



Agenda

San Miguel Community Services District

BOARD OF DIRECTORS

John Green, President
Anthony Kalvans, Director

Gib Buckman, Director

Joseph Parent, Vice President
Ashley Sangster, Director

THURSDAY, October 25th, 2018
6:30 P.M. closed session 7:00 P.M. opened session
BOARD OF DIRECTORS REGULAR MEETING AGENDA

SMCSD Boardroom
1150 Mission St.
San Miguel, CA 93451

Cell Phones: As a courtesy to others, please silence your cell phone or pager during the meeting and engage in conversations outside the Boardroom.

Americans with Disabilities Act: If you need special assistance to participate in this meeting, please contact the CSD Clerk at (805) 467-3388. Notification 48 hours in advance will enable the CSD to make reasonable arrangements to ensure accessibility to this meeting. Assisted listening devices are available for the hearing impaired.

Public Comment: Please complete a "Request to Speak" form located at the podium in the boardroom in order to address the Board of Directors on any agenda item. Comments are limited to three minutes, unless you have registered your organization with CSD Clerk prior to the meeting. If you wish to speak on an item not on the agenda, you may do so under "Oral Communications." Any member of the public may address the Board of Directors on items on the Consent Calendar. Please complete a "Request to Speak" form as noted above and mark which item number you wish to address.

Meeting Schedule: Regular Board of Director meetings are generally held in the SMCSD Boardroom on the fourth Thursday of each month at 7:00 P.M. Agendas are also posted at: www.sanmiguelcsd.org

Agendas: Agenda packets are available for public inspection 72 hours prior to the scheduled meeting at the Counter/ San Miguel CSD office located at 1150 Mission St., San Miguel, during normal business hours. Any agenda-related writings or documents provided to a majority of the Board of Directors after distribution of the agenda packet are available for public inspection at the same time at the counter/ San Miguel CSD office at 1150 Mission St., San Miguel, during normal business hours.

- I. Call to Order: 6:30 PM**
- II. Pledge of Allegiance:**
- III. Roll Call: Green___ Parent___ Buckman___ Kalvans___ Sangster___**
- IV. Approval of Regular Meeting Agenda:**

M_____ S_____ V_____

- V. ADJOURN TO CLOSED SESSION: Time:_____**

A. CLOSED SESSION AGENDA:

- 1. CONFERENCE WITH DISTRICT GENERAL COUNSEL – Existing Litigation** Pursuant to Government Code Section 54956.9 (d)(1) Case: *Steinbeck v. City of Paso Robles, Santa Clara County Superior Court Case No. 1-14-CV-265039* and Case: *Eidemiller v. City of Paso Robles, Santa Clara County Superior Court Case No. 1-14-CV-269212*
- 2. PUBLIC EMPLOYEE PERFORMANCE EVALUATION**
(Pursuant to Government Code §54957)
Title: Fire Chief
- 3. PUBLIC EMPLOYEE PERFORMANCE EVALUATION**
(Pursuant to Government Code §54957)
Title: Assistant Fire Chief
- 4. CONFERENCE WITH LABOR NEGOTIATORS** (Pursuant to Government Code Section 54954.5(f) and Government Code Section 54957.6)
Unrepresented Bargaining Units: Non-Management Non-Confidential Unit and Non-Management Confidential Unit

- VI. Call to Order for Regular Board Meeting/Report out of Closed Session 7:00 PM**
Time:_____

- 1. Report out of closed session by District General Counsel

VII. Public Comment and Communications for items not on the Agenda:

Persons wishing to speak on a matter not on the agenda may be heard at this time; however, no action will be taken until placed on a future agenda. Speakers are limited to three minutes. Please complete a "Request to Speak" form and place in basket provided.

- VIII. Special Presentations/Public Hearings/Other: None**

IX. Staff & Committee Reports – Receive & File:

Non-District Reports:

- | | | | |
|----|---|---------------------|-----------|
| 1. | San Luis Obispo County Sheriff | (Commander K.Scott) | No Report |
| 2. | San Luis Obispo County Board of Supervisors | | No Report |
| 3. | San Luis Obispo County Planning and/or Public Works | | No Report |
| 4. | San Miguel Area Advisory Council | | Verbal |
| 5. | Camp Roberts—Army National Guard | | No Report |

District Staff & Committee Reports:

- | | | | |
|-----|--------------------------|------------------|-----------------|
| 6. | Interim General Manager | (Mr. Roberson) | Verbal |
| 7. | District General Counsel | (Mr. White) | Verbal |
| 8. | District Engineer | (Dr. Reely) | Report Attached |
| 9. | Director of Utilities | (Mr. Dodds) | Report Attached |
| 10. | Fire Chief | (Chief Roberson) | Report Attached |

X. CONSENT CALENDAR:

The items listed below are scheduled for consideration as a group and one vote. Any Director or a member of the public may request an item be withdrawn from the Consent Agenda to discuss or to change the recommended course of action. Unless an item is pulled for separate consideration by the Board, the following items are recommended for approval without further discussion.

1. Review and Approve Board Meeting Minutes

a) 9-27-2018 Regular Board Meeting

2. Review and authorize the Director of Utilities to enter into a mutual assistance agreement with California Water/Wastewater Agency Response Network (CalWARN). (Dodds)

Public Comments: (Hear public comments prior to Board Action)

M_____ S_____ V_____

3. Review and authorize staff to apply for all grants that are beneficial the District and are in line with projects currently underway or that are identified by the Board or Master Plans

Public Comments: (Hear public comments prior to Board Action)

M_____ S_____ V_____

XI. BOARD ACTION ITEMS:

1. Review and discuss approving Resolution 2018-33 accepting and approving of the FY 2016-17 financial audit report by Moss Levy Hartzheim (Roberson)

RECOMMENDATION: Approve resolution 2018-33 accepting and approving the FY 2016-17 independent audit report and authorize the filing of the report to the State of California and County of San Luis Obispo County Clerk’s office.

Public Comments: (Hear public comments prior to Board Action)

M_____ S_____ V_____

2. Review, Discuss, Receive and File the Enumeration of Financial Report for September 2018
(Freeman)

- a) Claims Detail Report 9-2018
- b) Statement of Revenue Budget vs Actuals 9-2018
- c) Statement of Expenditures Budget vs Actual 9-2018
- d) Cash Report for Payrolls 9-2018

Public Comments: (Hear public comments prior to Board Action)

M_____ S_____ V_____

3. Review and approve Resolution 2018-34 authorizing changes to the job descriptions for Utility Worker, Operator and Supervisor, changes to the overall compensation schedule for hourly utility positions, as well as correction to current employee step placement. (Roberson & Dodds)

Recommendation: Approve resolution 2018-34 authorizing changes to the job descriptions for Utility Worker, Operator and Supervisor, changes to the overall compensation schedule for hourly utility positions, as well as correction to current employee step placement.

Public Comments: (Hear public comments prior to Board Action)

M_____ S_____ V_____

4. Review and Discuss any Comprehensive Revision to District Personnel Guidelines & Policy Manual
(Roberson)

Recommendation: Discuss and provide direction to staff of any changes needed, resolution will be brought back for board approval.

Public Comments: (Hear public comments prior to Board Action)

5. Discussion on status of Machado Wastewater Treatment Facility expansion and aeration upgrade project (Dodds)

Recommendation: Discuss the status and next steps of the Machado Wastewater Treatment Facility expansion and aeration upgrade projects.

Public Comments: (Hear public comments prior to Board Action)

6. Review and approve Resolution 2018-32 approving a rate increase for construction hydrant meter usage from \$3.20 per HCF to \$4.63 per HCF to be effective November 15th, 2018 (Dodds)

Recommendation: Approve resolution 2018-32 approving a rate increase from \$3.20 per HCF to \$4.63 per HCF for construction hydrant meter usage to be effective November 15th, 2018

Public Comments: (Hear public comments prior to Board Action)

M_____ S_____ V_____

XII. BOARD COMMENT:

This section is intended as an opportunity for Board members to make brief announcements, request information from staff, request future agenda item(s) and/or report on their own activities related to District business. No action is to be taken until an item is placed on a future agenda.

XIII. ADJOURNMENT TO NEXT REGULAR MEETING OF 11-15-2018

ATTEST:

STATE OF CALIFORNIA)
COUNTY OF SAN LUIS OBISPO) ss.
COMMUNITY OF SAN MIGUEL)

I, Tamara Parent, Board Clerk/Accounts Manager of San Miguel Community Services District, hereby certify that I caused the posting of this agenda at the SMCS D office on October 18, 2018

Date: October 18, 2018

Rob Roberson
Rob Roberson, Fire Chief/Interim General Manager

John Green
President Green, SMCS D

Tamara Parent
Tamara Parent, Board Clerk/ Accounts Manager



MONSOON CONSULTANTS

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(805) 476-6168 www.monsoonconsultants.com

SAN MIGUEL COMMUNITY SERVICES DISTRICT

Rob Roberson, Interim General Manager
Post Office Box 180
San Miguel, CA 93451
(805) 467-3300

BOARD OF DIRECTORS

John Green, President
Joseph Parent, Vice President
Gib Buckman
Anthony Kalvans
Ashley Sangster

Re: DISTRICT ENGINEER REPORT - OCTOBER 2018

Gentlemen:

The following is a summary of the activities performed and the status of relevant issues which pertain to the duties and responsibilities of this position:

OVERVIEW

The District produced approximately 11.9 MGAL (15,999 CCF) of water during the month of September 2018. This represents an increase of approximately 33% from the prior month. No major failures or unexpected major expenditures were encountered within the water, wastewater or street lighting systems during the month.

MEETING PARTICIPATION

A brief summary of relevant issues that were discussed during meetings attended by the DE during the previous month are summarized below. (Note that routine meetings with SMCS staff are not included):

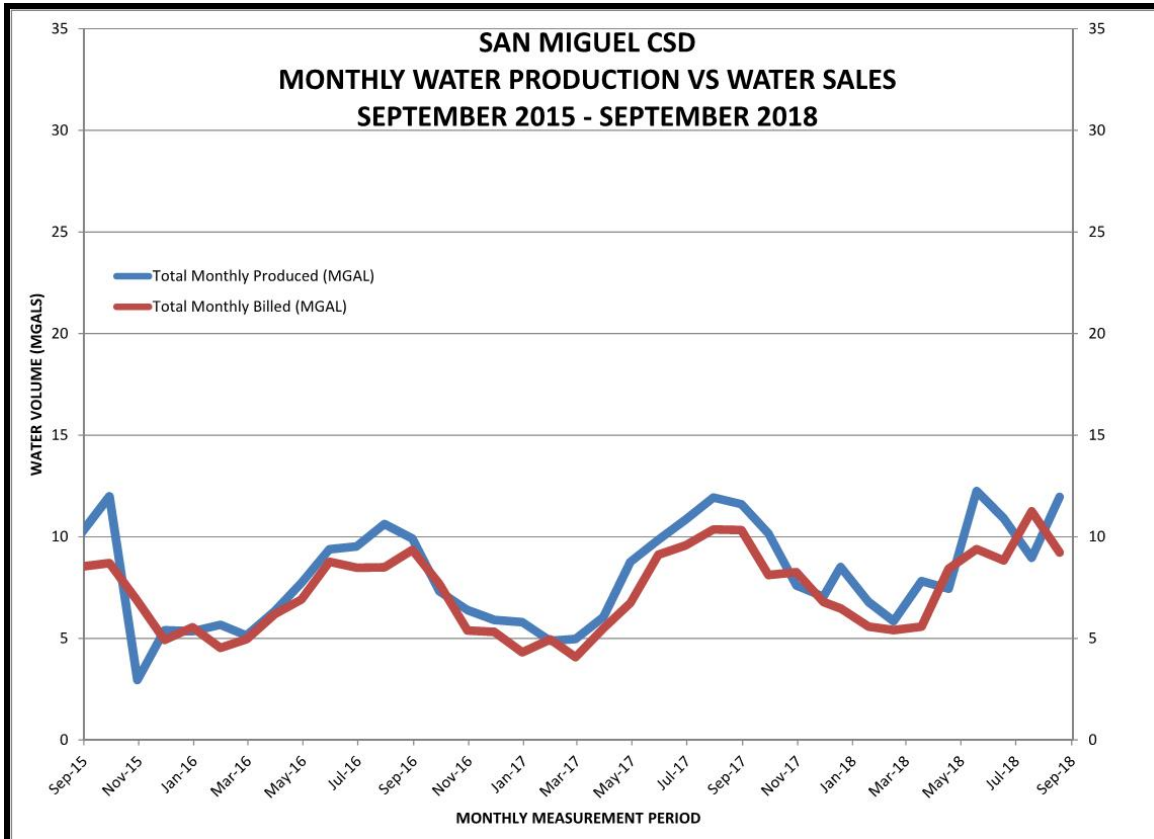
1. September 25, 2018: The DE participated in a meeting with representatives of J. Lohr Vineyards & Wines, the City of Paso Robles, and several owners of large agricultural properties to discuss the potential for the District providing a source of treated wastewater effluent for their vineyard irrigation use on properties on the east side of the Salinas River, in the Estrella area. The City of Paso Robles is also planning a project to supply treated wastewater effluent for vineyard irrigation use on properties on the east side of the Salinas River in the general vicinity of the municipal airport.

CIVIL ENGINEERING / HYDROLOGY

2. October 3, 2018: The DE participated in a bi-weekly meeting between all Paso Robles Groundwater Basin GSP coordination committee staff members and the GSP Consultant team to discuss GSP status..
3. October 4, 2018: The DE attended a public workshop which was hosted by the County of San Luis Obispo in which the GSP consultant team presented a summary of the GSP status and solicited input from the public.
4. October 16, 2018: The DE attended a “Needs Hearing” by the SLO County Board of Supervisors in which we offered background comments in support of the District’s CDBG grant funding application for the 10th & 11th Streets Waterline Replacement Project. This project has already been designed and plans / specifications have been prepared. CDBG Grant Applications are due by October 19, 2018.
5. October 17, 2018: The DE participated in a meeting with representatives of J. Lohr Vineyards & Wines, the City of Paso Robles, and several owners of large agricultural properties to discuss the potential for the District providing a source of treated wastewater effluent for their vineyard irrigation use on properties on the east side of the Salinas River, in the Estrella area. The City of Paso Robles is also planning a project to supply treated wastewater effluent for vineyard irrigation use on properties on the east side of the Salinas River in the general vicinity of the municipal airport.
6. October 17, 2018: The DE participated in a regular meeting of the Paso Robles Groundwater Basin GSA cooperative committee in which the GSP consultant team presented a summary of the initial DRAFT Chapter 5 of the GSP and updated information regarding Schedule, Groundwater Conditions, Water Budgets, Sustainable Management Criteria, Monitoring Data and De Minimis Extractors.
7. October 18, 2018: The DE participated in a bi-weekly meeting between all Paso Robles Groundwater Basin GSP coordination committee staff members and the GSP Consultant team to discuss GSP status, budget, groundwater model update status, Schedule, Groundwater Conditions, Water Budgets, Sustainable Management Criteria, Monitoring Data and De Minimis Extractors within the Paso Robles groundwater basin.

WATER PRODUCTION HISTORY

The following graph depicts the water production and sales for the proceeding 36-months.



CAPITAL IMPROVEMENT PROGRAM

The following is a summary of the principal activities that were related to the Capital Improvements Program during the previous month:

1. San Lawrence Terrace Arsenic Blending Pipeline & Tank Improvements: The contractor (Whitaker Construction Group, Inc.) has completed all work on the project. The project was accepted by the Board at the September 2018 regular monthly meeting. The final project / CDBG Grant close-out paperwork has been delivered to the County and we are awaiting final confirmation that the project is closed out.
2. WWTP Aeration System Upgrade: Under the terms of an agreement between the District and the County, their consultant has completed a study to evaluate design alternatives for improvements to the WWTP aeration system. As part of the project, four (4) different aeration systems were evaluated with considerations given to treatment & energy efficiency, installation & operational costs, and compatibility with the existing WWTP. In addition, the consultant evaluated various headworks alternatives for the facility. The engineering phase of this project has been completed at no cost to the District. The County's consultants have issued the Final Technical Memorandum outlining some of the options for the replacement of the existing surface aerators with bubbler aeration in the ponds. Part of the recommendation is to install a headworks to prevent fouling the diffusers. The SLO County Energy Watch and PG&E staff is working on preliminary paperwork for "On Bill" Financing for this project. Once the design criteria are determined for the WWTP expansion and it is determined that the aeration upgrade will be maintained with the plant expansion, then staff will bring additional items to the board to facilitate the approval and construction of the

aeration upgrade. If the District elects to move forward with the recommendations, the cost of the improvements will be paid for through future energy cost savings.

3. Wastewater Treatment Plant Renovation / Upgrade & Recharge Basin Engineering Study: We have been notified that the District is the recipient of \$177,750 Prop 1 IRWM DAC Involvement Grant Funds which will be used to fund a Wastewater Treatment Plant Upgrade and Recharge Basin Study. The DE has initiated work on this project. Because of the DAC status, no matching funds are required. The following milestones are anticipated for completion during the 3rd Quarter of 2018:

- Complete Data Collection / Document Review
- Identify and Assess WWTP upgrade / expansion alternatives
- Prepare Preliminary Draft of WWTP Upgrade / Expansion Engineering Report
- Initiate hydro-geologic analysis of potential recharge basin locations

The Board authorized the DE to proceed with the engineering studies at the September 2018 regular meeting. All work to be performed in conjunction with the subject engineering study will be reimbursable from the \$177,750 Prop 1 IRWM DAC Involvement Grant Funds. The DE is planning to submit the Final Draft of the WWTP Engineering Study for Board review in advance of the regular November 2018 Board meeting

Regarding additional funding, we have submitted a grant application to the DWR for funding in the amount of \$250,000 for Planning & Design for the Wastewater Treatment Plant renovation. We have been assigned a project manager at the DWR and the DWR has reviewed our submittal and found it to be complete with the exception of the 2016 – 2017 audited financials. These will be submitted as soon as they are available. We are currently in the process of investigating other grant funding opportunities for the permitting and construction phases of the plant expansion.

4. SLT 6-inch A.C. Waterline Replacement: A major break a 6-in asbestos cement pipeline occurred on January 7, 2018. The DE has prepared Engineering Plans & Specifications to allow the District to solicit bids from qualified contractors to replace the existing waterline between Oak Drive and the SLT Water Tank. The DE and Director of Utilities have attended two meetings with the property owners to discuss the acquisition of a utility easement. The property owners have asked their engineers to evaluate a phased approach for the development to determine how, when and if they want to proceed with development. The DE sent correspondence in on July 9th requesting a status update on their phased development proposal. The property owners responded on August 8, 2018 indicating that they are moving forward with a proposal for a phased development plan. The DE has requested an update regarding the project schedule.
5. Water Storage Reservoir Access Road Improvements: The DE has initiated work on this project and the topographic mapping / surveying has been completed..

DEVELOPMENT

The following is a summary of private development projects that are either in-progress or planned that staff is currently reviewing or inspecting during construction:

- a) People's Self Help (Tract 2527, formerly Mission Garden Estates): The developer has completed the installation of all infrastructure and home construction has begun with approximately 15 homes currently underway.
- b) Tract 2779 (Nino - 34 lots) –All underground utilities have been installed and the contractor is currently performing site grading in preparation for paving operations.
- c) Tract 2647 Hastings The Bluffs - The developer has started construction on the initial two (2) residences.

GROUNDWATER SUSTAINABILITY AGENCY

The HydroMetrics GSP Consultant Team continues to work on the development of the Paso Robles Groundwater Basin GSP. The DE has participated in periodic meetings of the GSA cooperative committee staff and the consultant team and has contributed information / data as requested by the consultant team for incorporation into the GSP. Draft copies of the first three (3) chapters of the GSP were distributed to the District Board members for their August 23rd meeting. Draft copies of Chapter 4 and Chapter 5 will be distributed to District Board members for their October 25, 2018 regular meeting.

I would like to take this opportunity to thank each of you and District staff that will review the information contained in this report. If there are any questions or you wish to discuss, please do not hesitate to contact me.

Respectfully Submitted,
MONSOON CONSULTANTS

Blaine T. Reely

Blaine T. Reely, Ph.D., P.E.
President, Monsoon Consultants

October 16, 2018
Date



SAN MIGUEL COMMUNITY SERVICES DISTRICT UTILITY REPORT

9-22-18 Thru 10-17-2018

AGENDA ITEM# IX.9

Well Status:

- Well 4 is fully operational - Well Level 108' 9-20-18
- Well 3 is fully operational - Well Level 120' 9-18-18
- SLT well is in service

Water System status:

Water leaks this month: 1 This year: 10

Water related calls through the alarm company after hours this month: 1 this Year: 3

- Notified of a leak at the Mission. Investigated and found a break in the service line after the meter, the Mission was notified, and they fixed it the same day.

We were notified of PG&E's intent to remove the power lines crossing the freeway to the SM Reservoir. I have been in contact with PG&E to resolve the issue currently we do not have a final answer of what PG&E is going to do. We are looking at alternatives in the event that PG&E does decide to move forward with removing the lines.

Sewer System status:

Sewer overflows this month: 0 this year: 0

Sewer related calls through the alarm company this month: 0 this Year: 0

The sewer jetter trailer should be delivered the week of November 5th, ahead of schedule.

WWTP status:

- An issue was raised on 1/8/18 that the WWTP lights need to be adjusted as they are visible from Homes on Mission street. We will be adjusting them to minimize the impact on the homes on Mission street and still maintain necessary light at the plant once a lift is available to reach them.

State Water Resources Control Board (SWRCB):

-

Ongoing Billing Audit:

- 5 services identified to investigate (ALL COMMERCIAL)
- 5 services investigated

- 5 changes to water service billing PENDING UNDER REVIEW
- 5 changes to sewer service billing PENDING UNDER REVIEW
Information provided previously
- 15 water accounts were identified that do not have sewer service where it is available.
- 78 water accounts were identified that do not have sewer service where it is not available

Billing related activity:

- **Total active accounts**
 - 860 water accounts
 - 739 wastewater accounts
- **Overdue accounts**
 - 66 accounts 30 days past due for September billing period
 - (7.7% of total accounts, this is DOWN from August billing period)
 - 32 door hangers issued after attempting to contact the past due account holders
 - (48% of total past due accounts, this is DOWN from August billing period)
 - 0 accounts shut off for non-payment
 - (0% of total past due accounts, this is the DOWN from August billing period)
- **Meter changeouts**
 - 32 Meters changed since July 1st
 - Meters changed for age, mechanical defects, radio operability issues

Lighting status:

- Following is the initial list sent to PG&E for new street lights
 - On K street across from 1010 K street, first wood pole on the west side of K street north of 10th street
 - On 11th street at L / K street alley on the South West Corner, there is a wood pole with no #
 - On 9th Street at L / Mission Street alley on the South West corner, pole # 120025159
 - On 9th street at L / K Street alley on the south west corner Pole # 431773
 - 10th and mission south west corner pole # 110336395
 - On 12th street at L / K street alley south west corner there is a wood pole there with no #
 - On Lubova way pole # 120025354
 - Next to 1212 N Street on 12th street, pole # 120173810

Project status:

- Continuing raising valves and manholes around town.
- SLT Blending line is Complete Staff is working on finalizing the required paperwork to submit for reimbursement from the County and HUD

Hiring status:

- Job announcement for Utility Worker is still posted, Open until filled
- Received one application from one of the Firefighters here for utility worker
- Posted on Craigslist, received a couple resumes from people in south county for utility worker
- We will be evaluating the applications received.

WWTP expansion and Aerator Upgrade

- See agenda item for ongoing information

SCADA:

- Staff will be working with Local IT Experts (our IT company) to remount and reconfigure the SCADA servers in a new rack to better protect the servers and UPS backups. We have experienced a few UPS failures recently that have been attributed to the exposure of the UPS's to dust and static.

“N” St Property Acquisition:

- The county is having an appraisal done on the three lots in question. I met with the appraiser on 10/15/18 so they could assess the infrastructure component of the appraisal. A request for an update was made to the County. (10/2018)

Solid Waste:

- Nothing to report

SLO County in San Miguel:

- Nothing to report

Caltrans in San Miguel:

- Caltrans is underway on improvements to the HWY 101 corridor, for what will be a 2-year project. We have received notice of road closures; notices are available in the office. South Mission street onramp is closed and will remain closed for the next few months until the new bridge is built. (1-2018)

Rain in San Miguel:

1-8/9-18	2”
2/28-3/4	1.5”
3/21	3.5”

PREPARED BY:

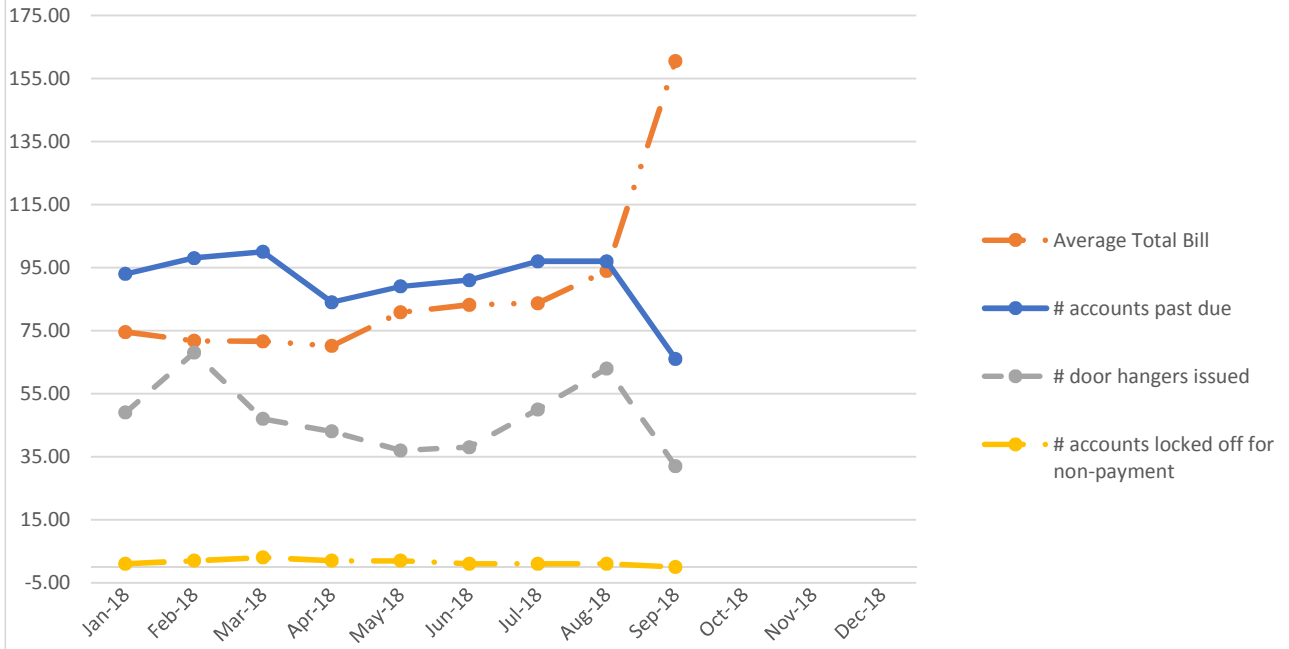
Kelly Dodds

Kelly Dodds

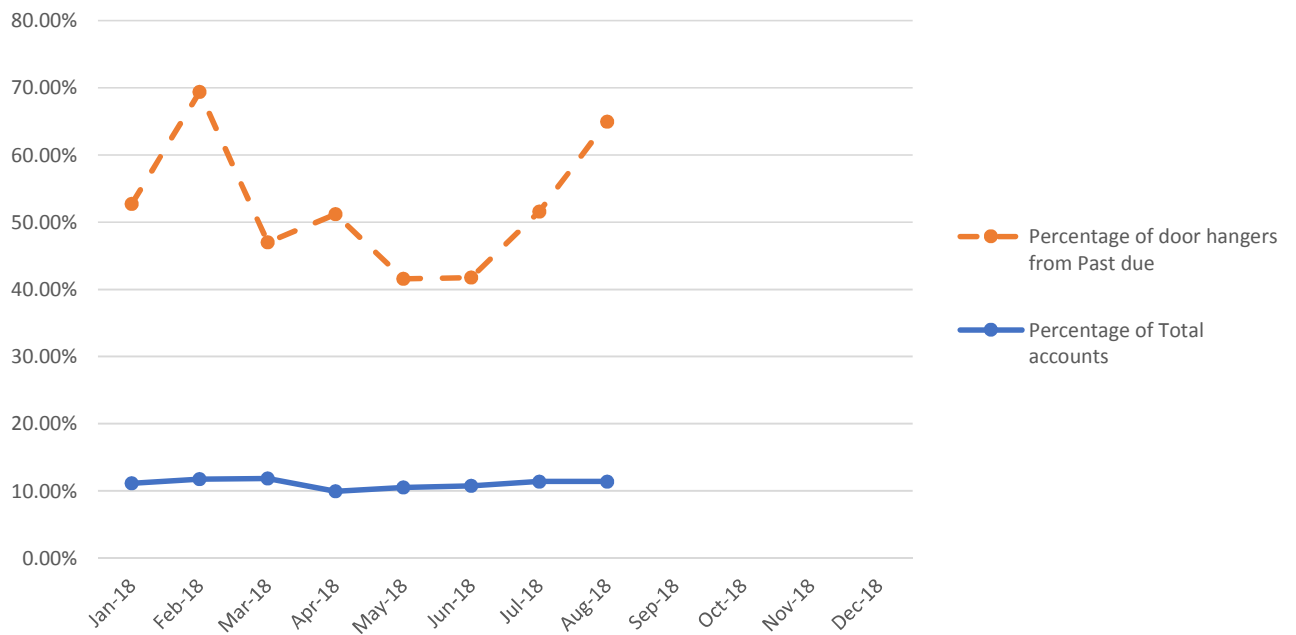
Director of Utilities

Date: October 17th, 2018

San Miguel CSD Past Due, Door Hanger, shutoff Counts



San Miguel CSD Percentage of Door hangers resulting from Past Due accounts



San Miguel Community Services District Board of Directors Meeting



Staff Report

October 25th, 2018

AGENDA ITEM: IX 10

SUBJECT: Fire Chief Report for September 2018

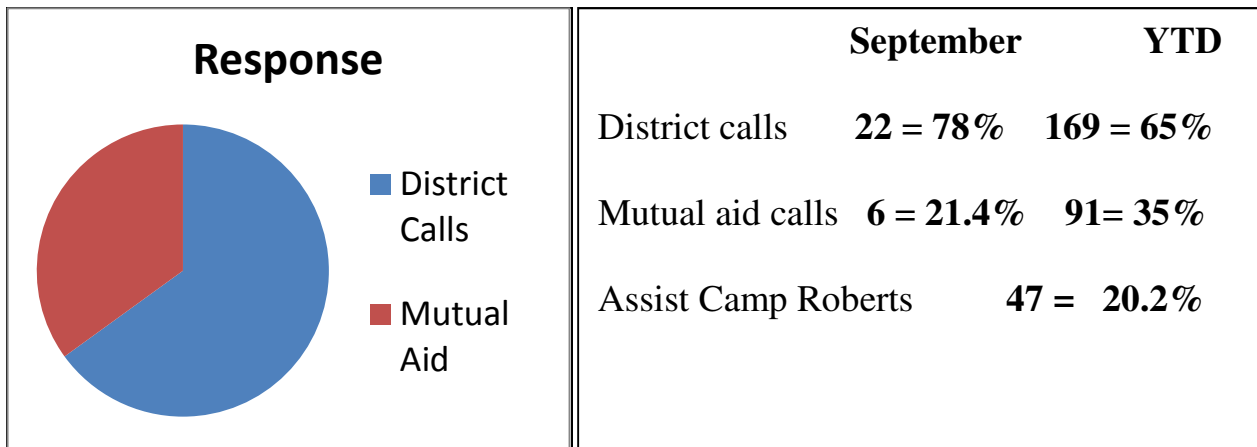
STAFF RECOMMENDATION: Receive and File Monthly Reports for the Fire Department

INCIDENT RESPONSE:

- Total Incidents for September 2018 **28**
- Average Calls for per 9 Month in 2018 **29**
- Total calls for the year to date **260**

Emergency Response Man Hours in July = 87	total	862
Stand-By Man Hours for July = 26		<u>322</u>
	Total hr.	1184

Emergency Response Man Hours = 3.1 hr. Per call for September		3.3 hr. Per call for the year
Stand-By Average per Call = .9 hr. Per call for, September		1.2 hr. Per call for the year



Activities:

September

<u>Date</u>	<u>Subject matter</u>
4	Engine Company Operations, Hose and Ladder Operations
11	Ventilation Operations
18	Engine Company Operations / Training Prop
25	Association Meeting

October

<u>Date</u>	<u>Subject matter</u>
2	Building Search for a victim/ TIC Training
9	Victim Rescue / Rescue Systems
16	Engine Company Operations
23	Association Meeting
30	No Drill

<u>Date</u>	<u>Other activities</u>	<u>Time</u>
18	Burn Foundation Relay / Fire Prevention Day at the School	
TBA	Pioneer Day Parade	
	Clean up	0800-1200
	Work Day on training Site	

Information:

Prepared By:

Rob Roberson

Rob Roberson, Fire Chief

FIRE EQUIPMENT

2018 MILEAGE / FUEL REPORT

IX-10

Mileage/ Fuel	January		February		March		April		May		June		Total		Avg. MPG
Diesel	mi.	gal.	mi.	gal.	mi.	gal.	mi.	gal.	mi.	gal.	mi.	gal.	mi.	gal.	
E-8696	463	29	18	0	134	28.5	164	43.9	393	38.6	65	38.6	1237	178.6	6.9
E-8687	33	0	2	0	0	7	46	11.9	72	26.7	324	42.2	477	87.8	5.4
E-8668	239	50	31	0	513	33.4	175	13.7	218	37.6	243	61	1419	195.7	7.3
6 Month Total												3133	462.1	6.8	
Gas	mi.	gal.	mi.	gal.	mi.	gal.	mi.	gal.	mi.	gal.	mi.	gal.	mi.	gal.	
U-8630	492	18	468	42	605	31	1336	90	1749	137.8	763	68.5	5413	387.3	14.0
C-8601	329	12	805	52	776	57	893	86	991	73.8	0	0	3794	280.8	13.5
C-8600	530	36	499	34	301	15	745	46	582.2	53.3	552	54.6	3209	238.9	13.4
6 Month Total												12416	668.1	18.6	

Mileage / Fuel	July		August		September		October		November		December		Total		Avg. MPG
Diesel	mi.	gal.	mi.	gal.	mi.	gal.	mi.	gal.	mi.	gal.	mi.	gal.	mi.	gal.	
E-8696	24	0	17	34	63								1341	212.6	6.6
E-8687	361	77	30	0	29								897	164.8	5.4
E-8668	73	9	70	0	69								1631	204.7	7.6
6 Month Total												3869	582.1	6.6	
Gas	mi.	gal.	mi.	gal.	mi.	gal.	mi.	gal.	mi.	gal.	mi.	gal.	mi.	gal.	
U-8630	1177	62.7	234		234	58.3							7058	508.3	13.9
C-8601	189	0	887	81.5	988	90.3							5858	452.6	13.2
C-8600	470	27	351	24.1	247	0							4277	290	14.7
6 Month Total												12916	960.9	13.4	

||

YTD 2016 Total	mi.	gal.	Avg. MPG
Diesel	7002	1044	6.7
Gas	25332	1629	15.6

Call per time of day and day of the week 2018

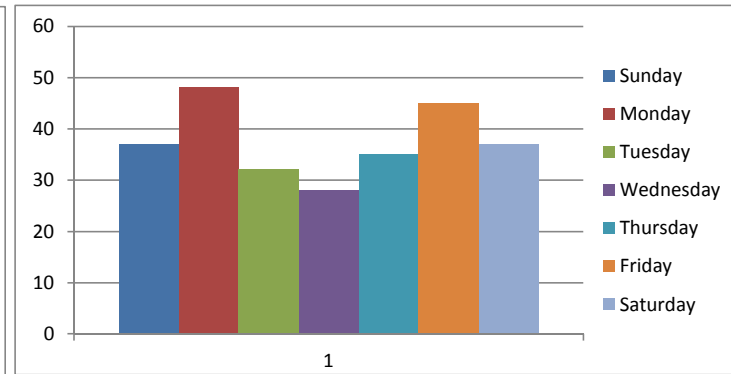
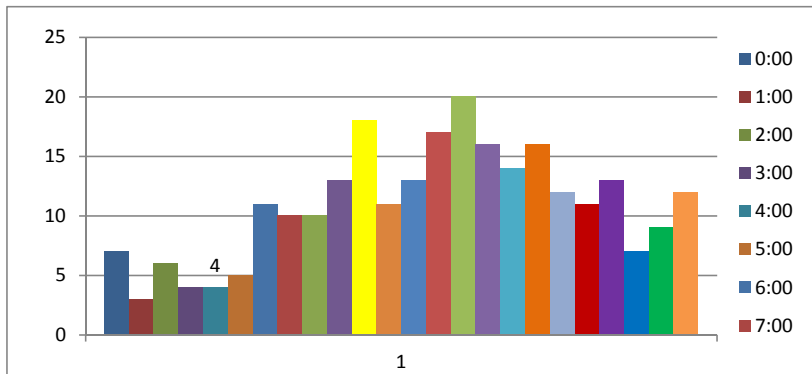
	After Hours					CSD Work Hours										Off Hours										
	0:00	1:00	2:00	3:00	4:00	5:00	6:00	7:00	8:00	9:00	10:00	11:00	12:00	13:00	14:00	15:00	16:00	17:00	18:00	19:00	20:00	21:00	22:00	23:00	Total	
Sunday	1	2	1	1			2	2	1	2	1	1	1		3	3	2	4	2	2	1		1	4	37	14%
Monday	1		3	1		1	3	3	1	2	6	1	2	1	4	2	4	2	2	2	2	1	1	3	48	18%
Tuesday					1	1	1	1	2			1	4	3	2	2	3	3	1	1	3	1	1	1	32	12%
Wednesday		1				1	2	2	1	3	2	2	1	2	3	2	2		1	1	1	1			28	11%
Thursday	1		1		1			1	3	6	3	2	2	2	2	1		3		2		2		3	35	13%
Friday					2	1	2				4	2	2	4	3	4	3	2	6	2	2	1	4	1	45	17%
Saturday	4		1	2		1	1	1	2		2	2	1	5	3	2		2		1	4	1	2		37	14%
Hour Total	7	3	6	4	4	5	11	10	10	13	18	11	13	17	20	16	14	16	12	11	13	7	9	12	262	
	2%	1%	2%	1%	1%	1%	4%	4%	4%	5%	7%	4%	5%	6%	8%	6%	5%	6%	4%	4%	5%	2%	3%	4%		

Total calls during CSD Work Hours	96	37%
Total calls during Off time and weekends	166	63%


8am to 8pm 184

After Hours calls 22:00 to 06:00	50	19%
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Total Weekend Calls	74	28%
Total Calls Monday thru Friday	188	72%



IX-10

	JAN		FEB		MAR		APR		MAY		JUN		JUL		AUG		SEP		OCT		NOV		DEC		TOTAL	
	District	Mutual Aid	District	Mutual Aid	District	Mutual Aid	District	Mutual Aid	District	Mutual Aid	District	Mutual Aid	District	Mutual Aid	District	Mutual Aid	District	Mutual Aid	District	Mutual Aid	District	Mutual Aid	District	Mutual Aid	District	Mutual Aid
Structure Fires	0	1	1	0	0	1	0	0	0	0	0	0	1	0	0	0	1	0	0	0	0	0	0	0	1	5
Veg. Fires	0	0	3	1	1	0	1	2	1	7	1	12	1	4	3	3	2	0	0	0	0	0	0	0	13	29
Vehicle Fires	0	0	0	1	0	0	1	0	0	1	2	1	0	0	0	0	0	1	0	0	0	0	0	0	3	4
Misc. Fires	1	0	1	0	0	0	1	0	1	0	1	0	2	0	0	0	0	0	0	0	0	0	0	0	7	0
Illegal Burning	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Vehicle Accidents	0	1	0	1	1	2	0	0	2	4	1	2	2	0	1	3	2	3	0	0	0	0	0	0	9	16
False Alarms	2	0	0	0	3	0	1	0	0	1	0	0	0	0	1	0	0	0	0	0	0	0	0	0	7	1
Hazardous Condition	1	1	1	1	1	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	4	2
Hazardous Materials	0	0	0	0	0	0	0	0	0	0	0	0	2	0	0	0	0	0	0	0	0	0	0	0	2	0
Standby	0	0	0	0	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1
Pub.Svc.Asst.	0	0	1	0	1	0	1	0	0	0	0	0	0	0	2	0	4	0	0	0	0	0	0	0	9	0
Medical Aids	21	4	8	3	14	5	8	4	9	4	14	3	8	9	17	1	14	1	0	0	0	0	0	0	113	34
Call TOTALS	25	7	15	7	22	9	14	6	13	17	19	18	15	14	24	7	22	6	0	0	0	0	0	0	169	91
	32		22		31		20		30		37		29		31		28		0		0		0		260	
<i>CPR</i>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Mutual Aid SLO/Mon.	7	0	7	0	7	1	6	0	0	0	16	2	14	0	7	0	0	6	0	0	0	0	0	0	73	
Camp Bob Asst.	3		5		6		1		7		10		12		3		0		0		0		0		47	
Average Calls Per	<i>Month</i>		28.5	<i>Day</i>		0.9	<i>SLO Co. MA</i>				64		<i>Montrey Co. MA</i>				9		<i>CPR TOTAL</i>				0			

SAN MIGUEL COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS
AUGUST 23, 2018 REGULAR MEETING MINUTES

MEETING HELD AT DISTRICT OFFICES
1150 MISSION STREET
SAN MIGUEL, CA 93451

- I.** Meeting Called to Order by President Green – 6:30 p.m.
- II.** Pledge of Allegiance lead by Director Kalvans.
- III. Roll Call:** Directors Present: Green, Buckman, Sangster, Kalvans, Parent
Directors Absent: None
District Staff in attendance: Rob Roberson, Tamara Parent, Kelly Dodds, Paola Freeman and District General Counsel Schweikert, and District Engineer Blaine Reely
- IV. Adoption of Regular Meeting Agenda:**
- Motion by Director Kalvans to adopt Regular Meeting Agenda.
- Seconded by Director Sangster Motion was approved by Vote of 5 AYES and 0 NOES and 0 ABSENT
- V. ADJOURN TO CLOSED SESSION:**
Closed Session convened at 6:32 p.m.
- A. CLOSED SESSION AGENDA:**
- 1. CONFERENCE WITH DISTRICT GENERAL COUNSEL – Existing Litigation**
Pursuant to Government Code Section 54956.9 (d)(1) Case: *Steinbeck v. City of Paso Robles, Santa Clara County Superior Court Case No. 1-14-CV-265039* and Case: *Eidemiller v. City of Paso Robles, Santa Clara County Superior Court Case No. 1-14-CV-269212*
- VI. Call to Order for Regular Board Meeting/Report out of Closed Session:** 7:01 P.M.
Report out of closed session by District General Counsel Schweikert; “On Monday 24th following the third phase of the STIENBECK v. SLO trial, a jury found that the public agency defendants, including San Miguel, established a prescriptive right to pump groundwater for the communities they serve”
- VII. Public Comment and Communications for matters not on the Agenda:**

Director of Utilities, Kelly Dodds informed and read aloud a letter from Peoples Self Help Housing, asking for consideration from the board for cost difference of connection fees. Consensus of the Board is to bring back for discussion in October.

VIII. Special Presentations/Public Hearings/Other:

1. Discuss and consider approving Ordinance 01-2018, presented by Counsel Schweikert; an ordinance of the San Miguel Community Services District (“District”) allowing residents to conserve watering by either implementing water-efficient landscaping or eliminating the water of existing landscaping.
Second reading aloud; waved by consensus of the Board. Counsel Schweikert explained that the Passed 01-2018 Ordinance will need to be posted in local newspaper within 15 days. District Clerk, Tamara Parent explained that the draft ordinance has been posted on the District website and San Miguel Post Office and will run in the Paso Robles Press for one week starting on Friday October 5,2018.

Board Comment: None

Public Comment: None

Motion by Director Sangster to approving Ordinance 01-2018, an ordinance of the San Miguel Community Services District (“District”) allowing residents to conserve water by either implementing water-efficient landscaping or eliminating the water of existing landscaping.

Seconded by Director Parent, Motion was approved by Vote of 4 AYES and 0 NOES and 0 ABSENT and 1 ABSTAINED (Buckman)

IX. STAFF & COMMITTEE REPORTS:

1. San Luis Obispo County Sheriff No Report
2. San Luis Obispo County Board of Supervisors No Report
3. San Luis Obispo County Planning and/or Public Works No Report
4. San Miguel Area Advisory Council Verbal Report
Nanette Roe, Secretary for the San Miguel Advisory Council spoke about how Valley Fever is abundant in San Luis Obispo County. The Council approved a grow facility on Wellsona Rd. The County is going to speak to the Jazzy Town HOA about the red curb parameters on River Rd. Mrs. Roe explained that the Sherriff department informed the Advisory Council that since July 2018 San Miguel has had 455 calls and the CHP has had over 300 calls to San Miguel.
Board Comment: None
Public Comment: None
5. Camp Roberts—Army National Guard (LTC Kevin Bender) Verbal Report
LTC Bender, explained that he will be retiring and thanked San Miguel Fire Department for being good neighbors. Mr. Bender explained that they will be have 2+ large scale exercises at the base this year with over 2k troops in town.
Board Comment: Director Sangster asked how long the exercises would be and it was explained that the base will be continuing as a full time base and that they have a couple

initiatives coming to Camp Roberts this next year, one is to revitalize the solar plant and wastewater treatment plant.

Director Buckman asked about the “Solar Plant” on West side of freeway. LTC Bender explained that the solar plant was a grant for study and testing, the plant at this time is inoperable.

Public Comment: none

Discussion ensued, with thanks from Fire Chief Rob Roberson thanking Camp Roberts Fire Department for all the response to calls. It is a very beneficial working relationship between them. Discussion ensued about the number of calls that are responded to by both Camp Roberts Fire and San Miguel Fire.

6. Interim General Manager: Interim General Manager/ Fire Chief Rob Roberson, Verbal Report updating the Board of Directors.

After a five-week trial this phase in the Steinbeck Litigation was wrapped up and the jury found in favor of the cities and district, that the District have established a prescriptive right to pump water from the basin in the time of drought or in an overdraft.

Update on the audit. The 16/17 audit is still in the hands of the auditor, there has been a few delays due to his schedule but should be finishing within a few weeks, a lot of what he’s doing is also going to be part of 17/18 audit that will be completed as well, we are still on track.

Account Clerk Position – After the evaluation an annual step/merit increase from step 1 to step 2 was given to the Account Clerk position in compensation for an eligible non-management, non-confidential employee.

Utility Operator annual evaluation has been completed this month and will be in line for a step increase in October.

The Districts insurance company SDRMA has presented the President’s Special Acknowledgement Award- Property/Liability Program dedicated efforts made by SMCS D toward proactive risk management and loss prevention training- this acknowledgement awards is given to districts with “NO PAID CLIAMS” for five years

Health benefits PERS has open enrollment is currently open and the District employees are reviewing the policies, because there have been some significant rate changes. We will be bringing the San Miguel C.S.D Personnel Policy Ch. 4 compensation 4.1.1 for review and clarity in October.

Director of Utility Services is currently working on the Utility Worker compensation and on call schedule and will bring the information to the October meeting for approval.

Tamara Parent will be out of the office next month the week prior to the board meeting attending a CSDA Board Clerk Conference. She will be returning the day of the October meeting. The informational board packet will be completed by Thursday October 18th, 2018.

Board Comment: Director Kalvans asked about the Utility Worker position and asked were the staff has it posted. It was explained that it is on the District website and posted at the Post Office and SMCS D District office.

Public Comments: Laverne Buckman, San Miguel Resident asked about the Steinbeck Litigation and asked how many “phases” will there be? District Counsel Schweikert informed Mrs. Buckman that they are suing for their rights, and because this is three years in and SIGMA was not in affect, at the time the case was brought forward, they are using old law.

Nanette Roe asked the board to look into increasing the wage for the utility worker and that the utilities department needs help.

Board Comment: Director Buckman asked if we can counter sue, it was explained that it is not a futile lawsuit, and it was asked to be dismissed and Judge denied. Discussion ensued about cost.

7. **District General Counsel:** Presented by Counsel Schweikert. ChurchwellWhite, LLC. Informed the Board that the District is in phase three of the dispute, and that the next phase will be determining how much water everyone is entitled too, and it was again explained that the District is defending their water rights, for the community.

Board Comments: Director Kalvans explained that this is about the Paso Robles water basin and asked why two other districts has (Garden Farms and Heritage Ranch) been able to get out of this lawsuit and what does that mean for them. District General Counsel Schweikert explained that he assumed that they do not have prescriptive rights, and SMCS D has established through this lawsuit that they do have prescriptive water rights.

Public Comments: None

8. **District Engineer:** Written report submitted as is. Blaine Reely asked for any questions.

Board Comments: Director Kalvans asked about item number #6 & 7 on the District Engineer report, and how the meeting with J. Lohr Vineyard went and the meeting with the county for the IRWM grant. Dr. Reely explained that the vineyards are very receptive to the idea if we produce an effluent that meets their requirements. The grant is a work in progress.

Public Comment: None

Public Comments: None

9. **Director of Utilities:** Written report submitted as is. Director of Utilities Kelly Dodds asked for any questions and updated the Board that he has added a new section to his report and read aloud the Rate Audit information and number of shut offs.

Board Comment: Director Buckman asked about residence with septic systems and feels that we should relook at this item.

Director Kalvans asked about septic systems near river and would also like the item to be brought back for discussion including laterals.

Director Green would like to look at charging for doorhangers and would like it to be discussed at the January 2019 regular Board meeting.

Director Kalvans thanked Mr. Dodds for having the list for lighting on his report.

Discussion ensued

Director Green asked about the statues "N" Street property. Director of Utilities Kelly Dodds explained that he has been trying to get in contact with the county.

Public Comments: None

10. **Fire Chief:** Fire Chief Rob Roberson, updates the about the Fire Department and explained the training schedule.

Board Comments: None

Public Comment: None

X. CONSENT ITEMS:

1. Review and Approve Board Meeting Minutes
 - a) 6-28-2018 Revised - Regular Board Meeting

b) 8-23-2018 Regular Board Meeting

Board Comment: None

Public Comment: None

Motion by Director Sangster to Approve Consent Item 1.A & 1.B

Seconded by Director Parent. Motion was approved by Vote of 5 AYES and 0 NOES and 0 ABSENT.

XI. BOARD ACTION ITEMS:

1. Review, Discuss, Receive and File the Enumeration of Financial Report for August 2018

Item presented by Paola Freeman, Bookkeeper informed the Board of Directors that reports have been presented and asks for any questions.

Board Comments: Director Sangster voiced that he did notice that the Revenue v. Claims were 20k in the green and asked about the Attorney bill. Mrs. Freeman explained that due to the Steinbeck litigation the bill was large.

Director Parent asked Director of Utilities, Kelly Dodds when the last time he checked on prices for Hyper Chloride? Mr. Dodds explained that he does look every three months and explained that everything would have to be changed out and the contract is open-ended.

Director Green informed District General Counsel Schweikert and the public that he received a phone call from Counsel Doug White informing him that the Counsel prices would not be going up for San Miguel. Interim General Manager/ Fire Chief Rob Roberson voiced that he would confirm and report back to the Board.

Public Comments: Laverne Buckman, San Miguel; resident voiced that she had concerns over the annual cost for maintenance for out Black Mountain accounting/utility system.

Motion by Director Kalvans to Receive and File the Enumeration of Financial Report for August 2018.

Seconded by Director Sangster, Motion was approved by Vote of 5 AYES and 0 NOES and 0 ABSENT.

2. Approve Resolution No. 2018-28 accepting and closing out the SLT Well Blending Line Project with the County of San Luis Obispo (Reely)

Item was presented by District engineer Blaine Reely informing the Board of Directors that this was the final pieces and the project has been going on for six to seven months. The funding is a CDBG grant.

Board Comments: Director Green asked about the results in the water testing due to the blending. Director of Utilities, Kelly Dodds explained that the water is coming into the top of the tank now and the arsenic levels are lower around 6-7. Discussion ensued about where on the terrace the districts water lines were changed too.

Motion by Director Sangster to approve Resolution No. 2018-28 accepting and closing out the SLT Well Blending Line Project with the County of San Luis Obispo

Seconded by Director Kalvans, Motion was approved by Vote of 5 AYES and 0 NOES and 0 ABSENT.

3. Discussion on status of Machado Wastewater Treatment Facility expansion and aeration upgrade project (Dodds)

Item presented by Blaine Reely, District engineer and Director of Utilities Kelly Dodds, explaining that this item is to inform the Board about the timeline regarding the next steps for the expansion of the Wastewater facility and the aeration upgrade projects. Mr. Reely explained that the preliminary engineering report is far along, he has also been working all a presentation to bring to the Board and will walk the board through all the alternatives and cost of each and which ones he recommends and why. Mr. Reely explains that that piece is needing to attach to any grants and is of high priority. The Aeration project and study by PGE and their recommendations are on hold due to plant explanation. Director of Utilities, Kelly Dodds explained that he has put in the monthly report a section that informs the Board of what has been spent up to date including grants, he has also put in a countdown clock. Mr. Reely explained that he has been in discussion with vineyard and is looking at effluent.

Board Comments: Director Kalvans asked if J. Lohr is interested in the effluent is the other vineyards also interested, it was explained that that there is more interest than the District can produce. Director Kalvans asked if there is any grant funding for effluent filtration. Mr. Reely explained that yes, this is what the state is looking for with Prop 1 monies, it's all about recharge and recycled water. Director of Utilities Kelly Dodds, explained that he has talked to Gallo about their effluent and they also have to make upgrades to their plant, and he will keep the Board up to date.

Public Comments: None

No motion informational item only.

4. Review and approve Resolution 2018-30 approving proposal from Monsoon Consulting for development of the engineering studies for the expansion of the WWTF and Ground water recharge in an amount not to exceed \$177,750 funded through an IRWM grant. (Dodds/Reely)

Item presented by Director of Utilities, Kelly Dodds explained that this was brought to the Board and the consensus of the board was to move forward with Monsoon Consulting, not to exceed grant funds from Integrated Regional Water Management (IRWM). This item is asking to formalize and to authorize a budget adjustment in the same amount to expense line 40-586 WWTF/Recharge study and revenue line 40-41012 IRWM grant.

Board Comment: Director Sangster asked the District General Counsel Mr. Schweikert, if there is any conflict with awarding this contract to the District engineer? Mr. Schweikert explained that, no; it is not a conflict. He gave example being when the District assigns a litigation item to District Counsel you don't go out for bid. Monsoon Consulting is the District engineer. that did go out and ran a competitive solicitation at the time you posted an RPF, then the District picked Monsoon Consultants as the District Engineer and should be awarded all engineering. Mr. Reely, explained that he gave the District a fee schedule for professional services that was discounted and was to remain in effect for one year then move to the regular fees. Mr. Reely explained that his firm has still never raised the fees.

Director Sangster thanked District Counsel for their direction and wanted full transparency. Director Sangster understands and was just worried about directly awarding without a competitive solicitation.

Director Sangster thanked District Engineer for the quality work he gives the District. Discussion ensued about the pricing difference between being a District engineer working for the San Miguel District and not just any engineering firm.

District General Counsel Schweikert explained that he understands what Mr. Reely pointed out, and again explained that Monsoon Consulting entered into a professional service agreement with the District with highly discounted rates for service. Counsel Schweikert pointed out that the District Engineer also came to the Board to move forward for the grant application, and if the Board wanted to take thing like this out to bid it would only be fair to have the District Engineer re-bid his services. It was explained that if the District decides that every project over a certain amount go out for a general bid then of course the cost of services by them would be different. District Counsel also explained that then Board needs to understand that they get benefits from Mr. Reely understand the "system" where other firms would have to take the time to learn the system and that comes at a cost. Mr. Schweikert wanted to explain this to the Board of Directors in support of Mr. Reely and his firm.

Director Buckman voiced that he thought thru the Purchasing Policy that anything that is 25K or above needed to go out to bid. It was explained by Director Green that, yes but that is for purchases of items, in the District Purchasing Policy.

Director Kalvans thanked Mr. Reely and his firm Monsoon Consulting and feels that Monsoon would be the most responsive bidder for the District needs.

Public Comment: Nanette Roe San Miguel Resident, asked that the minutes be detailed on this item.

Motion by Director Kalvans to approve Resolution 2018-30 approving proposal from Monsoon Consulting for development of the engineering studies for the expansion of the WWTF and Ground water recharge in an amount not to exceed \$177,750 funded through an IRWM grant.

Seconded by Director Sangster, Motion was approved by Vote of 5 AYES and 0 NOES and 0 ABSENT.

- 5. Review and approve resolution 2018-29 authorizing the Director of Utilities to enter into a contract with Terrain in the amount not to exceed \$15,300 for boundary survey and development of an aerial topographic map of the existing WWTP and the expansion property. This will be funded through the WWTF/ GW Recharge Study budget item and is reimbursable through the IRWM grant.**

Item presented by Director of Utilities Kelly Dodds, explained is a piggy back for the last item and this item was put out to bid. Mr. Dodds explained that both him and the District Engineer have worked with Terrain in the past, but the recommendation really comes from Terrain being the lowest bidder. Director of Utilities Kelly Dodds, asked for any questions from the Board.

Board Comment: Director Sangster voiced that MBS Land Survey, is lower than Terrain giving the terms and if you look at the lower end of MBS bid. Mr. Sangster explained what he has found after reading the contract for Terrain. Director Sangster has a lot of questions about the contract for Terrain and explained that there are 56 provisions in there contract and he would not except 20 of them, most important is that Terrain has no Liability Insurance and asks for Mr., Reely's expertise in the situation.

Mr. Reely explained that MBS on the lower at the lower end of their bid than Terrain, but it was very close, and thanked Director Sangster for his diligence and mentioned that he too did not notice the lack of General Liability insurance. Mr. Reely and Director of Utilities Kelly Dodd feels that MBS is as capable as Terrain and would recommend them.

Director Parent asked if we could delay the survey by going back to MBS about cost? District engineer explained that it would be easy to go back to MBS and tell them that the Board of Directors would like to award them the contract if they are at the lowest 13k at the low end of the bid.

The price difference for record is Terrain at \$15,300 and MBS is between \$13,875-\$15,775. District General Counsel thanked Director Sangster for his diligence.

Public Comments: Laverne Buckman, San Miguel Resident thanked Director Sangster for his knowledge, and expertise that he brings to the Board.

Motion by Director Sangster to approve Resolution 2018-29 authorizing the District Engineer to contract with MBS land surveys to perform a survey and aerial topographic mapping of the current wastewater treatment plant and the expansion property in an amount not to exceed \$13,875.00 with confirmation of liability insurance.

Seconded by Director Parent, Motion was approved by Vote of 5 AYES and 0 NOES and 0 ABSENT.

- 6. Review and authorize the District Engineer to prepare and submit a Community Development Block Grant (CDBG) application for the replacement of the 10th and 11th street water lines on behalf of the District (Reely)**

Item was presented by District Engineer, explained this is another attempt at funding project that the Board has passed in the Water and Wastewater Master plan.

Board Comment: Director Green asked if this was one of the top priorities in the Master Plan. Director of Utilities Kelly Dodds explained that yes, this is a high priority for the District.

District Engineer Reely explained that there is a Board of Supervisor needs hearing on October 16th in San Luis Obispo and would highly recommend that any of the Board of Directors can attend. Email will be sent out to Directors about time.

Public Comment: Laverne Buckman asked if it was under the railroad tracks. Mr. Dodds explained that yes, next road down from Fire Station.

Nanette Roe, San Miguel Resident asked about if it was cannabis monies. Mr. Sangster explained that there is a new tax that will be phased in, it was explained when he asked all the money was going to the county and there are no answers yet. Discussion ensued about where the monies will be going and that we should ask about all tax or grant monies. Director Parent voiced that the water budget has been depleted and feels that this is a very important grant.

Motion by Director Parent to authorize the District Engineer to prepare and submit a Community Development Block Grant (CDBG) application for the replacement of the 10th and 11th street water lines on behalf of the District.

Seconded by Director Kalvans, Motion was approved by Vote of 5 AYES and 0 NOES and 0 ABSENT.

7. Review and approve resolution 2018-31 authorizing the General Manager to close the Bank account at Rabobank and transfer the remaining funds to the capital reserve account at Pacific Premier Bank.

Item was presented by Interim General Manager/ Fire Chief Rob Roberson, explained that this bank account was established in July 2016, for a capital reserve account. The General Manager at the time put 10k at the time into this account and nothing has been done with it since. Mr. Roberson explained that Director Buckman and himself went into Rabobank and where treated less than appropriate from the bank, and when the District was going thru the audits the Auditor from Moss, Levy had to inquire about the account, and the District was charged \$20 fee for each inquiry.

Board Comment: Director Green asked for verification of which bank. Director Parent voiced his approval, and distaste with Rabobank.

Public Comment: None

Motion by Director Buckman to close the Bank account at Rabobank and transfer the remaining funds to the capital reserve account at Pacific Premier Bank.

Seconded by Director Parent, Motion was approved by Vote of 5 AYES and 0 NOES and 0 ABSENT.

XII. BOARD COMMENT: Director Buckman asked that the Director of Utilities bring back the punch list for maintenance.

Director Kalvans wanted to acknowledge that Ochoa 1401 K residence have cleaned up but has noticed lots of trash around San Miguel and asked about the Community Cleanup day.

Director Green asked about Clean-up day and chipping. Explained that it is part of the Firefighter Association but would look into it.

Director Green voiced that the District is looking at hire of a new utility worker/operator and voiced that we are currently paying for a housekeeper and would like to put housekeeping in job duties and increase salary step for that position.

Interim General Manager/ Fire Chief Rob Roberson asked President Green for time to make comment, granted by President Green

Interim General Manager/ Fire Chief Rob Roberson voiced that as everyone knows there is an upcoming vote/election in November and wanted to thank Ashley Sangster for his participation on the Board and acknowledges that Mr. Sangster has been at all the meetings. Mr. Roberson voiced that he is personally offended by individuals that make statements in this community about lack of leadership and about not being responsible financially and about how this district is being ran. The current staff and leadership has been in charge for only one year and the things that we have turned around, litigation, financials, and remember what the staff and board was left with a big mess from previous management that the district would have failed from it.

Interim General Manager/ Fire Chief Rob Roberson voiced that he has been personally slandered on Facebook social media and people talking in this community and are being led to believe that we are giving less than good leadership, less than fair appropriations of financials. This Staff is here to fix it, and everyone here is dedicated. Mr. Roberson voiced that he was trying to be reserved in commenting but when he is being personally attacked and when the people working here get personally attacked on social media, it is my duty. Right now, candidates' that are not here and never been here at a Board meeting are getting information by people on the board that we are not truthful, we are not good leaders, and that we are mismanaging their finances. That is inappropriate, and he takes personal offence to it. We as a district need to be out there supporting the community and informing them that everything that we are doing is to benefit them in the future.

Interim General Manager/ Fire Chief Rob Roberson reminded the Board of Directors that he is here only because he wants to be and cares for this community, but when people are slandering people by names and saying that we do not have good leadership and are , misappropriating their financials from two people that have never been here and will come in and fix the district and will get better leadership. It is very offensive. Mr. Roberson voiced that he is looking forward to having a good future here, and all the work Director of Utilities and District Engineer have put in are going to carry the district through to build out. It makes it very difficult, let alone we had to raise rates; no one wanted to raise rates but sometimes in this position you must do things for the future. He told the board that again sweet or sour you will get the truth from him. Moving forward

we need to look at the positive even if it hurts, we will grow from our pain, nobody wants to build of pay for a sewer facility, but we must. The Board has a good group of dedicated staff here, Tamara and Liliana have to take calls and walk ins all day with people upset about their rate, and every time they take the time to explain to the people of San Miguel what has been going on for the last few years with this rate study, and Rob explains that the community is getting the best service. Mr. Roberson asks how many complaints as Directors have they received about the staff here and reminds them that with the last General Manager they were on the verge of having the whole staff walk out. The embezzlement issue has gone to the D.A, and charges will be pressed thanks to this staff. The District General counsel, as painful as it has been, have prevailed and as I saw firsthand, during the trial and they are doing what is in the best interest of the District. So, when you want to go out and talk to the community about the District that is the stuff you need to talk about. We as a District need to move on in a positive manner, and when he sees the staff being beat up from the lies being told about the District he will speak up and defend the District staff and himself. His hope is that we get a good group of Directors in here that will work for the best interest of the District and community. Director Sangster thanked Interim General Manager/ Fire Chief Rob Roberson for his truthful words.

Director Parent voiced his appreciation for all the Interim General Manager/ Fire Chief Rob Roberson has done for the District.

Director Buckman voiced that he could not have said it any better, and thanked Mr. Roberson.

XIII. ADJOURNMENT TO NEXT MEETING OCTOBER 25, 2018: 9:03 P.M.



San Miguel Community Services District

Board of Directors Staff Report

October 25th, 2018

AGENDA ITEM: X-2

SUBJECT: Review and authorize the Director of Utilities enter into a mutual assistance agreement with CaLWARN.

RECOMMENDATION: Authorize the Director of Utilities enter into a mutual assistance agreement with CaLWARN.

DISCUSSION:

California Water/Wastewater Agency Response Network (CaLWARN) is a network of public and private water and wastewater systems that have agreed to aid other member agencies if they are able in a time of emergency.

There are 6 regions within this network that are concurrent with the 6 OES regions. CaLWARN is linked to OES, DDW, and the Waterboard to provide assistance for local, regional, and intrastate emergencies. An example of an emergency that recently used resources from CALWARN members was the Montecito Mudslides which caused massive water and wastewater infrastructure damage.

This agreement does not obligate the District to provide assistance but if assistance is provided, or received, this agreement provides a basis for reimbursement of costs to the providing agency.

The most likely scenario for San Miguel would be receiving assistance from the County in the event of a natural emergency. Or providing assistance to an agency outside the County for some form of natural emergency. It is possible that the District will never use or be asked for assistance but being part of the network will create a pathway to receive immediate assistance if an emergency arises. Though natural emergencies have been few and far between in this county if we were to experience a county wide emergency this network will enable the District to receive assistance from outside the area, which will be necessary as likely all local resources will already be committed.

FISCAL IMPACT

There is no cost to be part of CaLWARN, any assistance the District provides would be reimbursed and any assistance we receive would incur a cost depending on what is received.

PREPARED BY:

Kelly Dodds

Kelly Dodds, Director of Utilities

Tamara Parent

Board Clerk/Accounts Manager

Attachment:

1. CalWARN Signature Page
2. CalWARN Articles of Agreement

California Water/Wastewater Agency Response Network (CalWARN) 2007 Omnibus Mutual Assistance Agreement

WHEREAS, the California Office of Emergency Services (OES), the Department of Water Resources (DWR), the Department of Public Health (DPH) and the California Utilities Emergency Association (CUEA) have expressed a mutual interest in the establishment of a plan to facilitate and encourage water agency mutual assistance agreements between water agencies; and

WHEREAS, the California Water Agency Response Network (CalWARN) was originally created to provide a forum for the development of mutual assistance agreements between water agencies in the OES Coastal Region of California; and later expanded to all water and wastewater agencies in the State of California, and

WHEREAS, the CALIFORNIA WATER/WASTEWATER AGENCY RESPONSE NETWORK (CalWARN) 2007 OMNIBUS MUTUAL ASSISTANCE AGREEMENT is a continuation of the WARN 1996 OMNIBUS MUTUAL AID and 2001 OMNIBUS MUTUAL AID AGREEMENT and sets forth the mutual covenants and agreements for water and wastewater agencies to provide mutual assistance to one another in times of emergency; and

WHEREAS, State OES regulates the SEMS program, and this agreement is consistent with SEMS, and that it is necessary to have a mutual assistance agreement in place to support requests to FEMA for costs of using assistance during an emergency, and

WHEREAS, the water or wastewater agency hereto has determined that it would be in its best interests to enter into an agreement that implements that plan and sets forth procedures and the responsibilities of the agency whenever emergency personnel, equipment and facility assistance are provided from one agency to the other; and

WHEREAS, no water or wastewater agency should be in a position of unreasonably using its own resources, facilities, or services providing such mutual assistance; and

WHEREAS, it is the intent of WARN to revise this agreement as necessary and to annually publish a list of all water and wastewater agencies participating in this agreement, as posted on www.calwarn.org; and

WHEREAS, such an agreement is in accord with the California Emergency Services Act set forth in Title 2, Division 1, Chapter 7 (Section 8550 et seq.) of the Government Code and specifically with Articles 14 and 17 (Section 8630 et seq.) of the Act.

NOW, THEREFORE, in consideration of the conditions and covenants contained therein, the

(Utility)

agrees to become a party to the CalWARN 2007 Omnibus Mutual Assistance Agreement.

Date:

Name: (printed) _____ (signature) _____

Title: _____

Please return an ORIGINAL signed copy of this page, plus the [information requested on](#)

[Emergency Contacts List](#) to:

Ms. Kelly Hubbard
CalWARN, Region 1, Southern Chair
Municipal Water District of Orange County
18700 Ward Street
Fountain Valley CA 92728

Send a copy to the appropriate Region Chair:

Region I, Southern Chair

Municipal Water District of Orange Co
Kelly Hubbard
18700 Ward Street
Fountain Valley, CA 92728
(714) 593-5010
khubbard@mwdoc.com

Region II, Coastal Chair

Alameda County Water District
Steven Dennis
43885 South Grimmer Boulevard
Fremont, CA 94537
(510) 668-6530
Steve.Dennis@acwd.com

Region III, Inland Chair

Bella Vista Water District
Don Groundwater
11368 East Stillwater Way
Redding, CA 96003-9510
(530) 241-1085
dgroundwater@bvwd.org

Region IV, Inland Chair

Golden State Water
John Spitler
3035 Prospect Park Drive Suite 60
Rancho Cordova, CA 95670
(916) 853-3616
jpspitler@gswater.com

Region V, Inland South Chair

Please send to the State Steering
Committee Chair

Region VI, Southern Chair

Western Municipal Water District
Tom McMillen
14205 Meridian Parkway
Riverside, CA 92518
(951) 571-7252
tmcmillen@wmwd.com

State Steering Committee Chair

Raymond Riordan
City of San Ramon
2662 Marsh Drive
San Ramon, CA 94583
(925) 830-9019
rayriordan@comcast.net

1 **Articles of Agreement**
2 **California Water/Wastewater Agency Response Network**
3 **WARN 2007 Omnibus Mutual Assistance Agreement**
4

5 This AGREEMENT is made and entered into by those water and wastewater utilities which have
6 adopted and signed this agreement to provide mutual assistance in times of emergency in
7 accordance with the California Emergency Services Act and the California Disaster and Civil
8 Defense Master Mutual Aid Agreement; and to provide reimbursement for equipment, supplies
9 and personnel made available on an emergency basis.

10
11 All of said water and wastewater utilities being herein referred to collectively as "the parties."
12

13 In consideration of the mutual covenants and agreements hereinafter set forth, the parties agree
14 to provide mutual assistance to one another in times of emergency as follows:
15

16
17 **ARTICLE I.**
18 **PURPOSE**
19

20 Recognizing that emergencies may require assistance in the form of personnel, equipment, and
21 supplies from outside the area of impact, the signatory utilities hereby establish an Intrastate
22 Program for Mutual Aid and Assistance. Through the Mutual Aid and Assistance Program,
23 Members coordinate response activities and share resources during emergencies. This
24 Agreement sets forth the procedures and standards for the administration of the Intrastate
25 Mutual Aid and Assistance Program and is available to all water and wastewater utilities, public
26 and private, in the State of California.
27

28
29 **ARTICLE II.**
30 **DEFINITIONS**
31

- 32 A. **Authorized Official** – An employee or officer of a Member who is authorized to: (1) request
33 assistance; (2) offer assistance; (3) refuse to offer assistance or (4) withdraw assistance
34 under this.
35
- 36 B. **Emergency** – A natural or human caused event or circumstance causing, or imminently
37 threatening to cause impact to the operations of a member utility's system, loss of life, injury
38 to person or property, human suffering or financial loss, and includes, but is not limited to,
39 fire, flood, severe weather, earthquake, civil disturbance, riot, explosion, drought, volcanic
40 activity, spills or releases of oil or hazardous material, contamination, utility or transportation
41 emergencies, disease, blight, infestation, intentional acts, sabotage, declaration of war, or
42 other conditions which is, or is likely to be beyond the control of the services, personnel,
43 equipment, and facilities of a Member and requires mutual assistance.
44
- 45 C. **Member** – Any public or private water or wastewater utility that manifests intent to
46 participate in the Mutual Aid and Assistance Program by executing this, the California
47 Water/Wastewater Agency Response Network (CalWARN) Agreement.
48
- 49 D. **Associate Member** – Any non utility participant, approved by the State Steering Committee,
50 that provides a support role for the WARN program, for example State Department of Public

1 Health, or associations, who are members of the Regional or State Steering Committees
2 and do not officially sign the WARN agreement.
3

- 4 E. **Confidential Information** - Any document shared with any signatory to this Agreement that
5 is marked confidential, including but not limited to any map, report, notes, papers, opinion,
6 or e-mail which relates to the system vulnerabilities of a Member or Associate Member.
7
- 8 F. **Non-Responding Member** - A Member that does not provide assistance during a Period of
9 Assistance under the Mutual Aid and Assistance Program.
10
- 11 G. **Requesting Member** – A Member who requests assistance under the Mutual Aid and
12 Assistance Program.
13
- 14 H. **Responding Member** – A Member that responds to a request for assistance under the
15 Mutual Aid and Assistance Program.
16
- 17 I. **Period of Assistance** – A specified period of time when a Responding Member assists a
18 Requesting Member. The period commences when personnel, equipment, or supplies
19 depart from Responding Member’s facility and ends when the resources return to their
20 facility (portal to portal). All protections identified in the Agreement apply during this period.
21 The specified Period of Assistance may occur during response to or recovery from an
22 Emergency.
23
- 24 J. **National Incident Management System (NIMS)** - A national, standardized approach to
25 incident management and response that sets uniform processes and procedures for
26 emergency response operations.
27
- 28 K. **Standardized Emergency Management System (SEMS)** - A standardized approach to
29 field command and jurisdictional management and response set forth by State of California
30 Code of Regulations for multi-agency or multi-jurisdictional response to an emergency.
31
32

33 **ARTICLE III.**
34 **ADMINISTRATION**
35

36 The administration of the Water/Wastewater Agency Response Network (WARN) will be
37 through WARN Regional Steering Committees (RSC) and the WARN State Steering Committee
38 (SSC).
39

40 The WARN RSCs will be established by representatives from the Members in that region. A
41 chair and co-chair will be elected and act as administrators for that region. The chair will
42 represent the region on the WARN SSC. Each WARN RSC will sponsor an annual meeting for
43 Members, maintain a data base of all water and wastewater utilities who have signed this
44 Agreement, and meet as a committee to address concerns and procedures for requesting
45 mutual assistance in that region. The regions will be comprised of one or more of the six Office
46 of Emergency Services (OES) mutual aid regions.
47

48 The WARN SSC will include the chairs of the regional steering committees, and a
49 representative from the California Department of Public Health (CDPH), California Utilities
50 Emergency Association (CUEA), Department of Water Resources (DWR), the American Water
51 Works Association (AWWA) Emergency Planning Committee, California Rural Water

1 Association (CRWA) and California Sanitation Risk Management Authority (CSRMA). The SSC
2 will identify a Chair for the purpose of leading the SSC and act as a point of contact for the
3 WARN SSC. At a minimum, the WARN SSC will meet annually and issue a list of participating
4 utilities. The database will be maintained on the WARN website, managed by a volunteer
5 Member, as appointed by the SSC.
6
7

8 **ARTICLE IV.**
9 **PROCEDURES**

- 10
11 A. In coordination with the Regional Steering Committees, emergency management and public
12 health system of the state, the State Steering Committee shall develop operational and
13 planning procedures for the Mutual Aid and Assistance Program. These procedures shall
14 be consistent with the Standardized Emergency Management System (SEMS) and the
15 National Incident Management System (NIMS), reviewed at least annually and updated as
16 needed by the State Steering Committee.
17
18 B. Requests for emergency assistance under this Agreement shall be directed to the
19 appropriate Authorized Official(s) from the list of Members.
20
21 C. Consistent with SEMS, when more than one County is impacted by a disaster, requests for
22 mutual assistance under this Agreement may be channeled through the CUEA Utility
23 Operation Center to ensure maximum effectiveness in allocating resources to the highest
24 priority needs.
25

26
27 **ARTICLE V.**
28 **REQUESTS FOR ASSISTANCE**

29
30 In general, assistance will be in the form of resources, such as equipment, supplies, and
31 personnel. Assistance shall be given only when Responding Member determines that its own
32 needs can be met while rendering assistance. The execution of this Agreement shall not create
33 any duty to respond on the part of any party hereto. A potential Responding Member shall not
34 be held liable for failing to provide assistance. A potential Responding Member has the
35 absolute discretion to decline to provide any requested assistance.
36

- 37 A. **Member Responsibility** - Members shall identify an Authorized Official and alternates;
38 provide contact information including 24-hour access; and maintain resource information
39 made available by the utility for mutual aid and assistance response, as allowed by utility
40 policy. Such information shall be updated annually or as changes occur (whichever is
41 sooner), provided to the State Steering Committee, and uploaded into the statewide
42 database.
43
44 B. **Member Request** - In the event of an Emergency, a Member's Authorized Official may
45 request mutual aid and assistance from a participating Member. Requests for assistance
46 can be made orally or in writing. When made orally, the request for personnel, equipment,
47 and supplies shall also be prepared in writing and submitted to the participating Member as
48 soon as practicable. Requests for assistance shall be directed to the Authorized Official of
49 the participating Member. Specific protocols for requesting aid shall be provided in the
50 procedures developed under Article IV.
51

- 1 C. **Response to a Request for Assistance** – Members are not obligated to respond to a
2 request. After a Member receives a request for assistance, the Authorized Official evaluates
3 whether or not to respond, whether resources are available to respond, or if other
4 circumstances would hinder response. Following the evaluation, the Authorized
5 Representative shall inform, as soon as possible, the Requesting Member whether it will
6 respond. If the Member is willing and able to provide assistance, the Member shall inform
7 the Requesting Member about the type of available resources and the approximate arrival
8 time of such assistance.
9
- 10 D. **Discretion of Responding Member’s Authorized Official** – Execution of this Agreement
11 does not create any duty to respond to a request for assistance. When a Member receives
12 a request for assistance, the Authorized Official shall have sole and absolute discretion as to
13 whether or not to respond, or the availability of resources to be used in such response. An
14 Authorized Member’s decisions on the availability of resources shall be final.
15
16

17 **ARTICLE VI.**
18 **RESPONSE COORDINATION**
19

20 When providing assistance under this Agreement, the Requesting Member and Responding
21 Member shall be organized and shall function under the Standard Emergency Management
22 System and National Incident Management System protocols and procedures.
23

- 24 A. **Personnel** – Responding Member retains right to identify the employees who are willing
25 to participate and the resources that are available.
26
- 27 B. **Control** – While employees so provided may be under the supervision of the
28 Responding Member, the Responding Member’s employees come under the direction
29 and control of the Requesting Member, consistent with the NIMS Incident Command
30 System to address the needs identified by the Requesting Member. The Requesting
31 Member’s Authorized Official shall coordinate response activities with the designated
32 supervisor(s) of the Responding Member(s). Whenever practical, Responding
33 Member personnel must be self sufficient for up to 72 hours. The Responding Member’s
34 designated supervisor(s) must keep accurate records of work performed by personnel
35 during the specified Period of Assistance.
36
- 37 C. **Food and Shelter** – When possible, the Requesting Member shall supply reasonable food
38 and shelter for Responding Member personnel. If the Requesting Member is unable to
39 provide food and shelter for Responding Member personnel, the Responding Member’s
40 designated supervisor is authorized to secure the resources necessary to meet the needs of
41 its personnel. Except as provided below, the cost for such resources must not exceed the
42 State per diem rates for that area. To the extent Food and Shelter costs exceed the State
43 per diem rates for the area, the Responding Member must demonstrate that the additional
44 costs were reasonable and necessary under the circumstances. Unless otherwise agreed
45 to in writing, the Requesting Member remains responsible for reimbursing the Responding
46 Member for all reasonable and necessary costs associated with providing food and shelter,
47 if such resources are not provided.
48
- 49 D. **Communication** – The Requesting Member shall provide Responding Member personnel
50 with radio equipment as available, or radio frequency information to program existing radio,
51 in order to facilitate communications with local responders and utility personnel.

- 1
2 E. **Status** - Unless otherwise provided by law, the Responding Member's officers and
3 employees retain the same privileges, immunities, rights, duties and benefits as provided in
4 their respective jurisdictions.
5
6 F. **Licenses and Permits** – To the extent permitted by law, Responding Member personnel
7 who hold licenses, certificates, or permits evidencing professional, mechanical, or other
8 skills shall be allowed to carry out activities and tasks relevant and related to their respective
9 credentials during the specified Period of Assistance.
10
11 G. **Right to Withdraw Resources** - The Responding Member's Authorized Official retains the
12 right to withdraw some or all of its resources at any time for any reason in the Responding
13 Member's sole and absolute discretion. Notice of intention to withdraw must be
14 communicated to the Requesting Member's Authorized Official as soon as soon as is
15 practicable under the circumstances.
16
17

18 **ARTICLE VII.**
19 **COST REIMBURSEMENT**
20

21 Unless otherwise mutually agreed in whole or in part by both parties, the Requesting Member
22 shall reimburse the Responding Member for each of the following categories of costs incurred
23 while providing aid and assistance during the specified Period of Assistance.
24

- 25 A. **Personnel** – Responding Member will make such employees as are willing to
26 participate available to Requesting Member at Requesting Member's expense equal to
27 Responding Member's full cost, i.e., equal to the employee's applicable salary or hourly
28 wage plus fringe benefits and overhead, and consistent with Responding Member's
29 collective bargaining agreements or other conditions of employment. All costs incurred
30 for work performed during the specified Period of Assistance will be included. The
31 Requesting Member shall be responsible for all direct and indirect labor costs.
32
33 B. **Equipment** – Use of equipment, such as construction equipment, vehicles, tools, pumps
34 and generators, shall be at Responding Member's current equipment rate and subject to the
35 following conditions: The Requesting Member shall reimburse the Responding Member for
36 the use of equipment during the specified Period of Assistance, including, but not limited to,
37 reasonable rental rates, all fuel, lubrication, maintenance, transportation, and
38 loading/unloading of loaned equipment. All equipment shall be returned to the Responding
39 Member as soon as is practicable and reasonable under the circumstances.
40 (a) At the option of Responding Member, equipment may be provided with an
41 operator.
42 (b) Equipment shall be returned to Responding Member within 24 hours after receipt
43 of an oral or written request for return.
44 (c) Requesting Member shall, at its own expense, supply all fuel, lubrication and
45 maintenance for furnished equipment.
46 (d) Responding Member's cost related to the transportation, handling and
47 loading/unloading of equipment shall be chargeable to Requesting Member.
48 (e) In the event equipment is damaged while being dispatched to Requesting Member,
49 or while in the custody and use of Requesting Member, Requesting Member shall
50 reimburse Responding Member for the reasonable cost of repairing said damaged
51 equipment. If the equipment cannot be repaired, then Requesting Member shall

1 reimburse Responding Member for the cost of replacing such equipment with
2 equipment that is of at least equal capability as determined by the Responding
3 Member. If Responding Member must lease a piece of equipment while Requesting
4 Member equipment is being repaired or replaced, Requesting Member shall
5 reimburse Responding Member for such lease costs.
6

- 7 C. **Materials and Supplies** – Requesting Member shall reimburse Responding Member in
8 kind or at actual replacement cost, plus handling charges, for use of expendable or non-
9 returnable supplies. Other supplies and reusable items that are returned to Responding
10 Member in a clean, damage-free condition shall not be charged to the Requesting
11 Member and no rental fee will be charged; otherwise, they shall be treated as
12 expendable supplies. Supplies that are returned to the Responding Member with
13 damage must be treated as expendable supplies for purposes of cost reimbursement.
14
- 15 D. **Payment Period** – The Responding Member shall provide an itemized bill to the Requesting
16 Member for all expenses incurred by the Responding Member while providing assistance
17 under this Agreement. The Requesting Member shall send the itemized bill not later than
18 (90) ninety days following the end of the Period of Assistance. The Responding Member
19 may request additional periods of time within which to submit the itemized bill, and
20 Requesting Member shall not unreasonably withhold consent to such request. The
21 Requesting Member agrees to reimburse the Responding Member within 60 days from
22 receipt of an invoice for assistance provided under this Agreement. The Requesting
23 Member may request additional periods of time within which to pay the itemized bill, and
24 Responding Member shall not unreasonably withhold consent to such request, provided,
25 however, that all payment shall occur not later than one-year after the date a final itemized
26 bill is submitted to the Requesting Member.
27
- 28 E. **Records** - Each Responding Member and its duly authorized representatives shall have
29 access to a Requesting Member’s books, documents, notes, reports, papers and records
30 which are directly pertinent to this Agreement for the purposes of reviewing the accuracy of
31 a cost bill or making a financial, maintenance or regulatory audit. Each Requesting Member
32 and its duly authorized representatives shall have access to a Responding Member’s books,
33 documents, notes, reports, papers and records which are directly pertinent to this
34 Agreement for the purposes of reviewing the accuracy of a cost bill or making a financial,
35 maintenance or regulatory audit. Such records shall be maintained for at least three (3)
36 years or longer where required by law and as needed for federal reimbursement practices.
37
38

39 **ARTICLE VIII.**
40 **ARBITRATION**
41

42 If any controversy or claim arises out of, or relates to, the Agreement, including, but not limited
43 to an alleged breach of the Agreement, the disputing Members shall first attempt to resolve the
44 dispute by negotiation, followed by mediation and finally shall be settled by arbitration in
45 accordance with the Rules of the American Arbitration Association. Judgment on the award
46 rendered by the arbitrator(s) may be entered in any court having jurisdiction.
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ARTICLE IX.
REQUESTING MEMBER'S DUTY TO INDEMNIFY

Pursuant to Government Code Section 895.4, and subject to Article X, Requesting Member shall assume the defense of, fully indemnify and hold harmless Responding Member, its Directors, Council Members, Supervisors, officers and employees, from all claims, loss, damage, injury and liability of every kind, nature and description, directly or indirectly arising from the Requesting Member's work hereunder, including, but not limited to, negligent or wrongful use of equipment, supplies or personnel provided to Requesting Member or faulty workmanship or other negligent acts, errors or omissions by Responding Member, or by personnel provided to Requesting Member from the time assistance is requested and rendered until the assistance is returned to Responding Member's control, portal to portal.

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ARTICLE X.
SIGNATORY INDEMNIFICATION

In the event of a liability, claim, demand, action or proceeding, of whatever kind or nature arising out of the rendering of assistance through this Agreement, the parties involved in rendering or receiving assistance agree to indemnify and hold harmless all Members whose only involvement is the execution and approval of this Agreement, in the transaction or occurrence which is the subject of such claim, action, demand or other proceeding. Such indemnification shall include indemnity for all claims, demands, liability, damages and costs, including reasonable attorneys' fees and other costs of defense, for injury, property damage and workers compensation.

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ARTICLE XI.
WORKER'S COMPENSATION CLAIMS

The Responding Member is responsible for providing worker's compensation benefits and administering worker's compensation for its employees. The Requesting Member is responsible for providing worker's compensation benefits and administering worker's compensation for its employees.

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ARTICLE XII.
NOTICE

Each party hereto shall give to the others prompt and timely written notice of any claim made or any suit instituted coming to its knowledge, which in any way, directly or indirectly, contingently or otherwise, affects or might affect them, and each Member shall have the right to participate in the defense of the same, as it considers necessary to protect its own interests.

1 **ARTICLE XIII.**
2 **INSURANCE**
3

4 Members shall maintain an insurance policy or maintain a self insurance program that covers
5 activities that it may undertake by virtue of membership in the Mutual Aid and Assistance
6 Program.
7

8
9 **ARTICLE XIV.**
10 **CONFIDENTIAL INFORMATION**
11

12 To the extent allowed by law, any Member or Associate Member shall maintain in the strictest
13 confidence and shall take all reasonable steps necessary to prevent the disclosure of any
14 Confidential Information provided to it by another Member pursuant to this Agreement. If any
15 Member, Associate Member, or third party requests or demands, by subpoena or otherwise,
16 that a Member or Associate Member disclose any Confidential Information provided to it under
17 this Agreement, the Member or Associate Member shall immediately notify the owner of the
18 Confidential Information and shall take all reasonable steps necessary to prevent the disclosure
19 of any Confidential Information by asserting all applicable rights and privileges with respect to
20 such information and shall cooperate fully in any judicial or administrative proceeding relating
21 thereto.
22

23
24 **ARTICLE XV.**
25 **EFFECTIVE DATE**
26

27 This Agreement shall take effect for a new party immediately upon its execution by said
28 party.
29

30
31 **ARTICLE XVI.**
32 **WITHDRAWAL**
33

34 Any party may terminate its participation in this Agreement by written notice to the Chair of the
35 appropriate RSC and to the SSC Chair. Withdrawal takes effect 60 days after the appropriate
36 officials receive notice. Withdrawal from this Agreement shall in no way affect a Requesting
37 Member's duty to reimburse a Responding Member for cost incurred during a Period of
38 Assistance, which duty shall survive such withdrawal.
39

40
41 **ARTICLE XVII.**
42 **MODIFICATION**
43

44 No provision of this Agreement may be modified, altered or rescinded by individual parties to the
45 Agreement. Modifications to this Agreement require a simple majority vote of Members within
46 each region and unanimous agreement among the regions. The State Steering Committee will
47 notify all parties of modifications to this Agreement in writing and those modifications shall be
48 effective upon 60 days written notice to the parties.
49

1
2 **ARTICLE XVIII.**
3 **SEVERABILITY**
4

5 If any term or provision of this Agreement is declared by a court of competent jurisdiction to be
6 illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be
7 affected, and the rights and obligations of the parties shall be construed and enforced as if the
8 Agreement did not contain the particular term or provision held to be invalid.
9

10
11 **ARTICLE XIX.**
12 **PRIOR AGREEMENTS**
13

14 To the extent that prior agreements among signatories to this Agreement for mutual assistance
15 are inconsistent with this Agreement, such agreements are hereby superseded. This
16 Agreement supersedes the 1996 Omnibus Mutual Aid Agreement, the WARN 1997 Omnibus
17 Mutual Aid Agreement, and the WARN 2001 Omnibus Mutual Aid and Assistance Agreement.
18
19

20 **ARTICLE XX.**
21 **PROHIBITION ON THIRD PARTIES AND ASSIGNMENT OF RIGHTS/DUTIES**
22

23 This Agreement is for the sole benefit of the Members and no other person or entity has rights
24 under this Agreement as a third party beneficiary. Assignment of benefits or delegation of
25 duties created by this Agreement to third parties that are not Members is prohibited and without
26 effect.
27

28
29 **ARTICLE XXI.**
30 **TORT CLAIMS**
31

32 This Agreement in no way abrogates or waives any immunity or defense available under
33 California law.
34
35

36 **ARTICLE XXII.**
37 **INTRASTATE AND INTERSTATE MUTUAL AID AND ASSISTANCE PROGRAMS**
38

39 To the extent practicable, Members retain the right to participate in mutual aid and assistance
40 activities conducted under the State of California Intrastate WARN Mutual Aid and Assistance
41 Program and the Interstate Emergency Management Assistance Compact (EMAC) and similar
42 programs.
43
44
45



San Miguel Community Services District

Board of Directors Staff Report

October 25th, 2018

AGENDA ITEM: X-3

SUBJECT: Review and authorize staff to apply for all grants that are beneficial the District and are in line with projects currently underway or that are identified by the Board or Master Plans

RECOMMENDATION: Authorize staff to apply for all grants that are beneficial the District and are in line with projects currently underway or that are identified by the Board or Master Plans

DISCUSSION:

The District is currently working on seeking funding for most of the projects that are proposed in the master plans or have been identified by staff to be priority projects in line with the master plans.

To move forward with grant applications and stream line the application process, staff is requesting that the Board authorize the General Manager, Director of Utilities and District Engineer to apply for any and all grants that the District qualifies for and that will aid in the completion of the recognized projects. This pre-authorization will allow staff to prepare and submit grants without waiting for a Board meeting and will save time overall.

The Board will still need to approve the acceptance of the grants should they be awarded. Matching grants or Grant Loans which require District contribution will require additional approvals and assurances by the Board prior to acceptance.

Currently the District Engineer and Director of Utilities are looking into Grants from a multitude of sources, including CDBG, USDA, SRF Prop 1, IRWM among others. There are other avenues that may yield matching grants or grant loans which will also be investigated as we move forward.

It is essential for staff to be able to move on these grants as soon as we can, to get the ball rolling, and to start the applications. Some of the application processes are lengthy and involve quite a bit

of back and forth between the District and the different entities administering the grants, so the sooner that staff can start on them the sooner we can get our paperwork in the funding cycle hold our place in line.

Updates on applications and grant progress will be provided to the Board on a monthly basis either through the District Engineers report, Director of Utilities report or a specific Board Action Item.

FISCAL IMPACT

Impact will be determined by what action the board authorizes

PREPARED BY:

Kelly Dodds

Kelly Dodds, Director of Utilities

Attachment: None



San Miguel Community Services District Board of Directors

Staff Report

October 25th, 2017

AGENDA ITEM: XI.1

SUBJECT: Review and Discuss **Resolution No. 2018-33** accepting and approving the Independent Auditor's report and Financial Statements for FY 2016-17

STAFF RECOMMENDATION:

Approve **Resolution No. 2018-33** accepting and approving the Independent Auditor's report and Financial Statements for FY 2016-17

BACKGROUND:

Moss Levy was hired, to complete the FY 2015-16 and FY 2016-17 audits, as the District's Independent Auditor to prepare annual audit report and financial statements for FY 2016-17.

Once the FY 2016-17 audit is reviewed and approved by the Board Moss Levy will begin the task of completing the FY 2017-18 audit. The FY 2017-18 audit is ready to start as soon as the 2016-17 is approved and filed.

This is the first time in 13 years that the District has received an "Opinion" that reflects positively on the District. This is a direct representation of the hard work that District staff and the CPA put in reviewing and reconciling all the accounts back to FY2015/16. This has put the District in a position so that future audits can be performed more quickly and District Staff has already completed the majority of the work in preparation of turning the information over to Moss Levy for the FY2017/18 audit.

FISCAL IMPACT:

As Moss Levy is currently under agreement to perform audit services for the FY 2016-17 and FY 2017-18 audits, there is no additional cost associated with approving this audit.

STAFF RECOMMENDATION:

The Board should approve the attached Resolution that accepts and approves the FY 2016-17 Independent Audit Report and authorize the filing of the report to the State and County of San Luis Obispo County Clerk's office.

PREPARED BY:

Rob Roberson

Interim General Manager

Attachment:

1. FY 2016-17 Independent Auditor's Report of District Financial Statements
2. Resolution 2018-33

SAN MIGUEL COMMUNITY SERVICES DISTRICT

FINANCIAL STATEMENTS

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2017**

**SAN MIGUEL COMMUNITY SERVICES DISTRICT
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

Board of Directors of San Miguel Community Services District
San Miguel, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the San Miguel Community Services District (District), as of and for the fiscal 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 auditors' 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.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of San Miguel Community Services 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

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on pages 33 and 34, the schedule of funding progress for postemployment benefits on page 35, the schedule of proportionate share of net pension liability on pages 36, and the schedule of pension contributions on pages 37 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries of the basis financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United State of America require 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 17, 2018, on our consideration of the San Miguel Community Services District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Moss, Remy & Halzheim LLP

Santa Maria, California
October 17, 2018

SAN MIGUEL COMMUNITY SERVICES DISTRICT
STATEMENT OF NET POSITION
June 30, 2017

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Cash and investments	\$ 971,161	\$ 1,203,300	\$ 2,174,461
Accounts receivable, net	20,056	61,657	81,713
Internal balances	(8,263)	8,263	
Capital assets:			
Non Depreciable:			
Land	76,926	61,774	138,700
Construction in progress	4,378	32,495	36,873
Depreciable:			
Buildings, structures, and improvements	634,134	7,968,687	8,602,821
Equipment	1,173,181	590,392	1,763,573
Accumulated depreciation	(1,243,902)	(2,962,547)	(4,206,449)
Total assets	<u>1,627,671</u>	<u>6,964,021</u>	<u>8,591,692</u>
DEFERRED OUTFLOW OF RESOURCES			
Deferred pensions	16,852	67,410	84,262
Total deferred outflow or resources	<u>16,852</u>	<u>67,410</u>	<u>84,262</u>
LIABILITIES			
Accounts payable	39,793	130,564	170,357
Accrued liabilities	14,208	12,714	26,922
Accrued interest payable		26,154	26,154
Deposits	2,000	18,804	20,804
Noncurrent liabilities:			
Due within one year		95,960	95,960
Due in more than one year	40,365	1,674,864	1,715,229
Total liabilities	<u>96,366</u>	<u>1,959,060</u>	<u>2,055,426</u>
DEFERRED INFLOW OF RESOURCES			
Deferred pensions	4,601	18,400	23,001
Total deferred inflow or resources	<u>4,601</u>	<u>18,400</u>	<u>23,001</u>
NET POSITION			
Net investment in capital assets	644,717	4,081,437	4,726,154
Restricted for:			
Fire and emergency services	582,807		582,807
Street lighting	344,146		344,146
Capital expansion		888,972	888,972
Debt service		209,296	209,296
Unrestricted	(28,114)	(125,734)	(153,848)
Total net position	<u>\$ 1,543,556</u>	<u>\$ 5,053,971</u>	<u>\$ 6,597,527</u>

The notes to basic financial statements are an integral part of this statement.

SAN MIGUEL COMMUNITY SERVICES DISTRICT

STATEMENT OF ACTIVITIES

For the Fiscal Year Ended June 30, 2017

	<u>Expenses</u>	<u>Charges for Services</u>	<u>Program Revenues Operating Contributions and Grants</u>
Governmental activities:			
Public safety	\$ 318,614	\$ 98,920	\$ 105,000
Street lighting	82,249		
Depreciation (unallocated)	59,266		
Total governmental activities	<u>460,129</u>	<u>98,920</u>	<u>105,000</u>
Business-type activities:			
Water	957,281	361,162	
Wastewater treatment project	612,976	377,942	
Total business-type activities	<u>1,570,257</u>	<u>739,104</u>	
Total governmental	<u>\$ 2,030,386</u>	<u>\$ 838,024</u>	<u>\$ 105,000</u>

General Revenues:

Taxes:

Property

Investment income

Other general revenues

Total general revenues and transfers

Change in net position

Net position - beginning of fiscal year

Prior period adjustments

Net position - beginning of fiscal year, restated

Net position - end of fiscal year

The notes to basic financial statements are an integral part of this statement.

Capital Contributions and Grants	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-type Activities	Total
\$ -	\$ (114,694)	\$ -	\$ (114,694)
	(82,249)		(82,249)
	(59,266)		(59,266)
	(256,209)		(256,209)
309,175		(286,944)	(286,944)
124,980		(110,054)	(110,054)
434,155		(396,998)	(396,998)
\$ 434,155	(256,209)	(396,998)	(653,207)
	420,305	144,875	565,180
	619	3,514	4,133
	6,109	47,693	53,802
	427,033	196,082	623,115
	170,824	(200,916)	(30,092)
	1,350,659	5,219,040	6,569,699
	22,073	35,847	57,920
	1,372,732	5,254,887	6,627,619
\$	\$ 1,543,556	\$ 5,053,971	\$ 6,597,527

SAN MIGUEL COMMUNITY SERVICES DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
June 30, 2017

	<u>Fire Fund</u>	<u>Street Lighting Fund</u>	<u>Totals</u>
ASSETS			
Cash and investments	\$ 626,225	\$ 344,936	\$ 971,161
Accounts receivable	16,776	3,116	19,892
Interest receivable	135	29	164
	<u>643,136</u>	<u>348,081</u>	<u>991,217</u>
Total assets	<u>\$ 643,136</u>	<u>\$ 348,081</u>	<u>\$ 991,217</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 36,401	\$ 3,392	\$ 39,793
Accrued liabilities	13,665	543	14,208
Deposits	2,000		2,000
Due to other funds	8,263		8,263
	<u>60,329</u>	<u>3,935</u>	<u>64,264</u>
Total liabilities	<u>60,329</u>	<u>3,935</u>	<u>64,264</u>
Fund Balances:			
Restricted:			
Fire and emergency services	582,807		582,807
Street lighting		344,146	344,146
	<u>582,807</u>	<u>344,146</u>	<u>926,953</u>
Total fund balances	<u>582,807</u>	<u>344,146</u>	<u>926,953</u>
Total liabilities and fund balances	<u>\$ 643,136</u>	<u>\$ 348,081</u>	<u>\$ 991,217</u>

The notes to basic financial statements are an integral part of this statement.

SAN MIGUEL COMMUNITY SERVICES DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS - BALANCE SHEET
TO THE STATEMENT OF NET POSITION
 June 30, 2017

Total fund balances - governmental funds \$ 926,953

In governmental funds, only current assets are reported. In the statement of net position, all assets are reported, including capital assets and accumulated depreciation.

Capital assets at historical cost	\$	1,888,619
Accumulated depreciation		<u>(1,243,902)</u>

Net 644,717

Long-term liabilities: In governmental funds, only current liabilities are reported. In the statement of net position, all liabilities, including long-term liabilities, are reported. Long-term liabilities relating to governmental activities consist of:

Compensated absences payable	\$	1,885
Other post employment benefits obligation		3,828
Net pension liability		<u>34,652</u>

Total (40,365)

In governmental funds, deferred outflows and inflows of resources relating to pensions are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to pensions are reported.

12,251

Total net position - governmental activities

\$ 1,543,556

The notes to basic financial statements are an integral part of this statement.

SAN MIGUEL COMMUNITY SERVICES DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended June 30, 2017

	Fire Fund	Street Lighting Fund	Totals
Revenues:			
Property taxes	\$ 326,287	\$ 94,018	\$ 420,305
Service charges and fees	17,533		17,533
Public facilities fees and assessments	81,387		81,387
CDBG grant	105,000		105,000
Investment income	511	108	619
Miscellaneous income	5,413	696	6,109
	<u>536,131</u>	<u>94,822</u>	<u>630,953</u>
Total revenues			
Expenditures:			
Salaries and wages	133,445	7,439	140,884
Payroll taxes and benefits	15,533	921	16,454
Workers compensation	11,128	1,091	12,219
Maintenance and repairs	39,103	3,753	42,856
Miscellaneous	15,443	2,720	18,163
Office supplies and expense	4,429	2,188	6,617
Supplies	19,040	393	19,433
Professional services	58,220	44,431	102,651
Dues, permits and fees	5,686	260	5,946
Communications	12,332	538	12,870
Employee travel and training	5,130		5,130
Utilities	681	18,845	19,526
Bank fees	52	11	63
Capital outlay	33,947		33,947
	<u>354,169</u>	<u>82,590</u>	<u>436,759</u>
Total expenditures			
Excess of revenues over (under) expenditures	<u>181,962</u>	<u>12,232</u>	<u>194,194</u>
Fund balances - July 1	380,757	329,929	710,686
Prior period adjustments	20,088	1,985	22,073
Fund balances - July 1, restated	<u>400,845</u>	<u>331,914</u>	<u>732,759</u>
Fund balances - June 30	<u>\$ 582,807</u>	<u>\$ 344,146</u>	<u>\$ 926,953</u>

The notes to basic financial statements are an integral part of this statement.

SAN MIGUEL COMMUNITY SERVICES DISTRICT
RECONCILIATION OF THE STATEMENT OF
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2017

Total net change in fund balances - governmental funds	\$ 194,194
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which additions to capital outlay of \$33,947 is less than depreciation expense \$(59,266) in the period.	(25,319)
In the statement of activities, compensated absences are measured by the amounts earned during the fiscal year. In governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially the amounts paid). This fiscal year, vacation used exceeded the amounts earned by \$1,934.	1,934
In the statement of activities, postemployment benefits are measured by the amounts earned during the fiscal year. In governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially the amounts paid). This fiscal year, benefits earned exceeded the amounts used by \$1,920.	(1,920)
In governmental funds, pension costs are recognized when employer contributions are made. In the statement of activities, pension costs are recognized on the accrual basis. This year, the difference between accrual-basis pension costs and actual employer contributions was:	<u>1,935</u>
Changes in net position - governmental activities	<u>\$ 170,824</u>

The notes to basic financial statements are an integral part of this statement.

SAN MIGUEL COMMUNITY SERVICES DISTRICT
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
June 30, 2017

	Wastewater Fund	Water Fund	Totals
ASSETS			
Current assets:			
Cash and investments	\$ 597,487	\$ 605,813	\$ 1,203,300
Accounts receivable, net	32,517	28,488	61,005
Interest receivable	326	326	652
Due from other funds	52,932		52,932
Total current assets	<u>683,262</u>	<u>634,627</u>	<u>1,317,889</u>
Noncurrent assets:			
Capital assets, net of accumulated depreciation	1,291,372	4,399,429	5,690,801
Total noncurrent assets	<u>1,291,372</u>	<u>4,399,429</u>	<u>5,690,801</u>
Total assets	<u>1,974,634</u>	<u>5,034,056</u>	<u>7,008,690</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred pensions	33,705	33,705	67,410
Total deferred outflows of resources	<u>33,705</u>	<u>33,705</u>	<u>67,410</u>
LIABILITIES			
Current liabilities:			
Accounts payable	52,567	77,997	130,564
Accrued liabilities	6,357	6,357	12,714
Accrued interest payable	2,848	23,306	26,154
Deposits payable	6,750	12,054	18,804
Due to other funds		44,669	44,669
Note payable - current portion		39,010	39,010
Bond payable - current portion	40,000	16,950	56,950
Total current liabilities	<u>108,522</u>	<u>220,343</u>	<u>328,865</u>
Noncurrent liabilities:			
Compensated absences	3,768	3,768	7,536
Note payable		307,729	307,729
OPEB payable	7,656	7,656	15,312
Bond payable	85,000	1,120,675	1,205,675
Net pension liability	69,306	69,306	138,612
Total noncurrent liabilities	<u>165,730</u>	<u>1,509,134</u>	<u>1,674,864</u>
Total liabilities	<u>274,252</u>	<u>1,729,477</u>	<u>2,003,729</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred pensions	9,200	9,200	18,400
Total deferred inflows of resources	<u>9,200</u>	<u>9,200</u>	<u>18,400</u>
NET POSITION			
Net investment in capital assets	1,166,372	2,915,065	4,081,437
Restricted for debt service	99,315	109,981	209,296
Restricted for capital expansion	380,839	508,133	888,972
Unrestricted (deficit)	78,361	(204,095)	(125,734)
Total net position	<u>\$ 1,724,887</u>	<u>\$ 3,329,084</u>	<u>\$ 5,053,971</u>

The notes to basic financial statements are an integral part of this statement.

SAN MIGUEL COMMUNITY SERVICES DISTRICT
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
For the Fiscal Year Ended June 30, 2017

	Wastewater Fund	Water Fund	Totals
Operating Revenues:			
Utility	\$ 377,942	\$ 361,162	\$ 739,104
Total operating revenues	<u>377,942</u>	<u>361,162</u>	<u>739,104</u>
Operating Expenses:			
Salaries and wages	152,571	170,565	323,136
Payroll taxes and benefits	26,167	29,128	55,295
Contract labor	250	250	500
Workers compensation	9,078	14,979	24,057
Maintenance and repairs	50,948	112,920	163,868
Insurance	17,745	17,652	35,397
Miscellaneous	241	1,374	1,615
Office supplies and expense	11,490	11,637	23,127
Supplies	22,740	41,404	64,144
Professional services	152,297	260,835	413,132
Dues, permits and fees	23,808	11,932	35,740
Communications	6,592	6,737	13,329
Employee travel and training	308	472	780
Utilities	69,738	43,927	113,665
Bank fees	255	255	510
Depreciation	59,754	172,620	232,374
Total operating expenses	<u>603,982</u>	<u>896,687</u>	<u>1,500,669</u>
Operating (loss)	<u>(226,040)</u>	<u>(535,525)</u>	<u>(761,565)</u>
Non-Operating Revenues (Expenses):			
Property taxes and assessments	98,338	46,537	144,875
Investment income	1,866	1,648	3,514
Other non-operating revenue	3,285	44,408	47,693
Interest expense	(8,994)	(60,594)	(69,588)
Total non-operating revenues (expenses)	<u>94,495</u>	<u>31,999</u>	<u>126,494</u>
Capital Contributions:			
Connection fees	124,980	309,175	434,155
Change in net position	<u>(6,565)</u>	<u>(194,351)</u>	<u>(200,916)</u>
Net position - July 1	1,740,752	3,478,288	5,219,040
Prior period adjustments	(9,300)	45,147	35,847
Net position - July 1, restated	<u>1,731,452</u>	<u>3,523,435</u>	<u>5,254,887</u>
Net position - June 30	<u>\$ 1,724,887</u>	<u>\$ 3,329,084</u>	<u>\$ 5,053,971</u>

The notes to basic financial statements are an integral part of this statement.

SAN MIGUEL COMMUNITY SERVICES DISTRICT
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
For the Fiscal Year Ended June 30, 2017

	Wastewater Fund	Water Fund	Totals
Cash Flows From Operating Activities:			
Receipts from customers	\$ 376,000	\$ 364,036	\$ 740,036
Payments to suppliers	(370,414)	(541,830)	(912,244)
Payments to employees	(153,123)	(169,102)	(322,225)
Net cash provided (used) by operating activities	<u>(147,537)</u>	<u>(346,896)</u>	<u>(494,433)</u>
Cash Flows From Capital and Related Financing Activities:			
Acquisition of capital assets	(22,946)	(22,946)	(45,892)
Capital contributions	124,980	309,175	434,155
Principal paid on capital debt	(35,000)	(54,144)	(89,144)
Interest paid on capital debt	(9,787)	(61,254)	(71,041)
Net cash provided (used) by capital and related financing activities	<u>57,247</u>	<u>170,831</u>	<u>228,078</u>
Cash Flows from Noncapital Financing Activities:			
Property taxes and assessments	98,338	46,537	144,875
Other revenue	3,285	44,408	47,693
Net cash provided (used) by noncapital financing activities	<u>101,623</u>	<u>90,945</u>	<u>192,568</u>
Cash Flows From Investing Activities:			
Interest income	1,540	1,397	2,937
Net cash provided (used) by investing activities	<u>1,540</u>	<u>1,397</u>	<u>2,937</u>
Net increase (decrease) in cash and cash equivalents	12,873	(83,723)	(70,850)
Cash and cash equivalents - July 1	584,614	689,536	1,274,150
Cash and cash equivalents - June 30	<u>\$ 597,487</u>	<u>\$ 605,813</u>	<u>\$ 1,203,300</u>
Reconciliation to Statement of Net Position:			
Cash and investments	<u>\$ 597,487</u>	<u>\$ 605,813</u>	<u>\$ 1,203,300</u>

(Continued)

The notes to basic financial statements are an integral part of this statement.

SAN MIGUEL COMMUNITY SERVICES DISTRICT
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS (Continued)
For the Fiscal Year Ended June 30, 2017

	Wastewater Fund	Water Fund	Totals
Reconciliation of operating (loss) to net cash provided (used) by operating activities:			
Operating (loss)	\$ (226,040)	\$ (535,525)	\$ (761,565)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities			
Depreciation expense	59,754	172,620	232,374
Change in assets, liabilities, deferred inflows of resources, and deferred outflows of resources:			
Receivables, net	(3,542)	(565)	(4,107)
Deferred outflows	(11,560)	(11,560)	(23,120)
Accounts payable	21,243	11,672	32,915
Accrued liabilities	3,350	5,365	8,715
Deposits	1,600	3,439	5,039
Compensated absences	(3,871)	(3,871)	(7,742)
OPEB payable	3,841	3,841	7,682
Net pension liability	11,288	11,288	22,576
Deferred inflows	(3,600)	(3,600)	(7,200)
Net cash provided (used) by operating activities	<u>\$ (147,537)</u>	<u>\$ (346,896)</u>	<u>\$ (494,433)</u>

The notes to basic financial statements are an integral part of this statement.

SAN MIGUEL COMMUNITY SERVICES DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. The Financial Reporting Entity

The San Miguel Community Services District (District) is a multi-purpose special district established on February 1, 2000, by the consolidation of the San Miguel Fire Protection District, which was established in 1941, the Water Works District #1, and the San Miguel Lighting District. The San Miguel Sanitation District was dissolved in April 2001 and incorporated into the San Miguel Community Services District. The District is a political subdivision of the State of California and operates under a Board of Directors- Manager form of government. The District provides fire protection, street lighting, water, wastewater, solid waste, and general administrative services.

There are no component units included in this report which meet the criteria of Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statements No. 39, No. 61, and No. 80.

B. Basis of Presentation

Fund Financial Statements:

The fund financial statements provide information about the District's funds. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into two major categories: governmental and proprietary. An emphasis is placed on major funds within the governmental and proprietary categories with each major fund displayed in a separate column.

Major Funds

The District reported the following major governmental funds in the accompanying financial statements:

Fire Fund - This fund accounts for activities of the Fire Station. The fire department provides fire suppression, emergency paramedic services, and fire prevention including public education.

Street Lighting Fund – The fund accounts for activities for the maintenance of the street lights in San Miguel.

The District reports the following major proprietary funds in the accompanying financial statements:

Water Fund - This fund accounts for the operation and maintenance of the District's water distribution system. The water department is responsible for the operation and maintenance of five groundwater supply wells providing treatment, monitoring, and distribution services.

Wastewater Fund – This fund accounts for the operation and maintenance of the District's wastewater system.

C. Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements regardless of the measurement focus applied.

Measurement Focus

On the government-wide statement of net position and the statement of activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined in item "b" below.

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

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus and Basis of Accounting (Continued)

Basis of Accounting

In the government-wide statement of net position and statement of activities, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset is used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when "measurable and available." Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The District defines available to be within 60 days of fiscal year-end. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for principal and interest on long term debt, claims and judgments, and compensated absences which are recognized as expenditures to the extent that they have matured. Governmental capital asset acquisitions are reported as expenditures in governmental funds. Proceeds for governmental long-term debt and acquisitions under capital leases are reported as other financing sources.

Those revenues susceptible to accrual include taxes, intergovernmental revenues, interest, and charges for services. Certain indirect costs are included in program expenses reported for individual functions and activities.

All proprietary funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset is used. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal revenues and expenses. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Property Taxes

The County levies, bills, and collects property taxes and special assessments for the District. Property taxes levied are recorded as revenue in the fiscal year of levy, due to the adoption of the "alternate method of property tax distribution," known as the Teeter Plan, by the District and the County. The Teeter Plan authorizes the Auditor/Controller of the County to allocate 100% of the secured property taxes billed, excluding unitary tax (whether paid or unpaid). The County remits tax monies to the District every month and twice a month in December and April. The final amount which is "teetered" is remitted in August each year.

Tax collections are the responsibility of the County Tax Collector. Taxes and assessments on secured and utility rolls, which constitute a lien against the property, may be paid in two installments; the first is due November 1 of the fiscal year and is delinquent if not paid by December 10; and the second is due on March 1 of the fiscal year and is delinquent if not paid by April 10. Unsecured personal property taxes do not constitute a lien against real property unless the tax becomes delinquent. Payment must be made in one installment, which is delinquent if not paid by August 31 of the fiscal year. Significant penalties are imposed by the County for late payment.

Property valuations are established by the Assessor of the County for the secured and unsecured property tax rolls. Under the provisions of Article XIII A of the State Constitution, properties are assessed at 100% of purchase price or value in 1978 whichever is later. From this base assessment, subsequent annual increases in valuation are limited to a maximum of 2 percent. However, increases to full value are allowed for property improvements or upon change in ownership. Personal property is excluded from these limitations, and is subject to annual reappraisal.

Tax levy dates are attached annually on January 1 preceding the fiscal year for which the taxes are levied. The fiscal year begins July 1 and ends June 30 of the following year. Taxes are levied on both real and unsecured personal property, as it exists at that time. Liens against real estate, as well as the tax on personal property, are not relieved by subsequent renewal or change in ownership.

SAN MIGUEL COMMUNITY SERVICES DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Cash and Investments

The District pools the cash of all funds, except for monies that are reserved for specific purposes. The cash and investments balance in each fund represents that fund's equity share of the District's cash and investment pool.

Interest income earned on pooled cash and investments is allocated quarterly to the various funds based on month-end balances. Interest income on restricted cash and investments with fiscal agents is credited directly to the related fund.

The District's investments are carried at fair value. The fair value of equity and debt securities is determined based on sales prices or bid-and-asked quotations from Securities and Exchange Commission (SEC) registered securities exchanges or NASDAQ dealers. The County Treasurer of San Luis Obispo County determines the fair value of their portfolio quarterly and reports a factor to the District. Changes in fair value are allocated to each participating fund.

For purposes of the statement of cash flows, the District has defined cash and cash equivalents to be change and petty cash funds, equity in the District's cash and investment pool, and restricted non-pooled investments with initial maturities of three months or less.

F. Accounts and Interest Receivable

In the government-wide statements, receivables consist of all revenues earned at fiscal year-end and not yet received. Receivables are recorded in the financial statements net of any allowance for doubtful accounts if applicable, and estimated refunds due. Major receivable balances for the governmental activities may include sales taxes, property taxes, grants, and other fees, if any. Business-type activities report utilities as their major receivables.

In the fund financial statements, material receivables in governmental funds may include revenue accruals such as franchise tax, grants, service charges and other similar intergovernmental revenues that are both measurable and available. Non-exchange transactions collectible but not available are deferred in the fund financial statements in accordance with the modified accrual basis of accounting, but not deferred in the government-wide financial statements in accordance with the accrual basis. Interest and investment earnings are recorded when earned and if paid within 60 days since they would be considered both measurable and available. Proprietary fund material receivables consist of all revenues earned at fiscal year-end and not yet received. Utility accounts receivable and interest earnings comprise the majority of proprietary fund receivables. The fiduciary fund receivables primarily consist of tax assessments.

G. Prepaid Expenses

Payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid items in both government-wide and fund financial statements.

H. Restricted Assets

Funds that are under the control of external parties are restricted.

I. Capital Assets

The accounting treatment over property, plant, and equipment depends on whether the assets are used in governmental fund operations or proprietary fund operations. The presentation and recording of governmental assets are described below.

Government-Wide Statements

In the government-wide financial statements, capital assets with a historical cost of \$5,000 or more are accounted for as capital assets. All capital assets are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated capital assets, if any, which are recorded at their estimated fair value at the date of donation. Estimated historical cost was used to value the majority of the assets.

SAN MIGUEL COMMUNITY SERVICES DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Capital Assets (Continued)

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings	40 years
Improvements other than buildings	5-25 years
Equipment and systems	5-30 years

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are capitalized when purchased.

J. Accumulated Compensated Absences

Compensated absences comprise unused vacation leave, sick leave, and compensatory time off, which are accrued as earned. Vacation can accrue no more than a maximum of two times their annual entitlement to vacation pay. Upon termination, all accumulated vacation hours can be paid for the regular employees. The District's liability for the current and long-term portions of compensated absences is shown in the government-wide Statement of Net Position for both governmental funds and proprietary funds. Only proprietary funds reflect the long-term portion in the fund financials report, Statement of Net Position. The short-term portion is reflected for both governmental and proprietary funds in the fund financial statements. Computation was based on rates in effect as of the fiscal year-end.

K. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. In the fund financial statements, governmental fund types report the face amount of debt issued as other financing source, and the proprietary fund types report long-term debt and other long-term obligations as liabilities.

L. Deferred Outflows and Inflows of Resources

Pursuant to GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, the District recognizes deferred outflows and inflows of resources.

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. A deferred outflow of resources is defined as a consumption of net position by the government that is applicable to a future reporting period. The District has one item which qualifies for reporting in this category, refer to Note 8 for a detailed listing of the deferred outflows of resources the District has recognized.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. A deferred inflow of resources is defined as an acquisition of net position by the District that is applicable to a future reporting period. The District has one item which qualifies for reporting in this category; refer to Note 8 for a detailed listing of the deferred inflows of resources the District has recognized.

M. Interfund Transactions

Following is a description of the three basic types of interfund transactions that can be made during the fiscal year and the related accounting policies:

1. Interfund services provided and used - transactions for services rendered or facilities provided. These transactions are recorded as revenues in the receiving fund and expenditures in the disbursing fund.
2. Reimbursements (expenditure transfers) - transactions to reimburse a fund for specific expenditures incurred for the benefit of another fund. These transactions are recorded as expenditures in the disbursing fund and a reduction of expenditures in the receiving fund.
3. Transfers - all interfund transactions which allocate resources from one fund to another fund. These transactions are recorded as transfers in and out.

SAN MIGUEL COMMUNITY SERVICES DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. Equity Classifications

Government-Wide Statements

GASB Statement No. 63 requires that the difference between assets and the deferred outflows of resources and liabilities added to the deferred inflows of resources be reported as net position. Net position is classified as either net investment in capital assets, restricted, or unrestricted.

Net position that is *net investment in capital assets* consist of capital assets, net of accumulated depreciation, and reduced by the outstanding principal of related debt. *Restricted net position* is the portion of the net position that has external constraints placed on it by creditors, grantors, contributors, laws, or regulations of other governments, or through constitutional provisions or enabling legislation. *Unrestricted net position* consists of net position that does not meet the definition of net investments in capital assets or restricted net position.

O. Fund Balances

Fund balance of the governmental fund is classified as follows:

Nonspendable Fund Balance – represents amounts that cannot be spent because they are either not in spendable form (such as inventory or prepaid insurance) or legally required to remain intact (such as notes receivable or principal of a permanent fund).

Restricted Fund Balance – represents amounts that are constrained by external parties, constitutional provisions or enabling legislation.

Committed Fund Balance – represents amounts that can only be used for a specific purpose because of a formal action by the District's governing board. Committed amounts cannot be used for any other purpose unless the governing board removes those constraints by taking the same type of formal action. Committed fund balance amounts may be used for other purposes with appropriate due process by the governing board. Commitments are typically done through adoption and amendment of the budget. Committed fund balance amounts differ from restricted balances in that the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.

Assigned Fund Balance – represents amounts which the District intends to use for a specific purpose, but that do not meet the criteria to be classified as restricted or committed. Intent may be stipulated by the governing board or by an official or body to which the governing board delegates the authority. Specific amounts that are not restricted or committed in a special revenue, capital projects, debt service, or permanent fund are assigned for purposes in accordance with the nature of their fund type or the fund's primary purpose. Assignments within the general fund convey that the intended use of those amounts is for a specific purpose that is narrower than the general purpose of the District.

Unassigned Fund Balance – represents amounts which are unconstrained in that they may be spent for any purpose. Only the general fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification because of overspending for specific purposes for which amounts had been restricted, committed or assigned.

When an expenditure is incurred for a purpose for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

SAN MIGUEL COMMUNITY SERVICES DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. Future Accounting Pronouncements

GASB Statements listed below will be implemented in future financial statements:

GASB Statements listed below will be implemented in future financial statements:

Statement No. 75	"Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions"	The provisions of this statement are effective for fiscal years beginning after June 15, 2017.
Statement No. 81	"Irrevocable Split-Interest Agreements"	The provisions of this statement are effective for fiscal years beginning after December 15, 2016.
Statement No. 82	"Pension Issues-an amendment of GASB Statements No. 67, No. 68, and No. 73"	The provisions of this statement are effective for fiscal years beginning after June 15, 2017.
Statement No. 83	"Certain Asset Retirement Obligations"	The provisions of this statement are effective for fiscal years beginning after June 15, 2018.
Statement No. 84	"Fiduciary Activities"	The provisions of this statement are effective for fiscal years beginning after December 15, 2018.
Statement No. 85	"Omnibus 2017"	The provisions of this statement are effective for fiscal years beginning after June 15, 2017.
Statement No. 86	"Certain Debt Extinguishment Issues"	The provisions of this statement are effective for fiscal years beginning after June 15, 2017.
Statement No. 87	"Leases"	The provisions of this statement are effective for fiscal years beginning after December 15, 2019.

Q. Pensions

For purposes of measuring the net pension liability, deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the California Public Employees' Retirement System (CALPERS) (Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CALPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

R. Use of Estimates

The financial statements have been prepared in accordance with principles generally accepted in the United States of America and necessarily include amounts based on estimates and assumptions by Management. Actual results could differ from these amounts.

SAN MIGUEL COMMUNITY SERVICES DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 2 – CASH AND INVESTMENTS

Investments are carried at fair value in accordance with GASB Statement No. 31. On June 30, 2017, the District had the following cash and investments on hand:

Cash in checking accounts	\$ 1,340,529
Cash in savings account	46,502
Cash in money market account	480,633
Cash and investments with County of San Luis Obispo	168,597
Investments	138,200
Total	<u>\$ 2,174,461</u>

Cash and investments listed above are presented on the accompanying basic financial statements, as follows:

Cash and investments	<u>\$ 2,174,461</u>
Total	<u>\$ 2,174,461</u>

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. These principles recognize a three-tiered fair value hierarchy. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District had investments in the San Luis Obispo County Investment Pool, however, that external pool is not measured under Level 1,2,or 3.

The District has the following recurring fair value measurements as of June 30, 2017:

Investments by fair value level	Fair Value Measurement Using			
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Negotiable certificate of deposit	\$ 135,085	\$ 135,085	\$ -	\$ -
Mutual funds	3,115	3,115		
Total investments measured at fair value	<u>\$ 138,200</u>	<u>\$ 138,200</u>	<u>\$ -</u>	<u>\$ -</u>

Investments of the District are governed by the California Government Code and by the District's investment policy. The General Manager of the District acts as the District Finance Officer and Treasurer who is tasked to perform investment functions in accordance with the investment policy. The objectives of the policy are safety, liquidity, yield, and compliance with State and Federal laws and regulations.

Investments of the District as of June 30, 2017

The table below identifies the investment types the District has that are authorized for the District by the California Government Code or the District's investment policy, where more restrictive, that addresses interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Bonds	5 years	25%	None
U.S. Treasury Obligations	5 years	70%	None
Federal Agency Securities	5 years	60%	20%
Commercial Paper	270 days	20%	25%
Negotiable Certificates of Deposit Repurchase and Reserve	4 years	20%	25%
Repurchase Agreements	1 year	20% of base value	25%
Medium-Term Notes	4 years	20%	25%
Mutual Funds	N/A	15%	25%
Money Market Mutual Funds	N/A	None	None
County Pooled Investment Fund	N/A	40%	None
Local Agency Investment Fund	N/A	60%	None

SAN MIGUEL COMMUNITY SERVICES DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 2 – CASH AND INVESTMENTS (Continued)

Disclosure Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment is, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the District's interest rate risk is mitigated is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the District's investments to market rate fluctuations is provided by the following table that shows the distribution of the District's investments by maturity as of June 30, 2017:

Investment Type	Carrying Amount	Remaining Maturity (in Months)			
		12 Months or Less	13-24 Months	25-60 Months	More than 60 Months
Negotiable certificates of deposit	\$ 135,085	\$ -	\$ 70,128	\$ 64,957	\$ -
Mutual funds	3,115	3,115			
San Luis Obispo County Investment Pool	168,597	168,597			
	<u>\$ 306,797</u>	<u>\$ 171,712</u>	<u>\$ 70,128</u>	<u>\$ 64,957</u>	<u>\$ -</u>

Investments with Fair Values Highly Sensitive to Interest Rate Fluctuations

The District has no investments that are highly sensitive to interest rate fluctuations.

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by nationally recognized statistical rating organizations. Presented below is the minimum rating required by (where applicable) the California Government Code, the investment policy, or debt agreements, and the actual rating as of the fiscal year ended June 30, 2017 for each investment type.

Investment Type	Carrying Amount	Minimum Legal Rating	Rating as of Fiscal Year End			Not Rated
			AAA	AA+	AA-	
Negotiable certificates of deposit	\$ 135,085	N/A	\$ -	\$ -	\$ -	\$ 135,085
Mutual funds	3,115	N/A				3,115
San Luis Obispo County Investment Pool	168,597	N/A				168,597
	<u>\$ 306,797</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 306,797</u>

Concentration of Credit Risk

The investment policy of the District contains limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. Investments in any one issuer (other than U.S Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total District investments is as follows:

>5% issuer:

Investment Type	Reported Amount
Negotiable certificates of deposit *	\$ 135,085

*- The percentage did not adhere to the District's investment policy.

SAN MIGUEL COMMUNITY SERVICES DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 2 – CASH AND INVESTMENTS (Continued)

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code and the District investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by State or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under State law (unless so waived by the government unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure District's deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. Deposits are insured up to \$250,000.

At June 30, 2017, none of the District's deposits with financial institutions in excess of Federal depository insurance limits were held in uncollateralized accounts.

NOTE 3 – INTERFUND TRANSACTIONS

Interfund transactions are reported as either loans, services provided, reimbursements, or transfers. Loans are reported as interfund receivables and payables, as appropriate, and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers among governmental funds or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

Due From/Due to Other Funds

Individual fund interfund receivable and payable balances at June 30, 2017, are as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Major Governmental Fund:		
Fire Fund	\$ -	\$ 8,263
Proprietary Funds:		
Wastewater Fund	52,932	
Water Fund		44,669
	<hr/>	<hr/>
Totals	<u>\$ 52,932</u>	<u>\$ 52,932</u>

SAN MIGUEL COMMUNITY SERVICES DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 4 – CAPITAL ASSETS

Governmental activities:

	Balance at July 1, 2016	Additions	Deletions	Balance at June 30, 2017
Capital assets not being depreciated				
Land	\$ 76,926	\$ -	\$ -	\$ 76,926
Construction in progress	4,378			4,378
Total capital assets not being depreciated	<u>\$ 81,304</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 81,304</u>
Capital assets being depreciated				
Buildings, structures, and improvements	\$ 618,634	\$ 15,500	\$ -	\$ 634,134
Equipment	1,154,734	18,447		1,173,181
Total capital assets being depreciated	<u>1,773,368</u>	<u>33,947</u>	<u>-</u>	<u>1,807,315</u>
Less accumulated depreciation	1,184,636	59,266		1,243,902
Total capital assets being depreciated, net	<u>\$ 588,732</u>	<u>\$ (25,319)</u>	<u>\$ -</u>	<u>\$ 563,413</u>
Net capital assets	<u>\$ 670,036</u>	<u>\$ (25,319)</u>	<u>\$ -</u>	<u>\$ 644,717</u>

Business-type activities:

	Balance at July 1, 2016	Additions	Deletions	Transfers	Balance at June 30, 2017
Capital assets not being depreciated					
Land	\$ 61,774	\$ -	\$ -	\$ -	\$ 61,774
Construction in progress	344,026			(311,531)	32,495
Total capital assets not being depreciated	<u>\$ 405,800</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$(311,531)</u>	<u>\$ 94,269</u>
Capital assets being depreciated					
Building and improvements	\$ 7,864,292	\$ -	\$ -	\$ 104,395	\$ 7,968,687
Plant and equipment	337,364	45,892		207,136	590,392
Total capital assets being depreciated	<u>8,201,656</u>	<u>45,892</u>	<u>-</u>	<u>311,531</u>	<u>8,559,079</u>
Less accumulated depreciation	2,730,173	232,374			2,962,547
Total capital assets being depreciated, net	<u>\$ 5,471,483</u>	<u>\$ (186,482)</u>	<u>\$ -</u>	<u>\$ 311,531</u>	<u>\$ 5,596,532</u>
Net capital assets	<u>\$ 5,877,283</u>	<u>\$ (186,482)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,690,801</u>

Governmental Activities:

Unallocated	\$ 59,266
Total governmental activities depreciation expense	<u>\$ 59,266</u>

Business-type Activities:

Water services	\$ 59,754
Wastewater services	172,620
Total business-type activities depreciation expense	<u>\$ 232,374</u>

SAN MIGUEL COMMUNITY SERVICES DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 5 – LONG-TERM LIABILITIES

The following is a summary of changes in the District's long-term liabilities for the fiscal year ended June 30, 2017:

	Balance at July 1, 2016	Additions	Reductions	Balance at June 30, 2017	Current Portion
Governmental Activities:					
Compensated Absences	\$ 3,819	\$ 1,486	\$ 3,420	\$ 1,885	\$ -
Other Post Employment Benefits Obligation	1,908	1,920		3,828	
Net Pension Liability	29,009	9,531	3,888	34,652	
Total Governmental Activities	\$ 34,736	\$ 12,937	\$ 7,308	\$ 40,365	\$ -
Business-Type Activities:					
Compensated Absences	\$ 15,278	\$ 5,942	\$ 13,684	\$ 7,536	\$ -
Notes Payable	384,644		37,905	346,739	39,010
Bonds Payable	1,313,864		51,239	1,262,625	56,950
Other Post Employment Benefits Obligation	7,630	7,682		15,312	
Net Pension Liability	116,036	38,126	15,550	138,612	
Total Business-Type Activities	\$ 1,837,452	\$ 51,750	\$ 118,378	\$ 1,770,824	\$ 95,960

NOTE 6 – NOTE PAYABLE

In October 1994, the District was issued a note payable from the State of California totaling \$969,969, payable in semiannual payments of \$24,486 with an interest rate of 2.955% due April 1, 2025. At June 30, 2017, the principal balance outstanding was \$346,739. The required note principal and interest payments are as follows:

For the Fiscal Year Ending June 30	Principal	Interest	Total
2018	\$ 39,010	\$ 9,961	\$ 48,971
2019	40,172	8,799	48,971
2020	41,353	7,618	48,971
2021	42,612	6,359	48,971
2022	43,867	5,104	48,971
2023-2025	139,725	7,324	147,049
Total	\$ 346,739	\$ 45,165	\$ 391,904

NOTE 7 – BONDS PAYABLE

2008 Certificate of Participation Bonds

United States Department of Agriculture Certificate of Participation Bonds were issued on August 1, 2008 totaling \$1,250,000, payable in semiannual payments, with an interest rate of 4.375%, due August 1, 2048. At June 30, 2017, the bonds principal balance outstanding was \$1,137,625. The required bond principal and interest payments are as shown on the following page:

SAN MIGUEL COMMUNITY SERVICES DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 7 – BONDS PAYABLE (Continued)

2008 Certificate of Participation Bonds (Continued)

For the Fiscal Year Ending June 30	Principal	Interest	Total
2018	\$ 16,950	\$ 49,400	\$ 66,350
2019	17,692	48,642	66,334
2020	18,466	47,852	66,318
2021	19,274	47,026	66,300
2022	20,117	46,164	66,281
2023-2027	114,583	216,518	331,101
2028-2032	141,939	188,563	330,502
2033-2037	175,826	153,934	329,760
2038-2042	217,804	111,038	328,842
2043-2047	269,804	57,901	327,705
2048-2049	125,170	5,535	130,705
Total	\$ 1,137,625	\$ 972,573	\$ 2,110,198

1994 Wastewater Series B Bonds

On June 16, 1994, Wastewater Series B bonds were issued totaling \$594,977, payable in semiannual payments with an interest rate ranging from 6.75% to 6.85%, due September 2, 2019. At June 30, 2017, the principal balance outstanding was \$125,000. The required principal and interest payments are as follows:

For the Fiscal Year Ending June 30	Principal	Interest	Total
2018	\$ 40,000	\$ 7,183	\$ 47,183
2019	40,000	4,453	44,453
2020	45,000	1,541	46,541
Total	\$ 125,000	\$ 13,177	\$ 138,177

NOTE 8 – PENSION PLANS

A. General Information about the Pension Plans

Plan Descriptions

All qualified permanent and probationary employees are eligible to participate in the District's Miscellaneous Employee Pension Plans, cost-sharing multiple employer defined benefit plans administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and District resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

SAN MIGUEL COMMUNITY SERVICES DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 8 – PENSION PLANS (Continued)

A. General Information about the Pension Plans (Continued)

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1959 Survivor Benefit, or the Pre-Retirement Option Settlement. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plans' provisions and benefits in effect at June 30, 2017, are summarized as follows:

	<u>Miscellaneous</u>	
	<u>Classic Member</u>	<u>New Member</u>
Hire Date	Hired Prior to <u>January 1, 2013</u>	Hired On or after <u>January 1, 2013</u>
Benefit formula	2.0% @ 55	2% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50-63	52-67
Monthly benefits, as a % of eligible compensation	1.46% to 2.418%	1.0% to 2.5%
Required employee contribution rates	7%	6.50%
Required employer contribution rates	11.973%	6.65%

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan is determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Contributions to the pension plan from the District were \$22,800 for the Miscellaneous Plan for the fiscal year ended June 30, 2017.

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

At June 30, 2017, the District reported net pension liabilities for its proportionate shares of the net position liability was \$173,264. The net pension liability was measured as of June 30, 2016 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2015 rolled forward to June 30, 2016 using standard update procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all Pension Plan participants, actuarially determined. At June 30, 2016, the District's proportion was 0.00499%, which decreased by 0.00030% from June 30, 2015.

For the fiscal year ended June 30, 2017, the District recognized pension expense of \$13,122. Pension expense represents the change in the net pension liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, actuarial gain/loss, actuarial assumptions or method, and plan benefits. At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

SAN MIGUEL COMMUNITY SERVICES DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 8 – PENSION PLANS (Continued)

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
District contributions subsequent to the measurement date	\$ 22,800	\$ -
Changes in assumptions		7,591
Differences between expected and actual experience	616	
Net difference between projected and actual earnings on retirement plan investments	39,508	
Adjustment due to differences in proportion	16,204	14,388
Changes in proportion and differences between District contributions and proportionate share of contributions	5,134	1,022
	<u>\$ 84,262</u>	<u>\$ 23,001</u>

Deferred outflows of resources and deferred inflows of resources above represent the unamortized portion of changes to net pension liability to be recognized in future periods in a systematic and rational manner.

\$22,800 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2018.

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

Fiscal year ending June 30,	Amount
2018	\$ 6,588
2019	7,258
2020	14,383
2021	10,232
	<u>\$ 38,461</u>

Actuarial Assumptions

The total pension liability in the June 30, 2016 actuarial valuation was determined using the following actuarial assumptions:

	<u>Miscellaneous</u>
Valuation Date	June 30, 2015
Measurement Date	June 30, 2016
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.65%
Inflation	2.75%
Payroll Growth	3%
Projected Salary Increase	Varies by Entry Age and Service
Investment Rate of Return (1)	7.50%
Mortality	Derived using CalPERS' Membership Data for all Funds (1)

(1) Net of pension plan investment and administrative expenses including inflation

(2) The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table please refer to the 2014 experience study report.

SAN MIGUEL COMMUNITY SERVICES DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 8 – PENSION PLANS (Continued)

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.65 percent. To determine whether the municipal bond rate should be used in the calculation of the discount rate for public agency plans (including PERF C), CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing of the plans, the tests revealed the assets would not run out. Therefore, the current 7.65 percent discount rate is appropriate and the use of the municipal bond rate calculation is not deemed necessary. The long-term expected discount rate of 7.65 percent is applied to all plans in the Public Employees Retirement Fund, including PERF C. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS' website under the GASB 68 section.

CalPERS is scheduled to review all actuarial assumptions as part of its regular Asset Liability Management (ALM) review cycle that is scheduled to be completed in February 2018. Any changes to the discount rate will require Board action and proper stakeholder outreach. For these reasons, CalPERS expects to continue using a discount rate net of administrative expenses for GASB No. 67 and No. 68 calculations through at least the 2017-18 fiscal year. CalPERS will continue to check the materiality of the difference in calculation until such time as we have changed our methodology.

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

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

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1-10(a)	Real Return Years 11+(b)
Global Equity	51.0%	5.25%	5.71%
Global Fixed Income	20.0%	0.99%	2.43%
Inflation Sensitive	6.0%	0.45%	3.36%
Private Equity	10.0%	6.83%	6.95%
Real Estate	10.0%	4.50%	5.13%
Infrastructure and Forestland	2.0%	4.50%	5.09%
Liquidity	1.0%	-0.55%	-1.05%
Total	100%		

(a) An expected inflation of 2.5% was used for this period.

(b) An expected inflation of 3.0% was used for this period.

SAN MIGUEL COMMUNITY SERVICES DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 8 – PENSION PLANS (Continued)

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in Discount Rate

The following represents the District's proportionate share of the net pension liability calculated using the discount rate of 7.65 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.65 percent) or 1- percentage point higher (8.65 percent) than the current rate:

1% Decrease		6.65%
Net Pension Liability	\$	269,939
Current Discount Rate		7.65%
Net Pension Liability	\$	173,264
1% Increase		8.65%
Net Pension Liability	\$	93,365

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

C. Payable to the Pension Plan

At June 30, 2017, the District had no amount outstanding for contributions to the pension plan required for the fiscal year ended June 30, 2017.

NOTE 9 – OTHER POST EMPLOYMENT BENEFITS

Plan Description

The District provides a defined benefit healthcare plan (the "Retiree Health Plan"). The Retiree Health Plan provides healthcare insurance for eligible retirees up until age 65 through the CalPERS Health Benefit Program, which covers both active and retired members. The District only pays 70% of the retiree's premium for health benefits up to \$900.

Funding Policy

The District's Board of Directors will not be funding the plan in the current fiscal year. The Board will review the funding requirements and policy annually.

Annual OPEB Cost and Net OPEB Obligation

The District's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC). The District has elected to calculate the ARC and related information using the alternative measurement method permitted by GASB Statement No. 45 for employers in plans with fewer than one hundred total plan members. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over the remaining period of 30 years. The following table shows the components of the District's annual OPEB cost for the fiscal year, the amount actually contributed to the plan, and changes in the its net OPEB obligation to the Retiree Health Plan:

SAN MIGUEL COMMUNITY SERVICES DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 9 – OTHER POST EMPLOYMENT BENEFITS (Continued)

Annual OPEB Cost and Net OPEB Obligation (Continued)

Annual required contribution	\$ 9,730
Interest on net OPEB obligation	382
Adjustment to annual required contribution	<u>(510)</u>
Annual OPEB cost (expense)	9,602
Contributions made	<u> </u>
Increase in net OPEB obligation	9,602
Net OPEB obligation - beginning of fiscal year	<u>9,538</u>
Net OPEB obligation - end of fiscal year	<u><u>\$ 19,140</u></u>

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for the last fiscal year is as follows:

Fiscal Year Ending June 30	Annual OPEB Cost	Actual Contribution	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2017	\$ 9,602	\$ -	0%	\$ 19,140
2016	\$ 9,538	\$ -	0%	\$ 9,538

Funding Status and Funding Progress

As of July 1, 2015, the actuarial accrued liability (AAL) for benefits was \$58,741, all of which is unfunded.

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrences of events far into the future. Examples include assumptions about future employment, mortality and healthcare cost trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer as subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress presents multiyear trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial liabilities for benefits.

Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The methods and assumptions used include techniques that are designed to reduce the effects of short term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term prospective of the calculations.

In the July 1, 2015 valuation, the level percentage of payroll method was used. The assumptions included a 4% discount rate and interest rate of 4%. The healthcare trend rate was 1% for each future year. The plan's unfunded accrued liability is being amortized over a 30 year- amortization period.

SAN MIGUEL COMMUNITY SERVICES DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 10 – EXCESS OF EXPENDITURES OVER APPROPRIATIONS

Excess of expenditures over appropriations in individual funds is as follows:

<u>Fund</u>	<u>Excess Expenditures</u>
Street Lighting Fund	
Workers compensation	\$ 341
Miscellaneous	2,720
Office supplies and expense	2,113
Professional services	43,681
Dues, permits, and fees	260
Communications	538
Utilities	3,845
Bank fees	11

NOTE 11 – CONTINGENCIES AND COMMITMENTS

According to the District's staff and attorney, no contingent liabilities are outstanding and no lawsuits are pending of any real financial consequence.

NOTE 12 – SUBSEQUENT EVENT

On October 5, 2018, a former employee was formally charged by the San Luis Obispo County District Attorney for embezzling \$38,000 between February 1, 2015 and November 30, 2015. As of the date of the audit report, recovery of funds is unknown.

NOTE 13 – PRIOR PERIOD ADJUSTMENTS

	<u>Statement of Activities</u>		<u>Fund Statements</u>	
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Governmental Funds</u>	<u>Proprietary Funds</u>
Governmental Funds:				
Fire Fund				
Adjustment was made to reconcile cash from prior years.	\$ 20,088	\$ -	\$ 20,088	\$ -
Street Lighting Fund				
Adjustment was made to reconcile cash from prior years.	1,985		1,985	
Proprietary Funds:				
Water Fund				
To clear accounts payable items from prior years.		12,973		12,973
Adjustment was made to reconcile cash from prior years.		32,174		32,174
Wastewater Fund				
To clear accounts payable items from prior years.		29,933		29,933
Adjustment was made to reconcile cash from prior years.		(39,233)		(39,233)
	<u>\$ 22,073</u>	<u>\$ 35,847</u>	<u>\$ 22,073</u>	<u>\$ 35,847</u>

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SUPPLEMENTARY INFORMATION

SAN MIGUEL COMMUNITY SERVICES DISTRICT
FIRE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
				<u>Positive (Negative)</u>
Revenues:				
Property taxes	\$ 308,300	\$ 308,300	\$ 326,287	\$ 17,987
Service charges and fees	34,470	34,470	17,533	(16,937)
Public facilities fees and assessments	10	10	81,387	81,377
CDBG grant	105,000	105,000	105,000	
Investment income	60	60	511	451
Miscellaneous income	5	5	5,413	5,408
Total revenues	447,845	447,845	536,131	88,286
Expenditures:				
Salaries and wages	141,727	141,727	133,445	8,282
Payroll taxes and benefits	48,992	48,992	15,533	33,459
Workers compensation	7,474	7,474	11,128	(3,654)
Maintenance and repairs	63,250	63,250	39,103	24,147
Miscellaneous	2,810	2,810	15,443	(12,633)
Office supplies and expense	825	825	4,429	(3,604)
Supplies	25,710	25,710	19,040	6,670
Professional services	16,568	16,568	58,220	(41,652)
Dues, permits and fees	6,060	6,060	5,686	374
Communications	25,080	25,080	12,332	12,748
Employee travel and training	14,426	14,426	5,130	9,296
Utilities	2,385	2,385	681	1,704
Bank fees			52	(52)
Capital outlay			33,947	(33,947)
Total expenditures	355,307	355,307	354,169	1,138
Excess of revenues over (under) expenditures	<u>92,538</u>	<u>92,538</u>	<u>181,962</u>	<u>89,424</u>
Fund balance - July 1	380,757	380,757	380,757	
Prior period adjustment			20,088	20,088
Fund balance - July 1, restated	<u>380,757</u>	<u>380,757</u>	<u>400,845</u>	<u>20,088</u>
Fund balance - June 30	<u>\$ 473,295</u>	<u>\$ 473,295</u>	<u>\$ 582,807</u>	<u>\$ 109,512</u>

SAN MIGUEL COMMUNITY SERVICES DISTRICT
STREET LIGHTING FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2017

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Revenues:				
Property taxes	\$ 80,000	\$ 80,000	\$ 94,018	\$ 14,018
Investment income	30	30	108	78
Miscellaneous income	10	10	696	686
Total revenues	80,040	80,040	94,822	14,782
Expenditures:				
Salaries and wages	12,520	12,520	7,439	5,081
Payroll taxes and benefits	6,055	6,055	921	5,134
Workers compensation	750	750	1,091	(341)
Maintenance and repairs	4,700	4,700	3,753	947
Miscellaneous			2,720	(2,720)
Office supplies and expense	75	75	2,188	(2,113)
Supplies	500	500	393	107
Professional services	750	750	44,431	(43,681)
Dues, permits, and fees			260	(260)
Communications			538	(538)
Utilities	15,000	15,000	18,845	(3,845)
Bank fees			11	(11)
Capital outlay	12,500	12,500		12,500
Total expenditures	52,850	52,850	82,590	(29,740)
Excess of revenues over (under) expenditures	27,190	27,190	12,232	(14,958)
Fund balance - July 1	329,929	329,929	329,929	
Prior period adjustment			1,985	1,985
Fund balance - July 1, restated	329,929	329,929	331,914	1,985
Fund balance - June 30	\$ 357,119	\$ 357,119	\$ 344,146	\$ (12,973)

SAN MIGUEL COMMUNITY SERVICES DISTRICT
SCHEDULE OF FUNDING PROGRESS FOR POSTEMPLOYMENT BENEFITS
OTHER THAN PENSIONS
For the Fiscal Year Ended June 30, 2017

The following table provides required supplementary information regarding the District's postemployment healthcare benefits.

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Accrued Liability (AAL) Entry Age (a)	Actuarial Value of Assets (b)	Unfunded Actuarial Accrued Liability (UAAL) (a-b)	Funded Status (b/a)	Annual Covered Payroll (c)	UAAL as a % of payroll ([a-b]/c)
7/1/15	\$ 58,741	\$ -	\$ 58,741	0%	\$ 114,000	51.5%

SAN MIGUEL COMMUNITY SERVICES DISTRICT
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
 Last 10 Years*
 As of June 30, 2017

The following table provides required supplementary information regarding the District's Pension Plan.

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Proportion of the net pension liability	0.00200%	0.00211%	0.00201%
Proportionate share of the net pension liability	\$ 173,264	\$ 145,045	\$ 125,163
Covered- employee payroll	\$ 140,038	\$ 174,026	\$ 205,120
Proportionate share of the net pension liability as percentage of covered-employee payroll	123.73%	83.35%	61.02%
Plan's total pension liability	\$ 33,358,627,624	\$ 31,771,217,402	\$ 30,829,966,631
Plan's fiduciary net position	\$ 24,705,532,291	\$ 24,907,305,871	\$ 24,607,502,515
Plan fiduciary net position as a percentage of the total pension liability	74.06%	78.40%	79.82%

*- Fiscal year 2015 was the 1st year of implementation, therefore only three years are shown.

Notes to Schedule:

Changes in assumptions

In 2016, the discount rate changed from 7.5 percent (net of administrative expense) to 7.65 percent to correct an adjustment to exclude administrative expense.

In 2015, amounts reported as changes in assumptions resulted primarily to expected ages of general employees.

SAN MIGUEL COMMUNITY SERVICES DISTRICT
SCHEDULE OF CONTRIBUTIONS

Last 10 Years*

As of June 30, 2017

The following table provides required supplementary information regarding the District's Pension Plan.

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution (actuarially determined)	\$ 22,800	\$ 19,438	\$ 26,154
Contribution in relation to the actuarially determined contributions	22,800	19,438	26,154
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered- employee payroll	\$ 190,663	\$ 140,038	\$ 174,026
Contributions as a percentage of covered-employee payroll	11.96%	13.88%	15.03%

Notes to Schedule

Valuation Date:	6/30/2014
Methods and assumptions used to determine contribution rates:	
Actuarial cost method	Entry Age
Asset valuation method	5-year smoothed market
Discount rate	7.50%
Price Inflation	2.75%
Salary increases	Varies by Entry Age and Service
Investment Rate of Return	7.50% Net of Pension Plan Investment and Administrative Expenses; includes inflation
Mortality	Derived using CalPERS' Membership data for all funds.
Post Retirement Benefit	Contract COLA up to 2.75% until Purchasing Power Protection Allowance Floor on Purchasing Power applies,
Valuation Date:	6/30/2015
Discount rate	7.65%

*- Fiscal year 2015 was the 1st year of implementation, therefore only three years are shown.



RESOLUTION NO. 2018-33

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SAN MIGUEL COMMUNITY SERVICES DISTRICT ACCEPTING AND APPROVING THE
INDEPENDENT AUDITOR REPORT ON DISTRICT'S FY 2016-17 FINANCIAL STATEMENTS**

WHEREAS, the San Miguel Community Services District ("District") is a community services district duly formed under California Government Code §61000 et. seq. to provide community services within the District's service area, including water, lighting, solid waste, sewer and fire protection services; and

WHEREAS, Government Code §61110 et. seq. establishes procedures for the adoption of budgets for community services districts and financial accounting and cash accounts in accordance with generally accepted governmental accounting standards and practices; and

WHEREAS, the Board of Directors ("Directors") of the District has reviewed and accepted the Independent Auditor's Report on District Financial Statements.

NOW, THEREFORE, BE IT RESOLVED that the Directors hereby accepts and approves the Independent Auditor's Report for the FY 2016-17 Financial Statement of the District. The Directors hereby authorize the filing of the FY 2016-17 Auditor's Report with appropriate County and State offices.

On the motion of Director _____, Seconded by Director _____ and on the following roll call vote:

- AYES:**
- NOES:**
- ABSENT:**
- ABSTAINING:**

The foregoing Resolution is hereby passed and adopted this 25th day of October 2018.

John Green, Board President
San Miguel Community Services District

ATTEST:

APPROVED AS TO FORM:

Robert Roberson
Interim General Manager/Fire Chief

Doug White, District General Counsel



Board of Directors

President
John Green

Vice President
Joseph Parent

Members
Anthony Kalvans
Gib Buckman
Ashley Sangster

General Manager
Rob Roberson

Fire Chief
Rob Roberson

Mission Statement

Committed to serving
the community with
effectiveness, efficiency, and
care to support the economic
and social
quality of life
in San Miguel

Proudly serving San Miguel with:

Fire Protection
Street Lighting
Water
Wastewater
Solid Waste

P.O. Box 180
1150 Mission Street
San Miguel, CA 93451

Tel. 805-467-3388
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10/18/2018

Moss, Levy & Hartzheim LLP

2400 Professional Parkway STE 205

Santa Maria, CA 93455

This representation letter is provided in connection with your audit(s) of the financial statements of San Miguel Community Services District, which comprise the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. 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 October 18, 2018, the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated January 23, 2017, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees,

and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.

- 7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements [or in the schedule of findings and questioned costs].
- 8) The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole for each opinion unit. A list of the uncorrected misstatements is attached to the representation letter.
- 9) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 10) Guarantees, whether written or oral, under which the San Miguel Community Services District is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

- 11) We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters [and all audit or relevant monitoring reports, if any, received from funding sources].
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the San Miguel Community Services District from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of San Miguel Community Services District Board of Directors Regular Meeting or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 12) All material transactions have been recorded in the accounting records and are reflected in the financial statements [and the schedule of expenditures of federal awards].
- 13) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 14) We have no knowledge of any fraud or suspected fraud that affects the San Miguel Community Services District and involves—
 - Management,
 - Employees who have significant roles in internal control, or
 - Others where the fraud could have a material effect on the financial statements.
- 15) We have no knowledge of any allegations of fraud or suspected fraud affecting the San Miguel Community Services District's financial statements communicated by employees, former employees, regulators, or others.

- 16) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
- 17) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- 18) We have disclosed to you the identity of the San Miguel Community Services District's related parties and all the related party relationships and transactions of which we are aware.

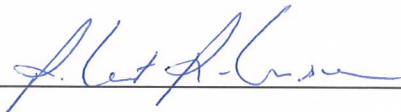
Government-specific

- 19) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 20) We have taken timely and appropriate steps to remedy fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that you have reported to us. We have a process to track the status of audit findings and recommendations.
- 21) 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.
- 22) We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report. The San Miguel Community Services District has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
- 23) 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 legal and contractual provisions for reporting specific activities in separate funds.
- 24) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
- 25) We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
- 26) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
- 27) There are no 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.

- 28) As part of your audit, you assisted with preparation of the financial statements and related notes [and schedule of expenditures of federal awards]. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and related notes [and schedule of expenditures of federal awards].
- 29) The San Miguel Community Services 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.
- 30) The San Miguel Community Services District has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 31) The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
- 32) The financial statements properly classify all funds and activities in accordance with [GASB Statement No. 34](#) .
- 33) All funds that meet the quantitative criteria in [GASBS Nos. 34](#) and [37](#) for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- 34) Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (non-spendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
- 35) Investments, derivative instruments, and land and other real estate held by endowments are properly valued.
- 36) Provisions for uncollectible receivables have been properly identified and recorded.
- 37) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 38) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- 39) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 40) Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.

- 41) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.
- 42) We have appropriately disclosed the San Miguel Community Services District's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 43) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
- 44) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
- 45) With respect to the supplementary information:
 - a) We acknowledge our responsibility for presenting the supplementary information in accordance with accounting principles generally accepted in the United States of America, and we believe the supplementary inform, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the supplementary inform have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
 - b) If the supplementary inform is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.

Signature:  Signature: _____

Title: GENERAL MANAGER Title: _____

October 16, 2018

VIA U.S. MAIL

Moss, Levy & Hartzheim LLP
Certified Public Accountants
2400 Professional Parkway, Suite 205
Santa Maria, CA 93455

Re: *San Miguel Community Services District – Audit of Financial Statements as of June 30, 2017*

To Whom It May Concern:

San Miguel Community Services District (the “District”) has asked our office to furnish you with information on the status of all pending or threatened material litigation, claims and assessments, and legal fees due and owed to Churchwell White LLP (the “Firm”). Our response relates to matters that existed through the 2017/2018 fiscal year ending on June 30, 2017 (“Fiscal Year”).

Closed or Active Litigation

1. *Steinbeck, et al. v. County of San Luis Obispo, et al.*
 - a. The nature of the litigation: The case was filed on November 25, 2013. The plaintiff landowners brought suit to assert that their rights to pump groundwater are superior to all other pumpers using the same source of groundwater supply, including the District’ s. The plaintiffs originally numbered around 50, the landowners participating in the case has since increased to over 600.
 - b. The progress of the matter to date: There have been two phases of trial thus far: one in January 2016 and the second in March 2016. In the January 2016 phase, plaintiff’ s established their case asserting their superior right to pump groundwater from a common supply as overlying groundwater pumpers. The court found the plaintiffs proved their case as overlying landowners. Defendants are considered non-overlying groundwater pumpers. The March 2016 phase explored the first affirmative defense of two of the defendants: Atascadero Mutual Water Company and Templeton Community Services District. They asserted that the Atascadero area is a separate groundwater subbasin from the rest of the Paso Robles Basin. The court found that the

Atascadero area was not a separate subbasin from the rest of the Paso Robles Basin.

- c. How management of the District is responding or intends to respond to the litigation; e.g., to contest vigorously or to seek an out-of-court settlement: The Firm is contesting the case vigorously.
 - d. An evaluation of the likelihood of an unfavorable outcome and an estimate, if one can be made, of the amount or range of potential loss: If the plaintiffs are victorious and the District cannot establish any affirmative defenses to the plaintiffs' claim of superior right, the District can be limited or even prohibited from pumping groundwater from the supply the District shares with the plaintiffs. The District relies entirely on groundwater to provide water to its customers. If the District's pumping is limited or prohibited, the District would be required to find an alternate supply of water, by either purchasing water from other groundwater pumpers or securing an alternative surface water supply. Purchasing water from other rights holders or obtaining an alternative surface water supply can be expensive and time consuming and may require approval from the State Water Resources Control Board as well as other regulatory agencies. The resources the District spends in securing an alternative water supply cannot be used to address other District activities or projects, such as infrastructure improvements.
 - e. The affirmative defense of prescription was tried, and the jury found in the municipal pumper defendants favor.
2. *SLOCEA v. San Miguel Community Services District (T. Parent)*
- a. The nature of the litigation: This case was filed by an employee with the Public Employment Relations Board on March 1, 2016. This case alleged that the District took adverse actions against her because she filed grievances. Additionally, the case alleged that the District interfered with the employee's union rights.
 - b. The progress of the matter to date: The matter has been resolved.
 - c. How management of the District is responding or intends to respond to the litigation; e.g., to contest vigorously or to seek an out-of-court settlement: N/A. This matter has been resolved.
 - d. An evaluation of the likelihood of an unfavorable outcome and an estimate, if one can be made, of the amount or range of potential loss: N/A. This matter has been resolved.

We are unaware of any other active litigation against the District at this time.

Threatened Litigation

We are unaware of any threatened litigation against the District at this time.

Unasserted Claims and Assessments

In the course of performing legal services for the District with respect to a matter recognized to involve an unasserted claim or assessment that may call for a financial statement disclosure, it is our professional conclusion no such unasserted claims or assessments exist at this time, and we will advise the District to disclose any and all possible claims or assessments. The firm will also consult with Moss, Levy & Hartzheim LLP regarding any questions related to District disclosures or the applicable requirements of FASB Accounting Standards Codification 450, Contingencies. The District has knowledge of these facts and consents to the same.

Other Matters

As of June 30, 2017, the District was not indebted to the Firm for legal services and related costs.

Kind regards,

Churchwell White LLP



Douglas L. White
DLW/hb

Cc: Robert Roberson, GM (via email only)

10/11/18
10:48:38

SAN MIGUEL COMMUNITY SERVICES DISTRICT
Claim Details
For the Accounting Period: 9/18

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Pacific Premier Bank - General Account
* ... Over spent expenditure

Claim/ Line #	Check Invoice #	Vendor #/Name/ #/Inv Date/Description	Document \$/ Line \$	Disc \$	PO #	Fund Org Acct	Object Proj	Cash Account
4299	17437S	999999 AJ EXCAVATION	707.60					
		Hydrant Deposit Refund						
		8927371 Hydrant Meter						
1	27489-04	09/14/18 Water & Sewer deposit refund	707.60			50 20550		10200
		Total for Vendor:	707.60					
4297	17438S	999999 ANTHONY BLOUIN C/O MARIKO BLOUIN	1.82					
		water & Sewer deposit refund						
		811 Mission Street						
1	16068-01	09/14/18 Water & Sewer deposit refund	1.82			50 20550		10200
		Total for Vendor:	1.82					
4243	17410S	593 ASHLEY SANGSTER	100.00					
		Board Member Stipend August 23, 2018 meeting						
1	Aug 2018	09/01/18 August 2018 Board Mtg	16.50			20 62000	111	10200
2	Aug 2018	09/01/18 August 2018 Board Mtg	3.00			30 63000	111	10200
3	Aug 2018	09/01/18 August 2018 Board Mtg	40.00			40 64000	111	10200
4	Aug 2018	09/01/18 August 2018 Board Mtg	40.00*			50 65000	111	10200
5	Aug 2018	09/01/18 August 2018 Board Mtg	0.50			60 66000	111	10200
		Total for Vendor:	100.00					
4277	17426S	596 BAUER COMPRESSORS Inc.	1,011.38					
1	0000244501	08/29/18 Service MAKO BAC06E3	1,011.38			20 62000	351	10200
		Total for Vendor:	1,011.38					
4267	17411S	535 BRENDLER JANITORIAL SERVICE	275.00					
		Janitorail Services						
1	1870C	09/02/18 August 2018	45.37			20 62000	305	10200
2	1870C	09/02/18 August 2018	8.25			30 63000	305	10200
3	1870C	09/02/18 August 2018	110.00			40 64000	305	10200
4	1870C	09/02/18 August 2018	110.00			50 65000	305	10200
5	1870C	09/02/18 August 2018	1.38			60 66000	305	10200
		Total for Vendor:	275.00					

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Pacific Premier Bank - General Account
* ... Over spent expenditure

Claim/ Line #	Check Invoice #	Vendor #/Name/ #/Inv Date/Description	Document \$/ Line \$	Disc \$	PO #	Fund Org Acct	Object Proj	Cash Account
4245	17412S	39 BUCKMAN, GIB	100.00					
		Board Member Stipend August 23, 2018 meeting						
1	Aug 2018 09/01/18	August 2018 Board Mtg	16.50			20 62000	111	10200
2	Aug 2018 09/01/18	August 2018 Board Mtg	3.00			30 63000	111	10200
3	Aug 2018 09/01/18	August 2018 Board Mtg	40.00			40 64000	111	10200
4	Aug 2018 09/01/18	August 2018 Board Mtg	40.00*			50 65000	111	10200
5	Aug 2018 09/01/18	August 2018 Board Mtg	0.50			60 66000	111	10200
		Total for Vendor:	100.00					
4268	-99766E	416 CALPERS	700.00					
		Fees for GASB-68 Reports & Schedules						
		Customer ID: 5069981886						
1	15403568 09/16/18	GASB-68 Reports & Schedules	115.50*			20 62000	325	10200
2	15403568 09/16/18	GASB-68 Reports & Schedules	24.50*			30 63000	325	10200
3	15403568 09/16/18	GASB-68 Reports & Schedules	280.00*			40 64000	325	10200
4	15403568 09/16/18	GASB-68 Reports & Schedules	280.00*			50 65000	325	10200
4301	-99765E	416 CALPERS	880.96					
		Annual Unfunded Accrued Liability Actuarial Valuation as of June 30, 2016						
		Rate Plan 4680						
1	15415578 09/01/18	Annual Unfunded Accrued Liab	440.48			40 64000	225	10200
2	15415578 09/01/18	Annual Unfunded Accrued Liab	440.48			50 65000	225	10200
4302	-99764E	416 CALPERS	66.79					
		Annual Unfunded Accrued Liability Actuarial Valuation as of June 30, 2016						
		Rate Plan 26019						
1	15415587 09/01/18	Annual Unfunded Accrued Liab	33.39			40 64000	225	10200
2	15415587 09/01/18	Annual Unfunded Accrued Liab	33.40			50 65000	225	10200
		Total for Vendor:	1,647.75					
4292	17439S	521 CHAPARRAL BUSINESS MACHINES,	71.45					
		Maintenance Contract #6913-02						
		Samsung/X4250LX						
		Acct No. 013014						
1	429715 09/05/18	Maint Contract 9/4-10/3/18	32.50			40 64000	320	10200
2	429715 09/05/18	Maint Contract 9/4-10/3/18	32.50			50 65000	320	10200

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Claim/ Line #	Check Invoice #	Vendor #/Name/ #/Inv Date/Description	Document \$/ Line \$	Disc \$	PO #	Fund Org Acct	Object Proj	Cash Account
3	429715	09/05/18 Overage Charges	3.23			40 64000	320	10200
4	429715	09/05/18 Overage Charges	3.22			50 65000	320	10200
Total for Vendor:			71.45					
4266 17427S 67 CHARTER COMMUNICATIONS			309.94					
Acct# 8245 10 105 0027311								
Spectrum Buiness - Monthly								
Internet/Voice								
1	7311090118	09/01/18 Internet/Voice	103.31			20 62000	375	10200
2	7311090118	09/01/18 Internet/Voice	103.31			40 64000	375	10200
3	7311090118	09/01/18 Internet/Voice	103.32			50 65000	375	10200
Total for Vendor:			309.94					
4305 17453S 473 CHURCHWELL WHITE LLP			83,386.22					
Professional Services Rendered through August 2018								
1	31664	09/17/18 General Counsel	379.97			20 62000	327	10200
2	31664	09/17/18 General Counsel	69.09			30 63000	327	10200
3	31664	09/17/18 General Counsel	921.14			40 64000	327	10200
4	31664	09/17/18 General Counsel	921.14			50 65000	327	10200
5	31664	09/17/18 General Counsel	11.51			60 66000	327	10200
6	31574	09/17/18 Steinbeck v SLO	78,120.54			50 65000	332	10200
7	31576	09/17/18 White Oaks	100.00			50 65000	327	10200
8	31577	09/17/18 HR	302.72			20 62000	327	10200
9	31577	09/17/18 HR	55.04			30 63000	327	10200
10	31577	09/17/18 HR	733.88			40 64000	327	10200
11	31577	09/17/18 HR	733.88			50 65000	327	10200
12	31577	09/17/18 HR	9.17			60 66000	327	10200
13	31665	09/17/18 Water	1,028.14			50 65000	327	10200
Total for Vendor:			83,386.22					
4246 17413S 583 COBLENTZ BIEHLE & CRAMER			21,375.00					
Prepair documents for 2016-2017 audit								
1	4819	08/28/18 Prepair Doc for 16-17 audit	3,526.87*			20 62000	325	10200
2	4819	08/28/18 Prepair Doc for 16-17 audit	641.25*			30 63000	325	10200
3	4819	08/28/18 Prepair Doc for 16-17 audit	8,550.00*			40 64000	325	10200
4	4819	08/28/18 Prepair Doc for 16-17 audit	8,550.00*			50 65000	325	10200
5	4819	08/28/18 Prepair Doc for 16-17 audit	106.88*			60 66000	325	10200
Total for Vendor:			21,375.00					

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Claim/ Line #	Check Invoice #	Vendor #/Name/ #/Inv Date/Description	Document \$/ Line \$	Disc \$	PO #	Fund Org Acct	Object Proj	Cash Account
4272	17428S	584 CORE & MAIN LP	388.46					
Acct#210091								
1	J372368	08/29/18 PVC SCH40	388.46			50 65000	353	10200
4294	17440S	584 CORE & MAIN LP	2,500.25					
Acct#210091								
1	J443655	09/07/18 BL05 MTR (12)	2,500.25			50 65000	525	10200
Total for Vendor:			2,888.71					
4298	17441S	999999 COREY & COSNER, JERAMY MAGID	36.38					
water & Sewer deposit refund 1932 L Street								
1	20270-05	09/14/18 Water & Sewer deposit refund	4.08			50 20550		10200
2	20270-05	09/14/18 Water & Sewer deposit refund	32.30			40 20550		10200
Total for Vendor:			36.38					
4281	17429S	581 DAVID TRACEY CONTRACT SVS	1,150.00					
SVS Date 8-11, 8-12, 9-8, 9-9-18								
1	2018-04	09/10/18 Contract SVS	575.00			40 64000	330	10200
2	2018-04	09/10/18 Contract SVS	575.00			50 65000	330	10200
Total for Vendor:			1,150.00					
4247	17414S	109 FERGUSON ENTERPRISES	160.88					
Acct #725334								
1	6400174	08/17/18 4 HYTROL VLV Rep Kit	160.88			50 65000	535	10200
Total for Vendor:			160.88					
4248	17415S	112 FGL - ENVIRONMENTAL ANALYTICAL	67.00					
Acct#8000653								
1	882313A	08/16/18 Metals	67.00			50 65000	358	10200
4249	17415S	112 FGL - ENVIRONMENTAL ANALYTICAL	225.00					
Acct#8000653								
1	882314A	08/16/18 Coliform-Colilert	225.00			50 65000	356	10200

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Claim/ Line #	Check Invoice #	Vendor #/Name/ #/Inv Date/Description	Document \$/ Line \$	Disc \$	PO #	Fund Org Acct	Object Proj	Cash Account
4250	17415S	112 FGL - ENVIRONMENTAL ANALYTICAL	67.00					
	Acct#8000653							
1	882140A	08/16/18 Metals	67.00			50 65000	358	10200
4251	17415S	112 FGL - ENVIRONMENTAL ANALYTICAL	70.00					
	Acct#8000653							
1	882229A	08/16/18 Metals	70.00			40 64000	355	10200
4252	17415S	112 FGL - ENVIRONMENTAL ANALYTICAL	67.00					
	Acct#8000653							
1	882367A	08/16/18 Metals	67.00			50 65000	358	10200
4253	17415S	112 FGL - ENVIRONMENTAL ANALYTICAL	81.00					
	Acct#8000654							
1	882231A	08/16/18 Metals	25.00			40 64000	355	10200
2	882231A	08/16/18 Wet Chemisry	56.00			40 64000	355	10200
4254	17415S	112 FGL - ENVIRONMENTAL ANALYTICAL	205.00					
	Account #8000654							
1	882228A	08/16/18 Metals,Wet Chemistry	205.00			40 64000	355	10200
4255	17415S	112 FGL - ENVIRONMENTAL ANALYTICAL	185.00					
	Account #8000653							
1	882342A	08/19/18 Coliform-Colilert	185.00			50 65000	359	10200
4273	17430S	112 FGL - ENVIRONMENTAL ANALYTICAL	125.00					
	Acct #8000653							
1	882484A	08/27/18 Coliform~Colilert~PA	125.00			50 65000	359	10200
4274	17430S	112 FGL - ENVIRONMENTAL ANALYTICAL	60.00					
	Acct#8000653							
1	882541A	08/27/18 Coliform~Colilert	60.00			50 65000	359	10200

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Claim/ Line #	Check Invoice #	Vendor #/Name/ #/Inv Date/Description	Document \$/ Line \$	Disc \$	PO #	Fund Org Acct	Object Proj	Cash Account
4275	17430S	112 FGL - ENVIRONMENTAL ANALYTICAL	271.00					
1	882482A	08/30/18 Coliform	90.33			50 65000	356	10200
2	882482A	08/30/18 Wet Chemistry	90.33			50 65000	357	10200
3	882482A	08/30/18 Wet Chemistry	90.34			50 65000	358	10200
4276	17430S	112 FGL - ENVIRONMENTAL ANALYTICAL	67.00					
	Acct#8000653							
1	882483A	08/30/18 Metals	67.00			50 65000	358	10200
		Total for Vendor:	1,490.00					
4256	17416S	308 FRONTIER COMMUNICATIONS	53.99					
	Acct #805-467-2818-010412-5							
		Service from 8-22-18 to 9-21-18						
1	08/22/18	SCADA	27.00			40 64000	310	10200
2	08/22/18	SCADA	26.99			50 65000	310	10200
4280	17431S	308 FRONTIER COMMUNICATIONS	71.76					
	Acct #805-467-2015-051216-5							
		Backup for Alarm						
1	Sept 2018	09/01/18 Acct #805-467-2015-051216-5	35.88			40 64000	310	10200
2	Sept 2018	09/01/18 Acct #805-467-2015-051216-5	35.88			50 65000	310	10200
		Total for Vendor:	125.75					
4257	17417S	125 GREAT WESTERN ALARM	30.00					
	GW-661							
		Service Period: 8/01/18 to 8/31/18						
1	1808005451	09/01/18 Alarm Monitoring	15.00			40 64000	380	10200
2	1808005451	09/01/18 Alarm Monitoring	15.00			50 65000	380	10200
4258	17417S	125 GREAT WESTERN ALARM	82.40					
	Acct A0702							
		Service Period: 9/01/18 to 9/31/18						
1	1808022421	09/01/18 Answering Service	41.20			40 64000	380	10200
2	1808022421	09/01/18 Answering Service	41.20			50 65000	380	10200
		Total for Vendor:	112.40					

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Claim/ Line #	Check Invoice #	Vendor #/Name/ #/Inv Date/Description	Document \$/ Line \$	Disc \$	PO #	Fund Org Acct	Object Proj	Cash Account
4259	17418S	126 GREEN, JOHN	100.00					
		Board Member Stipend August 23, 2018 meeting						
1	Aug 2018 09/01/18	Aug 2018 Board Mtg	16.50			20 62000	111	10200
2	Aug 2018 09/01/18	Aug 2018 Board Mtg	3.00			30 63000	111	10200
3	Aug 2018 09/01/18	Aug 2018 Board Mtg	40.00			40 64000	111	10200
4	Aug 2018 09/01/18	Aug 2018 Board Mtg	40.00*			50 65000	111	10200
5	Aug 2018 09/01/18	Aug 2018 Board Mtg	0.50			60 66000	111	10200
		Total for Vendor:	100.00					
4295	17442S	147 JB DEWAR	1,333.63					
		Account #80468						
1	29360 09/17/18	Clear Diesel 350 Gal	666.82			20 62000	485	10200
2	29360 09/17/18	Clear Diesel 350 Gal	333.41			40 64000	485	10200
3	29360 09/17/18	Clear Diesel 350 Gal	333.40			50 65000	485	10200
		Total for Vendor:	1,333.63					
4260	17419S	406 KALVANS, ANTHONY	100.00					
		Board Member Stipen August 23, 2018 meeting						
1	Aug 18 09/01/18	Aug 2018 Board Mtg	16.50			20 62000	111	10200
2	Aug 18 09/01/18	Aug 2018 Board Mtg	3.00			30 63000	111	10200
3	Aug 18 09/01/18	Aug 2018 Board Mtg	40.00			40 64000	111	10200
4	Aug 18 09/01/18	Aug 2018 Board Mtg	40.00*			50 65000	111	10200
5	Aug 18 09/01/18	Aug 2018 Board Mtg	0.50			60 66000	111	10200
		Total for Vendor:	100.00					
4285	17443S	510 LOCAL IT EXPERTS	600.00					
1	131 09/18/18	IT Service~Aug & Sept 2018	99.00			20 62000	350	10200
2	131 09/18/18	IT Service~Aug & Sept 2018	18.00			30 63000	350	10200
3	131 09/18/18	IT Service~Aug & Sept 2018	240.00			40 64000	350	10200
4	131 09/18/18	IT Service~Aug & Sept 2018	240.00			50 65000	350	10200
5	131 09/18/18	IT Service~Aug & Sept 2018	3.00			60 66000	350	10200
		Total for Vendor:	600.00					

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4279	17432S	606 MICHAEL SOBOTKA	150.00					
1	091818	09/10/18 Work Boots	75.00			40 64000	495	10200
2	091818	09/10/18 Work Boots	75.00			50 65000	495	10200
Total for Vendor:			150.00					
4287	17444S	559 MONSOON VENTURES, INC.	990.00					
SLT AS Blending Pipeline								
8/30/18 Project completion certification;Lein release;Surety Release,Chge #1								
8/31/18 Meeting w/ Tony Navarro review CDBG Project Documents								
8/31/18 Project completion certification;Lein release;Surety Release,Chge #1								
1	2309	09/20/18 8/30 Prepare Projct Close out	330.00*			50 65000	431	10200
2	2309	09/20/18 8/31 Navarro mtng Clse out	220.00*			50 65000	431	10200
3	2309	09/20/18 8/31 Project completion	440.00*			50 65000	431	10200
4288	17444S	559 MONSOON VENTURES, INC.	595.00					
Steinbeck Litigation								
8/7/18 Water Well Data Compilation								
8/7/18 Review Historic SLO County well pumping records/data compilation								
8/8/18 Water Well Data Compilation								
1	2311	09/20/18 8/7 Well Data Compilation	300.00			50 65000	332	10200
2	2311	09/20/18 8/7 Review pumping records	220.00			50 65000	332	10200
3	2311	09/20/18 8/8 Well Data Compilation	75.00			50 65000	332	10200
4289	17444S	559 MONSOON VENTURES, INC.	3,630.00					
Board & Committee Meeting 7/18/18 thru 9/19/18								
GSP ~ GSA meetings 7/11/18 thru 9/13/18								
1	2310	09/20/18 District Staff mtngs~DE Reprt	1,815.00			40 64000	326	10200
2	2310	09/20/18 GSA/GSP Mting review rpts	1,815.00			50 65000	326	10200
Total for Vendor:			5,215.00					
4261	17420S	547 PARENT, JOSEPH	100.00					
Board Member Stipend August 23, 2018 meeting								
1	Aug 2018	09/01/18 Aug 2018 Board Mtg	16.50			20 62000	111	10200
2	Aug 2018	09/01/18 Aug 2018 Board Mtg	3.00			30 63000	111	10200
3	Aug 2018	09/01/18 Aug 2018 Board Mtg	40.00			40 64000	111	10200
4	Aug 2018	09/01/18 Aug 2018 Board Mtg	40.00*			50 65000	111	10200

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5	Aug 2018 09/01/18	Aug 2018 Board Mtg	0.50			60 66000	111	10200
		Total for Vendor:	100.00					
4290	17446S	209 PG&E	11,009.17					
	Acct #3675186851-8							
1	09/17/18	Old Fire Station / 1297 L St	21.36			20 62000	381	10200
2	09/17/18	New Fire Station 1150 Mission	0.80			20 62000	381	10200
3	09/17/18	Water Works #1 / Well 3	2,651.10			50 65000	381	10200
4	09/17/18	Bonita Pl & 16th / Well 4	1,723.34			50 65000	381	10200
5	09/17/18	N St / WWTP	6,157.16			40 64000	381	10200
6	09/17/18	2HP Booster Station	10.52			50 65000	381	10200
7	09/17/18	Mission Heights Booster	10.52			50 65000	381	10200
8	09/17/18	14th St. & K St.	54.53			50 65000	381	10200
9	09/17/18	Missn & 12th Lanscape~St light	249.00			30 63000	381	10200
10	09/17/18	SLT Well Drink Water	79.10			50 65000	381	10200
11	09/17/18	942 Soka Way lift station	51.74			40 64000	381	10200
		Total for Vendor:	11,009.17					
4291	17445S	208 PG&E	1,336.64					
	Acct #8565976480-8							
1	09/17/18	12th & K Street - 8565976725	11.17			30 63000	381	10200
	St							
2	09/17/18	Tract 2605 - 8565976109	45.40			30 63000	381	10200
3	09/17/18	Mission Heights - 8565976482	211.86			30 63000	381	10200
4	09/17/18	9898 River Rd. - 8565976002	414.00			30 63000	381	10200
5	09/17/18	9898 River Rd. - 8565976004	55.78			30 63000	381	10200
6	09/17/18	9898 River Rd. - 8565976008	256.99			30 63000	381	10200
7	09/17/18	9898 River Rd. - 8565976014	85.68			30 63000	381	10200
8	09/17/18	9898 River Rd. - 8565976481	55.16			30 63000	381	10200
9	09/17/18	9898 River Rd. - 8565976483	24.47			30 63000	381	10200
10	09/17/18	Tract 2710 - 8562053214	69.11			30 63000	381	10200
11	09/17/18	Tract 2710 - 8564394360	30.58			30 63000	381	10200
12	09/17/18	Tract 2710 - 8560673934	76.44			30 63000	381	10200
		Total for Vendor:	1,336.64					

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4244	17421S 999999	RAYMOND BARKER C JR. TRE Refund Weed Abatement Assessment #021-231-036 ~ N Street erroneously charged	302.00					
1	Barker 08/15/18	Refund Weed Abatement Barker	302.00			20 40220		10200
		Total for Vendor:	302.00					
4303	17454S 226	ROBERSON, ROB Mileage Reimbursement San Jose, CA Court Steinbeck vs San Miguel 8-27-18 to 9-20-18	815.88					
1	Steinbeck 09/25/18	Mileage Reimbursement	650.56			50 65000	332	10200
2	Steinbeck 09/25/18	Meals~Parking	165.32			50 65000	332	10200
		Total for Vendor:	815.88					
4262	17422S 609	SAN LUIS POWER HOUSE Perform quartley testing and inspection of Kohler emergency generator	185.00					
1	39987 09/20/18	Labor~Service	185.00			20 62000	351	10200
		Total for Vendor:	185.00					
4264	17423S 999999	SAN MIGUEL CHAMBER OF COMMERCE Refund San Miguel Chamber ~ Car Show Banner	100.00					
1	SM Chamber 08/15/18	Refund Chamber Car Show	100.00			30 46150		10200
		Total for Vendor:	100.00					
4263	17424S 238	SAN MIGUEL GARBAGE Acct#318691 Monthly Service 9-1-18 to 9-30-18 extra pick up	119.36					
1	09/01/18	WWTP Monthly Trash Disposal	59.68			40 64000	383	10200
2	09/01/18	WWTP Monthly Trash Disposal	59.68			50 65000	383	10200
		Total for Vendor:	119.36					
4296	17452S 247	SDRMA Workers' Compensation 2017-18 Member #: 5142	2,423.88					
Net audited contribution adjustment								
1	65212 08/30/18	Workers Comp	1,102.71*			20 62000	120	10200

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3	65212	08/30/18 Workers Comp	1.55			30 63000	120	10200
4	65212	08/30/18 Workers Comp	453.14			40 64000	120	10200
6	65212	08/30/18 Workers Comp	866.23*			50 65000	120	10200
7	65212	08/30/18 Workers Comp	0.25			60 66000	120	10200
Total for Vendor:			2,423.88					
4270	17433S	534 STREAMLINE	200.00					
Web Page Hosting								
1	98256	09/10/18 Web Page Monthly Fee June	33.00			20 62000	376	10200
2	98256	09/10/18 Web Page Monthly Fee June	6.00			30 63000	376	10200
3	98256	09/10/18 Web Page Monthly Fee June	80.00*			40 64000	376	10200
4	98256	09/10/18 Web Page Monthly Fee June	80.00			50 65000	376	10200
5	98256	09/10/18 Web Page Monthly Fee June	1.00			60 66000	376	10200
Total for Vendor:			200.00					
4283	17447S	280 TEMPLETON UNIFORMS	157.46					
Jose Ventura								
1	113526	09/14/18 Pants, Belt	157.46			20 62000	495	10200
Total for Vendor:			157.46					
4293	17448S	289 TOTALFUNDS BY HASLER	500.00					
Acct#7900 0110 0130 2978								
1	090718	09/09/18 Postage~11649729	250.00			40 64000	315	10200
2	090718	09/09/18 Postage~11649729	250.00			50 65000	315	10200
Total for Vendor:			500.00					
4265	17425S	301 US BANK	2,319.77					
1	2647	08/22/18 Postage~ returnes	29.55			20 62000	315	10200
2	2647	08/22/18 BackFlow Valve Test Kit	720.04			40 64000	490	10200
3	2647	08/22/18 Camera Case	89.00			20 62000	305	10200
4	2647	08/22/18 Denim Jeans~ Dodds	65.70			40 64000	495	10200
5	2647	08/22/18 Denim Jeans~ Dodds	65.70			50 65000	495	10200
6	2647	08/22/18 Amazon 12V Lighter Power Suppl	30.96			20 62000	354	10200
7	2647	08/22/18 Lowes heat gun goof off	55.31			20 62000	354	10200
8	2647	08/22/18 Oreilly Auto letter well	10.75			20 62000	354	10200
9	2647	08/22/18 Amazon Life Ring	798.00			40 64000	582	10200
10	2647	08/22/18 Amazon Bolts, Well 3	104.50			50 65000	351	10200

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Claim/ Line #	Check #	Vendor #/Name/ Invoice #/Inv Date/Description	Document \$/ Line \$	Disc \$	PO #	Fund Org Acct	Object Proj	Cash Account
11	2647	08/22/18 Amazon Exhausted Fan well 3	138.04			50 65000	352	10200
12	2647	08/22/18 Amazon Bleed valve	148.00			50 65000	305	10200
13	2647	08/22/18 Amazon Air Filter	64.22			20 62000	305	10200
Total for Vendor:			2,319.77					
4269	17434S	327 VALLI INFORMATION SYSTEMS	75.00					
Web Posting								
1	49018	09/30/18 Web Posting, Online Maint.	37.50			40 64000	305	10200
2	49018	09/30/18 Web Posting, Online Maint.	37.50			50 65000	305	10200
Total for Vendor:			75.00					
4282	17449S	511 VERIZON	39.54					
Acct#542095345-00001								
1	9808670131	09/08/18 Laptop 805-423-7591	19.77			40 64000	310	10200
2	9808670131	09/08/18 Laptop 805-423-7591	19.77			50 65000	310	10200
Total for Vendor:			39.54					
4278	17435S	612 WEX BANK	633.91					
1	55456122	08/07/18 Fuel #8600	133.90			20 62000	485	10200
2	55456122	08/07/18 Fuel #8630	374.49			20 62000	485	10200
3	55456122	08/07/18 Fuel #8632	62.76			40 64000	485	10200
5	55456122	08/07/18 Fuel #8632	62.76			50 65000	485	10200
Total for Vendor:			633.91					
4271	17436S	322 YOUNG, SCOTT	23.23					
Repair on truck#8687								
1	090718	09/07/18 Repair on #8687 U Bolts	23.23			20 62000	354	10200
4286	17450S	322 YOUNG, SCOTT	8.06					
Repair on truck#8696								
1	092018	09/20/18 Repair on #8696 U Bolts	8.06			20 62000	354	10200
Total for Vendor:			31.29					
# of Claims			60	Total:				142,797.81
Total Electronic Claims								1,647.75
Total Non-Electronic Claims								141150.06

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Fund Summary for Claims
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Fund/Account	Amount
20 FIRE PROTECTION DEPARTMENT	
10200 Operating Cash - Premier	\$8,955.24
30 STREET LIGHTING DEPARTMENT	
10200 Operating Cash - Premier	\$2,524.32
40 WASTEWATER DEPARTMENT	
10200 Operating Cash - Premier	\$23,709.21
50 WATER DEPARTMENT	
10200 Operating Cash - Premier	\$107,473.35
60 SOLID WASTE DEPARTMENT	
10200 Operating Cash - Premier	\$135.69
Total:	\$142,797.81

Fund	Account	Received Current Month	Received YTD	Estimated Revenue	Revenue To Be Received	% Received
20 FIRE PROTECTION DEPARTMENT						
40000						
40220	Weed Abatement Fees	-302.00	-302.00	0.00	302.00	** %
40300	Fireworks Permit Fees	0.00	0.00	2,200.00	2,200.00	0 %
40410	Mutual Aid Fires	0.00	0.00	100,000.00	100,000.00	0 %
40420	Ambulance Reimbursement	1,153.08	1,153.08	4,400.00	3,246.92	26 %
40500	VFA Assistance Grant	16,436.09	16,436.09	20,000.00	3,563.91	82 %
	Account Group Total:	17,287.17	17,287.17	126,600.00	109,312.83	14 %
43000	Property Taxes Collected					
43000	Property Taxes Collected	698.76	20,084.75	390,856.00	370,771.25	5 %
	Account Group Total:	698.76	20,084.75	390,856.00	370,771.25	5 %
46000	Revenues & Interest					
46000	Revenues & Interest	0.00	21.11	0.00	-21.11	** %
46150	Miscellaneous Income	1,000.00	1,000.00	0.00	-1,000.00	** %
46151	Refund/Adjustments	0.00	272.99	0.00	-272.99	** %
	Account Group Total:	1,000.00	1,294.10	0.00	-1,294.10	** %
	Fund Total:	18,985.93	38,666.02	517,456.00	478,789.98	7 %
30 STREET LIGHTING DEPARTMENT						
43000	Property Taxes Collected					
43000	Property Taxes Collected	199.72	2,288.57	101,367.00	99,078.43	2 %
	Account Group Total:	199.72	2,288.57	101,367.00	99,078.43	2 %
46000	Revenues & Interest					
46000	Revenues & Interest	0.00	4.49	0.00	-4.49	** %
46150	Miscellaneous Income	-100.00	0.00	0.00	0.00	** %
46151	Refund/Adjustments	0.00	57.90	0.00	-57.90	** %
	Account Group Total:	-100.00	62.39	0.00	-62.39	** %
	Fund Total:	99.72	2,350.96	101,367.00	99,016.04	2 %
40 WASTEWATER DEPARTMENT						
40000						
40900	Wastewater Sales	62,924.81	124,346.89	675,624.00	551,277.11	18 %
40910	Wastewater Late Charges	475.40	1,712.22	0.00	-1,712.22	** %
	Account Group Total:	63,400.21	126,059.11	675,624.00	549,564.89	19 %
43000	Property Taxes Collected					
43000	Property Taxes Collected	106.76	1,420.06	54,362.00	52,941.94	3 %
	Account Group Total:	106.76	1,420.06	54,362.00	52,941.94	3 %
46000	Revenues & Interest					
46000	Revenues & Interest	0.00	51.18	0.00	-51.18	** %
46100	Realized Earnings	0.00	1,335.27	0.00	-1,335.27	** %

Fund	Account	Received Current Month	Received YTD	Estimated Revenue	Revenue To Be Received	% Received
40 WASTEWATER DEPARTMENT						
46150	Miscellaneous Income	16.74	16.74	0.00	-16.74	** %
46151	Refund/Adjustments	0.00	661.78	0.00	-661.78	** %
	Account Group Total:	16.74	2,064.97	0.00	-2,064.97	** %
	Fund Total:	63,523.71	129,544.14	729,986.00	600,441.86	18 %
50 WATER DEPARTMENT						
41000 Water Sales						
41000	Water Sales	80,358.97	161,557.80	797,294.00	635,736.20	20 %
41005	Water Late Charges	12,760.74	35,056.42	0.00	-35,056.42	** %
41010	Water Meter Fees	0.00	-3,128.94	0.00	3,128.94	** %
	Account Group Total:	93,119.71	193,485.28	797,294.00	603,808.72	24 %
43000 Property Taxes Collected						
43000	Property Taxes Collected	0.00	0.00	19,950.00	19,950.00	0 %
	Account Group Total:	0.00	0.00	19,950.00	19,950.00	0 %
44000 Forestry & Fire Protection Reimbursement						
44005	State/Federal Grants	0.00	0.00	30,000.00	30,000.00	0 %
	Account Group Total:	0.00	0.00	30,000.00	30,000.00	0 %
46000 Revenues & Interest						
46000	Revenues & Interest	0.00	37.21	0.00	-37.21	** %
46150	Miscellaneous Income	16.74	16.74	0.00	-16.74	** %
46151	Refund/Adjustments	0.00	661.78	0.00	-661.78	** %
	Account Group Total:	16.74	715.73	0.00	-715.73	** %
	Fund Total:	93,136.45	194,201.01	847,244.00	653,042.99	23 %
60 SOLID WASTE DEPARTMENT						
46000 Revenues & Interest						
46005	Franchise Fees	3,221.94	8,736.14	32,323.00	23,586.86	27 %
	Account Group Total:	3,221.94	8,736.14	32,323.00	23,586.86	27 %
	Fund Total:	3,221.94	8,736.14	32,323.00	23,586.86	27 %
	Grand Total:	178,967.75	373,498.27	2,228,376.00	1,854,877.73	17 %

Fund Account	Object	Committed Current Month	Committed YTD	Original Appropriation	Current Appropriation	Available Appropriation	% Committed
20 FIRE PROTECTION DEPARTMENT							
62000 Fire							
62000 Fire							
	105 Salaries and Wages	5,557.75	17,856.60	66,000.00	66,000.00	48,143.40	27 %
	111 BOD Stipend	82.50	214.50	990.00	990.00	775.50	22 %
	120 Workers' Compensation	1,102.71	8,019.46	8,000.00	8,000.00	-19.46	100 %
	121 Physicals	0.00	0.00	2,500.00	2,500.00	2,500.00	0 %
	125 Volunteer firefighter stipends	0.00	11,753.70	72,000.00	72,000.00	60,246.30	16 %
	126 Strike Team Pay - VFF	0.00	3,538.56	100,000.00	100,000.00	96,461.44	4 %
	135 Payroll Tax - FICA	0.00	948.12	9,000.00	9,000.00	8,051.88	11 %
	140 Payroll Tax - Medicare	84.09	487.87	4,000.00	4,000.00	3,512.13	12 %
	155 Payroll Tax - SUI	0.00	531.82	5,000.00	5,000.00	4,468.18	11 %
	160 Payroll Tax - ETT	0.00	13.31	300.00	300.00	286.69	4 %
	165 Payroll Tax - FUTA	0.00	284.08	7,000.00	7,000.00	6,715.92	4 %
	205 Insurance - Health	81.45	244.42	800.00	800.00	555.58	31 %
	210 Insurance - Dental	21.26	63.79	600.00	600.00	536.21	11 %
	215 Insurance - Vision	3.42	10.22	100.00	100.00	89.78	10 %
	225 Retirement - PERS expense	124.13	430.35	1,600.00	1,600.00	1,169.65	27 %
	305 Operations and maintenance	198.59	893.69	6,000.00	6,000.00	5,106.31	15 %
	310 Phone and fax expense	0.00	0.00	800.00	800.00	800.00	0 %
	315 Postage, shipping and freight	29.55	29.55	100.00	100.00	70.45	30 %
	320 Printing and reproduction	0.00	105.98	200.00	200.00	94.02	53 %
	325 Professional svcs - Accounting	3,642.37	6,239.47	4,950.00	4,950.00	-1,289.47	126 %
	327 Professional svcs - Legal (General)	682.69	4,670.40	25,000.00	25,000.00	20,329.60	19 %
	328 Insurance - prop and liability	0.00	11,733.68	12,000.00	12,000.00	266.32	98 %
	331 Professional Services - Legal	0.00	0.00	8,250.00	8,250.00	8,250.00	0 %
	335 Meals - Reimbursement	0.00	50.01	600.00	600.00	549.99	8 %
	340 Meetings and conferences	0.00	0.00	500.00	500.00	500.00	0 %
	345 Mileage expense reimbursement	57.03	63.60	500.00	500.00	436.40	13 %
	350 Repairs and maint - computers	99.00	664.74	3,000.00	3,000.00	2,335.26	22 %
	351 Repairs and maint - equip	1,196.38	1,425.73	8,000.00	8,000.00	6,574.27	18 %
	352 Repairs and maint - structures	0.00	0.00	1,000.00	1,000.00	1,000.00	0 %
	354 Repairs and maint - vehicles	128.31	7,834.17	15,000.00	15,000.00	7,165.83	52 %
	370 Dispatch services (Fire)	0.00	10,355.38	8,000.00	8,000.00	-2,355.38	129 %
	375 Internet expenses	103.31	309.93	660.00	660.00	350.07	47 %
	376 Webpage- Upgrade/Maint	33.00	99.00	400.00	400.00	301.00	25 %
	380 Utilities - alarm service	0.00	0.00	200.00	200.00	200.00	0 %
	381 Utilities - electric	22.16	112.90	4,000.00	4,000.00	3,887.10	3 %
	382 Utilities - propane	0.00	0.00	450.00	450.00	450.00	0 %
	385 Dues and subscriptions	0.00	1,005.77	4,000.00	4,000.00	2,994.23	25 %
	386 Education and training	0.00	86.63	5,000.00	5,000.00	4,913.37	2 %
	393 Advertising and public notices	0.00	143.90	500.00	500.00	356.10	29 %
	394 LAFCO Allocations	0.00	965.41	1,010.00	1,010.00	44.59	96 %
	395 Community Outreach	0.00	0.00	1,500.00	1,500.00	1,500.00	0 %
	405 Software	0.00	0.00	1,500.00	1,500.00	1,500.00	0 %
	410 Office Supplies	0.00	62.11	400.00	400.00	337.89	16 %
	450 EMS supplies	0.00	0.00	3,500.00	3,500.00	3,500.00	0 %
	455 Fire Safety Gear & Equipment	0.00	884.53	10,000.00	10,000.00	9,115.47	9 %
	456 VFF Assistance Grant	0.00	4,679.49	40,000.00	40,000.00	35,320.51	12 %
	465 Cell phones, radios and pagers	40.80	81.60	500.00	500.00	418.40	16 %
	470 Communication equipment	0.00	0.00	3,000.00	3,000.00	3,000.00	0 %

Fund Account	Object	Committed Current Month	Committed YTD	Original Appropriation	Current Appropriation	Available Appropriation	% Committed
20 FIRE PROTECTION DEPARTMENT							
	475 Computer supplies and upgrades	0.00	24.88	3,000.00	3,000.00	2,975.12	1 %
	485 Fuel expense	1,175.21	1,800.71	6,500.00	6,500.00	4,699.29	28 %
	490 Small tools and equipment	0.00	0.00	3,500.00	3,500.00	3,500.00	0 %
	495 Uniform expense	157.46	548.12	3,500.00	3,500.00	2,951.88	16 %
	503 Weed Abatement Costs	0.00	0.00	3,200.00	3,200.00	3,200.00	0 %
	505 Fire Training Grounds	0.00	0.00	3,000.00	3,000.00	3,000.00	0 %
	510 Fire station addition	0.00	0.00	10,000.00	10,000.00	10,000.00	0 %
	710 County hazmat dues	0.00	2,000.00	2,000.00	2,000.00	0.00	100 %
	715 Licenses, permits and fees	0.00	200.00	800.00	800.00	600.00	25 %
	960 Property tax expense	0.00	0.00	400.00	400.00	400.00	0 %
	Account Total:	14,623.17	101,468.18	484,310.00	484,310.00	382,841.82	21 %
	Account Group Total:	14,623.17	101,468.18	484,310.00	484,310.00	382,841.82	21 %
	Fund Total:	14,623.17	101,468.18	484,310.00	484,310.00	382,841.82	21 %
30 STREET LIGHTING DEPARTMENT							
63000 Lighting							
63000 Lighting							
	105 Salaries and Wages	581.66	3,022.61	10,000.00	10,000.00	6,977.39	30 %
	111 BOD Stipend	15.00	39.00	180.00	180.00	141.00	22 %
	120 Workers' Compensation	1.55	37.22	200.00	200.00	162.78	19 %
	130 Payroll Tax - Fed W/H	0.00	0.00	500.00	500.00	500.00	0 %
	135 Payroll Tax - FICA	0.00	0.00	500.00	500.00	500.00	0 %
	140 Payroll Tax - Medicare	11.86	48.19	100.00	100.00	51.81	48 %
	155 Payroll Tax - SUI	0.00	0.00	100.00	100.00	100.00	0 %
	160 Payroll Tax - ETT	0.00	0.00	100.00	100.00	100.00	0 %
	165 Payroll Tax - FUTA	0.00	0.00	150.00	150.00	150.00	0 %
	205 Insurance - Health	63.60	208.15	500.00	500.00	291.85	42 %
	210 Insurance - Dental	5.82	18.15	75.00	75.00	56.85	24 %
	215 Insurance - Vision	0.92	2.88	20.00	20.00	17.12	14 %
	225 Retirement - PERS expense	34.05	196.93	500.00	500.00	303.07	39 %
	305 Operations and maintenance	8.25	24.75	2,000.00	2,000.00	1,975.25	1 %
	310 Phone and fax expense	0.00	0.00	120.00	120.00	120.00	0 %
	320 Printing and reproduction	0.00	0.00	100.00	100.00	100.00	0 %
	325 Professional svcs - Accounting	665.75	1,137.95	900.00	900.00	-237.95	126 %
	327 Professional svcs - Legal (General)	124.13	441.56	4,500.00	4,500.00	4,058.44	10 %
	328 Insurance - prop and liability	0.00	413.30	500.00	500.00	86.70	83 %
	331 Professional Services - Legal	0.00	0.00	1,500.00	1,500.00	1,500.00	0 %
	340 Meetings and conferences	0.00	0.00	350.00	350.00	350.00	0 %
	345 Mileage expense reimbursement	12.10	13.49	150.00	150.00	136.51	9 %
	350 Repairs and maint - computers	18.00	114.99	1,000.00	1,000.00	885.01	11 %
	351 Repairs and maint - equip	0.00	0.00	1,000.00	1,000.00	1,000.00	0 %
	353 Repairs & Maint- Infrastructure	0.00	0.00	24,000.00	24,000.00	24,000.00	0 %
	375 Internet expenses	0.00	0.00	120.00	120.00	120.00	0 %
	376 Webpage- Upgrade/Maint	6.00	18.00	100.00	100.00	82.00	18 %
	381 Utilities - electric	1,585.64	6,208.36	26,000.00	26,000.00	19,791.64	24 %
	382 Utilities - propane	0.00	0.00	100.00	100.00	100.00	0 %
	385 Dues and subscriptions	0.00	109.23	300.00	300.00	190.77	36 %

Fund Account	Object	Committed Current Month	Committed YTD	Original Appropriation	Current Appropriation	Available Appropriation	% Committed
30 STREET LIGHTING DEPARTMENT							
	386 Education and training	0.00	15.75	1,500.00	1,500.00	1,484.25	1 %
	393 Advertising and public notices	0.00	3.69	100.00	100.00	96.31	4 %
	394 LAFCO Allocations	0.00	175.53	200.00	200.00	24.47	88 %
	405 Software	0.00	0.00	500.00	500.00	500.00	0 %
	410 Office Supplies	0.00	11.29	0.00	0.00	-11.29	*** %
	465 Cell phones, radios and pagers	9.60	19.20	0.00	0.00	-19.20	*** %
	475 Computer supplies and upgrades	0.00	4.52	0.00	0.00	-4.52	*** %
	485 Fuel expense	0.00	0.00	100.00	100.00	100.00	0 %
	490 Small tools and equipment	0.00	0.00	1,000.00	1,000.00	1,000.00	0 %
	Account Total:	3,143.93	12,284.74	79,065.00	79,065.00	66,780.26	16 %
	Account Group Total:	3,143.93	12,284.74	79,065.00	79,065.00	66,780.26	16 %
	Fund Total:	3,143.93	12,284.74	79,065.00	79,065.00	66,780.26	16 %
40 WASTEWATER DEPARTMENT							
64000 Sanitary							
	64000 Sanitary						
	105 Salaries and Wages	10,631.31	41,074.73	163,500.00	163,500.00	122,425.27	25 %
	109 Stand-by Hours	698.50	2,175.58	7,500.00	7,500.00	5,324.42	29 %
	111 BOD Stipend	200.00	520.00	2,400.00	2,400.00	1,880.00	22 %
	120 Workers' Compensation	453.14	4,922.00	5,000.00	5,000.00	78.00	98 %
	135 Payroll Tax - FICA	0.00	2.57	0.00	0.00	-2.57	*** %
	140 Payroll Tax - Medicare	160.71	617.68	2,000.00	2,000.00	1,382.32	31 %
	155 Payroll Tax - SUI	0.00	1.66	1,500.00	1,500.00	1,498.34	0 %
	160 Payroll Tax - ETT	0.00	0.04	200.00	200.00	199.96	0 %
	165 Payroll Tax - FUTA	0.00	0.00	2,000.00	2,000.00	2,000.00	0 %
	205 Insurance - Health	1,324.27	3,989.58	25,000.00	25,000.00	21,010.42	16 %
	206 Insurance - CalPers Health Retiree	0.00	58.15	0.00	0.00	-58.15	*** %
	210 Insurance - Dental	83.68	255.26	1,000.00	1,000.00	744.74	26 %
	215 Insurance - Vision	13.49	41.12	200.00	200.00	158.88	21 %
	225 Retirement - PERS expense	1,295.54	4,324.57	12,250.00	12,250.00	7,925.43	35 %
	305 Operations and maintenance	147.50	1,372.15	6,000.00	6,000.00	4,627.85	23 %
	310 Phone and fax expense	82.65	248.09	1,200.00	1,200.00	951.91	21 %
	315 Postage, shipping and freight	250.00	1,254.19	3,000.00	3,000.00	1,745.81	42 %
	320 Printing and reproduction	35.73	164.33	600.00	600.00	435.67	27 %
	325 Professional svcs - Accounting	8,830.00	15,126.00	9,000.00	9,000.00	-6,126.00	168 %
	326 Professional svcs - Engineering	1,815.00	3,190.00	24,000.00	24,000.00	20,810.00	13 %
	327 Professional svcs - Legal (General)	1,655.02	6,043.92	30,000.00	30,000.00	23,956.08	20 %
	328 Insurance - prop and liability	0.00	8,260.99	8,400.00	8,400.00	139.01	98 %
	329 New Hire Screening	0.00	0.00	100.00	100.00	100.00	0 %
	330 Contract labor	575.00	1,075.00	5,000.00	5,000.00	3,925.00	22 %
	331 Professional Services - Legal	0.00	0.00	15,000.00	15,000.00	15,000.00	0 %
	335 Meals - Reimbursement	0.00	0.00	100.00	100.00	100.00	0 %
	340 Meetings and conferences	0.00	0.00	750.00	750.00	750.00	0 %
	345 Mileage expense reimbursement	138.24	154.16	500.00	500.00	345.84	31 %
	350 Repairs and maint - computers	240.00	1,533.15	3,000.00	3,000.00	1,466.85	51 %
	351 Repairs and maint - equip	0.00	0.00	21,000.00	21,000.00	21,000.00	0 %
	352 Repairs and maint - structures	0.00	0.00	1,500.00	1,500.00	1,500.00	0 %

Fund Account	Object	Committed Current Month	Committed YTD	Original Appropriation	Current Appropriation	Available Appropriation	% Committed
40 WASTEWATER DEPARTMENT							
353	Repairs & Maint- Infrastructure	0.00	180.00	3,000.00	3,000.00	2,820.00	6 %
354	Repairs and maint - vehicles	0.00	540.27	2,000.00	2,000.00	1,459.73	27 %
355	Testing & Supplies (WWTP)	356.00	356.00	12,000.00	12,000.00	11,644.00	3 %
375	Internet expenses	103.31	309.93	1,600.00	1,600.00	1,290.07	19 %
376	Webpage- Upgrade/Maint	80.00	240.00	0.00	0.00	-240.00	*** %
380	Utilities - alarm service	56.20	167.32	1,000.00	1,000.00	832.68	17 %
381	Utilities - electric	6,208.90	25,580.77	75,000.00	75,000.00	49,419.23	34 %
382	Utilities - propane	0.00	0.00	500.00	500.00	500.00	0 %
383	Utilities - trash	59.68	163.66	650.00	650.00	486.34	25 %
385	Dues and subscriptions	0.00	3,136.40	2,100.00	2,100.00	-1,036.40	149 %
386	Education and training	0.00	210.00	1,500.00	1,500.00	1,290.00	14 %
393	Advertising and public notices	0.00	49.20	600.00	600.00	550.80	8 %
394	LAFCO Allocations	0.00	2,340.38	2,440.00	2,440.00	99.62	96 %
395	Community Outreach	0.00	0.00	1,200.00	1,200.00	1,200.00	0 %
405	Software	0.00	0.00	6,100.00	6,100.00	6,100.00	0 %
410	Office Supplies	0.00	150.58	750.00	750.00	599.42	20 %
432	Utility Rate Design Study	0.00	2,836.85	0.00	0.00	-2,836.85	*** %
459	Scada - Maintenance Fees	0.00	54.81	1,000.00	1,000.00	945.19	5 %
465	Cell phones, radios and pagers	96.00	192.00	1,000.00	1,000.00	808.00	19 %
475	Computer supplies and upgrades	0.00	60.32	5,000.00	5,000.00	4,939.68	1 %
485	Fuel expense	396.17	520.29	5,500.00	5,500.00	4,979.71	9 %
490	Small tools and equipment	720.04	720.04	6,000.00	6,000.00	5,279.96	12 %
495	Uniform expense	140.70	140.70	750.00	750.00	609.30	19 %
500	Capital Outlay	0.00	44,825.40	0.00	0.00	-44,825.40	*** %
545	Sewer System Mngmt Plan (SSMP)	0.00	8,388.75	8,500.00	8,500.00	111.25	99 %
570	Repairs, Maint. and Video Sewer Lines	0.00	0.00	16,000.00	16,000.00	16,000.00	0 %
581	WWTP Expansion	0.00	2,582.50	45,000.00	45,000.00	42,417.50	6 %
582	WWTP Plant Maintenance	798.00	1,326.74	12,000.00	12,000.00	10,673.26	11 %
585	Sludge Removal Project	0.00	0.00	5,000.00	5,000.00	5,000.00	0 %
705	Waste Discharge Fees/Permits	0.00	0.00	20,000.00	20,000.00	20,000.00	0 %
715	Licenses, permits and fees	0.00	273.50	1,000.00	1,000.00	726.50	27 %
	Account Total:	37,644.78	191,751.33	588,890.00	588,890.00	397,138.67	33 %
	Account Group Total:	37,644.78	191,751.33	588,890.00	588,890.00	397,138.67	33 %
	Fund Total:	37,644.78	191,751.33	588,890.00	588,890.00	397,138.67	33 %

50 WATER DEPARTMENT

65000 Water

65000 Water

105	Salaries and Wages	12,130.48	44,602.27	163,500.00	163,500.00	118,897.73	27 %
109	Stand-by Hours	698.50	2,175.55	7,500.00	7,500.00	5,324.45	29 %
111	BOD Stipend	200.00	520.00	0.00	0.00	-520.00	*** %
120	Workers' Compensation	866.23	4,388.16	4,000.00	4,000.00	-388.16	110 %
135	Payroll Tax - FICA	0.00	2.57	0.00	0.00	-2.57	*** %
140	Payroll Tax - Medicare	180.20	665.35	2,500.00	2,500.00	1,834.65	27 %
155	Payroll Tax - SUI	0.00	1.66	1,500.00	1,500.00	1,498.34	0 %
160	Payroll Tax - ETT	0.00	0.04	200.00	200.00	199.96	0 %
165	Payroll Tax - FUTA	0.00	0.00	1,500.00	1,500.00	1,500.00	0 %

Fund Account	Object	Committed Current Month	Committed YTD	Original Appropriation	Current Appropriation	Available Appropriation	% Committed
50 WATER DEPARTMENT							
205	Insurance - Health	1,329.21	3,826.20	25,000.00	25,000.00	21,173.80	15 %
206	Insurance - CalPers Health Retiree	0.00	58.15	0.00	0.00	-58.15	*** %
210	Insurance - Dental	92.22	271.14	1,200.00	1,200.00	928.86	23 %
215	Insurance - Vision	14.84	43.69	200.00	200.00	156.31	22 %
225	Retirement - PERS expense	1,474.41	4,739.33	12,500.00	12,500.00	7,760.67	38 %
305	Operations and maintenance	295.50	813.82	8,000.00	8,000.00	7,186.18	10 %
310	Phone and fax expense	82.64	248.08	1,200.00	1,200.00	951.92	21 %
315	Postage, shipping and freight	250.00	1,254.19	3,000.00	3,000.00	1,745.81	42 %
320	Printing and reproduction	35.72	164.32	600.00	600.00	435.68	27 %
324	Professional Svcs- GSA-GSP	0.00	19,404.38	30,000.00	30,000.00	10,595.62	65 %
325	Professional svcs - Accounting	8,830.00	15,126.00	9,000.00	9,000.00	-6,126.00	168 %
326	Professional svcs - Engineering	1,815.00	2,970.00	25,000.00	25,000.00	22,030.00	12 %
327	Professional svcs - Legal (General)	2,783.16	14,100.26	40,000.00	40,000.00	25,899.74	35 %
328	Insurance - prop and liability	0.00	12,986.27	13,000.00	13,000.00	13.73	100 %
329	New Hire Screening	0.00	0.00	150.00	150.00	150.00	0 %
330	Contract labor	575.00	1,075.00	5,000.00	5,000.00	3,925.00	22 %
331	Professional Services - Legal	0.00	0.00	20,000.00	20,000.00	20,000.00	0 %
332	Professional Services - Legal	79,531.42	184,720.52	250,000.00	250,000.00	65,279.48	74 %
335	Meals - Reimbursement	38.12	38.12	200.00	200.00	161.88	19 %
340	Meetings and conferences	0.00	0.00	750.00	750.00	750.00	0 %
345	Mileage expense reimbursement	138.24	154.16	500.00	500.00	345.84	31 %
350	Repairs and maint - computers	240.00	1,533.15	5,000.00	5,000.00	3,466.85	31 %
351	Repairs and maint - equip	104.50	115.15	4,000.00	4,000.00	3,884.85	3 %
352	Repairs and maint - structures	138.04	138.04	1,500.00	1,500.00	1,361.96	9 %
353	Repairs & Maint- Infrastructure	388.46	1,495.20	30,000.00	30,000.00	28,504.80	5 %
354	Repairs and maint - vehicles	0.00	540.26	2,000.00	2,000.00	1,459.74	27 %
356	Testing & Supplies - Well #3 (Water)	315.33	673.76	2,500.00	2,500.00	1,826.24	27 %
357	Testing & Supplies - Well #4 (Water)	90.33	300.76	2,500.00	2,500.00	2,199.24	12 %
358	Testing & Supplies- SLT Well (Water)	358.34	1,119.64	5,000.00	5,000.00	3,880.36	22 %
359	Testing & Supplies-Other	370.00	1,599.71	5,000.00	5,000.00	3,400.29	32 %
362	Cross-Connection Control Svcs.	0.00	202.80	1,000.00	1,000.00	797.20	20 %
375	Internet expenses	103.32	309.96	1,600.00	1,600.00	1,290.04	19 %
376	Webpage- Upgrade/Maint	80.00	240.00	960.00	960.00	720.00	25 %
380	Utilities - alarm service	56.20	167.33	1,000.00	1,000.00	832.67	17 %
381	Utilities - electric	4,529.11	18,028.46	40,000.00	40,000.00	21,971.54	45 %
382	Utilities - propane	0.00	0.00	500.00	500.00	500.00	0 %
383	Utilities - trash	59.68	163.66	650.00	650.00	486.34	25 %
385	Dues and subscriptions	0.00	3,136.40	3,900.00	3,900.00	763.60	80 %
386	Education and training	0.00	875.00	2,500.00	2,500.00	1,625.00	35 %
393	Advertising and public notices	0.00	49.20	600.00	600.00	550.80	8 %
394	LAFCO Allocations	0.00	2,340.38	2,440.00	2,440.00	99.62	96 %
395	Community Outreach	0.00	0.00	1,200.00	1,200.00	1,200.00	0 %
405	Software	0.00	0.00	6,100.00	6,100.00	6,100.00	0 %
410	Office Supplies	0.00	194.96	500.00	500.00	305.04	39 %
415	Office Equipment	0.00	0.00	1,500.00	1,500.00	1,500.00	0 %
431	SLT Blending Line - CDBG Project	990.00	1,210.00	0.00	0.00	-1,210.00	*** %
432	Utility Rate Design Study	0.00	2,836.85	0.00	0.00	-2,836.85	*** %
459	Scada - Maintenance Fees	0.00	54.81	1,000.00	1,000.00	945.19	5 %
465	Cell phones, radios and pagers	93.60	187.20	0.00	0.00	-187.20	*** %
475	Computer supplies and upgrades	0.00	60.32	5,000.00	5,000.00	4,939.68	1 %

Fund Account	Object	Committed Current Month	Committed YTD	Original Appropriation	Current Appropriation	Available Appropriation	% Committed
50 WATER DEPARTMENT							
	481 Chemicals- Well #3	0.00	1,168.05	3,000.00	3,000.00	1,831.95	39 %
	482 Chemicals-Well #4	0.00	1,297.72	3,000.00	3,000.00	1,702.28	43 %
	483 Chemicals-SLT Well	0.00	356.25	1,500.00	1,500.00	1,143.75	24 %
	485 Fuel expense	396.16	520.27	4,000.00	4,000.00	3,479.73	13 %
	490 Small tools and equipment	0.00	0.00	6,000.00	6,000.00	6,000.00	0 %
	495 Uniform expense	140.70	140.70	750.00	750.00	609.30	19 %
	520 Water Main Valves Replacement	0.00	0.00	5,000.00	5,000.00	5,000.00	0 %
	525 Water meter replacement	2,500.25	5,000.50	15,000.00	15,000.00	9,999.50	33 %
	535 Water Lines Repairs	160.88	1,331.86	30,000.00	30,000.00	28,668.14	4 %
	605 USDA Loan Payment	0.00	-65,995.33	67,000.00	67,000.00	132,995.33	-99 %
	715 Licenses, permits and fees	0.00	76.50	7,000.00	7,000.00	6,923.50	1 %
	930 Interest Fees	0.00	49,755.52	0.00	0.00	-49,755.52	*** %
	Account Total:	122,475.79	345,574.27	896,200.00	896,200.00	550,625.73	39 %
	Account Group Total:	122,475.79	345,574.27	896,200.00	896,200.00	550,625.73	39 %
	Fund Total:	122,475.79	345,574.27	896,200.00	896,200.00	550,625.73	39 %
60 SOLID WASTE DEPARTMENT							
65000 Water							
	65000 Water						
	385 Dues and subscriptions	0.00	18.20	0.00	0.00	-18.20	*** %
	Account Total:	0.00	18.20	0.00	0.00	-18.20	*** %
	Account Group Total:	0.00	18.20	0.00	0.00	-18.20	*** %
66000 SOLID WASTE							
	66000 SOLID WASTE						
	105 Salaries and Wages	3.50	211.26	4,500.00	4,500.00	4,288.74	5 %
	110 Payroll tax expense	0.00	0.00	400.00	400.00	400.00	0 %
	111 BOD Stipend	2.50	6.50	30.00	30.00	23.50	22 %
	120 Workers' Compensation	0.25	6.20	100.00	100.00	93.80	6 %
	140 Payroll Tax - Medicare	0.05	3.03	400.00	400.00	396.97	1 %
	165 Payroll Tax - FUTA	0.00	0.00	50.00	50.00	50.00	0 %
	205 Insurance - Health	0.50	19.81	500.00	500.00	480.19	4 %
	210 Insurance - Dental	0.02	0.66	50.00	50.00	49.34	1 %
	215 Insurance - Vision	0.00	0.10	0.00	0.00	-0.10	*** %
	225 Retirement - PERS expense	0.44	17.17	500.00	500.00	482.83	3 %
	305 Operations and maintenance	1.38	4.14	200.00	200.00	195.86	2 %
	310 Phone and fax expense	0.00	0.00	25.00	25.00	25.00	0 %
	320 Printing and reproduction	0.00	0.00	50.00	50.00	50.00	0 %
	325 Professional svcs - Accounting	106.88	185.58	150.00	150.00	-35.58	124 %
	327 Professional svcs - Legal (General)	20.68	217.59	5,750.00	5,750.00	5,532.41	4 %
	328 Insurance - prop and liability	0.00	68.89	100.00	100.00	31.11	69 %
	331 Professional Services - Legal	0.00	0.00	250.00	250.00	250.00	0 %
	340 Meetings and conferences	0.00	0.00	200.00	200.00	200.00	0 %
	345 Mileage expense reimbursement	0.00	0.00	50.00	50.00	50.00	0 %
	350 Repairs and maint - computers	3.00	19.15	50.00	50.00	30.85	38 %
	375 Internet expenses	0.00	0.00	25.00	25.00	25.00	0 %
	376 Webpage- Upgrade/Maint	1.00	3.00	15.00	15.00	12.00	20 %

Fund Account	Object	Committed Current Month	Committed YTD	Original Appropriation	Current Appropriation	Available Appropriation	% Committed
60 SOLID WASTE DEPARTMENT							
	382 Utilities - propane	0.00	0.00	50.00	50.00	50.00	0 %
	384 Trash Recepticles	0.00	0.00	2,000.00	2,000.00	2,000.00	0 %
	385 Dues and subscriptions	0.00	0.00	50.00	50.00	50.00	0 %
	386 Education and training	0.00	2.63	250.00	250.00	247.37	1 %
	393 Advertising and public notices	0.00	0.61	500.00	500.00	499.39	0 %
	394 LAFCO Allocations	0.00	29.25	0.00	0.00	-29.25	*** %
	405 Software	0.00	0.00	50.00	50.00	50.00	0 %
	410 Office Supplies	0.00	1.88	0.00	0.00	-1.88	*** %
	475 Computer supplies and upgrades	0.00	0.76	0.00	0.00	-0.76	*** %
	Account Total:	140.20	798.21	16,295.00	16,295.00	15,496.79	5 %
	Account Group Total:	140.20	798.21	16,295.00	16,295.00	15,496.79	5 %
	Fund Total:	140.20	816.41	16,295.00	16,295.00	15,478.59	5 %
	Grand Total:	178,027.87	651,894.93	2,064,760.00	2,064,760.00	1,412,865.07	32 %

10/11/18
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SAN MIGUEL COMMUNITY SERVICES DISTRICT
Statement of Revenue Budget vs Actuals
For the Accounting Period: 9 / 18

Page: 1 of 1
Report ID: B110F

Fund	Received Current Month	Received YTD	Estimated Revenue	Revenue To Be Received	% Received
20 FIRE PROTECTION DEPARTMENT	18,985.93	38,666.02	517,456.00	478,789.98	7 %
30 STREET LIGHTING DEPARTMENT	99.72	2,350.96	101,367.00	99,016.04	2 %
40 WASTEWATER DEPARTMENT	63,523.71	129,544.14	729,986.00	600,441.86	18 %
50 WATER DEPARTMENT	93,136.45	194,201.01	847,244.00	653,042.99	23 %
60 SOLID WASTE DEPARTMENT	3,221.94	8,736.14	32,323.00	23,586.86	27 %
Grand Total:	178,967.75	373,498.27	2,228,376.00	1,854,877.73	17 %

Fund	Amount
20 FIRE PROTECTION DEPARTMENT	5,969.93
30 STREET LIGHTING DEPARTMENT	719.61
40 WASTEWATER DEPARTMENT	13,967.87
50 WATER DEPARTMENT	15,715.94
60 SOLID WASTE DEPARTMENT	4.51
Total for all Funds	36,377.86

***NOTE: Before sending the Payroll Summary Journal voucher to the Finance Application, please verify that the total of each of these three reports match: Cash Report, Payroll Summary (Gross pay + employer contributions), Payroll Expenditure Detail. There are a few exceptions to this: 1. Advances that Cross Periods; 2. WC Discount; 3. Prior Period Checks Cancelled in this Period; 4. Local Deductions with Receipt Accounting set up.



San Miguel Community Services District

Board of Directors Staff Report

October 25th, 2018

AGENDA ITEM: XI -3

SUBJECT: Review and approve Resolution 2018-34 authorizing changes to the job descriptions for Utility Worker, Operator and Supervisor and changes to the overall compensation schedule for hourly utility positions as well as correction to current employee step placement.

RECOMMENDATION: Approve Resolution 2018-34 authorizing changes to the job descriptions for Utility Worker, Operator and Supervisor and changes to the overall compensation schedule for hourly utility positions as well as correction to current employee step placement. Resulting in an approximate \$1601.60 increase to Utility payroll.

As the District moves forward with the wastewater treatment facility expansion and the water and wastewater systems continue to grow the District will need to hire additional personnel to maintain the infrastructure, production and treatment facilities. The District is currently trying to hire a utility worker which is proving difficult at the rates previously established by the Board. In the next 1-2 years we will need to have another utility operator hired who holds at least a grade 2 wastewater license but will probably need a grade 3 wastewater license, attracting a qualified operator at a grade 3 level with our current rates will be extremely difficult.

JOB DESCRIPTIONS

To clarify and cleanup the job descriptions for Utility Worker, Operator, and Supervisor positions, staff is proposing minor changes to the duties, clarification to the supervision of each position, clarification to required licensing, education, work experience, general duties and general cleanup of typos, grammar, and format.

The job description body will remain largely the same but the clarifications and other “cleanup” need to be done prior to advertising for, or hiring, additional operators. So that there isn’t confusion or conflict in the future.

The Board should review and provide comments on the Job Descriptions as presented so that we can move forward with the revisions.

COMPENSATION SCHEDULE

In May of 2017 the board approved a slight increase to the operator pay schedule to attract an operator to replace the operator who had separated from the District. At that time, we had several applications of prospective operators, but most turned down offers due to the pay rate.

We are again requesting an increase for pay within the utilities classifications. With the clarification to the Job Descriptions and an increase to all the utility positions, the District will be in a better position to earn the interest of more qualified individuals as we search for additional operators and workers going forward.

Due to the overall size of the District we are not able to offer the same pay as our most direct competition, the County of San Luis Obispo. However, with the proposed increases the District will be able to offer a fair wage for the licensing which is required. A competitive rate will also help retain operators as they move up the ladder. The additional cost in wages will overtime balance out with the turnover and retraining of employees.

Currently there is only one affected utility position, Operator 1, for which a change will be required. The current operator is at step four and if the changes are approved would receive a \$0.77 increase and be moved to step one to align with the revised rates. This will result in an approximate \$1800 increase in payroll split between water and wastewater.

The changes shown in the compensation schedule are as outlined below;

- All positions are full time – based on 2080 straight time hours
- Five steps per position
- Utility worker step one rate of \$16.00
- 20% increase between step five of the utility worker and step one of the Operator 1
- 5% increase from one step to the next in all positions
- Step one of Operator 2 is 5% more than Step four of Operator 1
- Step one of Operator 3 is 5% more than Step four of Operator 2
- Step one of Supervisor of 5% more than Step four of operator 3
- For all utility positions the required licensing is now shown on the compensation schedule

The highlighted rows on the compensation schedule are what is proposed, the other rows are what was approved by the Board at the May 2017 meeting.

The proposed increases will bring the District closer to our competition and hopefully attract qualified operators.

It is important to note that staff is planning for the future, there are currently three authorized utility positions, one of which is vacant. The worker position is vacant and currently out for applications.

The District will need to prepare to hire a utility operator 2 or 3 within the next 1-2 years so that they can be up to speed on the treatment plant before it is operational. If we promote our current operator 1 to an operator 2 or 3 then we will need to replace him with a new operator 1.

Currently staff is projecting a need for at least one additional operator with a grade 2 or 3 wastewater license. Depending on the final design and needs of the wastewater treatment facility additional operators may be necessary.

FISCAL IMPACT

Job Description

There are no additional costs associated with the revisions to the job descriptions. No current employees will be affected by the changes within the job descriptions.

Compensation Schedule

Although there will be additional wages paid over time as employees promote or receive step increases. There will be minimal impact at this time, approximately \$1,601.60 in annual payroll not including benefits.

If approved the following changes would take effect for the current staff based on current step status.

The current operator 1 would move from step 4 of the current rate to step one of the revised compensation schedule which would result in a \$0.77 increase in hourly pay (\$1,601.60 annually)

The additional funds for the step change and pay increase is within the current budget. No additional budget adjustments would be needed for these changes

PREPARED BY:

Kelly Dodds _____

Kelly Dodds, Director of Utilities

Attachment:

Resolution 2018-34

Job descriptions (worker, operator, supervisor)

Compensation schedule

RESOLUTION NO. 2018-34

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SAN MIGUEL COMMUNITY SERVICES DISTRICT REVISING THE DISTRICT'S JOB
DESCRIPTIONS FOR UTILITY POSITIONS AND REVISING THE COMPENSATION
STEP SCHEDULE (Appendix A) FOR ALL HOURLY UTILITY POSITIONS.**

WHEREAS, San Miguel Community Services District (“District”) maintains job descriptions and compensation schedules for all positions within the District; and

WHEREAS, the District needs to revise the Job Descriptions from time to time to maintain currency with District operations; and

WHEREAS, the Board of Directors recognizes the need to maintain reasonably competitive wages for its employees through revisions to its Compensation Schedule; and

WHEREAS, the Board of Directors authorizes staff to revise the District policies with the Job Descriptions and Compensation schedule as outlined in these exhibits; and

NOW THEREFORE, BE IT RESOLVED, the Board does, hereby, adopt this Resolution revising the Job Descriptions for all hourly utility Positions, and the Compensation Step Schedule for all hourly utility positions, attached hereto as Appendix A.

BE IT FURTHER RESOLVED, the Board does, hereby, authorize District staff to adjust effected employees pay step within their classification so that they will not suffer a loss in rate of pay as a result of the changes in the compensation schedule.

On the motion of Director _____, seconded by Director _____ and on the following roll call vote, to wit:

- AYES:**
- NOES:**
- ABSENT:**
- ABSTAINING:**

the foregoing Resolution is hereby passed and adopted this 25th day of October 2018.

John Green, President
Board of Directors

ATTEST:

APPROVED AS TO FORM:

Rob Roberson, General Manager

Douglas L. White, District General
Counsel

APPENDIX "A" - COMPENSATION STEP SCHEDULE Proposed changes 10-25-2018

CLASSIFICATION	TYPE	Step 1	STEP 2	STEP 3	STEP 4	STEP 5	at step 1	at step 5	BARGAINING UNIT	REQUIRED LICENSES
Administrative										
Account Clerk 1/Accounting	hourly	\$14.99	\$15.74	\$16.53	\$17.35	\$18.22	\$31,179	\$37,899	NM-NC	
Account Clerk 2/Operations Coordinator	hourly	\$18.22	\$19.13	\$20.09	\$21.09	\$22.15	\$37,899	\$46,066	NM-C	
Bookkeeper/Accounting	hourly	\$21.09	\$22.15	\$23.26	\$24.42	\$25.44	\$43,867	\$52,915	NM-C	
Accountant (vacant)	hourly	\$18.23	\$19.14	\$20.10	\$21.11	\$22.16	\$37,924	\$46,097	M-C	
Utility										
Utility Worker	hourly	\$12.75	\$13.39	\$14.06	\$14.76	\$15.50	\$26,520	\$32,235	NM-NC	
Utility Worker PROPOSED	hourly	\$16.00	\$16.80	\$17.64	\$18.52	\$19.45	\$33,280	\$40,452	NM-NC	WWOIT
Utility Operator 1	hourly	\$19.50	\$20.48	\$21.50	\$22.57	\$23.70	\$40,560	\$49,301	NM-NC	
Utility Operator 1 PROPOSED	hourly	\$23.34	\$24.50	\$25.73	\$27.02	\$28.37	\$48,542	\$59,004	NM-NC	D1, WW1
Utility Operator 2	hourly	\$23.70	\$24.89	\$26.13	\$27.44	\$28.81	\$49,296	\$59,920	NM-NC	
Utility Operator 2 PROPOSED	hourly	\$27.02	\$28.37	\$29.79	\$31.27	\$32.84	\$56,194	\$68,304	NM-NC	D2, T1, WW2
Utility Operator 3	hourly	\$28.81	\$30.25	\$31.76	\$33.35	\$35.02	\$59,925	\$72,839	NM-NC	
Utility Operator 3 PROPOSED	hourly	\$31.27	\$32.84	\$34.48	\$36.20	\$38.01	\$65,052	\$79,071	NM-NC	D2, T2, WW2
Utility Crew Supervisor	hourly	\$36.77	\$38.61	\$40.54	\$42.57	\$44.69	\$76,482	\$92,964	NM - C	
Utility Supervisor PROPOSED	hourly	\$36.20	\$38.01	\$39.92	\$41.91	\$44.01	\$75,305	\$91,534	NM - C	D3, T2, WW3, BTC, CM1
Contractual										
General Manager	(contract)								N/A	
Fire Chief	(contract)								N/A	
Asst Fire Chief	(contract)								N/A	
Board Clerk/Accounts Manager	(contract)								N/A	
Director of Utilities	(contract)								N/A	D3, T2, WW3, BTC, CM1



DEPARTMENT: Utility Operations

TITLE: UTILITY OPERATION SUPERVISOR

REPORTS TO: ~~General Manager~~ Director of Utilities

FLSA: Non-management, non-exempt

CONFIDENTIAL: Yes

SUPERVISORY RESPONSIBILITIES

DIRECT: Yes*

INDIRECT: None

* ~~Utility Operations Supervisor~~ serves as a crew leader & provides on-site work direction and technical guidance to ~~Utility Operator III, II, and I, and Utility Worker.~~

MINIMUM QUALIFICATION REQUIREMENTS General Duties

Under general direction of the ~~General Manager~~ Director of Utilities, the ~~Utility Operations Supervisor~~ assigns reviews and evaluates the work of all field personnel in the operation, installation, maintenance, and repair of a .2-5 MGD Wastewater ~~treatment Treatment plant~~ Facility, water distribution and treatment systems, wastewater collection system, district lighting facilities, solid waste facilities and all other district facilities and equipment. ~~Unless required by law, experience and education may be substituted for each other upon approval by the General Manager or their designee.~~

SPECIAL REQUIREMENTS:

Required: Possession of a ~~California State~~ SWRCB Wastewater Grade ~~1-3~~ certification, ~~California Department of Public Health~~ SWRCB Grade ~~2-3~~ in Water Distribution and Grade 2 in Water Treatment at time of ~~hire-date~~ appointment or an equivalent combination of education and experience sufficient to successfully perform duties of the position as determined by the Director of Utilities. Must maintain a Backflow tester certificate through either AWWA or ABPA. CWEA certification in collection system maintenance Grade 1 or higher. Possession of a valid California Driver's License Class C is required. A California Commercial class A or B ~~Drivers~~ Driver's License is required. Certification or other proof of formal training in water or wastewater fields, including automatic valves, pumps and safety is desirable. ~~Unless required by law, experience and education may be substituted for each other upon approval by the General Manager~~ Director of Utilities or their designee.

Standard First Aid and CPR certifications are required within 3 months of hire.

EDUCATION: Minimum of a high school education. A BS degree or an AA/ AS degree in Water / ~~wastewater or related~~ Utility Science or related field is ~~preferred~~ desirable. Must have a minimum of four years of increasingly responsible experience in the construction, operation and maintenance of water/ wastewater facilities including at least 2 years in a supervisory role.

EXPERIENCE:

Must have the knowledge of methods, tools, and materials used in the water and wastewater fields, including knowledge of the processes involved with the distribution and treatment of potable water and the collection and treatment of wastewater, including applicable State and Federal regulations.

Must have the ability to plan, supervise and evaluate the District field operations. Oversee and perform repair of motors, pumps, controls, electrical equipment, chlorination equipment, instrument calibration, various materials used in repair and operation;

Knowledge of safe work practices, including procedures for chlorine related emergencies and entry of confined work spaces where gases may be present; preventative maintenance and light repair of all types of equipment and of vehicles; use of a variety of tools, equipment, and machinery with skill and accuracy.

Knowledge of computer programs and SCADA for treatment, operation and maintenance is required. ~~Able to~~Able to effectively utilize a personal computer and peripherals

Supervise, train and direct others; maintain work schedules, operational logs,

Prepares and files reports as required to state and federal authorities,

Coordinates with vendors and contractors;
Investigate and resolve public complaints;
Maintain inventory of supplies; perform occasional heavy labor lifting,

Communicate well both verbally and in writing; keep the Manager informed of pertinent matters; supervise, train and direct others; maintain work schedules, operational logs, file reports as required to state authorities, coordinate with vendors and contractors; investigate and resolve public complaints; maintain inventory of supplies; perform occasional heavy labor lifting,

~~This position~~This position requires the ability to be “on-call”, work alternative work schedules as needed and work evenings, weekends, and Holidays.

CONTACT RESPONSIBILITY

INTERNAL: Interaction with ~~General Manager~~Director of Utilities and District personnel to receive specific work assignments and review results; ~~SMCSD personnel to~~ discuss and resolve technical issues; front desk and customer service personnel to coordinate assignments; all other District personnel as required.

EXTERNAL: Interaction with general public to answer basic questions during the course of carrying out the work assignment; vendors to obtain parts and supplies; and emergency service personnel as required.

(continued on next page)

PHYSICAL REQUIREMENTS

Active physical work without prolonged heavy exertion, but with continuous exposure to unpleasant elements such as dust, mud, fumes, odors, dampness, raw or treated sewage, noise levels, or outside weather conditions. On feet most of the time involving bending, stooping, squatting, twisting, reaching, working on irregular surfaces; walk long distances, climb hills and ladders, frequent lifting of objects up to 50 lbs, may on an infrequent basis assist with lifting up to 100 pounds, with occasional lifting of objects weighing over 100 lbs; good hearing, eyesight and speech capabilities. Must be able to wear appropriate hearing, eye, respiratory safety equipment.

ENVIRONMENTAL CONDITIONS

When working outdoors, work is performed in all types of weather. Subject to: noisy conditions, odors, contact with animals and insects, hazardous traffic conditions, confined spaces, variable weather conditions, possible exposure to heavy equipment, dust, and fumes. Wear protective clothing as required.

When working indoors, work is performed in an office environment with lighting and ventilation. Subject to conversational noise from other personnel within the facility; standard background noise found in an office environment and exposure to a computer screen. Appropriate personal safety equipment is provided.

DETAILED DUTIES AND RESPONSIBILITIES - ESSENTIAL FUNCTIONS

This at will position responsibilities include performing construction, installation and maintenance work on pipelines and rights of way, buildings and grounds, valves, pumps, meters, tanks, hydrants, telemetry, cathodic protection and related equipment. A working knowledge and understanding of District safety rules and regulations, as well as active participation in the District safety program is necessary.

The ability to interact successfully in a team environment; support of the District Strategic Plan and Mission statement; and an ability to work independently with a clear understanding of goals and objectives are essential. Excellent verbal and written communication skills and stable, reliable attendance are required.

Supervises the day-to-day operations as well as emergency operations of the District's water, wastewater and lighting facilities and systems

Ensures that operations and personnel are sufficient to accomplish daily operations and ensures District complies with state and federal requirements relative to drinking water and wastewater including treatment, testing, monitoring, and reporting;

Reads and interprets plans and specifications; Performs inspection of private construction of water/wastewater facilities; assures that vehicles, equipment and facilities are maintained in proper working order;

Evaluates daily work load and determines priorities subject to approval of the Manager, may operate water/wastewater facilities and related District equipment, consults with the General Manager on general priorities, plans and policies

Recommends and submits projects for possible inclusion in the annual budget;

Coordinates work with other county, state and federal agencies;

Resolves complaints and problems;

Evaluates performance of subordinates; conducts training programs; and requisitions parts and supplies, and performs additional duties as needed. (Examples listed may not cover all duties that may be performed.)

Following tasks are typical for this classification. Incumbents may not regularly perform all of the listed duties and/or may be required to perform additional or different duties set forth below to address business or staffing needs and changing business practices as defined by the General Manager.

% TIME TASKS

15%

Supervises the day-to-day utility operations as well as emergency operations of District's water, wastewater and lighting systems and facilities

Serves as Crew Leader at the site providing work direction and technical instruction to other Utility crew personnel:

- Acts independently using sound judgment.
- Inspects work results performed by Utility crew personnel.
- Prepares/inspects equipment and obtains required permits.
- Responds to department personnel issues using sound judgment.
- Organizes labor resources effectively, providing input and recommendations, as directed by General Manager, for personnel evaluations and documentation of performance; and assures training is completed.

5%

Performs administrative work as required:

- Prepares or assists in the preparation of all required paperwork to document work performed at the job site.
- Professionally represents the District, attends meetings and prepares reports to Board
- Responds to emergency situations using sound judgment.
- Assures operations within budgetary guidelines.

5%

Participate in training on all procedures, safety, use and operation of equipment, machinery and vehicles.

65%

Utilizes the skills of carpentry, painting, plumbing, plastering, welding, cement finishing, masonry and similar skills, performs the following:

- Laying and joining pipe.
- Breaking out pavement for installations.
- Maintenance/repair of mains and services.
- Repairing land areas for planting.
- Installation and maintenance of customer meters.
- Performs routine maintenance on District equipment and facilities.
- Operates a variety of equipment in the course of the above including backhoe, earthmover, ~~trucks,~~ ~~compressorstrucks,~~ ~~compressors,~~ pneumatic hammers, drills and related machinery, welders, hand tools and similar equipment.
- Administers, tests, and maintains District's backflow system.

DETAILED DUTIES AND RESPONSIBILITIES - NON-ESSENTIAL FUNCTIONS

10%

Performs all related duties as assigned.

(continued on next page)



DEPARTMENT: Utility Operations

TITLE: UTILITY ~~LEVELS-OPERATOR~~ I, II AND III

REPORTS TO: ~~Director of Utilities,~~ Utility Operations-Supervisor

FLSA: Non-exempt

CONFIDENTIAL: No

SUPERVISORY RESPONSIBILITIES

DIRECT: None*

INDIRECT: None

* Utility III serves as a crew leader & provides on-site work direction and technical guidance to Utility II and I.

MINIMUM QUALIFICATION REQUIREMENTS

Unless required by law, experience and education may be substituted for each other upon approval by the General Manager or their designee. Certifications required by law for the position must be obtained within first year in the position. A State of California Water Distribution Operator D1 and Wastewater Treatment Operator; ~~Grade 1~~ OIT certification is required by law for these positions.

EDUCATION: High School diploma or equivalent; valid California driver's license and proof of insurability;

Standard First Aid and CPR certifications are required- within 3 months of hire.

EXPERIENCE:

Level I: Minimum of one year of experience laying pipe and related materials. Basic familiarity with the following: electrical, plumbing, welding, heavy equipment operation, and landscaping. Comprehensive knowledge of, and experience in, the use of hand tools. A valid California Class "C" driver's license is required. Must obtain Water Operator D1 certification within a year of hire date and Wastewater OIT within 30 days of hire.

Level II: In addition to Level I requirements, a valid California Class "A or B" driver's license and Water Technology Certification are desirable. A minimum of three years of experience working in water operations and maintenance; demonstrated comprehension of District rules and regulations, California and Federal OSHA requirements and their application; ability to safely operate all construction related vehicles and equipment; ability to effectively utilize a personal computer and peripherals; and a ~~State of California~~ SWRCB Water Treatment Grade 1, Distribution Operator ~~D2~~ Grade 2 and Wastewater ~~treatment~~ Treatment Grade 1 certifications are required.

Level III: In addition to Level II requirements, a thorough knowledge of departmental procedures; the successful completion of a course of instruction on lead or supervisory duties at a journey level; proven ability to organize and manage competing priorities; skilled in personal computer and peripherals operations and use; and a ~~State of California~~ SWRCB Water Distribution Operator ~~D2~~ Grade 2, Water Treatment Grade 2 and Wastewater ~~treatment~~ Treatment Grade ~~2-2~~ 2-2 certifications are required. A valid California Class "A or B" driver's license is required. Must obtain and maintain a Backflow tester certificate through either AWWA or ABPA within 1 year of appointment to operator 3. CWEA certification in collection system maintenance Grade 1 or higher.

These positions require the ability to be "on-call", work alternative work schedules as needed and work evenings, weekends, and Holidays.

CONTACT RESPONSIBILITY

INTERNAL: Interaction with Director of Utilities, Utility Supervisor or Utility III to receive specific work assignments and review results; SMCSO personnel to discuss and resolve technical issues; front desk and customer service personnel to coordinate assignments; all other District personnel as required.

EXTERNAL: Interaction with general public to answer basic questions during the course of carrying out the work assignment; vendors to obtain parts and supplies; and emergency service personnel as required.

(continued on next page)

PHYSICAL REQUIREMENTS

Active physical work without prolonged heavy exertion, but with continuous exposure to unpleasant elements such as dust, mud, fumes, odors, dampness, raw or treated sewage, noise levels, or outside weather conditions. On feet most of the time involving bending, stooping, squatting, twisting, reaching, working on irregular surfaces; walk long distances, climb hills and ladders, frequent lifting of objects up to 50 lbs, may on an infrequent basis assist with lifting up to 100 pounds, with occasional lifting of objects weighing over 100 lbs; good hearing, eyesight and speech capabilities. Must be able to wear appropriate hearing, eye, respiratory safety equipment.

ENVIRONMENTAL CONDITIONS

When working outdoors, work is performed in all types of weather. Subject to: noisy conditions, odors, contact with animals and insects, hazardous traffic conditions, confined spaces, variable weather conditions, possible exposure to heavy equipment, dust, and fumes. Wear protective clothing as required.

When working indoors, work is performed in an office environment with lighting and ventilation. Subject to conversational noise from other personnel within the facility; standard background noise found in an office environment and exposure to a computer screen. Appropriate personal safety equipment is provided.

DETAILED DUTIES AND RESPONSIBILITIES - ESSENTIAL FUNCTIONS

This at will position responsibilities include performing construction, installation and maintenance work on pipelines and rights of way, buildings and grounds, valves, pumps, meters, tanks, hydrants, telemetry, cathodic protection and related equipment. A working knowledge and understanding of District safety rules and regulations, as well as active participation in the District safety program are necessary.

The ability to interact successfully in a team environment; support of the District Strategic Plan and Mission statement; and an ability to work independently with a clear understanding of goals and objectives are essential. Excellent verbal and written communication skills and stable, reliable attendance are required.

Following tasks are typical for this classification. Incumbents may not regularly perform all of the listed duties and/or may be required to perform additional or different duties set forth below to address business or staffing needs and changing business practices as defined by the General Manager.

% TIME TASKS**LEVEL****I II III****0 5% 25%**

Serve as Crew Leader at the site providing work direction and technical instruction to other Utility personnel:

- Acts independently using sound judgment.
- Inspects work results performed by Utility personnel.
- Prepares/inspects equipment and obtains required permits.
- Responds to department personnel issues using sound judgment.
- Supervises labor resources effectively, providing input and recommendations for evaluations and documentation of performance; and assures training is completed.

5% 5% 10%

Performs administrative work as required:

- Prepares or assists in the preparation of all required paperwork to document work performed at the job site.
- Professionally represents the District
- Responds to emergency situations using sound judgment.
- Assures operations within budgetary guidelines.

15% 10% 5%

Participate in training on all procedures, safety, use and operation of equipment, machinery and vehicles.

70% 70% 50%

Utilizes the skills of carpentry, painting, plumbing, plastering, welding, cement finishing, masonry and similar skills, performs the following:

- Laying and joining pipe.
 - Breaking out pavement for installations.
 - Maintenance/repair of mains and services.
 - Repairing land areas for planting.
 - Installation and maintenance of customer meters.
 - Performs routine maintenance on District equipment and facilities.
 - Operates a variety of equipment in the course of the above including backhoe, earthmover, ~~trucks,~~ ~~compressors~~trucks, compressors, pneumatic hammers, drills and related machinery, welders, hand tools and similar equipment.
 - Administers, tests, and maintains District's backflow system.
- ~~-General housekeeping of district offices, utility buildings, and fire station as needed.~~

DETAILED DUTIES AND RESPONSIBILITIES - NON-ESSENTIAL FUNCTIONS

10% 10% 10%

Performs all related duties as assigned.



DEPARTMENT: Utility Operations

TITLE: UTILITY WORKER

REPORTS TO: Director of Utilities, Utility Supervisor, Operator

FLSA: Non-management, non-exempt

CONFIDENTIAL: Yes ~~No~~

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SUPERVISORY RESPONSIBILITIES

DIRECT: No ~~None~~

INDIRECT: None

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MINIMUM QUALIFICATION REQUIREMENTS

TYPE OF WORK

Under supervision of the Director of Utilities, Operations-Utility Supervisor, Operator, or his/her delegate works independently, or as part of a crew performing a full range of maintenance duties in a variety of tasks relative to District functions in Water Distribution, Water Treatment, Wastewater Treatment, Street Lighting, and Fire/Solid Waste.

TYPICAL DUTIES PERFORMED

Under supervision, performs a variety of unskilled and semiskilled tasks in the maintenance and operation of District facilities; cleaning and repairing water well systems and structures, repairing water leaks, exercising valves, cleaning out meter boxes and valve boxes, cleaning and repair of wastewater collection and treatment systems including wet wells and man holes, painting, hand digging using pick and shovel, landscape maintenance, running errands, pest and weed control, cleaning and maintenance of all types, road repairs, reading water meters, hazardous material handling, performs maintenance and repairs of rolling stock; assists others as directed, performs general housekeeping of district offices, utility buildings, and performs other duties as required. (Examples listed may not cover all duties that may be performed.)

SELECTION GUIDELINES

Knowledge of:

Repair and routine maintenance of vehicles, equipment, and tools; use of various hand and power tools, and mechanized equipment. Water and sewer maintenance/ operations, general construction work; safe working practices in a maintenance environment.

Ability to:

Stay productively busy, work under the direction of others and work well with others, maintain a safe work environment, have a cooperative and helpful attitude with the public, be willing to be trained and to learn new skills. Work outside in a variety of weather conditions. Perform heavy physical activity. Work varied shifts and overtime as required for planned repairs and or emergency work. Follow directions with reading and writing skills to accomplish desired tasks; do manual labor; utilize hand and power tools in building and facility maintenance; exercise good judgment in the operation of equipment and in completing jobs independently; and operate various motorized equipment.

Desirable Education and Experience:

High School graduation and one year ~~one-year~~ work experience in maintenance or construction work or any combination of education and/or experience that could likely provide the desired knowledge and abilities. Course work related to water and wastewater operations is desirable.

(continued on next page)

Special Requirements:

Possession of a valid California Driver's License Class C is required. Possession of, or ability to obtain a Class A or B license is desirable.

Must be able to obtain a Wastewater treatment OIT within 30 days of hiring.

Physical Demands and Working Conditions:

Active physical work without prolonged heavy exertion, but with continuous exposure to unpleasant elements such as dust, mud, fumes, odors, dampness, raw or treated sewage, noise levels, or outside weather conditions. On feet most of the time involving bending, stooping, squatting, twisting, reaching, working on irregular surfaces; walk long distances, climb hills and ladders, frequent lifting of objects up to 50 lbs, may on an infrequent basis assist with lifting up to 100 pounds, with occasional lifting of objects weighing over 100 lbs; good hearing, eyesight and speech capabilities.

ENVIRONMENTAL CONDITIONS

When working outdoors, work is performed in all types of weather. Subject to: noisy conditions, odors, contact with animals and insects, hazardous traffic conditions, confined spaces, variable weather conditions, possible exposure to heavy equipment, dust, and fumes. Wear protective clothing as required.

When working indoors, work is performed in an office environment with lighting and ventilation. Subject to conversational noise from other personnel within the facility; standard background noise found in an office environment and exposure to a computer screen. Appropriate personal safety equipment is provided.

DETAILED DUTIES AND RESPONSIBILITIES - ESSENTIAL FUNCTIONS

This at will position responsibilities include performing construction, installation and maintenance work on pipelines and rights of way, buildings and grounds, valves, pumps, meters, tanks, hydrants, telemetry, cathodic protection and related equipment. A working knowledge and understanding of District safety rules and regulations, as well as active participation in the District safety program are necessary.

The ability to interact successfully in a team environment; support of the District Strategic Plan and Mission statement; and an ability to work independently with a clear understanding of goals and objectives are essential. Excellent verbal and written communication skills and stable, reliable attendance are required.

Following tasks are typical for this classification. Incumbents may not regularly perform all of the listed duties and/or may be required to perform additional or different duties set forth below to address business or staffing needs and changing business practices as defined by the General Manager.

% TIME TASKS

5%

Performs administrative work as required:

- Prepares or assists in the preparation of all required paperwork to document work performed at the job site.
- Professionally represents the District
- Responds to emergency situations using sound judgment.

5%

Participate in training on all procedures, safety, use and operation of equipment, machinery and vehicles.

80%

Utilizes the skills of carpentry, painting, plumbing, plastering, welding, cement finishing, masonry and similar skills, performs the following:

- Laying and joining pipe.
- Breaking out pavement for installations.
- Maintenance/repair of mains and services.

- Repairing land areas for planting.
- Installation and maintenance of customer meters.
- Performs routine maintenance on District equipment and facilities.
- Operates a variety of equipment in the course of the above including backhoe, earthmover, ~~trucks,~~ ~~compressor~~~~trucks,~~ ~~compressors,~~ pneumatic hammers, drills and related machinery, welders, hand tools and similar equipment.
- ~~tests, and maintains District's backflow system, as directed by supervisor.~~
General housekeeping of district offices, utility buildings, and fire station as needed.

DETAILED DUTIES AND RESPONSIBILITIES - NON-ESSENTIAL FUNCTIONS
10%

Performs all related duties as assigned.



**San Miguel Community Services District
Board of Directors
Staff Report**

October 25, 2018

AGENDA ITEM: XI-4

SUBJECT: Review and Discuss any Comprehensive Revision to District Personnel Guidelines & Policy Manual

STAFF RECOMMENDATION:

Review and Discuss any comprehensive revision to District Personnel Guidelines & Policy Manual.

BACKGROUND:

The District Personnel Guidelines & Policy Manual ("Policy") was reviewed in September 2016 and passed by Resolution 2016-30.

In September 2016, SLOCEA representatives provided comments and suggested changes at that meet and confer meeting for the District's consideration. The District reviewed and noted some modifications to this Policy but rejected some proposed changes presented by SLOCEA.

The attached Personnel Guidelines & Policy Manual ("Policy") document has had no changes made since the passed resolution 2016-30.

October 2018 the District Management has reviewed the Personnel Guidelines & Policy Manual ("Policy"). The General Manager with the Department Heads has reviewed and revised the policy to reflect how the District Management currently operates and how the district provides benefits for its employees.

Management has provided a red line version for the board to review.

ACTION DISCUSSION:

Staff recommends that the Board review and discuss comprehensive revisions to the District Personnel Guidelines & Policy Manual. Staff will bring back a resolution for any changes at the next regular board meeting.

FISCAL IMPACT

The Action of the Board will determine the Fiscal Impact.

RECOMMENDATION

PREPARED BY:

Rob Roberson

Attachment:

District Personnel Guidelines & Policy Manual (“Policy”)

**SAN MIGUEL COMMUNITY
SERVICES DISTRICT**



**PERSONNEL GUIDELINES
AND POLICIES**

Adopted: September 15, 2016

Resolution: 2016-30

SMCSD September 2016

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San Miguel Community Services District

Personnel Guidelines and Policy Manual

Chapter 1: Introduction

The San Miguel Community Services District (“District”) expects every District employee to be thoroughly familiar with, and to comply with these Personnel Guidelines and Policy Manual (“Guidelines”).

1.1 Disclaimer

The Guidelines do not represent a contract, nor should they be relied upon as binding promises made by the District. The District reserves the right to change, add to, or rescind any of the guidelines or policies after fulfilling its legally required meet and confer obligation with any District-recognized employee organization, ~~as well as the right to determine their meaning, purposes, and effect.~~

1.2 Purpose and Scope of Guidelines

These Guidelines are intended to inform employees of the District’s position on basic employment-related subjects. They are not all-inclusive, but address those general topics most likely to be of interest to employees in the course of ordinary, day-to-day operations of the District. The Guidelines are to be used as a reference by employees and supervisors.

Guidance to Reader: These Guidelines apply to all employees of the District. An employee who fails to comply with one or more Guidelines may be subjected to disciplinary procedures as specified herein, up to and including termination.

1.3 Equal Employment Opportunity Policy

The District’s employment decisions are based on merit, qualifications, and the legitimate business-related needs of the District. The District does not discriminate against its employees or applicants because of race, color, religion, sex, pregnancy, national origin or citizenship, ancestry, age, marital status, registered domestic partner status, mental or physical disability, political affiliation, medical condition, sexual orientation, gender identity or gender expression, veteran status, genetic information, or any other basis protected by law. Equal employment opportunity is extended by the District to all persons in all aspects of the employer-employee relationship, including recruitment, hiring, training, promotion, discipline, layoff, and termination.

1.4 Conflict with Other Policies

If a provision of these Guidelines conflicts with any provision of an applicable collective bargaining agreement entered into by the District and a recognized employee organization,

SMCSD September 2016

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to the extent of such conflict, the provision of the collective bargaining agreement shall prevail.

1.5 Severability

If any section, subsection, sentence, clause, or phrase of these Guidelines is for any reason held illegal, invalid, or unconstitutional by decisions of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions.

1.6 Amendment of Policies

The General Manager or his or her designee may, at any time, make recommendations for the amendment and revision of these Guidelines to the Board of Directors (“Board”). However, amendments and revisions that fall within the scope of representation shall not be approved by the Board until after meeting and conferring in good faith with representatives of recognized employee organizations representing employees of the District.

1.7 Employment Constitutes Acceptance of Rules

In accepting employment with the District, each employee agrees to be governed by and to comply with the Guidelines and rules established by the General Manager pursuant thereto, and rules, regulations, and directives of the department in which employee is employed. Each employee will receive a copy of these Guidelines and are expected to read and be familiar with its contents and provisions and shall sign the “Acknowledgement of Receipt” form acknowledging acceptance.

All employees holding a position with the District on the effective date of these Guidelines shall thereafter be subject in all respect to the provisions herein except where excluded from coverage.

Chapter 2: Employment Practices

2.1 Classification of Employees

2.1.1 Probationary Employees – All District employees are considered probationary employees from their date of hire until the completion of twelve (12) months of service with the District. These employees are entitled to accrue vacation, sick leave, comp time off and health benefits from date of hire and entitled to use sick leave with General Manager approval from date of hire. Vacation leave is accrued from date of hire but may be only used after six (6) months of employment. Temporary employees who are later hired as regular District employees shall begin their probationary period starting from their first day of regular, non-temporary employment. The ~~Department Head~~General Manager, in conjunction with the ~~General Manager~~employee's supervisor may elect to extend the probationary period for any employee up to an additional three (3) months.

2.1.2 Regular Part-time Employees – Employees, who have served the required probationary period satisfactorily, are not temporary employees, and are regularly scheduled to work fewer than forty (40) hours per week in an established position on a year-round basis are regular part-time employees.

2.1.3 Regular Full-time Employees — Regular full-time employees are those who are regularly scheduled to work at least forty (40) hours per week, are not temporary employees, and who have successfully completed the probationary period.

2.1.4 Temporary Employees — Employees serving in a position in which the requirements of their services are temporary in nature are temporary employees. A temporary employee shall not work more than 1,000 hours in a fiscal year. This classification includes, but is not limited to, personnel employed for the following: seasonal workloads and emergency extra workloads. Temporary employees are not eligible for any employee benefits, except as required by law. A temporary employee may take time off without pay with the approval of his or her supervisor or General Manager and shall be permitted to take time off for the District-recognized holidays without pay.

2.1.5 Exempt Employee — An employee who is exempt from the minimum wage and overtime requirements of the Federal Fair Labor Standard Act (“FLSA”). To be considered "exempt," an employee must work in a bona fide executive, administrative, or professional capacity and be paid on a salary basis as required by the FLSA. These positions shall be so designated in the classification plan.

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2.1.6 Non-Exempt Employee — An employee who is not a bona fide executive, administrative, or professional employee as defined by the FLSA. Non-exempt employees earn overtime pay in accordance with the overtime requirements of the FLSA.

2.2 Recruitment

2.2.1 Announcement

All recruitments for classification vacancies within the District shall be publicized by such methods as the [Department Head and/ or](#) General Manager deems appropriate— [and](#) consistent with District standards. Special recruiting shall be conducted, if necessary, to ensure that all segments of the community are aware of the forthcoming examination(s). Announcements shall specify the title and compensation of the classification; the nature of the work to be performed delineating the essential and marginal functions of the job; the minimum qualifications for the classification; the manner of making application; the examination components; and other pertinent information.

2.2.2 Applications

Every applicant for examination shall file a formal, signed District employment application. Other methods of acceptable application due to an applicant's disability will be considered. Application forms shall require information covering training, experience, and other pertinent information as required by the [Department Head and/ or](#) General Manager. The [Department Head and/ or](#) General Manager may also require applicants to submit additional job related information.

2.2.3 Examinations

Examinations for the establishment of eligibility lists shall be competitive and by such character shall test and determine the qualifications, fitness, and ability of applicants to perform the essential functions of the classifications for which they seek appointment.

The examination may include an investigation of character, personality, education, experience, criminal history, credit bureau, drug & alcohol and any tests of intelligence, capacity, technical knowledge, manual skill, or job-related physical fitness that the [Department Head and/ or](#) General Manager deems appropriate.

The [Department Head and/ or](#) General Manager shall designate the procedure, time, place, and type of examination, the conditions under which it may be conducted, and the individual or competent agency who will conduct the examination. The District will make every reasonable effort to accommodate disabled applicants in the administration of employment tests in accordance with applicable law. Examinations may be promotional, open, or continuous as directed by the [Department Head and/ or](#) General Manager. In making a decision regarding the

type of examination, the [Department Head and/ or](#) General Manager will consider the availability of qualified interested personnel in the District workforce, the possible Affirmative Action implications, and the need for expediency in filling the position.

2.2.3.1 Open/Promotional Examinations

Any person who meets the requirements set forth in the open/promotional examination announcement may compete in open/promotional examinations. The [Department Head and/ or](#) General Manager may adopt and implement objective standards to initially screen applications in order to reduce the number of applicants to a manageable size.

2.2.3.2 Promotional Examinations

Regular and non-regular employees, except temporary employees, who meet the requirements set forth in the promotional examination announcement may compete in a promotional examination announcement.

2.2.3.3 Continuous Examinations

Continuous examinations may be administered periodically for a single classification. Names shall be placed on eligibility lists and shall remain on such lists as prescribed in Section 2.2.4.

2.2.4 Eligibility Lists

2.2.4.1 Establishment

As soon as possible after the completion of an examination, the [Department Head and/ or](#) General Manager shall prepare and maintain an eligibility list consisting of the names of the applicants or employees who qualified in the examination. The names on the list shall be in order based on each applicant's competitive score for the examination process, with the highest score being first on the list. Each applicant or employee shall be given notice of the results of his or her examination and ranking on the eligibility list.

Applicants on the eligibility list for a particular classification may be certified by the [Department Head and/ or](#) General Manager for consideration to hire for a classification in an equal or lower salary range in the event that an eligibility list for that classification does not exist, provided that the applicant is qualified. ~~This may be done only with the approval of the General Manager.~~ Applicants will not be removed from the eligibility list pursuant to Section 2.2.4.3 if they refuse to accept employment in the lower classification.

2.2.4.2 Duration of Lists

All eligibility lists shall remain in effect until exhausted or abolished by the General Manager for due cause. As a general policy, eligibility lists shall remain in effect for not more than one (1) year. Eligibility lists may remain in effect for more than one (1) year at the [Department Head and/ or](#) General Manager's discretion. The [Department Head and/ or](#) General Manager may abolish eligibility lists with three (3) names or less before the one (1) year expires.

2.2.4.3 Removal of Names from Eligibility Lists

The General Manager may remove a name of any eligible candidate appearing on an eligibility list if:

- The eligible candidate requests that his or her name be removed;
- The eligible candidate fails to provide notification of a change in address;
- The eligible candidate fails to attend a scheduled interview;
- The eligible candidate declined an interview on two (2) occasions;
- The eligible candidate declined an offer of employment;
- The eligible candidate was on an eligibility list as a result of a promotional examination and has subsequently left District employment; or
- The eligible candidate was on a list for a specialized classification within one department of the District and was determined to be unsuitable by the Department head.

2.2.4.4 Disqualification

At any point in the recruitment and selection process, the [Department Head and/ or](#) General Manager may refuse to declare an applicant an eligible candidate, or may withhold or withdraw from certification, prior to appointment by the General Manager, anyone who:

- Has failed to provide proof for any of the requirements established in the announcement for the classification for which he or she applied;
- Has been convicted of a felony of such a nature as to have an adverse effect on the candidate's ability to perform the duties of the position;
- Has a history of dismissal from any position in public or private service for any cause which would be a cause for dismissal from District employment;
- Has practiced or attempted to practice any deception or fraud in his or her application, examination, or in securing eligibility; or
- Is otherwise not qualified for employment with the District.

2.3 Hiring

Decisions regarding employment are based upon an individual's qualifications for the applicable position as described below.

2.3.1 Vacancies — Employees of the District are encouraged to apply for any vacant positions for which they are qualified. The District awards vacant positions to the applicants who are best suited to meet the needs of the District, regardless of whether the applicant is a current District employee or not.

If a vacancy is awarded to a current regular employee, that employee shall serve a six (6) month probationary period in that position with continued benefits for health care, sick leave, vacation and comp time-off. Within three (3) months of the move to the vacant position, the employee may return to their previous position with written notice to, and approval by the [Department Head and/ or](#) General Manager, so long as the position has not been filled.

2.3.2 Selection of employees — All persons considered for employment with the District shall be qualified to perform the duties of the position for which they are employed. Before reporting for their first day of work, employees may be required to undergo a medical examination and drug/alcohol testing, which confirms their ability to perform the essential functions of the job.

2.3.2.1 Citizenship Verification — All employees must provide necessary documentation to prove identity and their right to work in the United States in accordance with Federal and State Immigration and Naturalization laws. Failure to provide such documentation will result in disqualification from selection or immediate termination.

2.3.3 Probationary Period — The purpose of the probationary period is to give the District and the new employee the opportunity to determine whether employment relationship suits both parties. New employees may be eligible for health benefits under the Affordable Care Act after ninety (90) days of employment, if not enrolled in the District's health care coverage. During the probationary period, the District evaluates the employee's job performance, and it is expected that the employee will use this time period to determine whether the District employment is satisfactory to him or her. Generally, employee evaluations may be performed at three (3) months and/or six (6) months after the date of hire and shall be performed at the end of the twelve (12) month probationary period. The

employee's supervisor will conduct a written performance evaluation to ascertain the advisability of continued employment on a regular basis. However, written evaluations may be done at any time during the probationary period if determined to be necessary by the Supervisor or the General Manager.

Regardless of whether the supervisor completes a written performance evaluation, probationary employees are at-will and the District retains the right to terminate employment with or without cause, during the probationary period, in accordance with California law. Similarly, the probationary employee can end his or her employment at any time with at least two (2) weeks' written notice.

New employees hired for regular positions serve a probationary period of twelve (12) months, commencing with their first day of employment. The [Department Head and/ or General Manager](#), ~~in conjunction with the employee's supervisor,~~ may extend the probationary period one or more times if it is determined that such an extension is appropriate. The status of regular employment following the probationary period shall only occur after a successful evaluation has taken place, and only if confirmed in writing by the District.

2.4 Promotion

All regular employees of the District are eligible to apply and be considered for promotions for which they are qualified. An employee who is promoted shall serve a six (6) month probationary period in his or her new position.

2.5 Nepotism

2.5.1 Definitions:

2.5.1.1 "Relative" means spouse, registered domestic partner, child, stepchild, step-sibling, parent, step-parent, grandparent, grandchild, brother, sister, half-brother, half-sister, aunt, uncle, cousin, niece, nephew, or in-laws of those enumerated by marriage or domestic partnership.

2.5.1.2 "Spouses" means two persons who have a valid marriage or two people who are registered domestic partners.

2.5.1.3 "Supervisory relationship" means one in which one employee exercises the right to control, direct, reward, or punish another employee by virtue of the duties and responsibilities assigned to his or her District appointment.

2.5.2 Policy as to Relatives

The General Manager has discretion not to appoint, promote or transfer a person to a position within the same department in which the person's relative already holds a position, when such employment would result in any of the following:

- Create a direct or indirect supervisory relationship;
- The two employees having job duties, which require performance of shared duties on the same or related work assignment;
- Both employees having the same immediate supervisor; or
- A potential for creating an adverse impact on supervision, safety, security, morale, or efficiency that is greater for relatives than for unrelated persons.

2.5.3 Policy as to Employees Who Become Spouses or Domestic Partners If two District employees, who work in the same department, become spouses or become domestic partners, the Department Head has discretion to transfer one of the employees to a similar position in another department with General Manager approval. Although the wishes of the employees in question will be given consideration, the Department Heads retains sole discretion to determine which employee is to be transferred based upon District needs, operations, or efficiency. Notwithstanding any provision in these Guidelines, any such transfer that results in a salary reduction is not disciplinary and is not subject to any grievance or appeal.

If continuing employment of both employees cannot be accommodated in a manner that Department Head finds to be consistent with the District's interest in the promotion of safety, security, morale, and efficiency, then the Department Head retains sole discretion to separate one employee from District employment. Absent the voluntary resignation of one employee, the less senior employee will be separated, with at least thirty (30) days' notice to attain new employment, unless the employee is in violation of any of these policies as outlined in Chapter 10 of these Guidelines. Notwithstanding any provision in these Policies, any such separation is not considered to be disciplinary and is not subject to any grievance or appeal.

2.6 Employee Evaluations

In order to provide employees with information concerning their employment progress and to identify areas to improve job performance, the employee's supervisor and General Manager will conduct formal written employee evaluations at least once per year, preferably ~~using~~ using the employee's hire date anniversary is desired for an annual evaluation,

Generally, employee evaluations may be performed at three (3) months and/or six (6) months after date of hire and shall be performed near the end of the twelve (12) month probationary period. In the event that an employee's supervisor or the General Manager determines that a regular part-time or regular full-time employee's job performance has not improved after receiving a written evaluation, the supervisor or the General Manager may elect to establish a performance improvement plan ("PIP"), also known as a performance

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action plan to provide an employee the opportunity to succeed while still being held accountable for past performance. A PIP shall be used to address either failures to meet specific job performance-related or behavior-related issues. A PIP format and content shall conform to the guidelines provided in Exhibit "A" attached to this Policy Manual.

2.6.1 Ratings

Performance evaluations shall be in writing on forms prescribed by the General Manager or his or her designee. The evaluation shall provide recognition for effective performance and also identify areas that need improvement. All evaluations will have an overall evaluation of Unsatisfactory, Improvement Needed, Satisfactory, Above Satisfactory, or Outstanding.

- Unsatisfactory Work is well below the standard expected of a competent worker in that job position, a majority of the time. Unsatisfactory ratings must be substantiated in a written statement by the evaluator.
- Improvement Needed performance is frequently less than the standard expected of a competent worker in that job position, and improvable with additional training, experience, or effort.
- Satisfactory Work performance consistently meets the standard expected of a competent worker in that job position.
- Above Satisfactory Work performance is generally above the standard expected of a competent worker in that job position, a majority of the time.
- Outstanding Work performance is consistently and distinctly well above the standard expected of a competent worker in that job position; performance is superior. Outstanding ratings must be substantiated in a written statement by the evaluator.

2.6.2 Evaluation Procedure

The performance evaluation must be signed by the evaluator and discussed with the employee. Unscheduled performance evaluations may be made at the discretion of the General Manager or his or her designee.

Performance evaluations can be appealed to the General Manager as outlined in the Grievance Procedure in Chapter 11 of these Guidelines. Employee evaluation grievances will only be considered by the General Manager; they will not be heard by the Board. The General Manager may only modify employee evaluations if there is a compelling reason to do so, [and that reason will be clearly stated on the modified evaluation.](#)

2.7 Training, Certification and Education

It is the employee's responsibility to maintain all appropriate or required licenses and certificates for his or her position. District will not pay for courses, credentials, licenses or certificates not required for an employee's duty position. If an employee loses a required

license or certificate, he or she may be subject to discipline that may include demotion or termination.

The District supports education and training programs that improve the skills, qualifications, performance, and proficiency of the District employees. In addition, some of the positions within the District require employees to possess certifications. It is each employee's responsibility to maintain state-mandated certificates or credentials necessary to the employee's job assignment. The District will cover or reimburse class costs of required education ~~and tests after successful completion of course or class and cost receipts are submitted for reimbursement.~~ If an employee fails a test required for certification then they will generally be responsible for all costs to re-take the tests.

Where the District requires the employee to take training or where the employee is required by his or her position to maintain certification, employee shall submit a written request for training or certification to ~~the their Department Head, General Manager or his or her direct supervisor.~~

2.8 Outside Employment

Any regular employee, who desires to engage in outside employment, shall first obtain a non-District conflict job approval from his or her supervisor or General Manager. The employee shall submit a statement to his or her supervisor or General Manager naming the prospective employer, his address and telephone number, and outlining the proposed duties and hours of work. Approval may be denied if, in the opinion of the supervisor or General Manager, such outside employment is incompatible with the proper discharge of the employee's official duties. All such approvals shall be subject to renewal by the General Manager, and shall be re-submitted ~~prior to January 10th each year to maintain a valid, continuous authorization~~ any time there is a change in employment or duties.

Any violations of this section shall constitute sufficient grounds for disciplinary action, up to and including dismissal.

2.9 Job Descriptions and Duty Statements

It is the District's responsibility to develop and maintain job descriptions for each position within a table of organization established by the Board of Directors.

Exhibit "B", incorporated herein by reference, shall provide a listing of ~~said descriptions~~ said descriptions by position and also provides a compensation schedule by position.

~~Specific~~ All contract employees, including but not limited to, General Manager, Director of Utilities, Board Clerk/ Account Manager, District Fire Chief and District Assistant Fire Chief shall be subject to annual work performance evaluations per individual agreements and subject to Section 2.6 provisions.

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Chapter 3: Working Conditions

3.1 Regular Work Week

The regular workweek is forty (40) hours for all non-exempt full-time employees, ordinarily to be worked in five (5) eight-hour shifts, unless otherwise directed by General Manager or his or her designee. The workweek is defined as 12:01 A.M. Monday through midnight on [Saturday-Sunday](#) except for those personnel working an alternative work week schedule. Utility [crew-field](#) staff normal work schedule will be scheduled to meet District operational needs.

Safety/Personnel may be assigned alternate work schedules and an alternative workweek.

Operations and administrative staff may be assigned other work hours from time to time as determined by the department head or General Manager to best cover operational needs of the District. Employees shall report ready to begin work at the start of their shift and work until the shift ends.

3.2 Overtime Policy

Due to the nature of the service the District provides the public, non-exempt personnel may be required to work overtime, which may include weekend duty along with days which are longer than eight hours in length.

All overtime hours worked shall be authorized in advance by the [Department Head and/ or General Manager, or his or her designee specifically vested with this authority](#). Employees working overtime without prior approval by the appropriate individual may be subject to discipline.

3.2.1 Overtime Computation

All non-exempt employees who work in excess of his or her regular work schedule, normally eight (8) hours in a workday, or forty (40) hours in a workweek, shall be entitled to overtime compensation at the rate of time and one-half of their regular rate of pay, except as otherwise provided for in these Guidelines or in the applicable collective bargaining agreement.

Overtime provisions shall not apply to contract employees.

3.2.2 Overtime Compensation/Compensatory Leave Time

All overtime shall be compensated by compensatory time or by cash payment at the rate of one and one-half of the employee’s regular hourly rate of pay. Overtime shall be only compensated by cash payment after the employee has accumulated ~~forty-sixty~~ (40/60) hours of compensatory time.

Non-exempt employees may earn compensatory time to a maximum of ~~forty-sixty~~ (40/60) hours. Compensatory time may be “cashed in” once a year for a total of forty (40) hours only if the employee has at least forty (40) hours of compensatory time on record, unless otherwise provided for in an approved bargaining agreement or contract. Employees who leave his or her employment with the District shall be allowed to use compensatory time earned prior to the effective separation date. ~~Compensatory leave time shall be used before using vacation or sick leave time off.~~ Employees may accrue up to a maximum per calendar year of sixty (60) hours of compensatory leave at any time. Compensatory time is not cashed out except upon the employee’s separation from employment with the District, unless separated by the District.

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Compensatory time earned by an employee, who is required to work in excess of the normal workweek, shall be recorded by the immediate supervisor of the employee on the time card.

3.2.3 Fire Protection Employees

Section 7(k) of the FLSA provides that employees engaged in fire protection may be paid overtime on a “work period” basis. A “work period” may be from seven (7) consecutive days to twenty-eight (28) consecutive days in length. For work periods of at least 7 but less than 28 days, overtime pay is required when the number of hours worked exceeds the number of hours that bears the same relationship to 212 (fire) as the number of days in the work period bears to 28. For example, fire protection personnel are due overtime under such a plan after one hundred and six (106) hours worked during a fourteen (14) day work period.

<u>Work Period (days)</u>	<u>Maximum Non-Overtime Hours</u>
14.....	106

3.3 Hours of Work

Normal office hours of the District, and the normal work schedule for administrative office staff, are 8:00 am until 4:30 pm, Monday through Friday. The normal schedule for the utility staff is Monday through Friday from 7:00 am until 3:30 pm.

Operations employees and office staff may be assigned other work hours from time to time as determined by the Department head or the General Manager to best cover the operational

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needs of the District and its customers. Employees shall report “ready” to work at the start of their shift, and work until the shift ends.

3.4 On-Call Duty

A schedule is maintained by the Director of Utilities whereby Operations employees may be assigned, on a rotational basis, to be "on-call" on weekdays, weekends, holidays and other times not considered regular hours of work for the District employees, or as assigned to work alternative work week schedules.

3.4.1 Weekdays and Weekends

On-Call employees will be paid at a rate of \$2.00 per hour for each hour they are on call outside of actual hours worked. On-call employees who perform plant/ well readings on weekends will receive minimum of 2 hours compensation, or total actual hours worked if in excess of two hours (paid at overtime rate or straight time depending on whether the employee is on an alternate work week) While on call, if an employee is called back to work during their on call time, they will be paid for any hours worked at their Overtime rate.

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3.4.2 Holidays/ Furlough Days

On-Call employees will be paid at a rate of \$2.50 per hour for each hour they are on call outside of hours worked. While on call, if an employee is called back to work during their on call time, they will be paid for any hours worked at their Overtime rate.

3.4.3 Availability

When an employee is on-call, he or she shall be provided a District tablet. The tablet will be used to access the District SCADA system in the event of an afterhours call. The on-call employee is required to keep the tablet in his or her possession during the entire on-call period. Notification of immediate work need may be given orally, in person or telephonically, by the Director of Utilities, General Manager.

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When an employee is assigned on-call duty, he or she shall be free to utilize his or her time as desired but must be able to be at the District within thirty (30) minutes. This will enable the on-call employee time to return to work in the event of an emergency call. On-Call employees need to remain unimpaired (e.g., such as refraining from drinking alcoholic beverages) and able to perform all duties when on-call.

3.4.4 Call Backs (employees on-call)

If an employee is on call and he or she receive notification of a problem needing attention which can be addressed without leaving the location which they are at. (IE over the phone, or through SCADA) the employee will not receive any additional pay beyond the standby pay they are already receiving.

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If an employee is on call and he or she receive notification of a problem needing attention which requires them to return to the District for any reason they will receive a minimum of two (2) hours of overtime pay. If the call out extends beyond the initial two hours, then they will continue to receive overtime for all actual time worked unless they reach their normal workday start time in which they will cease to receive overtime and will begin receiving straight time.

3.4.5 Call Backs (employees not on-call)

If an employee is not on call and he or she is called back to work, the employee will receive minimum two (2) hours of overtime pay starting at the time they are notified. If the call out extends beyond the initial two hours, then they will continue to receive overtime for all actual time worked unless they reach their normal workday start time in which they will cease to receive overtime and will begin receiving straight time.

3.4 On-Call Duty

A schedule is maintained by the Utilities Department head and approved by General Manager whereby Operations employees may be assigned, on a rotational basis, to be "oncall" on weekends, holidays and other times not considered regular hours of work for the District employees or assigned to work alternative workweek schedules.

3.4.1 Weekdays

On-Call/Weekday Duty employees are paid \$1.50 per hour rate for each weekday they are on call. If these employees are called into work during this time, they will be paid for any on-call hours worked at the OT rate.

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3.4.2 Holidays and Weekends

On-Call employees receive \$2.00 per hour rate per day for each holiday or weekend day they are assigned to on-call duty.

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3.4.3 When an employee is on call, he or she shall be provided a District cell phone. The cell phone will be used to notification to the employee on call in the event of work immediately needed. The on-call employee is required to keep the cell phone in his or her possession during the entire on-call period of time. Notification of immediate work need may also be given orally, in person or telephonically, by the General Manager or Utilities Supervisor.

When an employee is assigned on-call duty, he or she shall be free to utilize his or her time as desired, but must be able to respond within thirty (30) minutes to any District facility. This will enable the on-call employee time to return to work in the event of an emergency call. On-Call employees need to remain unimpaired (e.g., such as refraining from drinking alcoholic beverages) and able to perform all duties when on-call.

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3.4.4 Call Backs

If an employee is not on call and he or she is called back to work, the employee will receive one (1) hour of Call Back Pay which is 1 hour of regular pay at straight time plus pay for his or her hours worked (at straight pay or OT rate depending on whether they have worked over 40 hours in the week).

3.5 Meal/Break Time

All employees working between four (4) hours and six (6) hours shall receive one fifteen (15) minute paid break. All employees working more than six (6) hours in a day shall receive two (2) paid fifteen (15) minute breaks (rest periods) in each day. The first shall occur approximately midway between their starting time and their meal time. The second shall occur approximately midway between their meal time and the end of their workday.

All employees working more than four (4) hours in a day shall receive an unpaid, off-duty meal period of not less than thirty (30) minutes. This meal must be taken no later than the end of the fifth (5th) hour of work. Employees working more than ten (10) hours receives a second unpaid meal period of not less than thirty (30) minutes. The second meal must be taken no later than the end of the tenth (10th) hour of work. An employee working six (6) hours or less may waive the first meal break by written mutual consent between the employee and District. The second meal period may be waived by written mutual consent

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if the total shift is twelve (12) hours or less and the employee takes the first meal break. Employees may take on-duty meal periods in certain limited circumstances and must be agreed to in writing by the employee and District.

3.6 Attendance

Regular attendance by all employees is important to the successful operation of the District. Employees are expected to maintain a good attendance record and to report promptly for work in accordance with assigned work schedules.

3.6.1 Notice of Absence

Employees who must be absent from work are expected to notify their supervisor or ~~General Manager~~Department Head, either directly or by a recorded message, as soon as possible but not later than the beginning of their assigned shift. The employee shall provide the general reason for, and the probable duration, of the absence. If the employee has a prolonged absence due to illness, he or she may be required to provide medical documentation upon request from the Department and or the General Manager ~~or his or her designee~~.

3.6.2 Tardiness/Absence

Employees are expected to report for their work shifts on time. Excessive or repeated tardiness may result in discipline up to and including termination.

If an employee is absent more than three (3) working days for any reason without notifying the employer, the employee may be considered to have voluntarily resigned.

3.7 Pay Period

The District's payday is every other Friday for the two-week pay period ending the previous ~~Friday~~Sunday.

3.8 Safety

The District has adopted Injury and Illness Prevention policies and safety rules with which employees are expected to comply. These policies are hereby incorporated by reference to the Personnel Guidelines and Policy Manual. It is the responsibility of each employee to learn and observe all applicable safety practices, policies, directives, or procedures. In addition, each employee is responsible for maintaining a safe work environment. Safety-related questions, or reports of any unsafe working conditions, real or potential, should be directed to the General Manager.

3.9 Accidents; Reporting

Any work-related accident, or other accident occurring on the worksite, involving employees or other persons shall be reported to the Department Head and/ or General Manager ~~, or his designee~~. Such reports must be made in writing and submitted to the Department Head and/ or General Manager immediately following the accident, and in no

event more than twenty-four (24) hours following the accident on forms provided by the District. Employees are covered for employment related injury or illness by the California Worker's Compensation Act. Under California law, failure to report or delays in reporting a work-related injury or illness may result in a loss of benefits.

3.10 Maintenance – Housekeeping

Each employee is responsible for the condition and maintenance of the equipment he or she uses on the job. The employee should report to ~~the department supervisor or the General Manager~~their supervisor or department head any equipment which is damaged, worn, or in need of maintenance. Employees should direct any safety concerns regarding the use of equipment to his or her supervisor or department head.

Cleanliness and orderliness are important to the operation and safety of the District. Employees are responsible for keeping their work areas clean and orderly. Employees shall conduct pre-operation inspections of vehicles and equipment as well as report any repairs made and perform any minor repairs, or initiate a work or service order request to repair said vehicle or equipment. Employees shall maintain their work areas and equipment or initiate a service work order request for repairs.

3.11 Dress Code

All Utility and Fire employees that are required to wear uniforms shall wear the appropriate uniform for their work area. If an employee is governed by an MOU, the employee should follow the rules pertaining to his or her dress code as outlined in the MOU. Employees are permitted to wear the uniform only during their work hours, work time, or traveling to and from work or while representing the District.

Utility employees may be reimbursed up to one hundred and fifty dollars (\$150.00) per fiscal year to cover the cost of footwear that employees are required to wear to perform the District work, or an amount agreed upon by any recognized collective bargaining agreements. Employee must provide the District a receipt of the work boot purchase in order to obtain the boot allowance.

Employees that acquire uniforms with District logos or identifications may not wear these items while off-duty. Off duty firefighters may wear their District provided t-shirts, if on-call or stand-by duty.

Neatness, cleanliness, and good personal hygiene are expected of all the District employees while working. Employees should dress appropriately, in good taste, and according to the requirements of her or his position.

3.12 Tattoo and Piercing Policy

Employees of the District are expected to project a professional appearance while at work. Towards that end, employees are expected to comply with the following rules:

Tattoos:

1. No visible tattoos are allowed anywhere on the head, face or neck, unless for religious reasons or purposes that the employee professes or provides information of religious affiliation or association.
2. Any visible tattoos cannot be obscene, sexually explicit, or otherwise violate the District's policy against unlawful harassment or discrimination. Extremist or gang related tattoos are also not permitted.
3. Visible tattoos for religious purposes or reasons shall be allowed for religious reasons or purposes that the employee provides information of religious affiliation or association related to said tattoo(s).
4. Visible tattoos may not be larger than 6 inches.
5. Any non-conforming tattoos must be covered with clothing or a bandage while at work, or must be removed.
6. If an employee has a question about the tattoo policy, he or she should raise it with their supervisor.

Piercing:

1. No objects, articles, jewelry or ornamentation of any kind shall be attached to or through the skin if visible on any body part (including the tongue or any part of the mouth) except that an employee may wear two sets (i.e., four holes total) of reasonable-sized (i.e., small and professional-looking) earrings in the ear lobes.
2. Piercings, as described herein, shall be allowed if the employee provides information of religious affiliation or association related to said piercing(s).
3. Any non-conforming piercing shall be removed, covered with a bandage, or replaced with a clear, plastic spacer while the employee is working.
4. If an employee has a question about the piercing policy, the matter should be raised with his or her supervisor.

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Chapter 4: Compensation

4.1 Benefits

4.1.1 Health – Medical Insurance Benefits

The District provides up to nine hundred dollars (\$900.00) per month paid group toward group medical insurance benefits, through CalPERS, for eligible employees and their families and one dependent per employee. Eligible employees include all employees regularly scheduled to work at least twenty-five forty (2540) hours per week and CalPERS members. Employees may elect to cover costs associated with additional dependents will be required to cover cost for their chosen health plan in excess of \$900.00 through a payroll deduction. Employees are encouraged to consult with the General Manager or human resources personnel regarding eligibility, costs and enrollment procedures.

Eligible employees may enroll in group health benefits on their hire date.

If an eligible employee already has qualifying healthcare through another source (such as a spouse or parent) and chooses not to participate in health insurance through the District, then they are eligible to receive two hundred and twenty-five dollars (\$225.00) per pay period in which health insurance would normally be deducted.

This section applies to all eligible employees unless otherwise provided for in an approved bargaining agreement or contract.

4.1.2 Retirement Health Benefits – Current Employees and Annuitants Hired before May 1, 2013

The District currently provides retirement health benefits to eligible employees through CalPERS. These benefits are governed by the District's contract with CalPERS (including the plan documents), California state law, and applicable regulations. Should you want to review the plan or have further questions regarding this benefit, please call the District representative, who is currently the Finance Officer, and set up an appointment to go over the plan. The District reserves the right to change or discontinue this plan, consistent with any legal obligations it may have.

4.1.3 Retirement Health Benefits - Employees hired after May 1, 2013 The District currently provides retirement health benefits to eligible employees through CalPERS. These benefits are governed by the District's contract with CalPERS (including the plan documents), California state law, and applicable regulations. Should you want to review the plan or have further questions regarding this benefit, please call the District representative, who is currently the Finance Officer, and set up an appointment to go over the plan. The District reserves the right to change or discontinue this plan, consistent with any legal obligations it may have.

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The following is the Vesting Schedule for Employees hired as of May 1, 2013:

Credited Years Of Service	Percentage of Employer Contribution
10	50%
11	55%
12	60%
13	65%
14	70%
15	75%
16	80%
17	85%
18	90%
19	95%
20 or more	100%

The credited service for purposes of determining the percentage of employer contributions shall mean service as defined in ~~Government~~ Government Code Section 20069 except that not less than five years of that service shall be performed entirely with District.

The percentage of employer contribution payable for post-retirement health benefits for each annuitant shall be based on the employee's completed years of credited service based upon Government Code Section 22893.

4.2 Holidays

Full-time ~~and Part-time~~ District employees, both regular and probationary, are paid for the following the District Holidays whether or not they are scheduled to actually work on that holiday. Full-time employees receive eight (8) hours of holiday pay at straight time on the observed holiday. Temporary ~~and part-time~~ employees are not eligible for holiday pay.

The District generally recognizes the following twelve (12) days as paid holidays:

- New Year's Day
- Martin Luther King Jr. Day
- Thanksgiving Day
- Friday Following Thanksgiving

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Presidents' Day	Veterans' Day
Memorial Day	½ Day Christmas Eve
Independence Day	Christmas Day
Labor Day	½ Day New Year's Eve

If a District-paid holiday falls on a Saturday, eligible employees are generally given the preceding Friday off. If a District-paid holiday falls on a Sunday, employees are generally given the following Monday off. If the day of holiday observance falls during an employee's vacation period, and falls on a day the employee is regularly scheduled to work (but for his or her vacation), that day shall be considered as a paid holiday and not vacation time.

4.3 Vacation

Full-time District employees, both regular and probationary, are eligible for vacation benefits. Employees are encouraged to use their accrued paid vacation time. Employees who are normally scheduled to work fewer than forty (40) hours per week, and temporary employees, are not eligible for vacation accrual.

Vacations may be scheduled at any time during the year upon the approval of the [Department Head](#) or General Manager. Vacation requests must be submitted in writing to the [Department Head](#) or General Manager with at least seventy-two (72) hours advanced notice.

Vacation requests may be denied in order to maintain sufficient staffing of District operations or in the event such vacation request conflicts with a previously approved vacation request.

4.3.1 Accrual

Employees must complete six (6) months of employment with the District prior to using any accrued vacation benefits. Employees shall not accrue vacation time during any period of unpaid absence from work.

Employees accrue vacation benefits beginning the first pay period of employment in accordance with the following schedule, which is based on bi-weekly pay periods of eighty (80) hours (i.e., based on a full-time schedule):

<u>YEARS OF SERVICE</u>	<u>VACATION BENEFIT PER PAY PERIOD</u>	<u>WEEKS PER YEAR</u>	<u>ACCRUAL CAP</u>
00 – 04 Years	3.08 Hours	2 Weeks	160 Hours
05 – 14 Years	4.62 Hours	3 Weeks	240 Hours
15, plus Years	6.15 Hours	4 Weeks	320 Hours

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Upon separation of employment for any reason, the District shall compensate the employee for all of his or her unused, accrued vacation time at the employee's then current straight time rate of pay.

The District does not require an employee to take vacation time during periods of illness. However, the employee may elect to take vacation time in case of extended illness where paid sick leave, if any, has been exhausted.

4.3.2 Vacation Benefit Cap

Employees are encouraged to use their vacation benefits. No employee shall be eligible to accrue more than a maximum of two times her or his annual entitlement to vacation pay at one time. Once an employee reaches this cap, the employee will cease accruing any additional vacation pay. When the employee uses enough vacation pay to fall below the cap, the employee will start accruing vacation pay again.

4.3.3 Vacation cash-out

An employee may cash-out up to two (2) weeks of vacation each fiscal year provided that the employee has at least two weeks of vacation available after any cash-out.

4.4 Sick Leave

In accordance with the Healthy Workplaces/Healthy Families Act of 2014, the District recognizes that employees will need days off from work from time to time to address their medical needs.

Regular full time Employees shall earn sick leave at the rate of eight (8) hours per month of paid employment, accrued incrementally with each pay period. Unless otherwise provided for in a collective bargaining agreement.

Upon retirement, and only upon retirement, unused sick leave may be bought back by the District at a rate of one-half (1/2) day for each whole day accrued. Alternatively, and at the retiring employee's discretion, unused sick leave may be exchanged for service credit with the District's retirement system, subject to the rules and regulations of the District's retirement system.

4.4.1 Applicability

This policy applies to non-regular (seasonal, limited term, or temporary) employees (exempt and non-exempt) who, on or after June 28, 2015, work for the District for thirty (30) or more days within twelve (12) months from the beginning of employment and who are not eligible for any form of "comprehensive leave" benefit provided by the District to other employee groups.

Employees not covered by this policy are those who are eligible for the more generous “comprehensive leave” benefit provided by the District pursuant to a collective bargaining agreement (represented employees), employee benefits resolution (non-represented employees) or an employment agreement.

4.4.2 Entitlement

An employee working for the District, on or after July 1, 2015, for thirty (30) or more calendar days within a year is entitled to paid sick leave.

Non-regular (seasonal, limited term, or temporary) employees covered by this policy are entitled to 3 days or 24 hours of paid sick time annually which may be used per fiscal year or after the ninetieth (90th) day after the first date of employment, whichever comes first. Twenty-four (24) hours shall be the maximum benefit except in situations where a day in an Employee’s regular work schedule is longer than an eight (8) hour day (e.g. an Employee who works four, 10-hour days per week.) In such cases, a “day” shall be the equivalent of the hours in the Employee’s regularly-scheduled work day.

Public sector employees, who are a recipient of a retirement allowance and employed without reinstatement into his or her respective retirement system, are not entitled to Paid Sick Leave under this policy.

Paid sick leave made available under this policy has no cash value, and the District does not pay Employees for available sick leave at separation.

The amount of paid sick leave available to an employee will be reflected on his or her pay stub every pay period.

4.4.3 Usage

An Employee may use available paid sick days beginning on the ninetieth (90th) day of employment. However, at its sole discretion, the District may allow the use of paid sick leave to an Employee in advance of the 90th day of employment with proper documentation.

The District shall allow the use of paid sick days upon the oral or written request of an Employee for themselves or a family member for the diagnosis, care or treatment of an existing health condition or preventative care, or specified purposes for an Employee who is a victim of domestic violence, sexual assault, or stalking, the purposes described in Labor Code section 230(c) and Labor Code section 230.1(a).

“Family member” for purposes of this paid sick leave policy means:

- A child (biological, adopted, or foster child, stepchild, legal ward, or child to whom the Employee stands in loco parentis, regardless of the age or dependency status);
- A biological, adoptive, or foster parent, stepparent, or legal guardian of an Employee or the employee's spouse or registered domestic partner, or a person who stood in loco parentis when the Employee was a minor child;
- A spouse;
- A registered domestic partner;
- A grandparent; • A grandchild;
- A sibling.

The Employee must provide reasonable advance notification, orally or in writing, of the need to use sick leave, if foreseeable. If the need to use sick leave is not foreseeable, the Employee must provide notice as soon as practicable. The District will not condition the use of sick leave on the Employee finding someone to cover his or her work.

Employees must use sick leave in at least one (1.0) hour increments.

Employees will only receive paid sick time for the number of hours they would have worked during their scheduled shift. For example, if the Employee was scheduled for a four (4) hour shift, they will be compensated with 4 hours of paid sick time only.

Employees will be provided the total amount of sick leave that may be used per fiscal year (24 hours or 3 days) at the beginning of each fiscal year beginning in July, or the first date of employment, whichever comes first, therefore no accrual or carry-over is permitted.

The District will limit the use of paid sick days to twenty-four (24) hours or three (3) days in each fiscal year of employment.

For returning non-regular employees who have completed ninety (90) days of employment and have a break in service of less than one year, paid sick time will be earned as outlined above. However, these returning non-regular employees are not required to wait for a subsequent 90th day of employment to use their paid sick leave. They will have access to their available sick leave for that year immediately upon re-employment with the City; provided their returning start date is within 12 months of their previous departure date.

For returning non-regular employees who have not completed their 90 days of employment and have a break in service, paid sick time will also be earned as outlined above. However, these returning non-regular employees will need to wait for a subsequent 90th day of employment to use their paid sick leave.

4.4.4 Retaliation Prohibited

Paid Sick Leave law protects employees who use sick leave, request to use sick leave, file a complaint with the Labor Commissioner's Office, allege a violation of these rights, cooperates in an investigation or prosecution, or oppose a policy or practice prohibited by the Paid Sick Leave law.

Retaliation prohibits the District from denying an employee the right to use paid sick leave, discharging or threatening to discharge an employee for using or requesting to use paid sick leave, demoting or suspending an employee for using or requesting to use paid sick leave, or in any manner discriminating against an employee because he or she uses paid sick leave or requests paid sick leave.

If an employee feels that he or she has been discriminated against for using paid sick leave or attempting to use paid sick leave, please inform the General Manager as soon as possible.

4.5 Military Leave

Employees are provided military leave in accordance with State and Federal laws. An employee requiring this type of leave shall provide the [Department Head and or General Manager](#) ~~or his or her designee~~, whenever possible, with a copy of the military orders specifying the dates of leave, site, and purpose of activity or mission.

An employee who interrupts his District service because of extended military leave shall be compensated for accrued vacation at the time the leave becomes effective.

4.6 Bereavement Leave

Bereavement leave may be taken to make arrangements necessitated by the death of a ~~family member~~ [family member](#) or to attend the funeral or memorial service for a family member.

Employee is ~~granted three~~ [granted three](#) (3) days of paid leave to take time off on the account of the death of a member of his or her immediate family or up to five (5) days if the employee is required to travel more than two hundred fifty (250) miles, [one way](#), from his or her residence.

For purposes of this policy, "immediate family" is employee's spouse, domestic partner, child, step-child, parent, grandparent, grandchild, brother, sister, half-brother, half-sister, aunt, uncle, cousin, niece, nephew, or in-laws (or analogous relationship of those enumerated above in connection with a domestic partnership). Under special circumstances the General Manager may grant additional time beyond three (3) days when approved in advance.

Usage of this leave shall not be charged against employee's accrued sick leave, ~~or~~ vacation leave, [or compensatory leave](#).

4.7 Pregnancy Disability Leave

An employee is entitled to a leave of absence for the period of time that she is required to be absent from work due to pregnancy-related disability, including childbirth, for up to a maximum of four (4) months. The employee must exhaust her accrued paid sick leave time, during the pregnancy disability leave, prior to electing using her accumulated paid time off benefits (e.g., vacation, comp time), during any such period of leave.

4.8 FMLA/CFRA Leave

Under the Family Care and Medical Leave Act (“FMLA”) and California Family Rights Act (“CFRA”), employees who have at least twelve (12) months of service with the District, and have worked at least 1,250 hours in the preceding 12-month period, may request an unpaid leave for family care or medical reasons. This leave may be up to 12 workweeks in a 12-month period for the birth, adoption, or foster care placement of a child with the employee, or for the employee’s own serious health condition or the serious health condition of the employee’s child, parent, spouse or registered domestic partner, or in connection with the call to active duty of a family member. In addition, eligible employees may request up to twenty-six (26) weeks in a 12-month period to care for a family member (including a “next of kin”) with a serious health condition incurred while on active military duty.

Employees, who are eligible to, and do, take a leave under this policy will be reinstated at the conclusion of the leave to the same or to a comparable position, in accordance with state and federal law.

If possible, employees must provide at least thirty (30) days’ advance notice for foreseeable events (such as the expected birth of a child or a planned medical treatment for the employee or for a family member). For events, which are unforeseeable, employees must notify their immediate supervisor, at least verbally, as soon as the employee learns of the need for the leave. Failure to comply with these notice rules is grounds for, and may result in, deferral of the requested leave until the employee complies with this notice policy.

The District requires certification from the employee’s health care provider before allowing an eligible employee a leave for his or her own serious health condition. In addition, the District requires certification from the health care provider of the employee’s child, parent, spouse or registered domestic partner with has a serious health condition before allowing a leave to take care of that family member. When medically necessary, leave may be taken on an intermittent or reduced work schedule.

For eligible employees taking a leave for the birth, adoption, or foster care placement of a child, the basic minimum duration of such leave is two weeks, and must be concluded within one (1) year of the birth or placement for adoption or foster care.

Taking an FMLA/CFRA leave may affect certain employee benefits or seniority date. Employees who want more information regarding eligibility for a leave or the impact of the leave on seniority and benefits should contact the General Manager.

4.9 Educational Training Time

In support of the District's overall belief in the continuing education and development of staff, employees may request educational leave for time spent attending classes, training, seminars, or other training specified or approved in advance by the [Department Head or General Manager](#), if mandated by new regulatory requirements for an individual position or there is a demonstrative value to the District as determined by the [Department Head or General Manager](#) ~~and approved by Board~~. The amount of the educational time granted, if any and whether or not some or all of the time will be paid, will be determined in advance of attendance and at the ~~sole~~ discretion of the [Department Head and/or General Manager](#).

Employees will be paid their regular wages, if job requires certification or recertification for their position or work duties when required to attend classes or courses during normal work hours for the benefit of the District, or only when needed for the employee's continuing education for required licenses or certification.

4.10 Jury Duty

Any employee who is summoned for jury duty will be allowed time off as necessary to fulfill jury duty responsibilities. A copy of the subpoena or order requiring such duty must be submitted to his or her supervisor within three (3) working days of receipt in conjunction with a leave request.

Employees will receive paid time while serving on jury duty if it occurs during their normal work days. Employees who are normally scheduled to work twenty-one (21) hours or more per week qualify for pay. Upon release from jury duty employees shall provide a receipt from the Court Clerk verifying times away from work.

4.11 Voting

Any employee whose work schedule effectively prevents him or her from voting in a federal, state, or municipal election before or after work hours, or during break time, shall be permitted paid leave for this purpose not to exceed two (2) hours.

4.12 Administrative Leave

The District shall have the right to place an employee on administrative leave at any time with full pay when, in the District's discretionary ~~opinion~~ [opinion](#), the continuing presence at the job site during an administrative investigation into the employee's fitness for duty or misconduct would create or may tend to create a disruption to the working environment or may possibly impact the efficient operations of the department.

4.13 Leave of Absence Without Pay

Upon written request by the employee and the recommendation of the Department Head, a leave of absence without pay may be granted by the General Manager or his or her designee to an employee for a period of time not to exceed a total of six (6) months for personal

reasons where other leave provisions are not available. If other leave provisions are available this leave will run concurrently with such other leave.

Request for leave of absence without pay shall state specifically the reason for the request, the date when the employee desires to begin leave, and the probable date of return.

Employees shall not accrue vacation leave, sick leave, increases in salary except Cost of Living Adjustments or all other paid leaves while on unpaid leave. The District is not required to maintain contributions toward group health, dental and vision insurance or other fringe benefits while on unpaid leave of absence, unless otherwise provided by law. Said employee shall be entitled to maintain such benefits in effect; provided, that the employee pays the insurance monthly premiums.

Employees returning to work following a leave of absence shall retain their accumulated leave, if otherwise not used. Upon the return from authorized leave of absence the employee shall be reinstated to his/her former position or to a comparable one if the former position is abolished during the period of leave.

Failure of the employee to return to his or her employment upon the termination of any authorized leave of absence shall, except under extraordinary circumstances, constitute a separation from service of that employee.

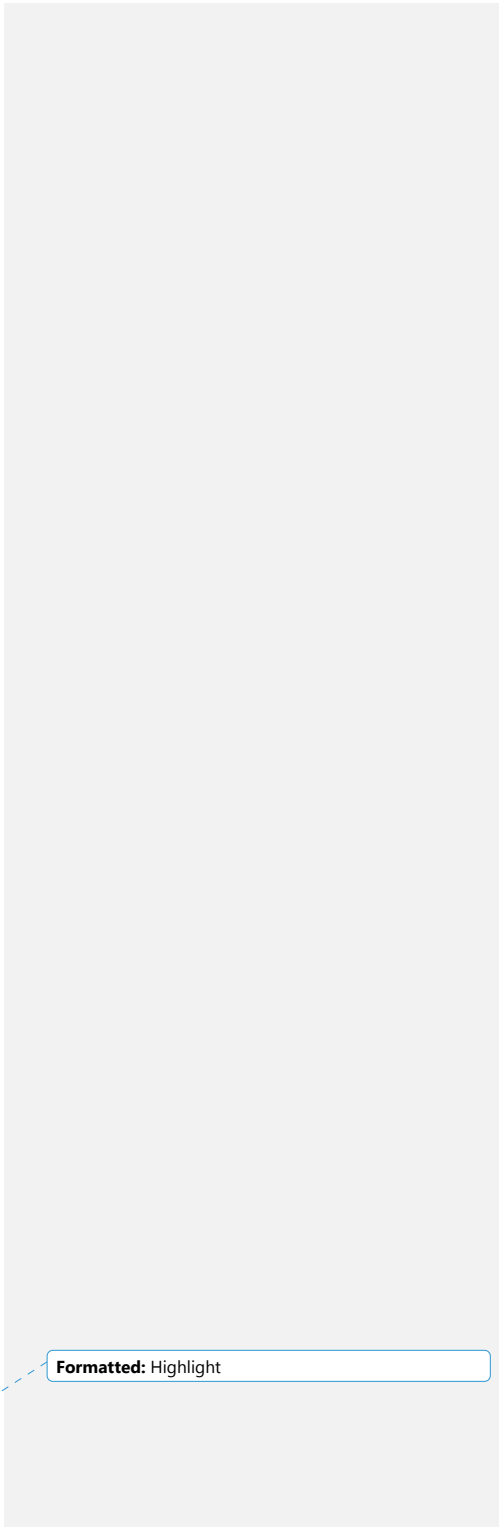
4.14 Unauthorized Leave of Absence

Unauthorized leave of absence shall be considered to be without pay and reductions in the employee's pay shall be made accordingly. An employee is deemed to have resigned if the employee is absent for more than three (3) consecutive working days without notifying the General Manager, [Department Head](#) or the employee's supervisor and may result in termination of employment. Such termination shall not be subject to appeal.

4.15 School Activities Leave

Any employee who is a parent, guardian or grandparent having custody of one or more children in kindergarten or grades 1 through 12 or attending a licensed day care facility shall be allowed up to forty (40) hours each school year, not to exceed eight (8) hours in any calendar month of the school year, without pay, to participate in activities of the school of their child. Such employee must provide reasonable advance notice of the planned absence. The employee may use accrued vacation or compensatory time off to cover the absence. The District may require the employee to provide documentation from the school as verification that the employee participated in school activities on a specific date and at a particular time. If both parents, guardians or grandparents having custody, work for the agency at the same work site, only the first parent requesting shall be entitled to leave under this provision.

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SMCSD September 2016

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Chapter 5: General Conduct

5.1 Policy Prohibiting Dishonesty/Fraud

The District is a public entity whose mission involves the public trust. This policy requires that each and every employee, vendor, contractor or other party that works for or with the District is required to act honestly and truthfully with respect to the District business at all times. The District will not tolerate any form of dishonesty or fraud.

5.1.1 Scope

The term dishonesty includes dishonest speech (for example, lying) and dishonest acts (for example, theft), as well as fraud, and misappropriation of funds or property. Dishonesty also shall include, but is not limited to:

- A. Any dishonest, fraudulent, or otherwise unlawful act;
- B. Misappropriation or misapplication of funds, property or other assets;
- C. Profiting on insider knowledge;
- D. Destroying or taking without authorization any the District records, property or other assets;
- E. Forgery or altering the District documents or the documents of third parties submitted to the District;
- F. Unauthorized disclosure of the District's confidential information, including but not limited to information discussed in Closed Sessions of the Board.
- G. Falsely reporting transactions, events, work schedules or other the District events;
- H. Receiving kickbacks from any source.

5.1.2 Employee Duty to Report Dishonesty/Fraud

Any employee who believes that an act of dishonesty in violation of this Policy has occurred shall immediately contact either their supervisor or the General Manager. In the event that the employee is unable, for any reason, to report the conduct to their supervisor or to the General Manager, or in the event that the General Manager is the person accused, the employee shall report the conduct to the District Board President or Board Clerk in absence of Board President. This report may be made in writing or orally.

5.1.3 Investigation

The General Manager or other person appointed by the District Board of Directors shall investigate any report of dishonesty promptly and thoroughly. Furthermore, to the extent possible and compatible with an investigation, a report of dishonesty shall be kept confidential. Following the investigation, the General Manager or the District Board of Directors, as necessary and appropriate, shall take appropriate corrective action, including discipline or termination. In all events, the investigation and corrective action shall be accomplished as soon as possible.

5.1.4 No Reprisals

The District prohibits retaliation of any kind against a reporting employee (including volunteers and interns) or any other employee who has assisted in any way in the investigation of a report of dishonesty.

5.2 Policy Prohibiting Harassment and Discrimination

Harassment and discrimination in employment on the basis of sex, race, color, national origin, ancestry, citizenship, religion, age, physical or mental disability, medical condition, sexual orientation, gender identity or gender expression, veteran status, marital status, registered domestic partner status, genetic information, or any other protected basis is prohibited by federal and state law. The District does not tolerate unlawful discrimination or harassment in the workplace or in a work-related situation. Unlawful discrimination and harassment is a violation of these Guidelines. Section 5.2 through 5.4 shall also include and applied to members of the District Board of Directors including the use of complaint procedures described herein.

5.2.1 Unlawful harassment in employment may take many different forms. Some examples include, but are not limited to:

- Verbal conduct such as epithets, derogatory comments, slurs, or unwanted comments and jokes;
- Visual conduct such as derogatory posters, cartoons, drawings, or gestures;
- Physical conduct such as blocking normal movement, restraining, touching, or otherwise physically interfering with work of another individual;
- Threatening or demanding that an individual submit to certain conduct or to perform certain actions in order to keep or get a job, to avoid some other loss, or as a condition of job benefits, security, or promotion; and
- Retaliation by any of the above means for having reported harassment or discrimination, or having assisted another employee to report harassment or discrimination.

5.2.2 Sexual harassment under state and federal laws includes unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when:

- submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment;
- submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or
- such conduct has the purpose or effect of unreasonably interfering with an individual's work performance creating an intimidating, hostile, threatening or offensive working environment; or adversely affecting the employee's performance, appraisal, assigned duties, or any other condition of employment or career development; or

- such conduct is offered in order to receive special treatment or in exchange for or in consideration of any personal action

It is a violation of this policy if an employee is subject to any act of retaliation for reports of violation of this policy or participating in the investigation of a sexual harassment complaint.

Other examples of sexual harassment include, but are not limited to, unwelcome sexual flirtations or propositions; verbal abuse of a sexual nature; graphic verbal comments about an individual's body; sexually degrading words used to describe an individual; e-mails that may be inappropriate, offensive, harassing, or creating a hostile work environment; and the display in the work environment of sexually suggestive objects or pictures, posters, jokes, cartoon, or calendar illustrations. Sexual harassment conduct need not be motivated by sexual desire.

5.2.3 Policy Prohibiting Abusive Conduct/Workplace Bullying

Abusive conduct or workplace bullying of the District's employees, by any person in or from the work environment, is strictly prohibited. Abusive conduct or workplace bullying is the conduct of any employer or employee in the workplace, with malice, that a reasonable person would find hostile, offensive, and unrelated to an employer's legitimate business interest. Abusive conduct or workplace bullying includes, but is not limited to:

- Repeated infliction of verbal abuse;
- Derogatory remarks, insults, epithets;
- Verbal or physical conduct that a reasonable person would find threatening, intimidating, or humiliating; or
- Gratuitous sabotage or undermining of a person's work performance.

5.3 Complaint Procedure

5.3.1 Internal Complaint Procedure

Any individual who believes that he or she is the object of harassment, abusive conduct, or discrimination on any prohibited basis, or who has observed such conduct, or who believes he or she has been subjected to retaliation, should first notify his or her supervisor, the District's General Manager or his or her designee either in writing or verbally. The District will investigate the matter and take such action as is warranted under the circumstances, which may include discipline up to and including termination. If a complaint is made against the General Manager, then the employee should report the issue to the District's Board President.

The District will maintain strict confidentiality ensuring the privacy of all parties concerned.

5.3.2 Agency Complaint Procedure

Both the state and federal governments have agencies whose purpose is to address unlawful discrimination in the workplace. If an individual who provides services to the District believes he or she has been harmed by unlawful workplace discrimination, abusive conduct, or harassment, and is not satisfied with the District's response to the problem, he or she may file a written complaint with these agencies. For the State of California, the agency is called the Department of Fair Employment and Housing ("DFEH"). The local address for the DFEH is 1277 East Alluvial Avenue, Suite 101, Fresno, California 93720 (559) 244-4760.

For the federal government, the agency is called the Equal Employment Opportunity Commission ("EEOC"). The local address for the EEOC is 2300 Tulare Street, Suite 215, Fresno, California 93712.

5.4 Retaliation

Retaliation against any individual for making a report, or for participating in an investigation, under this policy is strictly prohibited. Individuals are protected by law and by District policy from retaliation for opposing unlawful discriminatory practices, for filing an internal complaint under this policy or for filing a complaint with the DFEH or EEOC, or for otherwise participating in any proceedings conducted by the District under this policy or by either of these agencies.

Chapter 6: No Smoking/Tobacco Policy

6.1 Smoking

The District is committed to a philosophy of good health and a safe workplace. In keeping with this philosophy, smoking, including vaping or e-cigarettes, is not permitted inside the District ~~offices~~buildings, District properties, vehicles or enclosed work areas or anywhere else prohibited by law.

6.2 Chewing Tobacco

Chewing tobacco is not permitted inside the District buildings, District properties, vehicles or enclosed work areas or anywhere else prohibited by law.

Chapter 7: Drug and Alcohol-Free Workplace

7.1 Scope and Purpose

The District recognizes the problem of substance abuse as a serious threat to the welfare of District employees and the public. To address this problem, the District has implemented a "Drug and Alcohol-Free Workplace Policy", incorporated to the Personnel Guidelines by reference. The ultimate goal of this Policy is to maintain a safe, productive, drug- and alcohol-free working environment.

Chapter 8: Conflict of Interest

District employees shall not place their personal business interest above the best interest of the District or Board's constituents. Accordingly, employees of the District shall not:

- Engage in a substantial financial transaction for private business purposes with another employee whom he or she supervises;
- Take any official action directly and substantially affecting his/her economic benefit with any business, undertaking, or enterprise doing business with the District;
- Disclose or use confidential information acquired in the course of his or her official duties without authorization from the District; or
- Employees may not receive gifts valued over \$10 from any single source per year.

Chapter 9: District Property

9.1 Use of the District Property

District property is to be used only for official district business, in an appropriate manner, and in accordance with all applicable rules, operating procedures, or directives. No employee shall remove, misuse, damage, or destroy District property, or the property of other employees, from the District premises or work site.

9.2 Use of the District Vehicles

District vehicles may be used only for the purpose and in the manner authorized by the General Manager. Only authorized and state licensed District employees may operate the District vehicles, in accordance with all applicable traffic laws and designated proper use. Use of the District vehicles outside the District boundaries is permitted only with prior approval from the Department Head and or General Manager. ~~District vehicles may not be used for travel during employees' paid fifteen (15) minute break periods.~~ The District encourages employees to carpool when on official business. District employees may not have family members or friends in District vehicles, except for parades or similar events, unless previously authorized by General Manager. Employees are expected to leave vehicles in clean and working order.

Employees are required to be in possession of a valid California Driver's license for the class of vehicle being operated. The revoking of that license for any reason by the State of California, or a driving record deemed unacceptable by the District for any reason, may be sufficient cause for termination of employment. Use of personal vehicles for District

business is not allowed, unless said use is pursuant to an executed contract agreement, i.e.: General Manager, or is allowed by the District's Purchasing Policies and Procedures sections applicable to mileage reimbursement and use of personal vehicles for District business allows said use. The District's adopted Purchasing Policies and Procedures are incorporated herein by reference as a part of this Policy Manual.

Traffic citations, with the exception of faulty equipment are the employee/driver's responsibility. If an employee is involved in an accident, the employee must immediately notify his or her immediate supervisor or General Manager and should not make any statement concerning the responsibility for the accident to anyone, but a District representative. This applies to accidents while operating personal vehicles on District business as well as District-owned vehicles. Cooperation should be extended to law enforcement officers. Failure to comply shall be subject to disciplinary action up to and including termination.

9.3 Cellular Telephone Usage

Employees may be provided with a business cell phone or camera for conducting official business. All uses of cell phones or cameras shall be done in conformance with District policies and federal and State law. Cellular telephone usage includes, but is not limited to phone calls, text messaging, and usage of applications on smart phones ("Phone Usage").

Personal cellular telephones may be used by employees during work time hours only for essential personal calls, or for an occasional personal business call. Essential personal calls are defined as calls of minimal duration and frequency that are urgent in nature and cannot be made at another time. Examples of essential personal calls are calls to arrange for care of a child or other family emergency, to alert a family member of an unexpected delay due to a change in work schedule, or to arrange for transportation or service in the event of car trouble, etc.

To the extent possible, Phone Usage should be confined to rest and lunch breaks, and in locations such that the conversation is not disrupting to other employees or District business.

9.3.1 Cellular Phone Safety

For safety reasons personal and District-owned Phone Usage is not be permitted while employees are engaged in a continuous operation, such as a member on a utility crew engaged in the construction or repair of District facilities.

Employees are expected to operate District vehicles and equipment in a safe and prudent manner. Accordingly, employees may not use cell phones while driving unless the phone is specifically designed and configured to allow hands-free listening and talking. Similarly, employees are not permitted to text while driving.

Chapter 10: Disciplinary Action

10.1 General Rules of Conduct

The District expects all of its employees to act in the best interest of the District and its customers and residents. It is the responsibility of all employees to observe all rules, guidelines, and operating procedures of the District. The District further expects that each of its employees will act in a polite and professional manner when dealing with members of the public and other employees. These General Rules of Conduct, along with the “Examples of Unacceptable Conduct” listed below, are not meant to be all inclusive, but rather to provide illustrations of acceptable conduct versus problematic conduct.

10.2 Examples of Unacceptable Conduct.

The following list presents examples of some of the types of unacceptable conduct that may result in disciplinary action, up to and including immediate termination. This list is not an exhaustive list of what may result in discipline, up to and including immediate termination:

- A. Fraud in securing employment;
- B. Abuse of sick leave, continued absenteeism or tardiness, and/or unexcused absences;
- C. Falsification of records;
- D. Inadequate job performance;
- E. Dishonesty;
- F. Violence or threat violence towards other employees or the public;
- G. Conviction of a felony or misdemeanor involving a crime of moral turpitude;
- H. Theft;
- I. Negligent or reckless operation of District vehicles and equipment;
- J. Falsification of, or material omission from any employment application, payroll records, time reports, or other the District documents;
- K. Violation of any of the District's Policies, Procedures, Administrative or Operational Directives, including any policies in these Personnel Guidelines, or inducing other employees to violate any such rules;
- L. Violation of the District's Purchasing Policies;
- M. Violation of safety rules or practices;
- N. Violation of the District's policy prohibiting harassment, abusive conduct or discrimination;
- O. Violation of the District's Drug and Alcohol Free Workplace Policy;
- P. Sleeping during work hours is prohibited unless separate authorization has been given;
- Q. Possession of firearms or dangerous weapons on District property;
- R. Private use of District equipment, vehicles, tools, and materials.

- S. Unauthorized disclosure of or other failure to properly protect trade secrets of the District;
- T. Soliciting coworkers when either employee is on working time being paid for by the District is prohibited, including the use of e-mail. Distribution or posting of pamphlet, leaflets, or any other literature in the District offices is prohibited during working time of any employee involved.

10.3 Types of Disciplinary Action

Disciplinary action includes oral warning, written warning, disciplinary probation, suspension, reduction in salary, demotion, reduction in salary, or termination of employment.

- A. Oral Warning: communication to an employee that his or her performance or behavior must be improved and failure to do so may result in more serious discipline. An employee's supervisor or the General Manager may note the date, time, and content of oral reprimand, but no record of oral reprimand shall be placed in the employee's personnel file unless subsequent action is necessary.
- B. Written Warning: a formal written notice to an employee that further disciplinary action will be taken unless his or her performance or behavior improves. A copy of the written reprimand is given to the employee and the original is filed in the employee's personnel file. The employee must acknowledge receipt of the written warning by signing the letter at the time of presentation; this signature signifies only the receipt of the document; it does not signify the employee's agreement with the allegations.
- C. Disciplinary Probation: this form a disciplinary action lasts for a specified period of time, not to exceed six (6) months. Employees on disciplinary probation may be terminated for failure to meet performance or behavior standards as provided by in the employee's job classification.
- D. Suspension: the temporary removal of an employee from his or her duties without pay for disciplinary purposes for up to thirty (30) working days. Employees suspended from his or her employment with the District forfeit all rights, privileges, and salary with the exception of group health and life insurance benefits.
- E. Reduction in Salary: a decrease in salary paid to an employee for a specified period of time for disciplinary purposes.
- F. Demotion: the removal of an employee from a position to another position carrying a lower maximum rate of pay, as a result of a disciplinary action.

- G. Discharge: the removal of an employee from District services, as provided for in these Guidelines.

10.4 Disciplinary Notice/Appeal Procedure

This Section does not apply to probationary or temporary employees.

10.4.1 Written Notice of Proposed Action

In the event the District imposes disciplinary action as described in section 10.3, subsections C-G, the employee will be given a notice of the disciplinary action.

A. Notice of Disciplinary Action

Whenever a disciplinary action is to be taken against an employee, the employee shall be notified in writing of the proposed disciplinary action to be taken. The notice may be served upon the employee, either personally or by certified mail, and shall contain the following information:

1. A statement of the disciplinary action to be taken.
2. The effective date of the disciplinary action.
3. The reason or cause of the disciplinary action.
4. A summary of the facts upon which the charges are based.
5. Notice that the employee may inspect copies of all materials upon which the disciplinary action is based.
6. A statement notifying the employee that he or she has ten (10) business days in which to respond orally or in writing regarding the proposed disciplinary action.
7. Notice that failure to respond at the time specified shall constitute a waiver of the right to respond prior to final discipline being imposed.

B. Notice of Suspension

Prior to the imposition of discipline as described in section 10.3, subsections C-G, a regular employee shall be provided a written notice or "Skelly letter" by the employee's supervisor or General Manager proposing to implement discipline which contains:

1. Notice of the proposed action;
2. The reasons for the proposed action;
3. A copy of the charges and any materials upon which the proposed action is based;
4. Notice that the employee is entitled to an opportunity to respond within five (5) working days after the notice has been served upon employee to the charges orally or in writing, or both, personally or with a representative who may be an attorney;

5. The date and time of the response or “Skelly” meeting, which shall be held according to section 10.4.2;
6. Notice that if the employee fails to attend the response meeting the employee shall be deemed to have waived all rights to said meeting and from appeal to any action taken.

10.4.2 Response Meeting/Skelly Hearing

No less than ten (10) business days after the notice has been served upon employee, employee shall have the opportunity to refute charges or present facts that may not be known at a “Skelly” hearing. The employee may respond orally or in writing, personally or with a representative. Neither party shall be entitled to call witnesses or take testimony.

At the meeting, the General Manager may consider information contained in the charges and recommendations, as well as information presented by the employee or his or her representative.

10.4.3 Post-Skelly Final Notice

Within ten (10) days after the Skelly Hearing, the appropriate authority shall: 1) dismiss the notice and take no disciplinary action against the employee; 2) modify the intended disciplinary action; or 3) prepare and serve upon the employee a final notice of disciplinary action.

The final notice of disciplinary action shall include the following:

1. The disciplinary action taken.
2. The effective date of the disciplinary action taken.
3. Specific charges upon which the action is based.
4. A summary of the facts upon which the charges are based.
5. The written materials, reports and documents upon which the disciplinary action is based.
6. The employee’s right to appeal.

If an employee fails to respond to the notice for a Skelly Hearing, the General Manager shall notify the employee in writing that his or her time to respond has expired, and that the discipline shall be imposed.

Disciplinary action other than a suspension, demotion or termination (i.e., written or oral reprimands) shall not be subject to appeal. Disciplinary action consisting of a suspension, demotion or termination may be appealed by regular employees pursuant to Section 10.4.6.

10.4.4 Appeals of Disciplinary Action

Any regular employee shall have the right to appeal to the General Manager from any disciplinary action taken by his or her supervisor following a Skelly hearing.

Such appeal shall be in writing and must be filed with the General Manager within ten (10) business days after receipt of written notice of such disciplinary action. Failure to file an appeal within such period constitutes a waiver of right to appeal.

The General Manager shall conduct a hearing as provided above. Neither the provisions of this section or this Chapter shall apply to reductions in force or reductions in pay, which are part of a general plan to reduce or adjust salaries and wages. However, any reduction in pay is subject to the meet and confer process pursuant to Government Code sections 3504.5 and 3505.

In the event the General Manager institutes the disciplinary action against an employee, he or she shall be disqualified from presiding at the appeal hearing. In such case, the Hearing Officer will be appointed pursuant to section 10.4.11.

10.4.5 Selection of Hearing officer for Appeal of Disciplinary Action

If the General Manager is disqualified, the appeal shall be heard by a hearing officer provided to the District by a non-profit organization or governmental agency with whom the District has contracted to conduct hearing pursuant to these Guidelines. No hearing officer shall be compensated or evaluated, directly or indirectly, based upon the outcome of any hearing.

10.4.6 Appeal Hearing

The General Manager or the appointed hearing officer shall conduct an appeal within thirty (30) days of receipt of employee's request for appeal. The General Manager or the appointed hearing office may continue the hearing either for the convenience of the District or for good cause upon written application of the appellant or District, for a period not to exceed an additional thirty (30) days from the receipt of the appeal. Written notice of the time and place of the hearing shall be conducted in accordance with the provisions of Section 11509 of the Government Code of the State of California, except that the appellant and other persons may be examined as provided in Section 19580 of said Government Code, and the parties may submit all proper and competent evidence against, or in support of the causes.

10.4.7 Representation at Appeal

Any District employee other than those appointed to supervisory, management, and confidential classifications shall be permitted to represent another District employee or group of District employees at the hearing of the appeal. The appellant may appear in person or be represented by counsel.

10.4.8 Notices to Witnesses: Cost

The General Manager shall issue notice for the appearances of witnesses for the appellant upon his written request and at his cost. The General Manager may require such cost to be prepaid.

10.4.9 Failure of Employee to Appear at Appeal Hearing

Failure of the appellant to appear at the hearing, without the prior written approval of the hearing officer, shall be deemed a withdrawal of his or her appeal and the action of the General Manager or supervisor shall be final.

10.4.10 Decision on the Appeal

The General Manager or appointed hearing officer shall render a written decision within thirty (30) days after concluding the hearing. The General Manager's decision shall be final and conclusive, except when an employee is suspended for more than three (3) days or discharged. A copy of such decision shall be forwarded to the appellant. If the disciplinary action taken against the employee is reversed or modified by the General Manager or an appointed hearing officer, the employee will be compensated for the time lost, if any, that resulted from the reversed disciplinary action.

In cases involving suspending an employee for more than three (3) days or discharging an employee, a copy of such decision shall be forwarded to the employee.

10.4.11 Notice of the Binding Arbitration

The employee may, within ten (10) business days after receipt of written notice of the General Manager's or hearing officer's decision, give notice to the General Manager that the association representing the grievated employee will submit the matter to binding arbitration. The arbitrator shall be selected in accordance with section 10.4.11, and the cost of arbitration shall be borne equally between the District and the employee. The arbitration hearing shall be held within thirty (30) days from the date of the request by employee to submit to arbitration. The parties may agree to continue the date of the arbitration hearing by mutual agreement.

10.4.12 Selection of Arbitrator

The District and exclusive employee representative shall maintain a list of no less than five (5) and no more than seven (7) arbitrators to utilize in accordance with this section. The names shall be selected by mutual agreement of the parties and shall be refreshed from time to time as needed by mutual agreement.

Whenever an arbitrator is needed to preside over an arbitration hearing, the District and employee, or employee's representative shall stipulate to an arbitrator on the arbitration list. If no stipulation can be reached, the parties shall each take turns striking arbitrator names until only one name is left. The party to strike the first name from the list shall be the District, if the date of the name striking occurs on an odd number date. The appellant or his or her representative shall strike the first name if such striking occurs on an even numbered date.

The remaining arbitrator shall be designated by the parties to preside at the hearing and render a final and binding decision in the matter.

The binding arbitration hearing shall be conducted in accordance to the procedures set forth in section 10.4.6.

Chapter 11: Grievance Procedure

With the exceptions below, a grievance is defined as a complaint by an employee that the District has violated a written policy contained in these Guidelines, an applicable MOU between the District and a recognized employee organization, or a provision of federal, state, or local law, which adversely affects the employee. Specifically excluded from the grievance procedures are claims or complaints of alleged discrimination or harassment, performance evaluations, and all disciplinary actions. Specific procedures for concerns regarding those items are addressed in separate sections of these Guidelines.

11.1 Grievance Procedure Steps

Level I, Preliminary Informal Resolution. An employee who believes she or he has a grievance shall present it orally to her or his immediate supervisor within ten (10) business days after the employee knew, or reasonably should have known, of the circumstances that form the basis for the grievance. The immediate supervisor will discuss the grievance with the employee and respond to the employee in writing within ten (10) business days after their discussion. If the grievance is against the employee's supervisor, the employee may skip Level I and advance to Level II, provided he or she complies with all applicable time limits and other requirements for Level I.

Level II, Supervisor. If the grievance is not resolved at Level I, the employee may present her or his grievance in writing to his or her supervisor or to the General Manager within ten (10) business days of the date of the Level I response.

The Level II grievance shall include the following:

- A. A concise statement of the grievance, including specific reference to the policy allegedly violated;
- B. The circumstances involved;
- C. The decision rendered at Level I, if any;
- D. The dates when: (i) the grievance was first discussed with the immediate supervisor; (ii) the Level I response was issued; and (iii) the employee submitted the grievance to Level II; E. The specific remedy sought.

Within ten (10) calendar days of receipt of the employee's Level II grievance, the employee's supervisor or the General Manager shall meet with the employee and try to resolve the dispute. He or she shall issue a written response to the employee within ten (10) calendar days of the meeting with the employee. If no response is issued within the

time limit, the grievance will be deemed denied at that level and the employee may appeal to the next level.

Level III, General Manager. In the event the grievance is not resolved at Level II, the employee may, within seven (7) business days of the date of the Level II response, appeal the decision in writing to the General Manager. If the decision being applied was made by the General Manager, then the employee may skip Level II and proceed to Level IV. The Level III appeal shall include a copy of the original grievance; a copy of the written Level II decision; and a clear, concise statement of the reasons for the appeal to Level III.

Within ten (10) calendar days from the date of General Manager's receipt of the Level III grievance, the General Manager will issue a written determination to the employee.

Level IV, Hearing. If the grievance is not resolved at Level III or if the grievance is against the General Manager, the employee may, within seven (7) business days of the date of the Level III written response, appeal the decision by submitting to the General Manager a written request for appeal by a designated hearing officer, who will be selected in accordance with section 10.4.11. The costs, if any, for the services of the hearing officer will be split equally between the employee and the District, not to exceed more than five hundred dollars (\$500.00). After the hearing, the hearing officer will issue an advisory written recommendation on the matter to the Board of Directors, who will consider the recommendation in closed session. The Board of Directors will then issue a final decision on the appeal, subject to judicial review.

11.2 General Rules for Grievances

All employee grievances must follow the steps outlined above. Except as expressly stated in this policy, at no time may an employee bypass a step. Employees shall not approach the General Manager directly with a grievance as an initial matter, unless the General Manager is the employee's direct supervisor. Time limits set forth above may be extended upon the written consent of both parties. Employees will not be retaliated against for filing or pursuing a grievance in good faith under this procedure. Employees are entitled to representation throughout the grievance process.

If an employee does not present the grievance, or does not appeal the decision rendered regarding the grievance, within the time limits specified above, the grievance shall be considered withdrawn.

A copy of all formal grievance decisions shall be placed in a grievance file belonging to the District. A copy of the grievance decision will be provided to the employee.

11.3 Expungement of Written Reprimands

A written reprimand may be expunged upon sustained corrective behavior, as determined by the General Manager, after a period of three (3) years from the date of the reprimand. It is the responsibility of the employee to request that his or her personnel file be purged of the written reprimand.

The General Manager will consider the following factors in making his or her decision:

1. whether the employee received further discipline of any kind;
2. employee's performance evaluation reviews are at least satisfactory in all categories; and
3. that the only one expungement can occur during their employment with the District.

Chapter 12: Employee Records

12.1 Personnel Records and Information

The District retains personnel records concerning its employees. Such records ordinarily include applications, insurance forms, payroll deduction authorizations, performance appraisals, certain pay records, transfer and promotion forms, records of disciplinary action, training records, and any certificates or credentials required for an employee's job. Other information concerning employees may be kept as personnel records at the discretion of the District.

In order to keep personnel records current, the General Manager or his or her designee must be notified of any change in an employee's personal status and information, such as: changes of address, telephone number, marital status, military status, any birth or death in an employee's immediate family, any change in the name or telephone number of the person to be notified in case of emergency, any change in insurance beneficiary, or any other information needed to maintain accurate records. These changes shall be provided to the General Manager or his or her designee within thirty (30) days of the change in an employee's personal status.

Each employee is also responsible for providing the District with records concerning any licenses or certificates required in the performance of his or her job, as well as any documents showing that education or training relevant to employment has been completed.

12.2 Release of Information

Personnel records are considered confidential. Employees may examine their own personnel records, except for letters of reference, by contacting the General Manager or his or her designee. Employees may authorize the release of their own personnel records by executing a written request identifying the records to be released and the person or entity to which they may be released.

Ordinarily, no information on past or present employees shall be provided by the District, other than employment dates and job title, unless such requests for information are accompanied by a signed authorization by the employee to release the information requested.

Chapter 13: Personnel Actions

13.1 Separation Procedures

Employees who separate from the District for any reason will be paid for any comp time or vacation time that is accrued but unused at the time of their termination. Employees do not receive any pay out for accrued but unused sick leave at termination, or at any other time.

Terminating employees may be eligible to continue coverage under the District's group health insurance at their own expense pursuant to COBRA.

13.2 Disciplinary Termination

Employees who are terminated for disciplinary reasons or for "good cause" as defined in these Guidelines are not eligible for rehire.

13.3 Layoff Policy and Procedure:

- 1. Statement of Intent:** Whenever the Board determines necessary to abolish any District position, the employee holding such position or employment may be laid off or demoted without disciplinary action and without the right of appeal.
- 2. Notification:** Employees to be laid off will be given, whenever possible, at least fourteen (14) calendar days prior notice, if possible.
- 3. Order of Layoff:** Employees are generally laid off in the inverse order of their seniority in their classification in the department, although this order is subject to business needs. Seniority is determined based upon date of hire in the department. Within each class, and subject to business needs, employees will generally be laid off in the following order: temporary, part-time, probationary, and regular.

In cases where there are two or more employees in the classification in the department from which the layoff is to be made who have the same seniority date, such employees will be laid off on the basis of the last evaluation rating in the class, providing such rating has been on file at least 30 days and no more than 12 months prior to lay off, as follows:

First, all employees having ratings of “improvement needed;” second, all employees having ratings of “competent;” third, all employees having rating of “outstanding.”

4. **Transfer in Lieu of Layoff:** An employee affected by layoff may be transferred to a vacant position within the same or comparable classification, or a vacant position in any former classification, first within the affected department and then District-wide, which the employee once held as a regular employee, provided that the employee meets the minimum qualifications of said positions and the compensation is at the same or lower rate of pay.
5. **Re-employment Rights for Laid Off Employees:** Regular employees who have been laid off shall be automatically placed on a re-employment list for 2 years from the date of layoff for the classification from which they were laid off.
6. **Mass Layoff:** If the District finds it necessary to enforce a mass layoff, it must provide at least a sixty (60) day notice prior to the mass layoff. A mass layoff is defined as job loss for at least fifty (50) employees in a thirty (30) day period. California’s WARN Act, codified in Labor Code Sections 14001408 also applies to the closing of an industrial or commercial facility with at least seventy-five (75) employees, or the relocation of an industrial or commercial facility with at least 75 employees to a location at least one hundred (100) miles away.

13.4 Voluntary Resignations in Good Standing

An employee who resigns in good standing is eligible to seek for re-employment with the District. Good standing shall mean providing at least a two (2) week notice and the completion of all necessary exit forms and exit interview.

13.5 Exit Interview

For the purpose of ascertaining potential eligibility for unemployment insurance benefits, all employees separating from the District for any reason shall be given an interview prior to termination.

The interview shall be conducted by a representative of the General Manager and shall produce specific information as to the causes and reasons for the separation. The information shall be recorded on a standard form provided by the District, which the employee shall be required to sign.

A copy of the complete report shall be transmitted to the employee’s immediate supervisor and General Manager for comment and be returned for retention in the employee’s personnel file.

13.5.1 Property Return Agreement

Upon employment with the District, each employee may complete a Property Return Agreement if they receive any District property. Property includes, but is not limited to, laptops, cell phones, PDAs, equipment, keys, reports, proprietary information, and any other job related materials. All District property must be returned prior to departure.

13.5.2 Employment Reference Checks

All inquiries regarding a current or former District employee must be referred to the General Manager. Should an employee receive a written request for a reference, he or she must refer the request to the General Manager for handling. Employees may not issue a reference letter to any current or former employee without the permission of the General Manager.

Under no circumstances should an employee release any information about a current or former employee over the telephone. All telephone inquiries regarding any current or former employees of the District must be referred to the District Manager.

In response to an outside request for information regarding a current or former District employee, the General Manager will only verify an employee's name, date of employment, and job title. No other data regarding any current or former District employee will be released unless the employee authorizes the District to release such information in writing or the District is required by law to furnish any information.

If, however, an employee is contacted to give a personal reference regarding a current or former District employee, he or she is permitted to do so and should emphasize to the inquirer that the reference is personal only and not on behalf of the District.

Failure to follow these directions may be cause for corrective action up to and including termination.

Chapter 14: Internet, E-mail and Electronic Communications

The District believes that employee access to and use of the internet, e-mail, and other electronic communications resources benefits the District and makes it a more successful local public agency. However, the misuses of these resources have the potential to harm the District's short- and long-term success. Employees should have no expectation of privacy in work-related emails or internet usage while using District computers.

The District has established this policy to ensure that the District employees use the District provided computer resources, such as the internet and e-mail, in an appropriate manner.

14.1 Rules Regarding Prohibited Use

Employees shall not use the District internet and e-mail in an inappropriate manner. Prohibited use of the internet and e-mail systems includes, but is not limited to:

SMCSD September 2016

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1. Accessing internet sites that are generally be regarded in the community as offensive (e.g., sites containing pornography or that exploit children), or accessing sites for which there is no official business purpose (e.g., social media websites or online shopping websites).
2. Engaging in any profane, defamatory, harassing, illegal, discriminatory, or offensive conduct or in any conduct that is otherwise inconsistent in any way with the District policies.
3. Distributing copyrighted materials.
4. As computer viruses can become attached to executable files and program files, receiving or downloading executable files and programs via electronic mail or the internet without express permission of the Systems Administrator is prohibited. This includes, but is not limited to, software programs and software upgrades. This does not include e-mail or documents received via e-mail and the internet.
5. Use of another person's name or account, without express permission of the System Administrator, is strictly prohibited.
6. Using the District's computer resources for personal social media, online shopping, and other similar online commercial activity.
7. Employees must respect all copyright and licensed agreements regarding software or publication they access or download from the internet. The District does not condone violations of copyright laws and licenses and the employee will be personally liable for any fines or sanctions caused by the employee's license or copyright infringement.

14.2 Additional Guidelines

Employees are expected to understand and comply with the following additional guidelines regarding use of the internet and District computer systems.

1. Internet access is to be used for the District business purposes only. Employees who have completed all job tasks should seek additional work assignments. Use of the internet should not interfere with the timely and efficient performance of job duties. Personal access to the internet and e-mail is not a benefit of employment with the District. Limited personal use of the District's systems to access internet, e-mail, and other electronic communications may be permitted only during the employee's authorized break time.
2. Employees do not have any right or expectation to privacy in any the District computer resources, including e-mail messages produced, sent, or received on the District computers or transmitted via the District's servers and network. The District may monitor the contents of all computer files and e-mail messages to promote the administration of the District operations and policies.
3. Employees' access to and use of the internet, e-mail, and other electronic communications on the District systems is monitored, and such files and electronic

communications may be reviewed by the District at any time. Employees have no expectation of privacy.

4. Deleting an e-mail message does not necessarily mean the message cannot be retrieved from the District's computer system. Backup copies of all documents, including e-mail messages, that are produced, sent, and received on the District's computer system, can be made.
5. E-mail and any attachments are subject to the same ethical standards, and standards of good conduct, as are memos, letters, and other paper-based documents.
6. Currently all District e-mail sent is not encrypted. Unencrypted electronic mail is not a secure way of exchanging information or files. Accordingly, employees are cautioned against transmitting information in an electronic mail message that should not be written in a letter, memorandum, or document available to the public.
7. E-mail, once transmitted, can be printed, forwarded, and disclosed by the receiving party without the consent of the sender. Use caution in addressing messages to ensure that messages are not inadvertently sent to the wrong person.
8. Virus scanning software shall be used where provided.
9. It is advisable for all employees of the District to remind customers, clients, and contractors of security issues when sending confidential electronic mail or documents to the District via electronic mail. If applicable, our customer, clients, or contractors should be reminded to implement a security policy and make sure their employees understand the ramifications of sending confidential information via electronic mail.
10. Employees must scan all downloadable materials before using or opening them on their computers to prevent the introduction of any computer virus.

Chapter 15: Miscellaneous Policies

15.1 Political Activity

Every employee has the right as a citizen to participate fully in the political process. Employees are encouraged to participate by attending public meetings, running for elected office, voting, and otherwise participating in the community as a good citizen. No employee, however, shall campaign for himself or herself or any other candidate or cause during District business hours, or during employee work time or using the District resources. No employee shall publicly campaign for any candidate or cause while wearing a District uniform, insignia, or otherwise while representing the District.

15.2 Desks, Lockers, Storage, and Other Personal Inspections

The District reserves the right to open and enter, upon reasonable suspicion and with or without the employee's permission any office, desk, locker, file cabinet, or other storage location on the District premises or work sites (including the District parking areas) and to inspect vehicles or any containers brought into the workplace or work site.

Although an employee may be assigned an office, desk, vehicle, locker, file cabinet, or other storage area or device by the District, such assignment shall not create an expectation of privacy in the use of such items or areas. These items remain the property of the District and may be searched at any time.

15.3 District Visitors

Access to the District facilities, except for public areas, is restricted for safety reasons. Employees shall not receive visitors at non-public areas of District facilities office except with the express permission of the General Manager. All visitors must check in at the business office and wait until the District personnel are available to meet with them at the business office.

15.4 Media Contact Policy

The General Manager is the designated point of contact for the District for all media contact, as the General Manager is the official spokesperson for the District. Any contact by the media to an employee of the District regarding the District shall be immediately reported to the General Manager. Unless approved by the General Manager, no employee shall issue a statement or communicate with the media on behalf of the District.

15.5 Phone Policy

The personal use of District phones should be limited to break and lunch times unless it is an emergency. Long distance use of any the District landline for personal use is prohibited unless specifically authorized by the employee's supervisor or General Manager.

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San Miguel Community Services District

Board of Directors Staff Report

October 25th, 2018

AGENDA ITEM: XI-5

SUBJECT: Continued Discussion on the status of the Machado Wastewater Treatment Facility expansion and the aerator upgrade project.

RECOMMENDATION: Discuss status of the Machado Wastewater Treatment Facility expansion and the aerator upgrade project.

CURRENT STATUS:

WWTF

The existing plant upgrade was completed in 2001, at that time it was upgraded to a maximum capacity of 200,000 gallons per day.

COMPLIANCE – Based on the 2nd quarter 2018 testing the plant is out of compliance in regard to TDS, Chloride, and Sodium

FLOW – In *SEPTEMBER* the plant averaged 156,096 gallons per day (78% of hydraulic design capacity) with a *max day of 186,138 gallons* (93% of hydraulic design capacity)

On 6/18/18 the District received a letter from SWRCB outlining the status of the plant and setting a timeline of approximately 2.9 years before the plant reaches capacity. This is the window to complete the expansion to prevent potential overflows and potential violations.

Monsoon Consultants is currently working on design requirements and options to meet current/future and proposed regulatory requirements.

- The initial **DRAFT** of the WWTP Expansion engineering report, which includes a discussion of several design alternatives, was delivered to staff for review and comment on August 20th.
- Input from Staff was provided to Monsoon Consulting, and the list of potential expansion design alternatives was “short listed” and these will be taken to the next level of design.
- The DE is planning to have the **FINAL** engineering report completed and ready for presentation to the **BOARD** at the regular November 2018 Board Meeting. Costs associated with the preparation of the engineering report are reimbursable from a IRWM Prop 1 DAC

Involvement Grant that the District was awarded in early 2018. The amount of the available grant funds is \$177,750.

AERATOR PROJECT

5/17/18 WSC has issued the Final Technical Memorandum outlining some of the options for the replacement of the existing surface aerators with bubbler aeration in the ponds. Part of the recommendation is to install a headworks to prevent fouling the diffusers.

The Energy Watch and PG&E are working on preliminary paperwork for On Bill Financing for this project once it is ready.

FUNDS EXPENDED

Total Costs incurred to date

- Property acquisition - \$240,140 (Paid with Capital Funds not covered under any grant)
- Engineering - \$46,680.75 (Reimbursable through the IRWM Grant)

GRANT FUNDING

Awarded

- Integrated Regional Water Management (IRWM) Prop 1 DAC -- \$177,750 for Wastewater plant upgrade analysis, basin recharge study.

Applied for/ to

- State Revolving Fund (SRF) -- \$250,000 for construction design and engineering – approval pending the Districts FY2016-17 audit.

NEXT STEPS:

WWTF

After the FINAL engineering report is completed and approved by the Board and the final WWTP expansion design criteria are determined, then a schedule/ timeline will be presented for the preparation of construction documentation, environmental / regulatory compliance measures, and permitting. At that time, the DE will provide cost estimates associated with that schedule.

One of the first things that will be needed will be a headworks and larger lift station. Once a capacity is determined that will be brought to the board for approval.

Based on discussions with the DE, we anticipate that prior to the end of 2018, the DE will initiate the final design phase for the recommended WWTP upgrade and expansion design alternative. We have scheduled approximately 9 months to complete the final design and the preparation of the Construction / Bidding Documents. Prior to the end of 2018, we plan to prepare and issue an RFP for Environmental Permitting and CEQA/ NEPA Compliance for the recommended WWTP upgrade and expansion design alternative. The timing of the environmental compliance & permitting work will coincide with the completion of the final design phase. Under our currently planned schedule, the District should plan on initiating the process of obtaining financing for the WWTP upgrade and expansion project during the second quarter of 2019, with the goal of having financing in place to advertise and award a construction project in the 4th Quarter 2019.

AERATOR PROJECT

Once design criteria are determined for the WWTF and it is determined that the aeration upgrade will be maintained with the plant expansion then staff will bring additional items to the board to facilitate the approval and construction of the aeration upgrade.

COUNT DOWN CLOCK

Notice issued – June 2018 Deadline given – March 2021

Time remaining—2.42 years (29 months)

FISCAL IMPACT

No impact resulting from this information.

RECOMMENDATION

This item is for information and discussion only.

Due to the limited time frame this item will be updated monthly and the Board will likely have additional items for approval in conjunction with this report.

PREPARED BY:

Kelly Dodds _____

Kelly Dodds, Director of Utilities

Blaine Reely _____

Blaine Reely, Monsoon Consulting

Attachment:



San Miguel Community Services District

Board of Directors Staff Report

October 25th, 2018

AGENDA ITEM: XI-6

SUBJECT: Review and Approve **Resolution No. 2018-32** approving a rate increase from \$3.20 per HCF to \$4.63 per HCF for construction hydrant meter usage to be effective November 15th, 2018

RECOMMENDATION: Approve **Resolution No. 2018-32** approving a rate increase for construction hydrant meters to be effective November 15th, 2018

Like many other public agencies, the District sometimes “rents out” the District’s fire hydrants to contractors for nearby construction projects. The District’s current rates are \$100 month for the hydrant meter rental (not prorated) and \$3.20 for each hundred cubic feet (HCF) of water used. Based on the amount of time associated with each hydrant rental and taking into consideration the District’s operations and maintenance costs, District staff estimates that the current rental and usage rates for its hydrant rentals are insufficient to cover the District’s actual costs.

The proposed rental rate of \$100.00 (not prorated) and usage charges of \$4.63 per hundred cubic foot (HCF) covers District staff time to process the rental paperwork for each month, its costs to install and remove the meter, and the District’s costs associated with providing such water. The \$750 deposit is to secure any potential damage to the meter by the contractor or nonpayment of the District’s fees.

These fees are consistent with the past fee schedule and the current usage rates as outlined in the current rate study for Non-Residential use.

This change will only effect individuals/ contractors who rent construction hydrant meters. They will not affect any other commercial or residential users.

FISCAL IMPACT

There is no additional cost to the District related to this increase.

PREPARED BY:

Kelly Dodds

Kelly Dodds, Director of Utilities

Attachment: Resolution 2018-32



RESOLUTION NO. 2018-32

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SAN MIGUEL COMMUNITY SERVICES DISTRICT
AMENDING THE DISTRICT'S FEES AND CHARGES FOR THE USE OF DISTRICT
WATER HYDRANTS**

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the San Miguel Community Services District ("District") hereby amends the District's fees and charges for the use of District water hydrants as set forth in Exhibit "A" attached hereto and incorporated herein by this reference.

On the motion of Director _____, seconded by Director _____, and on the following roll call vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAINING:

the foregoing Resolution is hereby passed and adopted this 25th day of October 2018.

John Green, President
Board of Directors

ATTEST:

APPROVED AS TO FORM:

Rob Roberson, General Manager

Douglas L. White, District General Counsel

Exhibit A

San Miguel Community Services District Water Hydrant Usage Fee and Charges

1. A hydrant meter deposit of \$750 will be required by the applicant. The deposit, less the rental and usage fees, is refundable if no damage to the meter occurred while in the possession of the applicant.
2. A monthly rental fee of the hydrant meter of \$100 will be required. This is a non-refundable fee and is a 1 month minimum that is not prorated.
3. The actual metered water use will be billed at \$4.63 per hundred cubic foot.