was \$671,516.84. The majority of this cost was paid for out of GSD cash funds. The District entered into a 5-year note and construction loan agreement on October 14, 2015 in the amount of \$250,000 with RURAL COMMUNITY ASSISTANCE CORPORATION. The maturity date is November 1, 2020 with an interest rate of 5.0%. Monthly payments of \$4,717.81 began on December 1, 2015. The principal balance at June 30, 2017 was \$177,471.”

On Page 15: Under STATE REVOLVING FUND (SRF): The last sentence in the paragraph gives a principal balance at June 30, 2016 of \$1,310,498. Shouldn't this be updated with a June 30, 2017 date and associated balance?

Ms. Short is inclined to consolidate the information in Note 7 with this brief description on the funding for the project. If you concur, please delete Note 7 and use the following revised Note 4 opening paragraph:

“The District began the Drinking Water Improvement Project in 2005. The project was completed January 29, 2015. The total project costs were \$4,968,104.88. Of this amount, the District received \$400,000 in planning grant and \$100,000 in planning loan funds (which have been fully repaid). The District entered into Funding Agreement (Project 1210008-006) SRFCX103 under the provisions of the California Safe Drinking Water State Revolving Fund through the California Department of Public Health on May 10, 2013 in the amount of \$4,060,478. This amount consisted of \$3,000,000 in grant funds and the remainder in a 0% interest rate and 30-year term loan. The Funding Agreement was amended September 2014 to increase the total to \$4,379,471. The final loan amount was \$1,379,471. As of June 30, 2016 there were no grant receivables outstanding and all loan and grant reimbursements had been received.

*The principal payments of \$22,991.18 are due semiannually on January 1 and July 1 commencing January 2016. The principal balance at June 30, 2017 was \$ **FILL IN BY KEITH.**”*

Note 8 can be deleted.

Note 11: LEASE

Please amend the title to be “FORD F-250 LEASE”

Note 12: SUBSEQUENT EVENTS

Add the following: *“On November 24, 2017 the surface water treatment plant’s chlorine contact chamber underground piping experienced catastrophic failure. Coordination with the contractor that completed construction of the piping in 2014 and the State Water Resources Control Board Division of Drinking Water ensued. Temporary emergency measures were completed within days that allowed for operation of the plant while bypassing the chlorine contact chamber. SDRMA, the District’s insurance company, was contacted along with various professionals and construction specialists. An insurance claim has been filed. The temporary measures in place now will be sufficient until spring when the flow rates for the plant will need to increase to fulfil increased demand. Staff is coordinating the design and implementation of a permanent fix to the failure. The cost for construction of the chlorine contact chamber underground piping in 2014 was approximately \$210,000. Replacement costs will either be paid for under the claim with the insurance company or will come from the District’s reserve funds.”*

January 23, 2018

Please do not hesitate to contact Jennie Short if you have any questions about these comments. Again, we appreciate your firm providing quality services to our agency and hope to continue working with your firm in the future.

Sincerely,

Linda Broderon
Chair of the Board of Directors

JMS:

Attachments: Transactions by Account reports for

- CIP – Wallen Road Tank
- Wallen Road Tank Project
- Fire Hydrant Project
- WATER: Distribution

Garberville Sanitary District
Transaction Detail by Account
July 2016 through June 2017

Type	Date	Num	Name	Memo	Clr	Adjusted Amount	Balance
CIP - Wallan Road Tank							
Bill	09/30/2016	1022	Jennie Short			240.00	240.00
Bill	10/27/2016	159041	Humboldt Land Title Company	Escrow # 159041 Wallan Road Tank Preliminary Report		400.00	640.00
Bill	12/06/2016	1248	Bruce Whittle Electric	PLC - Solar Panel replacement and programming Wallan Tank		14,600.00	15,240.00
Bill	12/07/2016	480	G.R. Wilcox Enterprises, Inc	New Flat for Wallan Tank, temp tank, install culvert for Moody's Rd		40,699.00	55,939.00
Bill	12/09/2016	575	Kolstad Land Surveyors	Meadows Tank (Wallan Tank) Easement Research		1,954.00	57,893.00
Bill	12/31/2016	1026	Jennie Short			30.00	57,923.00
Bill	01/31/2017	1027	Jennie Short	Wallan Rd		105.00	58,028.00
Bill	02/28/2017		Jennie Short	Feb 2017		60.00	58,088.00
Bill	03/31/2017	1029	Jennie Short	Wallan Rd		225.00	58,313.00
General Journal	03/31/2017	SS		Per Jennie - Reclass project placed in service 3/28/17		(58,313.00)	0.00
Total CIP - Wallan Road Tank						<u>0.00</u>	<u>0.00</u>
TOTAL						<u>0.00</u>	<u>0.00</u>

Garberville Sanitary District
Transaction Detail by Account
 July 2016 through June 2017

Type	Date	Num	Name	Memo	Split	Adjusted Amoun	Balance
Wallan Road Tank Project							
General Journal	03/31/2017	SS		Per Jennie - Reclass project placed in service 3/28/17	CIP - Wallan Road Tank	58,313.00	58,313.00
General Journal	06/30/2017	JC 11/10/17		Allocate costs to new general ledger accounts	Collection	(58,313.00)	0.00
Total Wallan Road Tank Project						<u>0.00</u>	<u>0.00</u>
TOTAL						<u>0.00</u>	<u>0.00</u>

Garberville Sanitary District
Transaction Detail by Account
 July 2016 through June 2017

Type	Date	Num	Name	Memo	Adjusted Amount	Balance
Fire Hydrant Project						
Bill	09/26/2016	20773	Dazey's Building Center	4x4 and 2x6 for hydrant replacement	23.15	23.15
Bill	09/26/2016	3199	Randall Sand & Gravel	Getti Up Fire Hydrant	648.00	671.15
Bill	09/27/2016	3208	Randall Sand & Gravel	Fire Hydrant Support Cement	693.36	1,364.51
Bill	10/31/2016	581601	Wahlund Construction	Install two fire hydrants in G-Ville plus two gate valves	23,956.88	25,321.39
Credit	10/31/2016	creditper ralph	Wahlund Construction	deduct amount of Randall's rock charges to GSD per Ralph	(1,341.36)	23,980.03
General Journal	06/30/2017	JC 11/10/17		Reclass fire hydrant costs for 16/17	(23,980.03)	0.00
Total Fire Hydrant Project					0.00	0.00
TOTAL					0.00	0.00

5:05 PM

01/16/18

Accrual Basis

Garberville Sanitary District Transactions by Account As of June 29, 2017

Type	Date	Num	Name	Memo	Class	Clr	Split	Amount	Balance
WATER									0.00
Distribution									0.00
Bill	08/17/2016	36589	USABLUEBOOK	Replacement ...	Water		2000 - Account...	2,997.06	2,997.06
Bill	06/01/2017	s0095...	KEENAN SUPPLY	Clamps, and ...	Water		2000 - Account...	1,134.57	4,131.63
Total Distribution								4,131.63	4,131.63
Total WATER								4,131.63	4,131.63
TOTAL								4,131.63	4,131.63



GARBERVILLE SANITARY DISTRICT

P.O. BOX 211 • GARBERVILLE, CA 95542 • (707) 923-9566

December 28, 2017

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, 2017 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 28, 2017, 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, except as made known to you.
 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: _____



GARBERVILLE SANITARY DISTRICT

P.O. BOX 211 • GARBERVILLE, CA 95542 • (707) 923-9566

January 23, 2018

State Controller's Office
Division of Audits
Financial Audits Bureau/Single Audits Unit
P.O. Box 942850
Sacramento, CA 94250-5874

Re: **Submission of 2016-17 Fiscal Year Single Audit Reports**

Dear Ms. Yee:

We are hereby notifying you that our federal awards expenditures were less than \$750,000 during the 2016-17 Fiscal Year. We are therefore exempt from the requirement to submit a single audit reporting package to your office.

Sincerely,

Linda Broderson
Chair of the Board of Directors

JMS:

RATE STUDY SUMMARY

January 11, 2018

Rich and Linda met with me to study GSD rates and capital projects that need funding. We will continue meeting until we have a proposal which meets District needs but also offers relief to those customers who use average to minimal water.

1. Include 5 units of water (3,740 gallons) in all base rates—currently there is no water included.

RESIDENTIAL

2. Base rate will change from \$60.22 to \$60 (Garberville) and from \$67.22 to \$67 (Meadows)

3. 6-15 units of water will change to \$4/unit (Garberville) and \$5/unit (Meadows)
16 units or above will change to \$11/unit (Garberville) and \$12/unit (Meadows)

All residential customers using less than 20 units of water per month will pay less monthly

4. There will be (3) classifications of Customers:

(1)Residential (2)Commercial (3)Multi-Family

Currently multi-family is combined with commercial customers

5. Commercial Customers will have different categories which are associated with water use as well as impact to sewer collection system.

For example: (1)Restaurant (2)Motel/Hotel (3)Apartments (4)Grocery Store (6)Office
(7)Hair Salon (8)Retail store (9)Gas Station

6. Residential and multi-family sewer charges will be adjusted once based on water usage between December to April and not adjusted unless there is a change to the property

7. Commercial customers will use one full year of water usage to determine the sewer charges and they will not change unless the business changes.

AGRICULTURAL WATER USE ORDINANCE

STUDY SESSION

January 17, 2018

Doug and Rio met with me to discuss the GSD Agricultural Water Use Ordinance and will continue meeting to develop language which provides a detailed ordinance that can assist customers using treated water for agricultural crops

SUMMARY

1. Agricultural water use customers will be required to fill out an annual water use application along with a reconciliation report of water use efficiency.
2. Provide water use plan, crop size, square footage under irrigation and site map
3. Provide water storage with a forbearance program adequate for 3 months of irrigation during summer months
4. It is in the customer's best interest to guarantee adequate water for irrigation in summer months to fill water catchment tanks or ponds between December and May 15
5. GSD will require all forbearance and catchment work to be completed within 3 years or annual application will be denied
6. We will continue aligning this ordinance with State and County regulations
7. A property drainage plan will be required before an application is approved and will be inspected annually.
8. GSD requires adherence to "Best Water Use" practices as described in State and County regulations for efficiency and protection of the environment

AGRICULTURAL—CANNABIS WATER USE ORDINANCE

Possible Ordinance: 15.9 (new ordinance)

1. COMMERCIAL AGRICULTURAL WATER USE REQUIREMENTS

- a. Any person requesting treated potable water for a commercial agricultural business will be required to submit an application at the District office. This application will include the agricultural product, the operational plan, a site map, any permit required by the County and a \$150 handling and inspection fee. This application will be renewed annually or commercial agricultural water use will be denied.
- b. This application will include the name and contact information of the owner and tenant of the property as well as the address of property and estimated gallons of water to be used monthly.
- c. A GSD [new and separate](#) approved water meter and connection fee will be required for every approved new commercial agricultural business or farm and all approved applicants will pay an additional base rate and water usage fee.
- d. In the event that Garberville Sanitary District faces drought conditions, infrastructure deficiencies or limitations on the approved diversion rate, the agricultural water will be turned off, to ensure adequate water for residential use and human consumption.
- e. All commercial agricultural operations which request water will have their property inspected by the General Manager or designee, at which time the infrastructure will be evaluated to ensure that it is capable of handling the increased water volume.
- f. In the event the infrastructure is not adequate for the increased volume of water, an agreement will be made with the commercial

agricultural business to upgrade the infrastructure or work with the District to do so before the application will be approved.

- g. When an infrastructure upgrade is required but the commercial agricultural business will not pay for or participate in upgrading the infrastructure, the application will be denied.

Any commercial agricultural business will be required to comply with all requirements listed below.

- h. Commercial Agricultural customers will be required to show a water catchment plan that collects water during the winter months while preparing for high demand summer months.
- i. A reconciliation report will be required annually to compare projections with actual water use and efficiency.

i. REASONS FOR DENIED WATER SERVICE

1. Negative impact to neighbors
2. Excessive pedestrian or vehicle traffic based on site visits and complaints.
3. Excessive signage
4. Excessive noise as determined by the District and complaints

5. Excessive lights, glare or brightness
6. Negative smells determined by District and complaints
7. Negative impact to fire suppression capabilities
8. Inadequate water supply
9. Violation of State diversion and permit limits

Noncompliance with any of these requirements or from excessive complaints will result in your application being denied.

RESOLUTION 18-001

THIS RESOLUTION AUTHORIZES THE GARBERVILLE SANITARY DISTRICT TO ADD A NEW AGRICULTURAL WATER USE ORDINANCE SEC. 15.9

A. **WHEREAS,** It has been determined that the Garberville Sanitary District will add a new commercial agricultural Water Use Ordinance, Sec 15.9 to clarify the requirements of the District for a commercial agricultural business using treated water for irrigation.

B. **WHEREAS,** Resolution 18-001 will allow the Board to make appropriate changes to this Ordinance and meet the various water demands of the District.

C. **WHEREAS,** This Resolution will differentiate between residential, commercial and agricultural water use.

D. **WHEREAS,** The adaption of Resolution 18-001 will take effect immediately and will describe the conditions and requirements of using treated water for a commercial agricultural business.

E. **WHEREAS,** The new agricultural water use ordinance Sec 15.9 shall be described below:

AGRICULTURAL—CANNABIS WATER USE ORDINANCE

COMMERCIAL AGRICULTURAL WATER USE ORDINANCE: 15.9

1. COMMERCIAL AGRICULTURAL WATER USE REQUIREMENTS

- a. Any person requesting treated potable water for a commercial agricultural business will be required to submit an application at the District office. This application will include the agricultural product, the operational plan, a site map, any permit required by the County and a \$150 handling and inspection fee. This application will be renewed annually or commercial agricultural water use will be denied.
- b. This application will include the name and contact information of the owner and tenant of the property as well as the address of property and estimated gallons of water to be used monthly.
- c. A GSD new and separate approved water meter and connection fee will be required for every approved new commercial agricultural business or farm and all approved applicants will pay an additional base rate and water usage fee.
- d. In the event that Garberville Sanitary District faces drought conditions, infrastructure deficiencies or limitations on the approved diversion rate, the agricultural water will be turned off, to ensure adequate water for residential use and human consumption.
- e. All commercial agricultural operations which request water will have their property inspected by the General Manager or designee, at which time the infrastructure will be evaluated to ensure that it is capable of handling the increased water volume.
- f. In the event the infrastructure is not adequate for the increased volume of water, an agreement will be made with the commercial agricultural business to upgrade the infrastructure or work with the District to do so before the application will be approved.
- g. When an infrastructure upgrade is required but the commercial agricultural business will not pay for or participate in upgrading the infrastructure, the application will be denied.
Any commercial agricultural business will be required to comply with all requirements listed below.
- h. Commercial Agricultural customers will be required to show a water catchment plan that collects water during the winter months

while preparing for high demand summer months.

- i. A reconciliation report will be required annually to compare projections with actual water use and efficiency

K. REASONS FOR DENIED WATER SERVICE

1. Negative impact to neighbors
2. Excessive pedestrian or vehicle traffic based on site visits and complaints.
3. Excessive signage
4. Excessive noise as determined by the District and complaints
5. Excessive lights, glare or brightness
6. Negative smells determined by District and complaints
7. Negative impact to fire suppression capabilities
8. Inadequate water supply
9. Violation of State diversion and permit limits

Noncompliance with any of these requirements or from excessive complaints will result in your application being denied.

NOW, THEREFORE LET IT BE KNOWN THAT, THE BOARD OF DIRECTORS OF THE GARBERVILLE SANITARY DISTRICT APPROVES THE INCLUSION OF A NEW AGRICULTURAL WATER USE ORDINANCE SEC 15.9

RESOLUTION 18-001 PASSED, APPROVED AND ADOPTED THIS 23rd DAY OF JANUARY 2018 BY THE FOLLOWING ROLL CALL VOTE:

AYES:

NOES:

ABSTAIN:

ABSENT:

Linda Broderson, Board President

ATTEST:

Ralph Emerson, General Manager

Sec 9.5 Payment of Bills. Bills are due and payable by 4:30pm on the 25th of each month and if not paid a \$5 late charge will be applied.

- (a) Customer Bills:
Bills will be mailed by the first day of each month.
- (b) Late Payment Procedures:
Bills past due—Courtesy call
30 35 days past due – Shut off notice – Hand delivered to service address
40 7 days after shut off notice is delivered – Water will be turned off – Owner will be notified.
60 days past due – Lien on building/property – Small claims
120 days past due – Turn over to collection agency
- (c) Adjustment to bills—Payment plans
The General Manager or designee will be the only person authorized to make adjustments to a bill or enter into a payment plan
- (d) NSF (non-sufficient funds from any payment source will require the customer to Pay all bank charges and a \$35 handling fee. Nonpayment of these fees will result in compliance with the late payment procedures.
- (e) Upon 2 NSF (non-sufficient funds), automatic payment will be denied for a period Not less than 6 months or until an agreement can be reached with the General Manager or designee.

Approved: 8/29/17

RESOLUTION 18-002

THIS RESOLUTION AUTHORIZES THE GARBERVILLE SANITARY DISTRICT TO CHANGE WATER ORDINANCE, SEC. 9.5 PAYMENT OF BILLS

A. **WHEREAS,** It has been determined that the Garberville Sanitary District will change Water Ordinance Sec. 9.5 Payment of Bills

B. **WHEREAS,** Resolution 18-002 will allow the Board to make appropriate changes to this Ordinance and give clear direction to customers and staff, what the billing procedures are.

C. **WHEREAS,** This Resolution will explain each step of the billing procedures while providing time lines and specific days for each step of the process.

D. **WHEREAS,** The adaption of Resolution 18-002 will take effect immediately and will describe the billing requirements and procedures.

E. **WHEREAS,** The new Water Ordinance, Sec. 9.5 Payment of Bills, will replace the existing ordinance.

WATER ORDINANCE, SECTION 9.5 PAYMENT OF BILLS

Sec 9.5 Payment of Bills. Bills are due and payable by 4:30pm on the 25th of each month and if not paid a \$5 late charge will be applied.

(a) Customer Bills:

Bills will be mailed by the first day of each month.

(b) Late Payment Procedures:

Bills past due—Courtesy call

35 days past due - Shut off notice - Hand delivered to service address

7 days after shut off notice is delivered – Water will be turned off
Owner will be notified.

60 days past due – Lien on building/property – Small claims

120 days past due – Turn over to collection agency

(c) Adjustment to bills—Payment plans

The General Manager or designee will be the only person authorized to make adjustments to a bill or enter into a payment plan

(d) NSF (non-sufficient funds from any payment source will require

The customer Pay all bank charges and a \$35 handling fee.

Nonpayment of these fees will result in compliance with the late payment procedures.

(e) Upon 2 NSF (non-sufficient funds), automatic payment will be

Denied for a period Not less than 6 months or until

an agreement can be reached with the

General Manager or designee.

NOW, THEREFORE LET IT BE KNOWN THAT, THE BOARD OF DIRECTORS OF THE GARBERVILLE SANITARY DISTRICT APPROVES CHANGING THE WATER ORDINANCE, SEC. 9.5, PAYMENT OF BILLS

RESOLUTION 18-002 WAS PASSED, APPROVED AND ADOPTED THIS 23rd DAY OF JANUARY 2018 BY THE FOLLOWING ROLL CALL VOTE:

AYES:

NOES:

ABSTAIN:

ABSENT:

Linda Broderson, Board President

ATTEST:

Ralph Emerson, General Manager