

Agenda for the Regular Meeting of the Marinwood CSD Board of Directors

Tuesday – February 8, 2022 – 7:30 PM

Internet Address: <https://us02web.zoom.us/j/82314813460>

Telephone Access: 669) 900-6833 or 346) 248 7799 or 253) 215-8782

Meeting ID: 823 1481 3460

ATTENTION: This will be a virtual meeting of the Marinwood CSD Board of Directors. There will not be a public location for participating in this meeting. Any interested member of the public can participate telephonically or via internet by utilizing the web link or dial-in information printed on this agenda.

Instructions on how to make a public comment during the meeting: At points in the meeting when the meeting chair requests public comment, members of the public participating in the live meeting either via internet or telephone shall indicate their desire to speak. If participating via internet, please click the “raise hand” feature located within the Zoom application screen. If connected via telephone, please dial “*9” (star, nine).

	Item Description:	Board Action
A.	CALL TO ORDER & ROLL CALL OF DIRECTORS	
B.	AGENDA	Adopt
C.	CONSENT CALENDAR a. Resolution 2022-02: Making Findings and Confirming the Need to Continue Conducting Remote Meetings via Teleconference of the Board of Directors, Fire Commission and Park & Recreation Commission. b. Draft Minutes of Regular Meeting of January 11, 2022 (Remote Meeting) c. Bills Paid Nos. 6040 – 6109	Approve
D.	PUBLIC COMMENT OPEN TIME FOR ITEMS NOT ON AGENDA <i>Speakers are asked to address comments to the Board and limit comments to three minutes. Speakers may comment only on non-agenda items within the subject matter jurisdiction of the District. The Board may not take action on, consider or debate items not on the agenda except under narrow circumstances meeting statutory tests. Response to comments on non-agenda items will be limited to factual information or clarifying questions from staff or Board and at the conclusion of the public comment period. The President may refer the matter to staff or to a future meeting agenda.</i>	
E.	DISTRICT MATTERS	
	1. Presentation of Fiscal Year 2020-2021 Audited Basic Financial Statements and Management Report – <i>Hiep Pham, CPA, RJ Ricciardi, Inc.</i>	Accept
	2. Fiscal Year 2021-2022: 2 nd Quarter Profit & Loss Budget-to-Actuals Report	Review
	3. District Manager Report	Review
F.	FIRE DEPARTMENT MATTERS	
	1. Draft Minutes of Fire Commission Meeting of February 1, 2022	Review
	2. Chief Officer Report and Activity Summary	Review
G.	PARK AND RECREATION MATTERS	
	1. Draft Minutes of Park & Recreation Commission Meeting of January 25, 2022	Review
	2. Miller Creek Waterway Trail: Initial Feasibility Assessment	Review
	3. Recreation and Park Maintenance Activity Reports	Review
H.	BOARD MEMBER ITEMS OF INTEREST - REQUESTS FOR FUTURE AGENDA ITEMS	
I.	ADJOURN	
	DATE OF NEXT REGULAR BOARD MEETING – March 8, 2022	

Requests for disability-related modifications or accommodations, aids or services may be made to the district office no later than 72 hours prior to the meeting by contacting (415) 479-0775

RESOLUTION NO. 2022-02

RESOLUTION OF THE BOARD OF DIRECTORS OF MARINWOOD COMMUNITY SERVICES DISTRICT MAKING FINDINGS AND CONFIRMING THE NEED TO CONTINUE CONDUCTING REMOTE MEETINGS VIA TELECONFERENCE OF THE BOARD OF DIRECTORS, FIRE COMMISSION AND PARK & RECREATION COMMISSION

WHEREAS, on March 4, 2020, Governor Newsom issued a proclamation pursuant to Government Code section 8625 declaring a state of emergency in California due to the COVID-19 pandemic; and

WHEREAS, Government Code section 54953(e)(1), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), provided that the legislative body complies with the requirements of section 56953(e)(2); and

WHEREAS, pursuant to Government Code Section 54953(e)(3), if a state of emergency remains active, or state or local officials have imposed or recommended measures to promote social distancing, the legislative body shall make specified findings at least every 30 days; and

WHEREAS, the Governor's proclaimed State of Emergency remains in effect, and State and local officials, including the Marin County Director of Health and Human Services, continues to recommend measures to promote social distancing; and

WHEREAS, the active proclaimed state of emergency and recommendations of local officials continue to directly impact the ability of the District's Board of Directors and Commissions to conduct public meetings safely in person.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Board of Directors has reconsidered the circumstances of the State of Emergency since the January 11, 2022 Board meeting.
2. Board of Directors, Fire Commission and Park & Recreation Commission meetings will continue to be conducted remotely via teleconference for up to 30 days following adoption of this resolution in accordance with Government Code Section 54953(e)(2) and all other applicable laws.

PASSED AND ADOPTED at a regular meeting of the Board of Directors on February 8, 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

MARINWOOD COMMUNITY SERVICES DISTRICT

Lisa Ruggeri, President of the Board

ATTEST: _____
Tiffany Combrink, Secretary to the Board

Marinwood Community Services District

Draft Minutes of Board of Directors Meeting
Tuesday – January 11, 2022

Time and Place: 7:30PM via Teleconference

Note: *This meeting as well as prior meetings of the Board of Directors may be viewed in their entirety on the Marinwood YouTube channel here:* <https://www.youtube.com/channel/UC0dvM2PvtsEzE25eRAf4Jmg>

Present:

Board Members: President Lisa Ruggeri, Chris Case, Kathleen Kilkenny, Sivan Oyserman and Bill Shea.
Staff: District Manager Eric Dreikosen, Fire Chief Darin White, Recreation Director Luke Fretwell and Administrative Assistant Tiffany Combrink.

A. Call to Order & Roll Call of Directors

Board President Ruggeri called the meeting to order at 7:30pm.

B. Agenda

Agenda adopted as presented.

C. Consent Calendar

- a. *Resolution 2022-01: Making Findings and Confirming the Need to Continue Conducting remote Meetings via Teleconference of the Board of Directors, Fire Commission and Park & Recreation Commission.*
- b. *Draft Minutes of Regular Meeting of December 14, 2021 (Remote Meeting)*
- c. *Bills Paid Nos. 5976 - 6039*
Shea to approve/Oyserman to second “consent calendar as presented.”
All in favor. Motion carried unanimously.

D. Public Comment Open Time for Items Not on Agenda:

The Board of Directors received public comment regarding:

- a. Community event expenses; park maintenance

E. District Matters:

1. *Park Maintenance Facility: Update re Building Construction Budget; Exterior Courtyards*
Board of Directors received update of building construction budget
2. *Appointment of Board Liaisons to Fire Commission and Park & Recreation Commission for Calendar Year 2022*
Board President Ruggeri appointed Director Case as liaison to the Park & Recreation Commission and Director Kilkenny as liaison to the Fire Commission for Calendar Year 2022
3. *District Manager Report*
Board of Directors received District Manager Report

F. Fire Department Matters:

1. *Chief Officer Report and Activity Summary*
Board of Directors received Chief Officer Report

G. Park and Recreation Matters:

1. *Recreation and Park Maintenance Activity Reports*
Board of Directors received Recreation and Park Maintenance Activity Report

H. Board Member Items of Interest – Requests for Future Agenda Items

- Director Oyserman requests update on RFPs for remaining work on Maintenance Facility Courtyards.
- Director Oyserman requests update on ongoing Covid guidelines and restrictions regarding Recreation programs.

Meeting adjourned at 9:09PM

Tiffany Combrink, Secretary

**MARINWOOD COMMUNITY SERVICES DISTRICT
REQUEST FOR PAYMENT OF CLAIMS**

Treasury Fund 8067

Classes:
Street lights
Fire
Recreation
Park

Approved by the Board of Directors on February 8, 2022

NO.	DATE	VENDOR	TOTAL CLAIM	PURPOSE	Class	GL Account	Job	AMOUNT
6040	1/5/2022	Marin Prof FF	882.00	Jan dues	Fire	5211330	General	882.00
6041	1/5/2022	Comcast	149.92	Internet	Fire	5210725	General	74.96
					Rec	5210725	General	74.96
6042	1/5/2022	Little Explorers Petting Zoo	590.00	preschool enrichment	Rec	5220819	Preschool	590.00
6043	1/5/2022	Project A	40.00	email hosting	Fire	5220110	General	20.00
					Rec	5220110	General	20.00
6044	1/5/2022	County of Marin	230.27	fuel	Park	5220610	General	230.27
6045	1/5/2022	PG&E	1,641.12	Streetlights - Dec	Streetlights	5210825	General	1,641.12
6046	1/5/2022	Allstar Fire Equipment	13,809.44	Turnout extractor	Fire	5220916	General	13,809.44
6047	1/5/2022	Hansell Design	4,632.15	Arch services: Sept-Dec 202	Measure A	5220910	General	4,632.15
6048	1/5/2022	Panorama Environmental	4,999.75	CEQA NOE services	MWPA	5820200	General	4,999.75
6049	1/5/2022	Bruce King	2,200.00	Structural engineering	Measure A	5220910	General	2,200.00
6050	1/5/2022	LACO Associates	2,642.50	Special inspection: welding	Measure A	5220910	General	2,642.50
6051	1/5/2022	Ryan Brackett	277.27	AFLAC reimb Q2 FY21/22	Fire	5130120	General	277.27
6052	1/5/2022	Cesar Correa	277.27	AFLAC reimb Q2 FY21/22	Fire	5130120	General	277.27
6053	1/5/2022	Sean Day	242.41	AFLAC reimb Q2 FY21/22	Fire	5130120	General	242.41
6054	1/5/2022	William Kelly	277.27	AFLAC reimb Q2 FY21/22	Fire	5130120	General	277.27
6055	1/5/2022	John Papanikolaou	259.07	AFLAC reimb Q2 FY21/22	Fire	5130120	General	259.07
6056	1/5/2022	Brandon Selvitella	253.96	AFLAC reimb Q2 FY21/22	Fire	5130120	General	253.96
6057	1/5/2022	Brian Smith	148.05	AFLAC reimb Q2 FY21/22	Fire	5130120	General	148.05
6058	1/5/2022	Jeff Smith	247.24	AFLAC reimb Q2 FY21/22	Fire	5130120	General	247.24
6059	1/5/2022	American Family Life Assura	39.75	Disability ins - Dec	Park	5130120	General	39.75
6060	1/5/2022	Susan Press	90.00	Art panel rental	Rec	5220819	Community	90.00
6061	1/12/2022	Robyn Bruton	114.15	rec supplies	Rec	5220819	General	16.00
				preschool supplies	Rec	5220819	Preschool	98.15
6062	1/12/2022	Christine Costello	198.40	Zumba	Rec	5210146	Adult	198.40
6063	1/12/2022	Special District Risk Manage	47.50	Add'l insured cert fee	Park	5210525	General	47.50
6064	1/12/2022	SolEd Solar Holdings	561.61	Solar - Dec	Rec	5210810	General	410.75
					Fire	5210810	General	150.86
6065	1/12/2022	City of San Rafael	7,622.56	SRFD: D-space inspections	MWPA	5820100	General	7,461.76
				SRFD: Veg mgmt services	MWPA	5820200	General	160.80
6066	1/12/2022	Todd Morris Fire Protection	354.00	refund fire inspection fees	Fire	4220115	General	354.00
6067	1/12/2022	Willscot	615.27	mobile office - Jan	Park	5220310	General	615.27
6068	1/12/2022	Special District Risk Manage	227.70	Life Ins - Feb	Fire	5130120	General	92.85
					Park	5130120	General	49.99
					Rec	5130120	General	84.86
6069	1/12/2022	Rent a fence.com	223.96	Fence rental - Jan	Park	5211220	General	223.96
6070	1/12/2022	Marin Landscape Materials	546.84	grounds maintenance	Park	5220310	General	546.84
6071	1/12/2022	Got Gophers	275.00	pest control	Park	5211532	General	275.00
6072	1/12/2022	Pest Plus	259.00	pest control	Fire	5220310	General	90.00
					Rec	5220310	General	169.00
6073	1/20/2022	National Academy of Athletic	428.00	Afterschool sports	Rec	5210146	Youth	428.00
6074	1/20/2022	United Coach Tours	3,590.25	deposit for 2022 summer fie	Rec	5220819	Summer	3,590.25
6075	1/20/2022	Allstar Fire Equipment	109.78	Cylinder valve O-ring	Fire	5220810	General	109.78
6076	1/20/2022	Erin Ludwin	25.00	refund picnic rental bounce t	Rec	4410215	Pool	25.00
6077	1/20/2022	DC Electric	578.52	SL maintenance	Streetlights	5210915	General	578.52
6078	1/20/2022	Murray Building	147,227.73	Maint Facility		5220910	General	147,227.73
6079	1/21/2022	County of Marin	193.15	Gas - Dec	Park	5220610	General	193.15
6080	1/21/2022	County of Marin	596.82	vehicle maintenance	Park	5220610	General	596.82
6081	1/21/2022	AT&T	578.37	Phones	Fire	5210725	General	282.84
					Park	5210725	General	43.35
					Rec	5210725	General	252.18
6082	1/21/2022	AT&T	90.95	Internet	Park	5210725	General	90.95
6083	1/21/2022	Airgas	452.03	pool chems	Rec	5220710	Pool	452.03
6084	1/21/2022	L.N. Curtis & Sons	380.58	supplies	Fire	5220810	General	380.58
6085	1/21/2022	State of CA - Dept of Justice	32.00	fingerprinting	Rec	5210128	Preschool	32.00
6086	1/21/2022	Ewing Irrigation	748.83	irrigation maintenance	Park	5220310	General	748.83
6087	1/25/2022	Marinwood CSD	72,949.17	Fire salaries	Fire	5110110	General	30,708.60
				Fire OT	Fire	5120110	General	8,280.18
				Acting Pay	Fire	5110310	General	45.84
				Holiday Pay	Fire	5110313	General	3,547.20
				Admin Asst	Fire	5110110	Admin	900.80
				Admin Mgr	Fire	5110110	Admin	2,310.40
				Admin Asst	Rec	5110110	Admin	900.80
				Admin Asst	Park	5110110	Admin	450.40
				Admin Mgr	Rec	5110110	Admin	1,155.20
				Admin Mgr	Park	5110110	Admin	1,155.20
				Rec Dir	Rec	5110110	General	2,571.52
				Rec Dir	Park	5110110	General	1,102.08
				Rec salary	Rec	5110110	General	7,276.80

NO.	DATE	VENDOR	TOTAL CLAIM	PURPOSE	Class	GL Account	Job	AMOUNT
				Park salary	Park	5110110	General	4,507.20
				Preschool	Rec	5110210	Preschool	3,333.50
				Afterschool	Rec	5110210	Afterschool	1,001.50
				Winter camp	Rec	5110210	Youth	4,590.63
				PR fees	Fire	5210230	General	148.34
				PR fees	Rec	5210230	General	82.68
				PR fees	Park	5210230	General	13.93
				SS + Medicare	Fire	5140140	General	3,478.47
				SS + Medicare	Rec	5140140	General	1,800.60
				SS + Medicare	Park	5140140	General	343.89
				EDU + SUI	Fire	5140145	General	656.50
				EDU + SUI	Rec	5140145	General	427.99
				EDU + SUI	Park	5140145	General	71.92
				Benefits withholding	Park	2120066	General	-801.66
				Benefits withholding	Rec	2120066	General	-1,242.81
				Benefits withholding	Fire	2120066	General	-5,868.53
6088	1/25/2022	Marinwood CSD	49,148.65	Health Ins - Feb	Park	5130120	General	10,458.74
					Rec	5130120	General	8,054.07
					Fire	5130120	General	30,635.84
6089	1/25/2022	Vision Service Plan	387.94	Vision - Feb	Fire	5130120	General	237.33
					Park	5130120	General	73.04
					Rec	5130120	General	77.57
6090	1/25/2022	Delta Dental	2,105.84	Dental - Feb	Fire	5130120	General	1,337.80
					Park	5130120	General	339.78
					Rec	5130120	General	428.26
6091	1/25/2022	PG&E	1,556.09	Gas - Dec	Rec	5210810	General	811.10
					Fire	5210810	General	744.99
6092	1/25/2022	PG&E	1,631.58	Electric - Dec	Rec	5210810	General	1,115.43
					Fire	5210810	General	318.94
					Park	5210810	General	197.21
6093	1/25/2022	Marin Resource Recovery	282.00	Debris Dump	Park	5210815	General	282.00
6094	1/25/2022	Marin Sanitary Service	2,164.96	Garbage	Park	5210815	General	1,515.47
					Rec	5210815	General	432.99
					Fire	5210815	General	216.50
6095	1/25/2022	TIAA Commercial Finance	651.25	copier lease	Park	5220130	General	65.13
					Rec	5220130	General	390.75
					Fire	5220130	General	195.37
6096	1/25/2022	Grainger	914.85	supplies	Rec	5220310	General	841.37
					Fire	5220810	General	73.48
6097	1/25/2022	Marinwood CSD	13,641.31	Retire 01/14/2022	Park	5130510	General	1,120.26
					Rec	5130510	General	1,917.18
					Fire	5130510	General	10,603.87
6098	1/27/2022	Master Sim	1,050.00	TKD Jan	Rec	5210146	Youth	1,050.00
6099	1/27/2022	Jackson's Hardware	317.87	supplies	Park	5220310	General	317.87
6100	1/27/2022	Landesign	2,985.00	landscape contractor	Park	5211125	General	2,985.00
6101	1/27/2022	Leslie's Pool Supplies	393.07	pool chems	Rec	5220710	Pool	393.07
6102	1/27/2022	Mike Testa Plumbing	2,586.98	extractor plumbing work	Fire	5220916	General	2,175.00
				FD restroom repair	Fire	5220310	General	411.98
6103	1/27/2022	Mill Valley Refuse	460.36	porta potty	Park	5211220	General	460.36
6104	1/27/2022	CalPERS	8,333.00	CERBT Jan2022	Park	5130130	General	3,250.00
					Rec	5130130	General	583.00
					Fire	5130130	General	4,500.00
6105	1/27/2022	Pet Waste Eliminator	259.80	pet waste bags	Park	5220810	General	259.80
6106	1/27/2022	Quill	172.88	cleaning supplies	Fire	220810	General	172.88
6107	1/27/2022	SiteOne Landscape Supplies	1,711.52	irrigation supplies	Park	5220310	General	1,711.52
6108	1/27/2022	Marin Ace	55.23	supplies	Fire	5220810	General	18.11
					Park	5220310	General	37.12
6109	1/27/2022	Staples	689.01	office supplies	Fire	5220110	General	178.48
					Rec	5220110	General	510.53
TOTAL:			364,455.80					364,455.80

Total by Department:

Streetlights	2,219.64
Fire Department	114,258.22
Recreation Department	45,035.31
Park Department	33,617.94
Measure A	9,474.65
MWPA	12,622.31
Unclassified	147,227.73



Staff Report

To: Board of Directors
From: Eric Dreikosen, District Manager
Date: February 8, 2021
Re: Fiscal Year 2020/2021 Financial Audit

Directors,

Please see the included FY 20/21 audited financial statements and associated management report. Hiep Pham, CPA, of *R.J. Ricciardi, Inc. Certified Public Accountants* will be joining the meeting to present an overview and highlights of the report and answer any questions from the report.

As you will note, the District once again received a clean audit with no findings while also performing well from a financial standpoint.

MARINWOOD COMMUNITY SERVICES DISTRICT

SAN RAFAEL, CALIFORNIA

BASIC FINANCIAL STATEMENTS

JUNE 30, 2021

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Marinwood Community Services District
San Rafael, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of Marinwood Community Services District, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Marinwood Community Services 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.

Auditor's 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 State Controller's Minimum Audit Requirements for California Special Districts. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to Marinwood Community Services District'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 Marinwood Community Services District'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 and each major fund of Marinwood Community Services District, as of June 30, 2021, and the respective changes in financial position 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 Management's Discussion and Analysis, which follows this report letter, and the Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General Fund, the Schedule of Proportionate Share of the Net Pension Liability - Miscellaneous and Safety, the Schedule of District's Contributions - Miscellaneous and Safety, the Schedule of District's Contributions – OPEB, and the Schedule of Changes in the Net OPEB Liability and Related Ratios, (pages 34-40), listed as required supplementary information in the table of contents, 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 inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

R.J. Ricciardi, Inc.

R.J. Ricciardi, Inc.
Certified Public Accountants

San Rafael, California
January 26, 2022

Marinwood Community Services District
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2021

This section of Marinwood Community Services District's (the District's) basic financial statements presents management's overview and analysis of the financial activities of the organization for the fiscal year ended June 30, 2021. We encourage the reader to consider the information presented here in conjunction with the financial statements as a whole.

Introduction to the Basic Financial Statements

The required financial statements include the Combined Government-wide and Fund Financial statements; Statement of Net Position and Governmental Funds Balance Sheet; and the Statement of Activities and Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances.

These statements are supported by notes to the financial statements. All sections must be considered together to obtain a complete understanding of the financial picture of the District.

The Basic Financial Statements

The basic financial statements comprise the Government-wide Financial Statements and the Fund Financial Statements; these two sets of financial statements provide two different views of the District's financial activities and financial position.

The Government-wide Financial Statements provide a longer-term view of the District's activities as a whole, and comprise the Statement of Net Position and the Statement of Activities. The Statement of Net Position provides information about the financial position of the District as a whole, including all of its capital assets and long-term liabilities on the full accrual basis, similar to that used by corporations. The Statement of Activities provides information about all of the District's revenues and all of its expenses, also on the full accrual basis, with the emphasis on measuring net revenues or expenses of the District's programs. The Statement of Activities explains in detail the change in Net Position for the year.

All of the District's activities are grouped into Government Activities, as explained below.

The Fund Financial Statements report the District's operations in more detail than the Government-wide Financial Statements and focus primarily on the short-term activities of the District's Major Funds. The Fund Financial Statements measure only current revenues and expenditures and fund balances; they exclude capital assets, long-term debt and other long-term amounts.

Major Funds account for the major financial activities of the District and are presented individually. Major Funds are explained below.

The Government-wide Financial Statements

Government-wide Financial Statements are prepared on the accrual basis, which means they measure the flow of all economic resources of the District as a whole.

The Statement of Net Position and the Statement of Activities present information about the following:

Governmental Activities

The District's basic services are considered to be governmental activities. These services are supported by specific program revenues, state and federal grants, and general revenues from taxes and use of money.

Marinwood Community Services District
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2021

Fund Financial Statements

The Fund Financial Statements provide detailed information about each of the District's most significant funds, called Major Funds. The concept of Major Funds, and the determination of which are Major Funds, was established by Governmental Accounting Standards Board (GASB) Statement No. 34 and replaces the concept of combining like funds and presenting them in total. Instead, each Major Fund is presented individually, with all Non-major Funds summarized and presented only in a single column. Major Funds present the major activities of the District for the year, and may change from year to year as a result of changes in the pattern of the District's activities.

In the District's case, there are two Major Governmental Funds – the General Fund and the Debt Service Fund.

Governmental Fund Financial Statements are prepared on the modified accrual basis, which means they measure only current financial resources and uses. Capital assets and other long-lived assets, along with long-term liabilities, are not presented in the Governmental Fund Financial Statements.

Comparisons of Budget and Actual financial information are presented for the General Fund.

Analyses of Major Funds

Governmental Funds:

General Fund revenue decreased \$267,803 this fiscal year, due primarily to the decrease in recreation service participation.

General fund expenditures were \$4,271,740; this is a decrease of (\$738,165) from the prior year.

Governmental Activities

Table 1
Governmental Net Position

	Governmental Activities	
	2021	2020
Current and other assets	\$ 7,082,403	\$ 5,481,257
Capital assets	3,905,260	4,041,501
Total assets	10,987,663	9,522,758
Deferred outflows of resources	1,690,235	1,438,538
Current liabilities	751,795	503,185
Long-term liabilities	10,084,039	9,557,993
Total liabilities	10,835,834	10,061,178
Deferred inflows of resources	3,158,000	3,862,313
Net position:		
Invested in capital assets, net of related debt	3,728,887	3,811,465
Restricted	837,503	282,006
Unrestricted	(5,882,326)	(7,055,666)
Total net position	\$ (1,315,936)	\$ (2,962,195)

The District's governmental net position amounted to \$(1,315,936) as of June 30, 2021, an increase of \$1,646,259 from 2020. This increase is the Change in Net Position of \$1,646,259 reflected in the Governmental Activities column of the Statement of Activities shown in Table 2.

Marinwood Community Services District
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2021

The District's net assets as of June 30, 2021 comprised the following:

- Cash and investments of \$6,476,650, restricted cash and investments of \$445,091, and accounts receivable of \$160,662.
- Capital assets of \$3,905,260, net of depreciation charges, which includes all the District's capital assets used in governmental activities.
- Deferred outflows of resources related to the net pension liability and OPEB liability of \$1,690,235 and deferred inflows of resources related to the net pension liability and OPEB liability of \$(3,158,000).
- Accounts payable and other current liabilities of \$224,393, as well as unearned revenue of \$527,402
- Long-term debt of \$311,075 and net pension liability and OPEB liability of \$9,772,964.
- Net position invested in capital assets, net of related debt of \$3,728,887, representing the District's investment in capital assets used in Governmental Activities, net of amounts borrowed to finance that investment.
- Net position restricted of \$837,503, represents the District's OPEB trust cash and investments, Measure A cash and investments of \$284,679 and Marin Wildfire Prevention Authority funds of \$107,733.
- Unrestricted net position is the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants or other legal requirements or restrictions. The District had \$(5,882,326) of unrestricted net position as of June 30, 2021.

The Statement of Activities presents program revenues and expenses and general revenues in detail. All of these are elements in the Changes in Governmental Net Position summarized below.

Table 2
Changes in Governmental Net Position

	Governmental Activities	
	2021	2020
<u>Expenses</u>		
Park	\$ 365,975	\$ 658,743
Recreation	1,326,534	1,933,370
Public safety	2,406,774	2,357,705
Street lighting	28,220	25,698
Measure A	115,264	25,924
Marin Wildfire Prevention Authority	23,240	-
Interest on long-term debt	5,733	8,465
Total expenses	<u>4,271,740</u>	<u>5,009,905</u>
<u>Revenues</u>		
Program revenues:		
Charges for services	<u>1,661,304</u>	<u>2,280,524</u>
Total program revenues	<u>1,661,304</u>	<u>2,280,524</u>
General revenues:		
Taxes and special assessments	3,913,902	3,649,339
Investment earnings and other general revenues	<u>342,793</u>	<u>255,939</u>
Total general revenues	<u>4,256,695</u>	<u>3,905,278</u>
Total revenue	<u>5,917,999</u>	<u>6,185,802</u>
Change in net position	<u>\$ 1,646,259</u>	<u>\$ 1,175,897</u>

Marinwood Community Services District
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2021

As Table 2 above shows, \$1,661,304, or 28% of the District's governmental revenue, came from program revenues and \$4,256,695, or 72%, came from general revenues such as taxes and special assessments.

General revenues are not allocable to programs. General revenues are used to pay for the net cost of governmental programs.

Capital Assets

GASB Statement No. 34 requires the District to record all its capital assets, which were not recorded in prior years. As of June 30, 2021, the cost of infrastructure and other capital assets recorded in the District's financial statements was as shown in Table 3 below:

Table 3
Capital Assets, Net

	<u>June 30, 2021</u>
<u>Governmental Activities</u>	
Land (not depreciated)	\$ 1,930,268
Buildings	3,710,873
Equipment	1,512,480
Other	430,841
Less: accumulated depreciation	<u>(3,679,202)</u>
Total Governmental Activity capital assets, net	<u>\$ 3,905,260</u>

Detail on capital assets, current year additions and current year disposals can be found in Note 4.

Debt Administration

The District made all scheduled repayments of existing debt. Each of the District's debt issues is discussed in detail in Note 5 to the financial statements. As of June 30, 2021, the District's debt comprised:

Table 4
Outstanding Debt

	<u>June 30, 2021</u>
<u>Government Activities</u>	
Compensated absences	\$ 134,702
MERA loan	17,462
Fire truck lease	158,911
Net Pension Liability	5,380,770
Other Post Employment Benefits	<u>4,392,194</u>
Total Governmental Activity outstanding debt	<u>\$ 10,084,039</u>

Economic Outlook and Major Initiatives

Financial planning is based on specific assumptions from recent trends, State of California economic forecasts and historical growth patterns in the various communities served by the District.

The economic condition of the District as it appears on the balance sheet reflects financial stability. The District will continue to maintain a watchful eye over expenditures and remains committed to sound fiscal management practices to deliver the highest quality service to the citizens of the area.

Marinwood Community Services District
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2021

Contacting the District's Financial Management

This comprehensive Annual Financial Report is intended to provide citizens, taxpayers, and creditors with a general overview of the District's finances. Questions about this Report should be directed to Marinwood Community Services District, 775 Miller Creek Road, San Rafael, CA 94903-1323.

Marinwood Community Services District

STATEMENT OF NET POSITION

June 30, 2021

	<u>Governmental Activities</u>
<u>ASSETS</u>	
Cash and investments	\$ 6,476,650
Restricted cash and investments	445,091
Accounts receivable	160,662
Non-current assets:	
Non-depreciable capital assets	1,930,268
Depreciable capital assets, net	<u>1,974,992</u>
Total assets	<u>10,987,663</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Deferred outflows of resources related to pensions	1,176,807
Deferred outflows of resources related to OPEB	<u>513,428</u>
Total deferred outflows of resources	<u>1,690,235</u>
<u>LIABILITIES</u>	
Accounts payable	52,539
Accrued expenses	167,874
Accrued interest	3,980
Unearned revenue	527,402
Non-current liabilities:	
Due within one year	177,298
Due in more than one year	133,777
Net pension liability	5,380,770
Other post employment benefit obligation	<u>4,392,194</u>
Total liabilities	<u>10,835,834</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Deferred inflows of resources related to pensions	158,518
Deferred inflows of resources related to OPEB	<u>2,999,482</u>
Total deferred inflows of resources	<u>3,158,000</u>
<u>NET POSITION</u>	
Invested in capital assets, net of related debt	3,728,887
Restricted	837,503
Unrestricted	<u>(5,882,326)</u>
Total net position	<u>\$ (1,315,936)</u>

The accompanying notes are an integral part of these financial statements.

Marinwood Community Services District
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2021

		Program Revenues		Net (Expense) Revenue and Changes in Net Assets
			Capital	
<u>Functions/Programs</u>	<u>Expenses</u>	<u>Charges for Services</u>	<u>Grants & Contributions</u>	<u>Governmental Activities</u>
Governmental activities:				
Park	\$ 365,975	\$ -	\$ -	\$ (365,975)
Recreation	1,326,534	928,929	-	(397,605)
Public safety	2,406,774	732,375	-	(1,674,399)
Street lighting	28,220	-	-	(28,220)
Measure A	115,264	-	-	(115,264)
Marin Wildfire Prevention Authority	23,240	-	-	(23,240)
Interest on long-term debt	<u>5,733</u>	<u>-</u>	<u>-</u>	<u>(5,733)</u>
Total governmental activities	<u>\$ 4,271,740</u>	<u>\$ 1,661,304</u>	<u>\$ -</u>	<u>\$ (2,610,436)</u>
General revenues:				
Taxes				2,317,708
Special assessments				1,596,194
Investment earnings, net				85,871
Other general revenues				<u>256,922</u>
Total general revenues				<u>4,256,695</u>
Change in net position				1,646,259
Net position, beginning of period				<u>(2,962,195)</u>
Net position, end of period				<u>\$ (1,315,936)</u>

The accompanying notes are an integral part of these financial statements.

Marinwood Community Services District
GOVERNMENTAL FUNDS BALANCE SHEET

June 30, 2021

	General Fund	Measure A Fund	Total Governmental Funds
<u>ASSETS</u>			
Cash and investments	\$ 6,191,971	\$ 284,679	\$ 6,476,650
Restricted cash and investments	445,091	-	445,091
Accounts receivable	<u>160,662</u>	<u>-</u>	<u>160,662</u>
 Total assets	 <u>\$ 6,797,724</u>	 <u>\$ 284,679</u>	 <u>\$ 7,082,403</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 52,539	\$ -	\$ 52,539
Accrued expenses	167,874	-	167,874
Unearned revenue	<u>527,402</u>	<u>-</u>	<u>527,402</u>
Total liabilities	<u>747,815</u>	<u>-</u>	<u>747,815</u>
Fund balances:			
Restricted	552,824	284,679	837,503
Assigned for Board Designated Reserves	400,000	-	400,000
Unassigned	<u>5,097,085</u>	<u>-</u>	<u>5,097,085</u>
Total fund balances	<u>6,049,909</u>	<u>284,679</u>	<u>6,334,588</u>
 Total liabilities and fund balances	 <u>\$ 6,797,724</u>	 <u>\$ 284,679</u>	 <u>\$ 7,082,403</u>

The accompanying notes are an integral part of these financial statements.

Marinwood Community Services District
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
WITH THE GOVERNMENTAL ACTIVITIES STATEMENT OF NET POSITION
June 30, 2021

Total Governmental Funds Fund Balances	\$ 6,334,588
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Amounts reported for Governmental Activities in the Statement of Net Position are different from those reported in the Governmental Funds above because of the following:

Capital Assets

Capital assets used in Governmental Activities are not current assets or financial resources and therefore are not reported in the Governmental Funds.	3,905,260
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Long-Term Liabilities

The liabilities below are not due and payable in the current period and therefore are not reported in the Fund Financial Statements.	
Deferred outflows of resources related to pensions	1,176,807
Deferred outflows of resources related to OPEB	513,428
Long-term debt	(311,075)
Accrued interest	(3,980)
Net pension liability	(5,380,770)
Other post employment benefit obligation	(4,392,194)
Deferred inflows of resources related to pensions	(158,518)
Deferred inflows of resources related to OPEB	<u>(2,999,482)</u>

Net Position of Governmental Activities	<u>\$ (1,315,936)</u>
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The accompanying notes are an integral part of these financial statements.

Marinwood Community Services District
GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended June 30, 2021

	General Fund	Measure A Fund	Total Governmental Funds
Revenues:			
Taxes	\$ 2,226,414	\$ 91,294	\$ 2,317,708
Special assessments	1,596,194	-	1,596,194
Charges for services	1,661,304	-	1,661,304
Investment earnings, net	85,871	-	85,871
Other general revenues	256,922	-	256,922
Total revenues	<u>5,826,705</u>	<u>91,294</u>	<u>5,917,999</u>
Expenditures:			
Park	633,241	-	633,241
Recreation	1,253,958	-	1,253,958
Public safety	2,457,402	-	2,457,402
Street lighting	22,962	-	22,962
Measure A	-	115,264	115,264
Marin Wildfire Prevention Authority	23,240	-	23,240
Debt service:			
Principal	53,663	-	53,663
Interest	6,643	-	6,643
Total expenditures	<u>4,451,109</u>	<u>115,264</u>	<u>4,566,373</u>
Excess (deficiency) of revenues over (under) expenditures	1,375,596	(23,970)	1,351,626
Fund balance, beginning of period	<u>4,674,313</u>	<u>308,649</u>	<u>4,982,962</u>
Fund balance, end of period	<u>\$ 6,049,909</u>	<u>\$ 284,679</u>	<u>\$ 6,334,588</u>

The accompanying notes are an integral part of these financial statements.

Marinwood Community Services District
RECONCILIATION OF THE NET CHANGE IN FUND BALANCES WITH
THE CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES
For the Fiscal Year Ended June 30, 2021

The schedule below reconciles the Net Changes in Fund Balances reported on the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance, which measures only changes in current assets and current liabilities on the modified accrual basis, with the Change in Net Assets of Governmental Activities reported in the Statement of Activities, which is prepared on the full accrual basis.

Net Change in Fund Balances	\$ 1,351,626
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Amounts reported for governmental activities in the Statement of Activities are different because:

Capital Assets Transactions

Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is capitalized and allocated over their estimated useful lives and reported as depreciation expense:

The capital outlay expenditures are therefore added back to fund balance	33,973
Depreciation expense is deducted from the fund balance	(170,214)

Long-Term Debt Proceeds and Payment

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond principal is an expenditure in the governmental funds, but in the Statement of Net Position the repayment reduces long-term liabilities:

Repayment of debt principle is added back to fund balance	53,663
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Accrual of Non-Current Items

The amounts below included in the Statement of Activities do not provide (or require) the use of current financial resources and therefore are not reported as revenue or expenditures in the governmental funds (net change):

Accrued interest	910
Compensated absences	(134,702)
Pension expense	(233,335)
Other post employment benefits	744,338

Change in Net Position of Governmental Activities	<u>\$ 1,646,259</u>
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The accompanying notes are an integral part of these financial statements.

Marinwood Community Services District
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 1 - GENERAL

Marinwood Community Services District (the District) was formed on February 23, 1960, and is regulated under sections 61000 through 61891 of the California Government Code. The District is governed by an elected board of directors. The District does not exercise oversight responsibility over any other government unit, thus, its financial statements do not include any financial activity of any other agency. It is not a component unit of any other reporting entity.

The District offers a wide variety of recreational activities for persons of all ages, from pre-schoolers through senior citizens. Some of the major activities include: parks, playgrounds, swimming pools, recreation buildings, development of open space, and a wide range of recreation programs and activities. The District also provides fire protection, emergency services, and street lighting services.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying policies of the District conform to U.S. generally accepted accounting principles and are applicable to governments. The following is a summary of the significant policies:

A. Basis of Presentation

The District's basic financial statements are prepared in conformity with U.S. generally accepted accounting principles. The Governmental Accounting Standards Board (GASB) is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the U.S.A.

These standards require that the financial statements described below be presented.

Government-wide Statements: The Statement of Net Position and the Statement of Activities display information about the primary government (the District). These statements include the financial activities of the overall District.

These statements distinguish between the governmental and business-type activities of the District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties. The District has no component units, fiduciary or business-type activities.

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

Marinwood Community Services District
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. Basis of Presentation (concluded)

Fund Financial Statements: The fund financial statements provide information about the District's funds, including fiduciary funds and blended component units. The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures. Separate statements for each fund category – *governmental* and *proprietary* are presented. The emphasis of fund financial statements is on major individual governmental and enterprise funds, each of which is displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

B. Major Funds

GASB Statement No. 34 defines major funds and requires that the District's major governmental and business-type funds be identified and presented separately in the fund financial statements. All other funds, called non-major funds, are combined and reported in a single column, regardless of their fund-type.

Major funds are defined as funds that have assets, liabilities, revenues or expenditures/ expenses equal to ten percent of their fund-type total and five percent of the grand total. The General Fund is always a major fund. The District may also select other funds it believes should be presented as major funds.

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

General Fund: This is used for all the general revenues of the District not specifically levied or collected for other District funds and the related expenditures. The General Fund accounts for all financial resources of a governmental unit that are not accounted for in another fund.

Measure A Fund: This fund is used to account for activities related to the Measure A tax proceeds.

C. Basis of Accounting

Accrual - The governmental activities in the governmental-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

Modified Accrual - Governmental funds are reported using the *current financial resources* measurement focus and the *modified accrual* basis of accounting. Under this method, revenues are recognized when "measurable" and "available". The District considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as *expenditures* in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as *other financing sources*.

Those revenues susceptible to accrual are property taxes, certain other intergovernmental revenues, certain charges for services and interest revenue.

Marinwood Community Services District
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Basis of Accounting (concluded)

Non-exchange transactions, in which the District gives or receives value without directly receiving or giving equal value in exchange, include taxes, grants, entitlements, and donations. On the accrual basis, revenue from taxes is recognized in the fiscal year for which the taxes are levied or assessed. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The District may fund programs with a combination of cost-reimbursement grants, categorical block grants, and general revenues. Thus, both restricted and unrestricted net position may be available to finance program expenditures. The District's policy is to first apply restricted grant resources to such programs, followed by general revenues if necessary.

Certain indirect costs are included in program expenses reported for individual functions and activities.

D. Budgets and Budgetary Accounting

Budgets are used to control spending. Unexpended allocations lapse at the end of each fiscal year and are not carried forward to the following period. Preliminary budgets are determined by the first day of July. A notice of this budget is published, and no less than one month thereafter, the District's Board of Directors approves the final budget. The final budget is reported by the tenth day of August.

The District's budget, as included in these financial statements, represents the budget approved by the Board of Directors. The adopted budget is made for the District as a whole. The District uses the same basis of accounting for budget and financial statement purposes. All appropriations lapse at year-end. Actual expenditures were under appropriations by \$386,905.

E. Property Taxes

Property Taxes are levied each November 1 on the assessed values as of the prior March 1. The County of Marin's property tax calendar is as follows:

	<u>Secured</u>	<u>Unsecured</u>
Valuation dates	March 1	March 1
Lien/levy dates	March 1	March 1
First installment due date	50% on November 1	July 1 (total due)
Delinquent as of	December 10	August 31
Second installment due date	50% on February 1	
Delinquent as of	April 10	

F. Unearned Revenue

Unearned revenues represent park and recreation fees received, but not yet earned. Unearned revenue at June 30, 2021 was \$527,402.

Marinwood Community Services District
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (concluded)

G. Contingent Liabilities

The District is subject to litigation arising in the normal course of business. In the opinion of the District's management there is no pending litigation that can currently be determined to have a material adverse effect on the financial position of the District.

Contingency – Coronavirus Pandemic

In December 2019, an outbreak of a novel strain of coronavirus (COVID-19) began to spread among various countries, including the United States. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. In addition, multiple jurisdictions in the U.S., including California, declared a state of emergency and issued shelter-in-place orders in response to the outbreak. The immediate impact to the District's operations included restrictions on employees' and grantees and community based organizations' ability to work, and it is anticipated that the impacts from this pandemic will continue for some time. As of the report date, the financial impact of the coronavirus outbreak cannot be measured.

H. Use of Estimates

The basic financial statements have been prepared in conformity with U.S. generally accepted accounting principles, and as such, include amounts based on informed estimates and judgments of management with consideration given to materiality. Actual results could differ from those estimates.

I. 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.

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.

J. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Marinwood Community Services District's California Public Employees' Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans' 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.

Marinwood Community Services District
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 3 - CASH AND INVESTMENTS

Cash and investments at June 30, 2021 consisted of the following:

Pooled cash at County of Marin	\$ 5,899,786
Demand deposit accounts	292,185
Measure A	<u>284,679</u>
Total	<u>\$ 6,476,650</u>
Restricted:	
California Employees Retirement Benefit Trust	<u>\$ 445,091</u>

Authorized Investments:

Under provision of the District's Investment Policy, and in accordance with Section 53601 of the California Government Code, the District may invest in the following types of investments:

Securities of the U.S. Government or its agencies; time certificates of deposit; County of Marin Cash and Investment Pool; and California Local Agency Investment Fund deposits. The District's investment policy is consistent with the County of Marin's investment policy.

County of Marin Investment Pool:

The District maintains specific cash deposits with the County of Marin (the County) and involuntarily participates in the external investment pool of the County. The balance deposited and invested with the County at June 30, 2021 was \$6,184,465. The County is restricted by state code in the types of investments it can make. Furthermore, the County Treasurer has a written investment policy, approved by the Board of Supervisors, which is more restrictive than state code as to terms of maturity and type of investment. Also, the County has an investment committee, which performs regulatory oversight for its pool as required by California Government Code Section 27134. The County's investment policy authorizes the County to invest in obligations of the U.S. Treasury, its agencies and instrumentalities, certificates of deposit, commercial paper rated A-1 by Standard & Poor's Corporation or P-1 by Moody's Commercial Paper Record, bankers' acceptances, repurchase agreements, and the State Treasurer's investment pool. At June 30, 2021, the District's cash with the County Treasurer is stated at fair value. However, the value of the pool shares in the County that may be withdrawn is determined on an amortized cost basis, which is different than the fair value of the District's position in the pool. The District's holdings with the County of Marin Investment Pool were an uncategorized input and not defined as a Level 1-3 input.

Custodial Credit Risk - Deposits

In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned. The California Government Code establishes guidelines for qualification and participation by banks and savings and loan associations, procedures for the administration of the collateral requirements and characteristics of eligible collateral. Under the law, the District deposits in qualified public depositories are to be totally insured. The market value of pledged securities used for collateral must equal at least 110% of the District's deposits. California law also allows financial institutions to secure the District's deposits by pledging first trust deed mortgage notes having a value of at least 150% of the District's total deposits.

Marinwood Community Services District
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 3 - CASH AND INVESTMENTS (concluded)

Credit Risk - Investments

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The actual ratings as of June 30, 2021 are provided by Standard and Poor's except as noted. All District investment types are not rated.

Fair Value Hierarchy

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

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 inputs are inputs - other than quoted prices included within level 1 - that are observable for an asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for an asset or liability.

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

The following is a summary of the fair value hierarchy of the fair value of investments of the District as of June 30, 2021:

<u>Investment Type</u>	<u>Level 2</u>	<u>Exempt</u>	<u>Total</u>
Marin County Treasurer's Pool	\$ <u> -</u>	\$ 6,184,465	\$ 6,184,465
California Employees Retirement Benefit Trust		<u>445,091</u>	445,091
Cash in banks and on hand			<u>292,185</u>
Total cash and investments		\$ <u>6,629,556</u>	\$ <u>6,921,741</u>

NOTE 4 - CAPITAL ASSETS

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their estimated fair market value on the date contributed. Effective July 1, 2016, the District's policy was updated to capitalize all land, structures and improvements in excess of \$5,000 and that have greater than one year useful life.

GASB Statement No. 34 requires that all capital assets with limited useful lives be depreciated over their estimated useful lives. Alternatively, the "modified approach" may be used for certain capital assets. Depreciation is not provided under this approach, but all expenditures on these assets are expensed, unless they are additions or improvements.

The purpose of depreciation is to spread the cost of capital assets equitably among all users over the life of these assets. The amount charged to depreciation expense each year represents that year's pro-rata share of the cost of capital assets. Depreciation expense for the current year was \$170,214.

Marinwood Community Services District
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 4 - CAPITAL ASSETS (concluded)

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

Buildings	15-30 years
Improvements	5-30 years
Equipment	5-20 years
Infrastructure	25-50 years

An analysis of fixed assets at June 30, 2021, is as follows:

<u>Governmental Activities</u>	<u>Balance at June 30, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at June 30, 2021</u>
Capital assets, not being depreciated:				
Land	\$ 1,930,268	\$ -	\$ -	\$ 1,930,268
Total capital assets, not being depreciated	<u>1,930,268</u>	<u>-</u>	<u>-</u>	<u>1,930,268</u>
Capital assets, being depreciated:				
Buildings	3,710,873	-	-	3,710,873
Equipment – Fire	1,134,465	5,194	-	1,139,659
Equipment – Park	187,352	8,900	-	196,252
Equipment – Recreation	163,827	7,392	-	171,219
Hydrants	47,086	-	-	47,086
Office furniture and equipment	256,874	12,487	-	269,361
Street lights	<u>119,744</u>	<u>-</u>	<u>-</u>	<u>119,744</u>
Total capital assets, being depreciated	<u>5,620,221</u>	<u>33,973</u>	<u>-</u>	<u>5,654,194</u>
Less accumulated depreciation for:				
Buildings	2,430,317	76,502	-	2,506,819
Equipment – Fire	547,282	62,546	-	609,828
Equipment – Park	150,253	7,953	-	158,206
Equipment – Recreation	153,260	3,728	-	156,988
Hydrants	42,583	468	-	43,051
Office furniture and equipment	120,155	13,759	-	133,914
Street lights	<u>65,138</u>	<u>5,258</u>	<u>-</u>	<u>70,396</u>
Total accumulated depreciation	<u>3,508,988</u>	<u>170,214</u>	<u>-</u>	<u>3,679,202</u>
Total capital assets being depreciated, net	<u>2,111,233</u>	<u>(136,241)</u>	<u>-</u>	<u>1,974,992</u>
Capital assets, net	<u>\$ 4,041,501</u>	<u>\$ (136,241)</u>	<u>\$ -</u>	<u>\$ 3,905,260</u>
<u>Depreciation allocation:</u>				
Park				\$ 7,953
Recreation				93,561
Public Safety				63,442
Street Lighting				<u>5,258</u>
Total				<u>\$ 170,214</u>

Marinwood Community Services District
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 5 - LONG-TERM DEBT

The District's changes in long-term debt are as follows:

<u>Governmental Activities</u>	<u>Balance at June 30, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at June 30, 2021</u>	<u>Current</u>
Compensated absences	\$ 121,265	\$ 123,132	\$ 109,695	\$ 134,702	\$ 121,850
MERA loan	34,240	-	16,778	17,462	17,462
Fire truck lease	195,796	-	36,885	158,911	37,986
Net Pension Liability	4,318,800	73,394	-	4,392,194	-
Other Post Employment Benefits	<u>5,009,157</u>	<u>371,613</u>	<u>-</u>	<u>5,380,770</u>	<u>-</u>
Total	<u>\$ 9,679,258</u>	<u>\$ 568,139</u>	<u>\$ 163,358</u>	<u>\$ 10,084,039</u>	<u>\$ 177,298</u>

Compensated Absences

Accumulated vacation benefits are recognized as a liability of the District. The liability is included in the General Fund. At June 30, 2021, the total accrued vacation subject to redemption amounted to approximately \$134,702. Changes in compensated absences are as follows:

	<u>Balance at June 30, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at June 30, 2021</u>
Compensated absences	<u>\$ 121,265</u>	<u>\$ 123,132</u>	<u>\$ (109,695)</u>	<u>\$ 134,702</u>

MERA Loan

The Marin Emergency Radio Authority (MERA), in order to construct the emergency communications facility, has issued Revenue Bonds dated year 1999, maturing August 15, 2021, in the aggregate amount of \$18,575,000. In addition to operating costs, pursuant to the terms of the joint powers agreement (see Note 10), the District is obligated for 0.856% of this total, or \$178,484 including interest.

As of June 30, 2021 the District is obligated for the following payments:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	<u>\$ 17,462</u>	<u>\$ 698</u>	<u>\$ 18,160</u>

Fire Truck Lease

In August 2014 the District entered into a lease purchase of a fire truck. The lease is for ten years and the interest rate is 3%. The total lease obligation was for \$364,692 with annual payments made in September. The amortization schedule is as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 37,986	\$ 4,767	\$ 42,753
2023	39,125	3,628	42,753
2024	40,299	2,454	42,753
2025	<u>41,501</u>	<u>1,252</u>	<u>42,753</u>
Total	<u>\$ 158,911</u>	<u>\$ 12,101</u>	<u>\$ 171,012</u>

Marinwood Community Services District
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 6 - DEFINED BENEFIT PENSION PLAN

Plan Description: All qualified permanent and probationary employees are eligible to participate in the District's following cost-sharing multiple employer defined benefit pension plans (Plans):

- District Miscellaneous (Tier 1)
- District Safety (Tier 1)
- District Safety (Tier 2)
- District Miscellaneous PEPRA
- District Safety PEPRA

The Plans are 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.

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 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law. The applicable PERS plan depends on the employee classification and hire date. In some situations hiring of an employee who was previously an active member in PERS results in the "Classic" Plan benefit regardless of the date of hiring. The Plan provisions and benefits in effect at June 30, 2021, are summarized as follows:

	District Miscellaneous	
	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	2% @ 60	2% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 55	52 - 67
Monthly benefits, as a % of eligible compensations	2.0% to 2.7%	1.0% to 2.5%
Required employee contribution rates	7.000%	6.750%
Required employer contribution rates	8.563%	6.985%

	District Safety	
	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	3% @ 50	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 55	50 - 57
Monthly benefits, as a % of eligible compensations	3%	2.0% to 2.7%
Required employee contribution rates	9.000%	12.000%
Required employer contribution rates	20.707% for Tier 1 18.928% for Tier 2	13.034%

Marinwood Community Services District
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 6 - DEFINED BENEFIT PENSION PLAN (continued)

The District's Miscellaneous and Safety Rate Plans are part of the public agency cost-sharing multiple-employer defined benefit pension plan (PERF C), which is administered by the California Public Employees' Retirement System (CalPERS). PERF C consists of a miscellaneous pool and a safety pool (also referred to as "risk pools"), which are comprised of individual employer miscellaneous and safety rate plans, respectively. Individual employers may sponsor more than one miscellaneous and safety rate plan. The employer participates in one cost-sharing multiple-employer defined benefit pension plan regardless of the number of rate plans the employer sponsors. The District sponsors five rate plans (two miscellaneous and three safety).

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 Plans are 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.

For the year ended June 30, 2021, the contributions recognized as part of pension expense for each Plan were as follows:

	Contributions - Employer
Miscellaneous	\$ 137,092
Safety	<u>481,576</u>
Total	<u>\$ 618,668</u>

As of June 30, 2021, the District reported net pension liabilities for its proportionate shares of the net pension liability of the Plans as follows:

	Proportionate Share of Net Pension Liability
Miscellaneous	\$ 1,126,137
Safety	<u>4,254,633</u>
Total	<u>\$ 5,380,770</u>

Marinwood Community Services District
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 6 - DEFINED BENEFIT PENSION PLAN (continued)

The District's net pension liability for the Plans is measured as the proportionate share of the net pension liability. The net pension liability of the Plans is measured as of June 30, 2020, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019 rolled forward to June 30, 2020 using standard update procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The District's proportionate share of the net pension liability for each Plan as of June 30, 2019 and June 30, 2020 was as follows:

	Miscellaneous	Safety	Total
Proportion - June 30, 2019	0.02659%	0.06318%	0.04888%
Proportion - June 30, 2020	0.02670%	0.06386%	0.04945%
Change – Increase/(Decrease)	0.00011%	0.00068%	0.00057%

For the year ended June 30, 2021, the District recognized pension expense/(credit) of \$233,335. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ -	\$ 22,204
Differences between expected and actual experience	387,958	-
Net difference between projected and actual earnings on plan investments	125,925	-
Differences between actual contributions vs. proportionate share of contributions	-	136,314
Change in employer proportion	44,256	-
Pension contributions made subsequent to the measurement date	618,668	-
Total	\$ 1,176,807	\$ 158,518

The District reported \$618,668 as deferred outflows of resources related to contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ended June 30, 2022.

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

<u>Year Ended June 30</u>	
2022	\$ 68,952
2023	151,434
2024	116,856
2025	62,378
Total	\$ 399,621

Marinwood Community Services District
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 6 - DEFINED BENEFIT PENSION PLAN (continued)

Actuarial Assumptions - For the measurement period ended June 30, 2020, the total pension liabilities were determined by rolling forward the June 30, 2019 total pension liability. The June 30, 2020 total pension liability was based on the following actuarial methods and assumptions:

Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table	Derived using CalPERS' Membership Data for all Funds ⁽²⁾
Investment Rate of Return	7.15% ⁽¹⁾
Increase	Contract COLA up to 2.5% until purchasing power protection allowance floor on purchasing power applies, 2.5% thereafter.

(1) Net of pension plan investment expenses, including inflation.

(2) CalPERS developed the mortality table used based on CalPERS' specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale MP-2016. For more details on this table, please refer to the 2017 experience study report.

Discount Rate - The discount rate used to measure the total pension liability as of June 30, 2020 was 7.15% for each Plan. This discount rate is not adjusted for administrative expenses. The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return for those pension plans' investments were applied to all periods of projected benefit payments to determine the total pension liability. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, 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, none of the tested plans run out of assets. Therefore, the current 7.15 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.15 percent will be applied to all plans in the Public Employees' Retirement Fund (PERF). The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained from the CalPERS website under the GASB 68 section.

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 (PERF) cash flows. Using historical and forecasting information for all the funds' asset classes (which includes the agent plan and two cost-sharing plans or PERF A, B, and C funds), expected compound (geometric) returns were calculated over the short term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short term and long term, the present value of benefits was calculated for each PERF fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits of cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

Marinwood Community Services District
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 6 - DEFINED BENEFIT PENSION PLAN (concluded)

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

<u>Asset Class</u>	<u>Assumed Asset Allocation</u>
Global Equity	50%
Fixed Income	28%
Inflation Assets	0%
Private Equity	8%
Real Assets	13%
Liquidity	1%
Total	100%

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

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

	<u>Discount Rate -1%</u>	<u>Current Discount Rate</u>	<u>Discount Rate +1%</u>
<u>Plan's Net Pension Liability</u>	<u>6.15%</u>	<u>7.15%</u>	<u>8.15%</u>
Miscellaneous	\$ 1,724,629	\$ 1,126,137	\$ 631,621
Safety	<u>6,247,379</u>	<u>4,254,634</u>	<u>2,619,398</u>
Total	<u>\$ 7,972,008</u>	<u>\$ 5,380,770</u>	<u>\$ 3,251,019</u>

Pension Plan Fiduciary Net Position

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

NOTE 7 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS

Post-employment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense information about the fiduciary net position of the Marinwood Community Services District Retiree Benefits Plan (the Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

Plan Description

The District pays 90% of miscellaneous employees' cost and 80% of safety employees' cost for post-retirement health care benefits for its retirees and their dependents.

Marinwood Community Services District
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 7 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (continued)

Employees Covered by Benefit Terms

At June 30, 2020 (the measurement date), the benefit terms covered the following employees:

Number of active members	17
Number of retired members and beneficiaries	17
Inactive participants with deferred benefits	<u>0</u>
Total participants	<u><u>34</u></u>

Contributions

The District establishes rates based on an actuarially determined rate.

For the year ended June 30, 2021 the District's expected contribution rate is 23% of covered-employee payroll. Employees pay the difference between the benefit they receive and the monthly premium.

Net OPEB Liability

The District's net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2020.

Actuarial Assumptions

The total OPEB liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method	Entry Age Normal
Amortization Methodology	Straight-line amortization
Plan Fiduciary Net Position	Market value of assets as of the measurement date
Measurement Date	June 30, 2020
Valuation Date	June 30, 2019. Results have been rolled forward (an actuarial adjustment) to June 30, 2020.
Funding Policy	The District intends to contribute benefit payments (explicit and implicit) plus a minimum cash payment of \$60,000 to the trust annually.
Discount Rate	6.50% based on CERBT Strategy 2 investment policy.
Net Investment Return	6.50% based on CERBT Strategy 2 investment policy.
Inflation	Assumed 2.26% annual inflation.
Payroll Increases	3.25% annual increases.
Administrative Expenses	The administrative expenses were \$105 for the measurement period ending June 30, 2020.
Pre-Excise Tax Health Care Trend	Pre-65 6.55% decreasing to 4.25%; Post-65 4.35% decreasing to 4.25%
Health Plan Participation	Assumed that 100% of eligible participants will participate.
Medicare Coverage	Assumed that all future retirees will be eligible for Medicare when they reach age 65.
Morbidity Factors	CalPERS 2017 study
Population for Curving	CalPERS 2017 study
Age-Weighted Claims Costs	Premiums between \$3,654-\$14,340
Mortality	The mortality rates used in this valuation are those produced in the 2017 CalPERS experience study.

Marinwood Community Services District
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 7 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (continued)

Actuarial Assumptions (concluded)

Retirement

Used the retirement rates that were produced in the 2017 CalPERS public Agency miscellaneous experience study 2% @ 60 for actives hired before January 1, 2013, and 2% @ 62 for actives hired on or after January 1, 2013.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of the arithmetic real rates of return for each major asset class are summarized in the following table:

Investment Class	Target Allocation	Long-Term Expected Real Rate of Return
Equity	43.00%	5.43%
Fixed Income	49.00%	1.65%
REITs	8.00%	5.06%
Cash	0.00%	0.00%
Total	100.00%	

Discount Rate

The discount rate used to measure the total OPEB liability was 6.50%. The projection of cash flows used to determine the discount rate assumed that the District contribution will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to cover all future OPEB payments. Therefore, the discount rate was set equal to the long-term expected rate of return.

Marinwood Community Services District
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 7 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (continued)

Changes in Net OPEB Liability

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
Measurement as of June 30, 2019	\$ 4,489,950	\$ 171,150	\$ 4,318,800
Recognized Changes Resulting from:			
Service cost	97,092	-	97,092
Interest	291,210	-	291,210
Diff. between expected and actual experience	13,169	-	13,169
Changes of assumptions	-	-	-
Net investment income	-	10,969	(10,969)
Benefits payments	(217,213)	(217,213)	-
Contributions - employer	-	317,213	(317,213)
Contributions - employee	-	-	-
Administrative expense	-	(105)	105
Change of benefit terms	-	-	-
Net changes	<u>184,258</u>	<u>110,864</u>	<u>73,394</u>
Measurement as of June 30, 2020	<u>\$ 4,674,208</u>	<u>\$ 282,014</u>	<u>\$ 4,392,194</u>

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is 1% point lower (5.50%) or 1% point higher (7.50%) than the current rate:

	Discount Rate -1% 5.50%	Current Discount Rate 6.50%	Discount Rate +1% 7.50%
Plan's Net OPEB Liability	\$ 5,031,919	\$ 4,392,194	\$ 3,864,398

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% point lower or 1% point higher than the current set of healthcare cost trend rates:

	Trend Rate -1% 5.50% decreasing to 3.25%	Current Trend Rate 6.50% decreasing to 4.25%	Trend Rate +1% 7.50% decreasing to 5.25%
Plan's Net OPEB Liability	\$ 3,944,490	\$ 4,392,194	\$ 4,943,778

Marinwood Community Services District
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 7 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (concluded)

OPEB Expense and Deferred Inflows and Outflows of Resources Related to OPEB

For the year ended June 30, 2021, the District recognized OPEB expense/(credit) of \$(487,364). At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 174,853	\$ -
Changes in assumptions	-	2,999,482
Net difference between projected and actual earnings	849	-
Contribution to OPEB plan after measurement date	337,726	-
Total	<u>\$ 513,428</u>	<u>\$ 2,999,482</u>

The District reported \$337,726 as deferred outflows of resources related to contributions subsequent to the measurement date that will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2022.

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

Year Ended June 30

2022	\$ (563,485)
2023	(563,486)
2024	(563,535)
2025	(562,889)
2026	(422,427)
Thereafter	(147,958)
Total	<u>\$ (2,823,780)</u>

OPEB Trust Cash and Investments

For the year ended June 30, 2021, the District established a Section 115 irrevocable trust with the CalPERS California Employees Retirement Benefit Trust (CERBT). As of June 30, 2021, the District reported the account balance of \$445,091 as restricted investments in the General Fund.

NOTE 8 - RISK MANAGEMENT

The District manages risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters by participating in the public entity risk pools described below and by retaining certain risks.

Marinwood Community Services District
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 8 - RISK MANAGEMENT (concluded)

Public entity risk pools are formally organized and separate entities established under the Joint Exercise of Powers Act of the State of California. As separate legal entities, those entities exercise full powers and authorities within the scope of the related joint powers agreements including the preparation of annual budgets, accountability for all funds, the power to make and execute contracts and the right to sue and be sued. Each risk pool is governed by a board consisting of representatives from member government entities. Each board controls the operations of the respective risk pool, including selection of management and approval of operating budgets, independent of any influence by member municipalities beyond their representation on that board. Obligations and liabilities of these risk pools are not the District's responsibility.

The District maintains insurance coverage for liability up to \$5,000,000, property up to \$1,000,000,000 per occurrence, automobile physical damage up to \$5,000,000 per accident, Public Officials and Employees Errors and Omissions up to \$5,000,000 per occurrence and Workers' Compensation up to \$5,000,000 per occurrence through the Special District Risk Management Authority (a public entity risk pool) and underwritten by various insurance companies.

Financial statements for the risk pool may be obtained from SDRMA, 1112 I Street, Suite 300, Sacramento, CA 95814.

NOTE 9 - NET POSITION AND FUND BALANCE

GASB Statement No. 34 added the concept of Net Position, which is measured on the full accrual basis, to the concept of Fund Balance, which is measured on the modified accrual basis.

A. Net Position

The Statement of Net Position breaks out net position as follows:

Restricted describes the portion of Net Position that is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions that the District cannot unilaterally alter.

Unrestricted describes the portion of Net Position that is not restricted from use.

Invested in Capital Assets, net of related debt, describes the portion of Net Position that is represented by the current net book value of the District's capital assets, less the outstanding balance of any debt issued to finance these assets.

Marinwood Community Services District
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 9 - NET POSITION AND FUND BALANCE (concluded)

B. Fund Balance

The accompanying financial statements reflect certain changes that have been made with respect to the reporting of the components of fund balances for governmental funds. In previous years, fund balances for governmental funds were reported in accordance with previous standards that included components for reserved fund balance, unreserved fund balance, designated fund balance, and undesignated fund balance. Due to the implementation of GASB Statement No. 54, the components of the fund balances of governmental funds now reflect the component classifications described below. In the fund financial statements, governmental fund balances are reported in the following classifications:

Nonspendable fund balance includes amounts that are not in a spendable form, such as prepaid items or supplies inventories, or that are legally or contractually required to remain intact, such as principal endowments.

Restricted fund balance includes amounts that are subject to externally enforceable legal restrictions imposed by outside parties (i.e., creditors, grantors, contributors) or that are imposed by law through constitutional provisions or enabling legislation.

Committed fund balance includes amounts whose use is constrained by specific limitations that the government imposes upon itself, as determined by a formal action of the highest level of decision-making authority. The Board of Directors serves as the District's highest level of decision-making authority and has the authority to establish, modify or rescind a fund balance commitment via minutes action.

Assigned fund balance includes amounts intended to be used by the District for specific purposes, subject to change, as established either directly by the Board of Directors or by management officials to whom assignment authority has been delegated by the Board of Directors.

Unassigned fund balance is the residual classification that includes spendable amounts in the General Fund that are available for any purpose.

When expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned or unassigned) fund balances are available, the District's policy specifies that restricted revenues will be applied first. When expenditures are incurred for purposes for which committed, assigned or unassigned fund balances are available, the District's policy is to apply committed fund balance first, then assigned fund balance, and finally unassigned fund balance.

NOTE 10 - JOINT POWERS AGREEMENTS

The District, along with 15 other Districts, has a financial interest and a financial responsibility in the Hazardous Materials Response Unit pursuant to a joint powers agreement in order to coordinate management of hazardous material spills, establishing a formula for financing joint expenses for such management, and defining signatory agency responsibilities. Separate financial statements can be obtained by writing to the Marin County Administrator's Office, 3501 Civic Center Drive, Room 325, San Rafael, CA 94903, or by calling (415) 507-4104.

Marinwood Community Services District
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 10 - JOINT POWERS AGREEMENTS (concluded)

The District, along with 23 other Districts, also has a financial interest and a financial responsibility in the Marin Emergency Radio Authority pursuant to a joint powers agreement in order to issue bonds to be used to finance the acquisition, construction, and improvement of certain public capital improvements. Separate financial statements can be obtained by contacting the Marin Emergency Radio Authority, 27 Commercial Blvd., Suite C, Novato, CA 94949, or by calling (415) 883-9100.

The District, along with 17 other Districts, has a financial interest and a financial responsibility in the Marin Wildfire Prevention Authority pursuant to a joint powers agreement in order to plan, finance, implement, manage, own and operate a multi-jurisdictional and county-wide agency to prevent and mitigate wildfires in Marin County. Separate financial statements can be obtained by contacting the Marin Wildfire Prevention Authority, 28 Liberty Ship Way, Suite 2800, Sausalito, CA 94965, or by calling (415) 539-6972.

NOTE 11 - USE OF SPECIAL TAX REVENUES

The District receives revenues from three voter-approved special taxes. These taxes were applied to the appropriate department expenditures as follows:

<u>Departments</u>	<u>Special Tax Revenues</u>	<u>Gross Department Expenditures (Accrual Basis)</u>
Park	\$ 391,992	\$ 365,975
Public Safety	1,180,031	2,406,774
Street Lighting	24,171	28,220

The tax revenue amounts above were reported in the County of Marin (cash basis) general ledger at June 30, 2021, and were converted to the modified accrual basis in accordance with generally accepted accounting principles.

Marinwood Community Services District
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 General Fund
 For the Fiscal Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Taxes	\$ 1,906,000	\$ 1,906,000	\$ 2,226,414	\$ 320,414
Special assessments	1,593,427	1,593,427	1,596,194	2,767
Charges for services	1,592,923	1,592,923	1,661,304	68,381
Investment earnings, net	25,100	25,100	85,871	60,771
Other general revenues	35,400	35,400	256,922	221,522
Total revenues	<u>5,152,850</u>	<u>5,152,850</u>	<u>5,826,705</u>	<u>673,855</u>
Expenditures:				
Park	799,756	799,756	633,241	166,515
Recreation	1,497,179	1,497,179	1,253,958	243,221
Public safety	2,651,656	2,651,656	2,457,402	194,254
Street lighting	24,125	24,125	22,962	1,163
Marin Wildfire Prevention Authority	-	-	23,240	(23,240)
Debt service:				
Principal	-	-	53,663	(53,663)
Interest	-	-	6,643	(6,643)
Total expenditures	<u>4,972,716</u>	<u>4,972,716</u>	<u>4,451,109</u>	<u>521,607</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 180,134</u>	<u>\$ 180,134</u>	1,375,596	<u>\$ 1,195,462</u>
Fund balance, beginning of period			<u>4,674,313</u>	
Fund balance, end of period			<u>\$ 6,049,909</u>	

Marinwood Community Services District
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - MISCELLANEOUS
For the Fiscal Year Ended June 30, 2021

<u>Measurement Year Ending June 30</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Plan's proportion of the net pension liability	0.01035%	0.01039%	0.01035%	0.01037%	0.01273%	0.00906%	0.01165%
Plan's proportionate share of the net pension liability	\$ 1,126,137	\$ 1,064,894	\$ 997,306	\$ 1,027,980	\$ 1,101,426	\$ 621,969	\$ 724,973
Plan's covered payroll	\$ 581,577	\$ 548,172	\$ 544,917	\$ 594,871	\$ 571,029	\$ 566,603	\$ 663,452
Plan's proportionate share of the net pension liability as a percentage of its covered payroll	193.64%	194.26%	183.02%	172.81%	192.88%	109.77%	109.27%
Plan's proportionate share of the fiduciary net position as a percentage of the Plan's total pension liability	74.96%	74.97%	76.45%	76.39%	80.70%	82.75%	79.19%
Plan's proportionate share of aggregate employer contributions	\$ 150,626	\$ 132,188	\$ 123,312	\$ 125,818	\$ 171,458	\$ 103,230	\$ 74,586

Notes to Schedule:

Fiscal year 2014 was the first year of implementation.

Marinwood Community Services District
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - SAFETY
For the Fiscal Year Ended June 30, 2021

<u>Measurement Year Ending June 30</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Plan's proportion of the net pension liability	0.03910%	0.03849%	0.03841%	0.03732%	0.03778%	0.03934%	0.03895%
Plan's proportionate share of the net pension liability	\$ 4,254,634	\$ 3,944,263	\$ 3,701,715	\$ 3,701,290	\$ 3,269,510	\$ 2,700,147	\$ 2,423,618
Plan's covered payroll	\$ 841,475	\$ 749,202	\$ 800,878	\$ 878,757	\$ 984,998	\$ 930,397	\$ 1,034,313
Plan's proportionate share of the net pension liability as a percentage of its covered payroll	505.62%	526.46%	462.21%	421.20%	331.93%	290.21%	234.32%
Plan's proportionate share of the fiduciary net position as a percentage of the Plan's total pension liability	71.01%	71.94%	71.91%	70.52%	70.67%	75.21%	76.40%
Plan's proportionate share of aggregate employer contributions	\$ 539,301	\$ 443,451	\$ 399,733	\$ 305,569	\$ 272,201	\$ 278,667	\$ 222,178

Notes to Schedule:

Fiscal year 2014 was the first year of implementation.

Marinwood Community Services District
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SCHEDULE OF DISTRICT'S CONTRIBUTIONS - MISCELLANEOUS
For the Fiscal Year Ended June 30, 2021

<u>Measurement Year Ending June 30</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined contribution	\$ 140,456	\$ 122,962	\$ 112,466	\$ 91,609	\$ 83,524	\$ 69,307	\$ 78,116
Contributions in relation to the actuarially determined contribution	<u>(140,456)</u>	<u>(122,962)</u>	<u>(112,466)</u>	<u>(91,609)</u>	<u>(83,561)</u>	<u>(69,307)</u>	<u>(78,116)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (37)</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 581,577	\$ 548,172	\$ 544,917	\$ 594,871	\$ 571,029	\$ 566,603	\$ 663,452
Contributions as a percentage of covered payroll	24.15%	22.43%	20.64%	15.40%	14.63%	12.23%	11.77%

Notes to Schedule:

Fiscal year 2014 was the first year of implementation.

Marinwood Community Services District
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SCHEDULE OF DISTRICT'S CONTRIBUTIONS - SAFETY
For the Fiscal Year Ended June 30, 2021

<u>Measurement Year Ending June 30</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined contribution	\$ 432,342	\$ 369,490	\$ 360,210	\$ 336,990	\$ 321,782	\$ 306,519	\$ 310,139
Contributions in relation to the actuarially determined contribution	<u>(432,342)</u>	<u>(369,490)</u>	<u>(360,210)</u>	<u>(336,990)</u>	<u>(321,909)</u>	<u>(306,519)</u>	<u>(310,139)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (127)</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 841,475	\$ 749,202	\$ 800,878	\$ 878,757	\$ 984,998	\$ 930,397	\$ 1,034,313
Contributions as a percentage of covered payroll	51.38%	49.32%	44.98%	38.35%	32.67%	32.94%	29.99%

Notes to Schedule:

Fiscal year 2014 was the first year of implementation.

Marinwood Community Services District
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SCHEDULE OF DISTRICT'S CONTRIBUTIONS - OPEB
For the Fiscal Year Ended June 30, 2021

	2021	2020	2019	2018
Actuarially determined contribution	\$ 418,799	\$ 414,936	\$ 531,502	N/A
Contributions in relation to the actuarially determined contribution	<u>(317,213)</u>	<u>(311,322)</u>	<u>(254,225)</u>	<u>(134,602)</u>
Contribution deficiency (excess)	<u>\$ 101,586</u>	<u>\$ 103,614</u>	<u>\$ 277,277</u>	
 Covered-employee payroll	 \$ 1,377,552	 \$ 1,296,259	 N/A	 N/A
Contributions as a percentage of covered-employee payroll	23%	24%	N/A	N/A

The schedules present information to illustrate changes in the District's contributions over a ten year period when the information is available.

Marinwood Community Services District
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY
AND RELATED RATIOS
For the Fiscal Year Ended June 30, 2021

	2021	2020	2019	2018
<u>Total OPEB Liability</u>				
Service cost	\$ 97,092	\$ 104,223	\$ 209,502	\$ 309,038
Interest	291,210	292,697	235,360	246,845
Difference between expected and actual experience	13,169	154,672	3,936	86,138
Change of assumptions	-	(353,132)	(2,212,829)	(2,465,364)
Benefit payments	<u>(217,213)</u>	<u>(211,322)</u>	<u>(194,225)</u>	<u>(134,602)</u>
Net change in total OPEB liability	184,258	(12,862)	(1,958,256)	(1,957,945)
Total OPEB liability - beginning	<u>4,489,950</u>	<u>4,502,812</u>	<u>6,461,068</u>	<u>8,419,013</u>
Total OPEB liability - end	<u><u>\$ 4,674,208</u></u>	<u><u>\$ 4,489,950</u></u>	<u><u>\$ 4,502,812</u></u>	<u><u>\$ 6,461,068</u></u>
<u>Plan Fiduciary Net Position</u>				
Contributions - employer	\$ 317,213	\$ 311,322	\$ 254,225	\$ 134,602
Contributions - employee	-	-	-	-
Net investment income	10,969	10,363	826	-
Benefit payments	(217,213)	(211,322)	(194,225)	(134,602)
Administrative expense	<u>(105)</u>	<u>(23)</u>	<u>(16)</u>	<u>-</u>
Net change in plan fiduciary net position	110,864	110,340	60,810	-
Plan fiduciary net position - beginning	<u>171,150</u>	<u>60,810</u>	<u>-</u>	<u>-</u>
Plan fiduciary net position - end	<u>282,014</u>	<u>171,150</u>	<u>60,810</u>	<u>-</u>
Net OPEB liability - end	<u><u>\$ 4,392,194</u></u>	<u><u>\$ 4,318,800</u></u>	<u><u>\$ 4,442,002</u></u>	<u><u>\$ 6,461,068</u></u>
Plan fiduciary net position as a percentage of the total OPEB liability	6%	4%	1%	0%
Covered employee payroll	1,377,552	1,296,259	N/A	N/A
Net OPEB liability as a percentage of covered employee payroll	319%	333%	N/A	N/A

The schedules present information to illustrate changes in the District's changes in the net OPEB liability over a ten year period when the information is available.

MARINWOOD COMMUNITY SERVICES DISTRICT

SAN RAFAEL, CALIFORNIA

BOARD & MANAGEMENT REPORT

**FOR THE YEAR ENDED
JUNE 30, 2021**

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R. J. RICCIARDI, INC.
CERTIFIED PUBLIC ACCOUNTANTS

Board of Directors
Marinwood Community Services District
San Rafael, California

In planning and performing our audit of the basic financial statements of Marinwood Community Services District for the fiscal year ended June 30, 2021, in accordance with auditing standards generally accepted in the United States of America, we considered its internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the basic financial statements but not for the purpose of expressing an opinion on the effectiveness of its internal control. Accordingly, we do not express an opinion on the effectiveness of Marinwood Community Services District's internal control.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or a combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control was for the limited purpose described in the first paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses, as defined above. We did not identify any deficiencies in internal control that we consider to be material weaknesses, as defined above.

During our audit, we noted certain matters involving internal controls and other operational matters that are presented for your consideration in this report. We will review the status of these comments during our next audit engagement. Our comments and recommendations, all of which have been discussed with appropriate members of management, are not intended to be all-inclusive, but rather represent those matters that we considered worthy of your consideration. Our comments and recommendations are submitted as constructive suggestions to assist you in strengthening controls and procedures; they are not intended to reflect on the honesty or integrity of any employee. We will be pleased to discuss these comments in further detail at your convenience, to perform any additional study of these matters, or to assist Marinwood Community Services District in implementing the recommendations.

This report is intended solely for the information and use of management of Marinwood Community Services District and others within the organization, and is not intended to be, and should not be, used by anyone other than these specified parties.

We thank Marinwood Community Services District's staff for its cooperation during our audit.

R. J. Ricciardi, Inc.

R.J. Ricciardi, Inc.
Certified Public Accountants

San Rafael, California
January 26, 2022

Board of Directors
Marinwood Community Services District
San Rafael, California

We have audited the basic financial statements of Marinwood Community Services District for the year ended June 30, 2021, and have issued our report thereon dated January 26, 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated July 9, 2021. Professional standards also require that we communicate to you the following information related to our audit.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Marinwood Community Services District are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2021. We noted no transactions entered into by Marinwood Community Services District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. We evaluated the key factors and assumptions used to develop the accounting estimates in determining that it is reasonable in relation to the financial statements taken as a whole. The most sensitive estimate(s) affecting the financial statements were:

- Accrual and disclosure of compensated absences;
- Capital asset lives and depreciation expense;
- Calculation of unearned revenue;
- Pension plan and postemployment benefit actuarial computations;
- Fair value of investments and financial instruments;
- Marinwood Community Services District's portion of the 1999 Marin Emergency Radio Authority Revenue Bond.

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated January 26, 2022.

Management Consultations with Other Independent Accountants

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

Other Audit Findings or Issues

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

Other Matters

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

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

Marinwood Community Services District
BOARD & MANAGEMENT REPORT
For the Year Ended June 30, 2021

Current Year Observations

There were no current year observations.

Prior Year Observations

There were no prior year observations.

Staff Report

To: Board of Directors
From: Eric Dreikosen, District Manager
Date: February 8, 2022
Re: FY 21/22 1st & 2nd Quarter P&L Statement

Directors,

Please see the included P&L statement detailing District revenues and expenditures through the first two quarters of FY 21/22 and the accompanying variance summary notes.

The P&L statement details actual performance versus budgeted projections as of 12/31/2021. The summary notes are intended to provide further information regarding select general ledger (GL) account balances. It is important to note that under the Governmental Accounting Standards Board (GASB), the District follows a *modified accrual* accounting basis. While we may be at the halfway point of the year, that does not mean the majority of GL accounts should be at 50% of their total amount budgeted as would more typically be the case under a *full accrual* accounting basis.

As of 12/31/2021, the District received the first installment of ad valorem property taxes and special assessment revenue. The primary ad valorem tax revenue is derived from Current Secured property taxes and the District typically receives 55% of the anticipated annual total with the December allocations. Given the amount received, the District is slightly ahead of budgeted projections and should end the year with higher total tax revenue than budgeted. In total, the District has received \$1.23 million in net ad valorem property taxes and just over \$895K in net special assessments thus far.

It should also be noted the District received only \$600 in interest from Quarter 1 cash holdings in the County Treasury Investment Pool, despite having a greater average daily cash balance than any point previous. In November the County issued a communication to all investment pool participants explaining the steep decline in investment returns were related to the pandemic. In part, the communication stated:

“While yields initially surged higher this year as bonds repriced for higher rates of inflation, they have been trending consistently downwards and are expected to reside at these lower rates before we see a significant improvement.

Fortunately, the Investment Pool contained a healthy percentage of higher value investments at the start of the pandemic cycle. This enabled the pool to continue to earn interest consistent with prior period earnings until recently, as we are now experiencing the impact of the market decline over the last 20 months.

The investments that the County has been able to purchase were at a much lower rate of return than those acquired in prior periods. As higher rate coupons matured and cycled out of the investment pool, we were unable to replace them in the portfolio with investments of comparable rates. Additionally, rates for shorter term notes continued to show a substantial decrease, resulting in a significant decline in overall interest earnings.”

As of December 31, 2021, the total cash balance in the District's Treasury Fund was stated at \$5.325 million. Of this total, \$400K are held as Board Designated Reserves and approximately \$13K is designated for MWPA expenditures. Additionally, approximately \$335K remains from the financing loan acquired for the construction of the park maintenance facility. Taking these funds into account, the net cash balance as of 12/31/21 was \$4.577 million (an increase of approximately \$829K over the same point in time last fiscal year).

It is important to note that this is simply a reflection of cash flow. While it does represent a continued positive financial trend and net revenue gains continue to grow, Unfunded Accrued Liabilities continue to grow, required annual pension UAL cash payments are forecast to increase at greater rates and the need for future capital expenditures are also anticipated.

As of December 31, 2021 (quarter end) the District's OPEB Trust Fund had a stated balance of \$512,262.

Looking forward, Q3 is typically the period when the District opens recreation program registration, which represent a significant cash inflay. Additionally, in January the District received the first payment towards our agreement with the County to provide fire protection services to CSA 13, representing 50% of the total revenue with the remaining balance to be received in April (25%) and June (25%) in accordance with the agreement.

Marinwood Community Services District
Profit & Loss Budget vs. Actual
FY 2021/2022: Quarter 2

	DISTRICT TOTAL		
	Jul - Dec 21	Budget	% of Budget
Revenue			
4110110 · PropTax - Current Secured	1,023,758.47	1,790,000.00	57.19%
4110111 · PropTax - Admin Fee (Contra)	-12,180.15	-25,000.00	48.72%
4110115 · PropTax - Unitary	0.00	10,000.00	0.0%
4110120 · PropTax - Current Unsecured	30,004.47	29,000.00	103.46%
4110140 · ERAF - Excess	137,259.47	165,000.00	83.19%
4110145 · ERAF - PY/Reverse	36,345.10	13,500.00	269.22%
4110210 · PropTax - Supplemental Current	10,558.40	34,000.00	31.05%
4110215 · PropTax - Supplemental Unsecure	595.96	500.00	119.19%
4110225 · PropTax - Supplemental Redempt	843.88	1,000.00	84.39%
4110510 · PropTax - Prior Unsecured	1,577.13	1,000.00	157.71%
4120610 · Special Tax Assessment	898,181.88	1,631,320.00	55.06%
4120611 · Special Tax- Admin Fee (contra)	-2,683.50	-4,900.00	54.77%
4220115 · Building Plan Review	4,245.00	7,500.00	56.6%
4410125 · Interest- Co. Pooled Investment	599.40	25,000.00	2.4%
4410127 · Interest- ERAF Co. Pooled	76.54	100.00	76.54%
4410215 · Rental Income - Pool & Picnic	13,839.43	6,250.00	221.43%
4410225 · Rental Income - Community Ctr	3,254.32	0.00	100.0%
4511210 · HOPTR	1,127.25	7,499.00	15.03%
4570110 · Expense Reimbursements	0.00	500.00	0.0%
4631145 · Service Contract Revenue	86,515.00	97,087.00	89.11%
4631911 · Advertising Sales	431.61	8,000.00	5.4%
4631912 · Vending Sales	15,771.88	5,000.00	315.44%
4631914 · Community Events	3,776.30	0.00	100.0%
4631915 · Tennis	27,223.21	44,500.00	61.18%
4631917 · Pool Operating Rev	151,732.72	120,050.00	126.39%
4631919 · Adult Rec Programs	4,021.69	12,455.00	32.29%
4631920 · Summer Rec Programs	519,869.49	856,715.00	60.68%
4631922 · Youth Rec Programs	110,451.90	264,620.00	41.74%
4640321 · CSA 13 Contract Rev	0.00	623,916.00	0.0%
4710615 · Donations (General)	0.00	1,000.00	0.0%
4710631 · Paramedic Reimbursement	0.00	33,000.00	0.0%
4710642 · Miscellaneous Rev	13,498.30	900.00	1,499.81%
Total Revenue	3,080,695.15	5,759,512.00	53.49%
Expenditures			
5110110 · Salaries - Regular Staff	739,280.87	1,460,446.00	50.62%
5110210 · Salaries - PT/Seasonal/Temp	525,407.32	586,924.00	89.52%
5110310 · Acting Pay	2,379.48	10,000.00	23.8%
5110313 · Holiday Pay	17,430.48	37,677.00	46.26%
5110319 · FLSA Pay	6,828.90	22,616.00	30.2%
5120110 · Overtime Pay	203,718.01	100,500.00	202.7%
5130120 · Benefits - Group Medical	322,723.09	630,521.00	51.18%
5130130 · OPEB Trust Contribution	49,998.00	100,000.00	50.0%

Marinwood Community Services District
Profit & Loss Budget vs. Actual
FY 2021/2022: Quarter 2

	DISTRICT TOTAL		
	Jul - Dec 21	Budget	% of Budget
5130510 · PERS - Pension	569,436.46	688,194.00	82.74%
5140115 · Workers Comp Ins.	122,268.15	131,637.00	92.88%
5140116 · 4850 Reimbursements (Contra)	-6,856.24	0.00	100.0%
5140130 · Physician Services	1,711.00	1,830.00	93.5%
5140140 · Social Security & Medicare	109,192.04	169,268.00	64.51%
5140145 · Unemployment Ins.	8,391.33	19,805.00	42.37%
5210120 · Consultant Fees	4,000.00	19,500.00	20.51%
5210122 · Marketing	13,181.85	38,600.00	34.15%
5210128 · Fingerprinting/Background	670.00	6,000.00	11.17%
5210131 · Legal Services	2,993.25	17,000.00	17.61%
5210146 · Indep. Contractor Fees	73,785.46	216,718.00	34.05%
5210210 · Audit & Accounting	0.00	14,000.00	0.0%
5210215 · Banking Fees	30,000.00	0.00	100.0%
5210230 · Payroll Service Fees	7,084.45	10,950.00	64.7%
5210525 · Insurance - General	46,287.00	50,085.00	92.42%
5210725 · Telecom - Phone/Internet/Cable	4,673.18	11,720.00	39.87%
5210810 · Utilities - Gas & Electric	18,682.46	54,500.00	34.28%
5210815 · Garbage Removal	11,692.80	38,200.00	30.61%
5210825 · Utilities - Street Light Elec.	9,823.95	19,000.00	51.71%
5210835 · Utilities - Water & Sewer	26,227.50	52,350.00	50.1%
5210910 · Maint. - Vehicles	10,613.04	18,000.00	58.96%
5210915 · Maint. - Streetlights	1,720.60	4,625.00	37.2%
5210920 · MERA Operating	21,207.00	21,207.00	100.0%
5210940 · Maint. - Park Heavy Equipment	419.14	3,500.00	11.98%
5211110 · Janitorial Services	0.00	10,000.00	0.0%
5211125 · Community Landscape Contract	14,925.00	38,500.00	38.77%
5211140 · Vegetation Management	0.00	10,000.00	0.0%
5211220 · Equipment Rental	9,587.77	4,500.00	213.06%
5211310 · Awards & Incentives	0.00	2,000.00	0.0%
5211315 · Professional Development	2,548.16	21,000.00	12.13%
5211325 · Conferences & Meetings	3,583.36	5,350.00	66.98%
5211330 · Memberships & Dues	10,095.02	10,650.00	94.79%
5211440 · Travel	0.00	3,300.00	0.0%
5211520 · Publications & Legal Notices	0.00	900.00	0.0%
5211528 · Tree Maint. & Services	4,950.00	18,000.00	27.5%
5211532 · Weed & Pest Control	1,650.00	4,500.00	36.67%
5211610 · County-Wide Fees	6,526.23	15,490.00	42.13%
5211710 · Long Term Debt - Principal	39,894.63	39,904.00	99.98%
5211715 · Long Term Debt - Interest	4,853.36	4,845.00	100.17%
5220110 · Admin & Office Supplies	7,480.85	22,200.00	33.7%
5220130 · Copier Lease & Printing	3,699.15	9,955.00	37.16%
5220210 · Equip. Maintenance/Replacement*	4,912.45	27,600.00	17.8%
5220215 · Pool Maintenance	6,929.64	15,000.00	46.2%

Marinwood Community Services District
Profit & Loss Budget vs. Actual
FY 2021/2022: Quarter 2

	DISTRICT TOTAL		
	Jul - Dec 21	Budget	% of Budget
5220220 · Small Tools	0.00	2,500.00	0.0%
5220310 · Land & Buildings Maintenance	35,289.52	65,500.00	53.88%
5220610 · Gasoline/Fuel	1,694.01	2,500.00	67.76%
5220710 · Pool Chemicals	4,636.17	14,000.00	33.12%
5220810 · Miscellaneous Supplies	2,479.14	23,000.00	10.78%
5220819 · Rec Program Supplies & Services	57,736.98	142,550.00	40.5%
5220825 · Uniforms & Apparel	4,503.99	11,600.00	38.83%
5220826 · Vending Supplies	7,192.33	4,000.00	179.81%
5220827 · Janitorial Supplies	3,326.10	18,000.00	18.48%
5220830 · Volunteer Fire Department	0.00	10,000.00	0.0%
5220910 · Capital Outlay - Improvements	24,580.00	72,600.00	33.86%
5220916 · Capital Outlay - New Equipment	20,251.00	62,000.00	32.66%
5220920 · Capital Reserves Designation	0.00	100,000.00	0.0%
Total Expenditures	3,238,295.43	5,347,317.00	60.56%
Net Gain/Loss	-157,600.28	412,195.00	-38.23%

Marinwood Community Services District
Profit & Loss Budget vs. Actual
FY 2021/2022: Quarter 2

	Park Dept		
	Jul - Dec 21	Budget	% of Budget
Revenue			
4110110 · PropTax - Current Secured	419,740.98	733,900.00	57.19%
4110111 · PropTax - Admin Fee (Contra)	-4,993.87	-10,250.00	48.72%
4110115 · PropTax - Unitary	0.00	4,100.00	0.0%
4110120 · PropTax - Current Unsecured	12,301.83	11,890.00	103.46%
4110140 · ERAF - Excess	56,276.38	67,650.00	83.19%
4110145 · ERAF - PY/Reverse	14,901.49	5,535.00	269.22%
4110210 · PropTax - Supplemental Current	4,328.94	13,940.00	31.05%
4110215 · PropTax - Supplemental Unsecure	244.34	205.00	119.19%
4110225 · PropTax - Supplemental Redempt	346.00	410.00	84.39%
4110510 · PropTax - Prior Unsecured	646.62	410.00	157.71%
4120610 · Special Tax Assessment	220,881.84	400,739.00	55.12%
4120611 · Special Tax- Admin Fee (contra)	-660.14	-1,200.00	55.01%
4410125 · Interest- Co. Pooled Investment	245.76	10,250.00	2.4%
4410127 · Interest- ERAF Co. Pooled	31.38	100.00	31.38%
4511210 · HOPTR	462.17	3,074.00	15.04%
4710642 · Miscellaneous Rev	0.00	150.00	0.0%
Total Revenue	724,753.72	1,240,903.00	58.41%
Expenditures			
5110110 · Salaries - Regular Staff	95,121.36	233,243.00	40.78%
5110210 · Salaries - PT/Seasonal/Temp	12,860.17	7,200.00	178.61%
5120110 · Overtime Pay	0.00	500.00	0.0%
5130120 · Benefits - Group Medical	75,427.20	179,786.00	41.95%
5130130 · OPEB Trust Contribution	19,500.00	39,000.00	50.0%
5130510 · PERS - Pension	46,302.59	60,063.00	77.09%
5140115 · Workers Comp Ins.	21,152.39	22,727.00	93.07%
5140140 · Social Security & Medicare	5,776.79	18,432.00	31.34%
5140145 · Unemployment Ins.	205.33	765.00	26.84%
5210120 · Consultant Fees	912.50	8,250.00	11.06%
5210122 · Marketing	108.00	500.00	21.6%
5210131 · Legal Services	542.25	5,000.00	10.85%
5210210 · Audit & Accounting	0.00	3,500.00	0.0%
5210215 · Banking Fees	30,000.00		
5210230 · Payroll Service Fees	346.09	750.00	46.15%
5210525 · Insurance - General	15,058.50	15,610.00	96.47%
5210725 · Telecom - Phone/Internet/Cable	642.97	1,370.00	46.93%
5210810 · Utilities - Gas & Electric	704.12	4,000.00	17.6%
5210815 · Garbage Removal	8,445.35	28,000.00	30.16%
5210835 · Utilities - Water & Sewer	14,168.96	25,750.00	55.03%
5210910 · Maint. - Vehicles	450.01	2,000.00	22.5%
5210920 · MERA Operating	2,121.00	2,121.00	100.0%
5210940 · Maint. - Park Heavy Equipment	419.14	3,500.00	11.98%
5211125 · Community Landscape Contract	14,925.00	38,500.00	38.77%

Marinwood Community Services District
Profit & Loss Budget vs. Actual
FY 2021/2022: Quarter 2

	Park Dept		
	Jul - Dec 21	Budget	% of Budget
5211220 · Equipment Rental	9,587.77	4,500.00	213.06%
5211315 · Professional Development	0.00	2,000.00	0.0%
5211325 · Conferences & Meetings	633.17	700.00	90.45%
5211330 · Memberships & Dues	2,048.75	2,550.00	80.34%
5211440 · Travel	0.00	800.00	0.0%
5211528 · Tree Maint. & Services	4,950.00	18,000.00	27.5%
5211532 · Weed & Pest Control	1,650.00	4,500.00	36.67%
5211610 · County-Wide Fees	823.56	1,250.00	65.89%
5211710 · Long Term Debt - Principal	191.82	192.00	99.91%
5211715 · Long Term Debt - Interest	7.68	8.00	96.0%
5220110 · Admin & Office Supplies	1,754.52	2,000.00	87.73%
5220130 · Copier Lease & Printing	369.91	765.00	48.35%
5220210 · Equip. Maintenance/Replacement*	3,631.43	10,500.00	34.59%
5220220 · Small Tools	0.00	2,000.00	0.0%
5220310 · Land & Buildings Maintenance	24,992.18	39,500.00	63.27%
5220610 · Gasoline/Fuel	1,469.14	2,000.00	73.46%
5220810 · Miscellaneous Supplies	377.76	2,000.00	18.89%
5220825 · Uniforms & Apparel	63.35	500.00	12.67%
5220827 · Janitorial Supplies	0.00	1,000.00	0.0%
5220910 · Capital Outlay - Improvements	24,580.00	21,600.00	113.8%
5220916 · Capital Outlay - New Equipment	0.00	18,000.00	0.0%
5220920 · Capital Reserves Designation	0.00	14,500.00	0.0%
Total Expenditures	442,320.76	849,432.00	52.07%
Net Gain/Loss	282,432.96	391,471.00	72.15%

Marinwood Community Services District
Profit & Loss Budget vs. Actual
FY 2021/2022: Quarter 2

	Recreation Dept		
	Jul - Dec 21	Budget	% of Budget
Revenue			
4110110 · PropTax - Current Secured	231,369.41	404,540.00	57.19%
4110111 · PropTax - Admin Fee (Contra)	-2,752.71	-5,650.00	48.72%
4110115 · PropTax - Unitary	0.00	2,260.00	0.0%
4110120 · PropTax - Current Unsecured	6,781.01	6,554.00	103.46%
4110140 · ERAF - Excess	31,020.64	37,290.00	83.19%
4110145 · ERAF - PY/Reverse	8,213.99	3,051.00	269.22%
4110210 · PropTax - Supplemental Current	2,386.20	7,684.00	31.05%
4110215 · PropTax - Supplemental Unsecure	134.69	113.00	119.2%
4110225 · PropTax - Supplemental Redempt	190.70	226.00	84.38%
4110510 · PropTax - Prior Unsecured	356.43	226.00	157.71%
4410125 · Interest- Co. Pooled Investment	135.46	5,650.00	2.4%
4410127 · Interest- ERAF Co. Pooled	17.30		
4410215 · Rental Income - Pool & Picnic	13,839.43	6,250.00	221.43%
4410225 · Rental Income - Community Ctr	3,254.32	0.00	100.0%
4511210 · HOPTR	254.76	1,695.00	15.03%
4570110 · Expense Reimbursements	0.00	500.00	0.0%
4631911 · Advertising Sales	431.61	8,000.00	5.4%
4631912 · Vending Sales	15,771.88	5,000.00	315.44%
4631914 · Community Events	3,776.30	0.00	100.0%
4631915 · Tennis	27,223.21	44,500.00	61.18%
4631917 · Pool Operating Rev	151,732.72	120,050.00	126.39%
4631919 · Adult Rec Programs	4,021.69	12,455.00	32.29%
4631920 · Summer Rec Programs	519,869.49	856,715.00	60.68%
4631922 · Youth Rec Programs	110,451.90	264,620.00	41.74%
4710615 · Donations (General)	0.00	1,000.00	0.0%
4710642 · Miscellaneous Rev	8,631.08	250.00	3,452.43%
Total Revenue	1,137,111.51	1,782,979.00	63.78%
Expenditures			
5110110 · Salaries - Regular Staff	172,269.76	310,373.00	55.5%
5110210 · Salaries - PT/Seasonal/Temp	512,547.15	579,724.00	88.41%
5130120 · Benefits - Group Medical	54,009.59	103,463.00	52.2%
5130130 · OPEB Trust Contribution	3,498.00	7,000.00	49.97%
5130510 · PERS - Pension	65,535.52	77,754.00	84.29%
5140115 · Workers Comp Ins.	24,453.63	26,374.00	92.72%
5140140 · Social Security & Medicare	54,502.89	67,671.00	80.54%
5140145 · Unemployment Ins.	8,146.84	17,500.00	46.55%
5210120 · Consultant Fees	912.50	3,750.00	24.33%
5210122 · Marketing	12,965.85	37,200.00	34.85%
5210128 · Fingerprinting/Background	670.00	5,500.00	12.18%
5210131 · Legal Services	60.25	2,000.00	3.01%
5210146 · Indep. Contractor Fees	73,785.46	112,488.00	65.59%
5210210 · Audit & Accounting	0.00	3,500.00	0.0%

Marinwood Community Services District
Profit & Loss Budget vs. Actual
FY 2021/2022: Quarter 2

	Recreation Dept		
	Jul - Dec 21	Budget	% of Budget
5210230 · Payroll Service Fees	3,280.07	5,000.00	65.6%
5210525 · Insurance - General	14,045.80	14,815.00	94.81%
5210725 · Telecom - Phone/Internet/Cable	1,011.90	2,200.00	46.0%
5210810 · Utilities - Gas & Electric	14,083.31	38,000.00	37.06%
5210815 · Garbage Removal	2,164.95	6,800.00	31.84%
5210835 · Utilities - Water & Sewer	8,702.68	18,500.00	47.04%
5211110 · Janitorial Services	0.00	10,000.00	0.0%
5211315 · Professional Development	1,668.16	9,000.00	18.54%
5211325 · Conferences & Meetings	2,785.25	3,050.00	91.32%
5211330 · Memberships & Dues	2,773.75	3,800.00	72.99%
5211440 · Travel	0.00	1,500.00	0.0%
5211520 · Publications & Legal Notices	0.00	500.00	0.0%
5211610 · County-Wide Fees	823.56	2,750.00	29.95%
5220110 · Admin & Office Supplies	5,187.42	14,500.00	35.78%
5220130 · Copier Lease & Printing	2,278.03	7,275.00	31.31%
5220215 · Pool Maintenance	6,929.64	15,000.00	46.2%
5220310 · Land & Buildings Maintenance	4,343.79	16,000.00	27.15%
5220710 · Pool Chemicals	4,636.17	14,000.00	33.12%
5220819 · Rec Program Supplies & Services	57,736.98	142,550.00	40.5%
5220825 · Uniforms & Apparel	124.65	1,500.00	8.31%
5220826 · Vending Supplies	7,192.33	4,000.00	179.81%
5220827 · Janitorial Supplies	3,326.10	15,000.00	22.17%
5220910 · Capital Outlay - Improvements	0.00	51,000.00	0.0%
5220916 · Capital Outlay - New Equipment	0.00	11,000.00	0.0%
5220920 · Capital Reserves Designation	0.00	10,500.00	0.0%
Total Expenditures	1,126,451.98	1,772,537.00	63.55%
Net Gain/Loss	10,659.53	10,442.00	102.08%

Marinwood Community Services District
Profit & Loss Budget vs. Actual
FY 2021/2022: Quarter 2

	Fire Dept		
	Jul - Dec 21	Budget	% of Budget
Revenue			
4110110 · PropTax - Current Secured	372,648.08	651,560.00	57.19%
4110111 · PropTax - Admin Fee (Contra)	-4,433.57	-9,100.00	48.72%
4110115 · PropTax - Unitary	0.00	3,640.00	0.0%
4110120 · PropTax - Current Unsecured	10,921.63	10,556.00	103.46%
4110140 · ERAF - Excess	49,962.45	60,060.00	83.19%
4110145 · ERAF - PY/Reverse	13,229.62	4,914.00	269.22%
4110210 · PropTax - Supplemental Current	3,843.26	12,376.00	31.05%
4110215 · PropTax - Supplemental Unsecure	216.93	182.00	119.19%
4110225 · PropTax - Supplemental Redempt	307.18	364.00	84.39%
4110510 · PropTax - Prior Unsecured	574.08	364.00	157.71%
4120610 · Special Tax Assessment	663,976.29	1,206,356.00	55.04%
4120611 · Special Tax- Admin Fee (contra)	-1,983.11	-3,600.00	55.09%
4220115 · Building Plan Review	4,245.00	7,500.00	56.6%
4410125 · Interest- Co. Pooled Investment	218.18	9,100.00	2.4%
4410127 · Interest- ERAF Co. Pooled	27.86		
4511210 · HOPTR	410.32	2,730.00	15.03%
4631145 · Service Contract Revenue	86,515.00	97,087.00	89.11%
4640321 · CSA 13 Contract Rev	0.00	623,916.00	0.0%
4710631 · Paramedic Reimbursement	0.00	33,000.00	0.0%
4710642 · Miscellaneous Rev	4,867.22	500.00	973.44%
Total Revenue	1,205,546.42	2,711,505.00	44.46%
Expenditures			
5110110 · Salaries - Regular Staff	471,889.75	916,830.00	51.47%
5110310 · Acting Pay	2,379.48	10,000.00	23.8%
5110313 · Holiday Pay	17,430.48	37,677.00	46.26%
5110319 · FLSA Pay	6,828.90	22,616.00	30.2%
5120110 · Overtime Pay	203,718.01	100,000.00	203.72%
5130120 · Benefits - Group Medical	193,286.30	347,272.00	55.66%
5130130 · OPEB Trust Contribution	27,000.00	54,000.00	50.0%
5130510 · PERS - Pension	457,598.35	550,377.00	83.14%
5140115 · Workers Comp Ins.	76,662.13	82,536.00	92.88%
5140116 · 4850 Reimbursements (Contra)	-6,856.24		
5140130 · Physician Services	1,711.00	1,830.00	93.5%
5140140 · Social Security & Medicare	48,912.36	83,165.00	58.81%
5140145 · Unemployment Ins.	39.16	1,540.00	2.54%
5210120 · Consultant Fees	2,175.00	7,500.00	29.0%
5210122 · Marketing	108.00	900.00	12.0%
5210128 · Fingerprinting/Background	0.00	500.00	0.0%
5210131 · Legal Services	2,390.75	10,000.00	23.91%
5210146 · Indep. Contractor Fees	0.00	104,230.00	0.0%
5210210 · Audit & Accounting	0.00	7,000.00	0.0%
5210230 · Payroll Service Fees	3,458.29	5,200.00	66.51%

Marinwood Community Services District
Profit & Loss Budget vs. Actual
FY 2021/2022: Quarter 2

	Fire Dept		
	Jul - Dec 21	Budget	% of Budget
5210525 · Insurance - General	17,182.70	19,660.00	87.4%
5210725 · Telecom - Phone/Internet/Cable	3,018.31	8,150.00	37.03%
5210810 · Utilities - Gas & Electric	3,895.03	12,500.00	31.16%
5210815 · Garbage Removal	1,082.50	3,400.00	31.84%
5210835 · Utilities - Water & Sewer	3,355.86	8,100.00	41.43%
5210910 · Maint. - Vehicles	10,163.03	16,000.00	63.52%
5210920 · MERA Operating	19,086.00	19,086.00	100.0%
5211140 · Vegetation Management	0.00	10,000.00	0.0%
5211310 · Awards & Incentives	0.00	2,000.00	0.0%
5211315 · Professional Development	880.00	10,000.00	8.8%
5211325 · Conferences & Meetings	164.94	1,600.00	10.31%
5211330 · Memberships & Dues	5,272.52	4,300.00	122.62%
5211440 · Travel	0.00	1,000.00	0.0%
5211520 · Publications & Legal Notices	0.00	400.00	0.0%
5211610 · County-Wide Fees	4,379.11	10,990.00	39.85%
5211710 · Long Term Debt - Principal	39,702.81	39,712.00	99.98%
5211715 · Long Term Debt - Interest	4,845.68	4,837.00	100.18%
5220110 · Admin & Office Supplies	538.91	5,700.00	9.46%
5220130 · Copier Lease & Printing	1,051.21	1,915.00	54.89%
5220210 · Equip. Maintenance/Replacement*	1,281.02	17,100.00	7.49%
5220220 · Small Tools	0.00	500.00	0.0%
5220310 · Land & Buildings Maintenance	5,953.55	10,000.00	59.54%
5220610 · Gasoline/Fuel	224.87	500.00	44.97%
5220810 · Miscellaneous Supplies	2,101.38	21,000.00	10.01%
5220825 · Uniforms & Apparel	4,315.99	9,600.00	44.96%
5220827 · Janitorial Supplies	0.00	2,000.00	0.0%
5220830 · Volunteer Fire Department	0.00	10,000.00	0.0%
5220916 · Capital Outlay - New Equipment	20,251.00	33,000.00	61.37%
5220920 · Capital Reserves Designation	0.00	75,000.00	0.0%
Total Expenditures	1,657,478.14	2,701,223.00	61.36%
Net Gain/Loss	-451,931.72	10,282.00	-4,395.37%

Marinwood Community Services District
Profit & Loss Budget vs. Actual
FY 2021/2022: Quarter 2

	Streetlights		
	Jul - Dec 21	Budget	% of Budget
Revenue			
4120610 · Special Tax Assessment	13,323.75	24,225.00	55.0%
4120611 · Special Tax- Admin Fee (contra)	-40.25	-100.00	40.25%
Total Revenue	13,283.50	24,125.00	55.06%
Expenditures			
5210825 · Utilities - Street Light Elec.	9,823.95	19,000.00	51.71%
5210915 · Maint. - Streetlights	1,720.60	4,625.00	37.2%
5211610 · County-Wide Fees	500.00	500.00	100.0%
Total Expenditures	12,044.55	24,125.00	49.93%
Net Gain/Loss	1,238.95	0.00	100.0%

Marinwood Community Services District
2021-22 2nd Quarter P&L Budget-to-Actuals Summary and Variance Notes

GL Number GL Description

Summary Notes:

DISTRICT-WIDE (All Depts)

5210120	Consultant Fees	<i>GASB 68 actuarial fees only. GASB 75 OPEB actuarial & Geotech Conting (Park) outstanding</i>
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PARK DEPT:

5110110	Salaries - Reg Staff	<i>Full-time position vacancy</i>
5110210	Salaries - P/T	<i>Utilizing temporary hourly staff during full-time position vacancy</i>
5210215	Banking Fees	<i>Closing fees for Maintenance facility financing</i>
5211220	Equipment Rental	<i>Greater than anticipated heavy equipment rental needs. Intended \$7500 budget also</i>
5220110	Admin/Office Supplies	<i>Staff recruitment ads for vacant FT position</i>
5220310	Land & Bldg Maint	<i>Includes rental fencing around temp park maintenance area & excessive irrigation repairs</i>
5220610	Gasoline/Fuel	<i>Increase in fuel costs</i>
5220910	Cap Outlay - Improve	<i>Authorized additional work in tennis courts resurfacing and repair</i>
5220916	Cap Outlay - New	<i>Budgeted for chipper and potential replacement of aging utility vehicle</i>

RECREATION:

4410215	Rental Income	<i>Did not budget due to COVID restrictions. Select rentals occurred prior to spike in rates</i>
4631912	Vending Sales	<i>Expanded pool operations than originally estimated</i>
4631914	Community Events	<i>Did not budget due to uncertainty with COVID restrictions</i>
4710642	Misc. Revenue	<i>Received \$7250 energy rebate with purchase of new pool covers</i>
5110110	Salaries - Reg Staff	<i>Includes 14 of 26 annual pay periods</i>
5110210	Salaries - P/T	<i>Expanded pool operations plus seasonal impact</i>
5210128	Fingerprinting	<i>Seasonal. Will increase with summer hiring</i>
5211325	Conferences/Mtgs	<i>Includes registration fees for 4 staff to CPRS conference in Spring</i>
5211610	County-wide fees	<i>Awaiting pool inspection & certification fees</i>
5220826	Vending Supplies	<i>Expanded pool operations. Directly correlates to revenue.</i>
5220910	Cap Outlay - Improve	<i>Budgeted for Comm. Ctr room divider & potential furnace replace; pool deck repairs</i>
5220916	Cap Outlay - New	<i>Budgeted for potential replacement of pool ADA chair. Also phone system (occurred 20/21)</i>

FIRE DEPT:

4631145	Service Contract Rev	<i>Awaiting payment for County Schools portion</i>
4710631	Paramedic Reimburse	<i>Approximately \$16,600 invoiced in January for Q1 & Q2</i>
4710642	Misc. Revenue	<i>Received cost recovery for HazMat response to tanker spill on Lucas Valley Road in July 2019</i>
5110110	Salaries - Reg. Staff	<i>Includes 14 of 26 annual pay periods & wage increases with new MOU.</i>
5120110	Overtime Pay	<i>Includes approx \$26K in Strike Team & Shared Services (reimbursable). Also long-term injury</i>
5210146	Indep. Contractor	<i>Awaiting Chief Officer billing by SRFD for Q1-Q2.</i>
5211330	Memberships/Dues	<i>Timing of union dues payments and payroll withholding journaling. Also, minor increased fees</i>
5211610	County-Wide Fees	<i>Awaiting County HazMat dues billing. Also remaining Q3-Q4 billing for dispatch tablet support</i>
5220916	Cap Outlay - New	<i>Includes Hi-Band radios & portable generator anticipated in FY 20/21. Turnout Extractor in Jan.</i>

District Manager Report
February 8, 2022
Submitted by: Eric Dreikosen, District Manager

The information below is intended to provide a brief update on select District initiatives, activities and items of note and should not be viewed as a complete list of all current District activities or initiatives.

Board Training Opportunities:

In partnership between the California Special District Association and the Special District Leadership Foundation, the Special District Leadership Academy (SDLA) is once again being offered to special district leadership. The SDLA is highly recommended and serves as the premier training opportunity designed primarily for Board Directors. I have attended this training as have past board directors with one stating this should be a mandatory training for all directors. The SDLA is broken down into four modules: 1) Governance Foundations; 2) Setting Direction; 3) Board's Role in Finance; 4) Board's Role in Human Resources.

In addition to the in-person conference occurring in Napa on Sept 19-21, this exclusive training opportunity has also gone virtual. The virtual workshops are being offered on the following dates with all sessions occurring from 9am – 12pm. Module 1: Feb 16 & 17; Module 2: March 9-10; Module 3: April 18-19; and Module 4: May 4-5.

I am happy to provide additional information to any board directors who may be interested and available to attend or simply want to learn more about this opportunity. The District has a long-standing practice of paying training registration fees for board directors, however, they are responsible for their own travel & lodging. In regards to the virtual modules, timing is tight with Module 1 being conducted next week. Any participants would need to be registered immediately.

Park Maintenance Facility:

We are nearing the end of construction for the Park Maintenance Facility. The construction has gone relatively smoothly and communication between the builder, the project architect and District staff has remained constant. Final details are tentatively expected to be completed the week of Feb 14 with a completion punch list walkthrough occurring with the builder, architect and district staff the following week.

Unfortunately, we have not been able to complete the bid package for the exterior courtyards by this time as hoped due to other factors. Staff will continue to work with the project architect as a priority item to have this completed and issued as soon as possible.

FY 22/23 Budget Preparation:

The annual budget creation process has begun for FY 2022-2023. Similar to previous years, budget drafts representing progress to date will be presented to the Board at each of the forthcoming meetings leading up to budget adoption tentatively planned for the May 10 board meeting.

With this year's budget process, it will be recommended that the Board consider wage scale adjustments for the majority of our regular Park and Recreation Department positions. It has been many years since the pay schedules for most of the positions have been increased and as such, they have fallen even further below comparable wages. This will need to be addressed if the District hopes to not only attract but also retain high quality employees in an increasingly competitive labor market.

Several other items of note that staff have been working on during the past month are included as separate agenda items. These will be presented and discussed at those times.

MARINWOOD COMMUNITY SERVICES DISTRICT
DRAFT MINUTES OF FIRE COMMISSION MEETING
February 1, 2022

Time and Place: 7:00PM Via Teleconference

Present:

Commissioners: Chair Steve Farac, Tom Elsbree, Pascal Karsenti, Ron Marinoff, John Seratt

Absent: Greg Stilson (CSA 13 Alternate)

Staff: District Manager Eric Dreikosen, San Rafael Fire Chief Darin White

Board: Kathleen Kilkenny

Farac called the meeting to order at 7:02 PM.

1. Agenda

No edits were requested by Commissioners. Chair Farac adopted the agenda as presented.

2. Public Comment on Non-Agenda Items

No comments from the public were received.

3. Commissioner Items of Interest

- Commissioner Karsenti referenced a program called Fire Maps which provides free defensible space surveys and reports for residential properties.
- Chair Farac mentioned he has noticed increased tree removal across the County and specifically witnessed in Tiburon and asked Chief White if this was related to fire prevention efforts. Chief White to inquire and report back.
- Commissioner Seratt asked about overhead power lines being converted to underground.
- Commissioner Elsbree asked about the eucalyptus trees in Miller Creek Road median between Las Gallinas Ave and Marinwood Dr and expressed concern of fire hazard in the event of evacuation. Elsbree also asked who residents could contact to have this concern addressed.

4. Draft Minutes of December 7, 2021 Fire Commission Meeting

M/s Marinoff/Seratt to approve Draft Minutes of December 7, 2021 Fire Commission Meeting as presented. All in favor. Motion carried unanimously.

5. Chief Officer Report and Activity Summary

Commission received Chief Officer Report and Activity Summary.

6. Designation of Commission Chair & Vice-Chair for 2022

Marinoff to approve/Elsbree to second Commissioner Farac to serve as Commission Chair and Commissioner Karsenti to serve as Commission Vice-Chair for 2022. All in favor. Motion carried unanimously.

7. Requests for Future Agenda Items

- Commissioner Elsbree requested an update on Miller Creek Road median concerns.

The meeting was adjourned at 7:40 PM.

Eric Dreikosen



To: Marinwood Board of Directors

From Darin White, Fire Chief

Date: February 8, 2022

Re: Fire Department Update

Marin Wildfire Prevention Authority-Vegetation Management



Lucas Valley Fuel Reduction Project

Above are but a couple of images available that illustrate the fuels reduction work done on public lands during last month's rainy weather and as far back as October 2021. Tree service crews, funded by Marin Wildfire Prevention Authority Measure C funds, worked tirelessly to create shaded fuel breaks behind homes in Marinwood and Upper Lucas Valley. Crews cleared over 7 acres of woody debris, ladder fuels, and fire hazardous species in Upper Lucas Valley open space land. These shaded fuel breaks slow the spread of wildfire and create defensible space. Staff is in the beginning stages of planning for goat grazing sometime in the late spring/early summer in the same locations as last year.

Grants

Wildfire grants are now available. MW residents can apply to the San Rafael zone grant- www.srfd.org/grants, and the MWPA grants as well via <https://www.marinwildfire.org/resident-info/resident-grants>. Full inspections are required, and there are different qualifications and eligible expenses for both programs, so residents should review the website for more information. The grants are available on a first come, first serve basis, and community members can apply for work completed last year, provided adequate documentation is available.

January 2022

WILDFIRE MITIGATION GRANT PROGRAM

SRFD.org/grants



Guidelines/COVID-19:

The U.S Supreme Court has upheld a ruling on mandating vaccinations for health care personnel and as such it now includes first responders as personnel who provide care in high-risk settings. Public Health officials in California are increasingly mandating vaccination and boosters for first responders. A Public Health Order which outlines the mandatory requirement may be issued in Marin County in the very near future. Some agencies have already opted to re-assign employees to low-risk assignments, when possible. This is anticipated to have a major impact on staffing for those agencies that have high numbers of unvaccinated or fully updated staff. These individuals may be able to get appointments for vaccination and booster shots before the Order is enacted.

Many Bargaining Units have stated their support of vaccinations and boosters but are also caught in the unusual position of having to advocate for employees who have sought medical or religious exemptions or are otherwise reluctant to obtain vaccination. This places cities such as Los Angeles in a contentious situation with the bargaining units as the leadership seeks to reduce infection rates, exposures, and impacts to staffing through having all employees vaccinated. Operational impacts have affected almost every law and fire department throughout the state in the months of January as infection rates rose to unprecedented levels. Creative solutions to maintaining service delivery, increased mandatory overtime, and even some company closures have been necessary during the recent surge of COVID positive employees and the workers who were in close contact with them.

New Variant Emerging?

Santa Clara County public health officials said they've identified two COVID-19 cases of a worrisome sub-lineage of the fast-spreading omicron variant. Although health officials had little information about the two cases of the sub-lineage, known as BA.2, officials stated that the BA.2 sub-lineage is much rarer, but it has begun to pop

up in places, including California and Santa Clara County and other places around the world. Officials do not yet know whether it is more transmissible or virulent than the dominant omicron sub-lineage, known as BA.1.

Public Health Officials continue to emphasize that “new variants will continue to evolve as long as there are large pockets of unvaccinated people.” It is further evidence that the best way to protect ourselves from COVID-19 infection is through vaccination and boosting (also known as Fully Updating).

BA.2 also has been reported in Washington state and Texas. However, the Centers for Disease Control and Prevention and California Department of Public Health have not been separately tracking the sub-lineage publicly.

Marinwood Fire Department Statistics: January 2022

The Marinwood Fire Department responded to 105 emergency calls in January 2022. A little under two-thirds of the calls were medical incidents; nine involved a suspected or confirmed COVID-19 case. The department responded to three fires, two in San Rafael and one in Novato. The San Rafael fires were an unattended stove and one structure fire. The structure fire involved a multifamily dwelling and no injuries were reported. The Novato incident was a vegetation fire.

<i>Incidents by Area and Type</i>								
Area	MA	PSA	FA/NN	FIRE	HAZMAT	COVER	OTHER	TOTAL
Marinwood	21	4	0	0	0	N/A	0	25
CSA 13	5	3	0	0	1	N/A	0	9
Old JPA (Mont Marin)	7	2	0	0	0	N/A	0	9
New JPA (East of 101)	19	10	4	0	0	N/A	0	33
SR Mutual Aid	5	8	0	2	0	0	0	15
MC JPA	2	2	1	0	0	N/A	0	5
MC Mutual Aid	0	0	0	0	0	N/A	0	0
Novato	1	5	0	1	0	2	0	9
Total number	60	34	5	3	1	2	0	105
<i>Percentage of total</i>	<i>57.1%</i>	<i>32.4%</i>	<i>4.8%</i>	<i>2.9%</i>	<i>1.0%</i>	<i>1.9%</i>	<i>0.0%</i>	

Call types:

MA	Medical assist
PSA	Service call
FA/NN	Fire alarm
FIRE	Fire
HAZMAT	Hazardous material incident (e.g., spill)
COVER	Coverage for other stations
OTHER	Other incident(s): n/a

Average response time for Engine 58:	5 minutes, 42 seconds
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Marinwood Community Services District

Draft Minutes of Park & Recreation Commission Meeting Tuesday – January 25, 2022

Time and Place: 7:00PM via Teleconference

Present:

Commissioners: Chair John Tune, Michael Benesch, Jon Campo, Ian Fein, Anne Sjahsam.

Staff: District Manager Eric Dreikosen, Recreation Director Luke Fretwell

Board Director: Chris Case

1. Agenda

No edits were requested by Commissioners. Chair Tune adopted the agenda as presented.

2. Public Comment on Non-Agenda Items

The Commission received public comment regarding:

- a) Making open space areas more accessible.

3. Draft Minutes of November 23, 2021 P&R Commission Meeting

Fein to approve/Sjahsam to second Draft Minutes of November 23, 2021 P&R Commission Meeting.
All in favor. Motion carried unanimously.

4. Draft Minutes of January 11, 2022 Board Meeting

Commission reviewed minutes.

5. Marinwood Park Play Structure Replacement Project: Community Survey Results

Commission discussed survey findings and project next steps.

6. Miller Creek Waterway Trail: Initial Assessment

Commission discussed assessment report and potential next steps.

7. Designation of Commission Chair & Vice-Chair for 2022

Sjahsam to approve/Campo to second Commissioner Tune to serve as Commission Chair and Commissioner Fein to serve as Commission Vice-Chair for 2022. All in favor. Motion carried unanimously.

8. Recreation and Park Maintenance Activity Report

Commission received Recreation and Park Maintenance Activity Report.

9. Commissioner Items of Interest – Requests for Future Agenda Items

- Commissioner Fein requested brainstorming potential ideas for open space areas.
- Director Case requested discussion regarding potential ideas for Fireman's Picnic Area.

10. Adjourn

Meeting adjourned at 9:03 PM

Eric Dreikosen

Staff Report

To: Park & Recreation Commission
From: Eric Dreikosen, District Manager
Date: February 8, 2022
Re: Miller Creek Waterway Trail – Initial Assessment

Commissioners,

Please see the included assessment report in regards to the potential Miller Creek Waterway Trail.

As previously discussed, the potential trail location would span from Las Gallinas Ave (across from the mini-park) and traverse along the southern banks of Miller Creek to the roadway to be constructed as an extension to Marinwood Ave (near Marinwood Market) for access to the planned senior living facility.

A condition of the development approval for the senior living center - which occurred in 2006 with a prior land owner and developer - included the construction of a recreational trail on District property at the developer's expense. The agreement contained a project cost estimate stated in the form of a potential performance bond in the amount of \$29,000. Needless to say, this amount is grossly understated by today's standards and requirements. Remaining language from the portion of this agreement pertaining to the trail development has been included at the end of this report.

This specific trail concept was originally introduced over 16 years ago. During the past 16 years, trail design standards have changed dramatically as has the District's understanding and expectation in this regard. Furthermore, District-owned open space was originally acquired to be preserved as open space thus preventing any future development. It was not the District's intent to in turn create multiple recreational trails and other recreational opportunities throughout the open space. As such, resources to develop and, more importantly, maintain such recreational improvements have not been allocated within the District's budget or staffing resources. The District is challenged as it currently stands in maintaining the existing recreational improvements located in our open space areas.

In recognition of the above, staff has expressed concerns regarding the District's capacity to properly maintain any proposed trail once constructed from both a financial and workforce resources standpoint. As such, should a trail indeed be constructed as described, it must be constructed in accordance with the highest of trail design and construction standards to allow for as minimal an amount of future maintenance as reasonably possible.

The report and potential trail were discussed in detail by the Park & Recreation Commission at their most recent meeting conducted January 25, 2022. While the Commission was generally in favor of the continued exploration of this potential trail project, it was also recognized that there remains many questions still be answered.

While there is no formal action of the Board needed at this time, if this project is to move forward staff recommends and seeks direction from the Board regarding the following as initial process steps:

1. Staff engages with developer of planned senior center to discuss feasibility assessment report, anticipated cost of preferred trail design (option 1A in report) and developers financial obligations and anticipated timing of senior center construction.
2. Board is presented with summary of communications with developer and discusses District's desire to move forward including financial capacity to contribute if needed on any remaining project costs and/or identify other potential funding sources.

Assuming the Board does decide to continue project exploration:

3. Discuss potential project management needs including possibilities for outsourcing of project management. This includes coordination of all pre-construction activities such as public outreach efforts; needed environmental research including a biological resources study, a cultural resources study and any other potential CEQA requirements; and ultimately construction coordination and oversight.

For reference, remaining language from the 2006 agreement is, in part, as follows (excuse the crude copy and paste):

3. Two trails will be constructed by the owner/developer of Lot #2 (the assisted care facility parcel) unless the requirement to construct one or both trails is not required by District. If deletion of the trail generally along the alignment of the existing graded bench on the southerly side of Miller Creek is requested by District, owner/developer of Lot 2 shall request the County of Marin delete the requirement to construct this trail. If the County of Marin does not delete this requirement, then this trail shall be constructed. One trail may extend from Las Gallinas Avenue to the extension of Marinwood Avenue and will generally follow the alignment of the existing graded bench on the southerly side of Miller Creek. This trail will be 4 feet wide. A second trail may be constructed from the trail paralleling Miller Creek to the ridge. This second trail will be a semi-primitive trail 18 inches wide. The trails will be constructed subject to the following conditions:

- (a) The trails will be built by an experienced trail builder or by the Marin Conservation Corp. subject to approval by District.
- (b) The alignment and grade of the trails and details of construction will be shown on a plan that will be submitted to the Marinwood Community Services District for their approval prior to the start of construction. District will issue its approval within thirty days of submission. If District fails to act within 30 days, the plan shall be deemed approved.
- (c) All necessary permits will be obtained by the owner/developer of Lot 2.
- (d) The trails will be constructed during the same time period in which the extension of Marinwood Avenue and the bridge across Miller Creek is being constructed.
- (e) The trails will have a native soil surface that has been smooth graded and compacted.

- (f) All non-native plants within six (6) feet of the trails, included but not limited to bamboo, hostas, vinca, ivy, palm and blackberry, will be removed.
- (g) The trails will be constructed in such a way so as to avoid removing any native mature trees, unless absolutely necessary, subject to approval of District.
- (h) Where necessary along the trail paralleling Miller Creek, some type of a guardrail to prevent pedestrians from falling into the creek, such as a split rail fence, will be constructed.
- (i) Drainage to prevent erosion of the trails will be provided as necessary.
- (j) Accumulated debris and bicycle jumps alongside and to the rear of the residences at 2250 and 2260 Las Gallinas Avenue will be removed.
- (k) Any barbwire fencing near Marinwood Avenue will be removed.
- (l) Barriers will be constructed at the Las Gallinas and Marinwood Avenue ends of the trail paralleling Miller Creek in order to prevent motor vehicle access.
- (m) The northerly boundary line along Miller Creek shall be clearly and visually marked so that it is readily discernable.



TIMOTHY C. BEST, CEG
ENGINEERING GEOLOGY AND HYDROLOGY

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January 10, 2022

Mr. Eric Dreikosen
District Manager
Marinwood CSD
775 Miller Creek Road
San Rafael, CA 94903-1323

JOB: MW-MILLERCR-894

RE: MILLER CREEK WATERWAY TRAIL PRELIMINARY FEASIBILITY STUDY

INTRODUCTION

This report summarizes our evaluation of the geologic and geotechnical feasibility of constructing a new 2,750 foot long, 2 to 5 foot wide multi-use trail along the south side of lower Miller Creek. The proposed trail would connect Las Gallinas Ave to a proposed development located just west of Highway 101.

Approximately 780 feet of the trail will be routed across the gently sloping valley bottom with the remainder across moderate to steep sideslopes. Because a portion of the trail will need to traverse steep and potential unstable slopes above Miller Creek, the District has expressed concerns over the feasibility and sustainability of a new trail in this location and requested this review.

PROJECT SCOPE

The purpose of our study was to 1) evaluate the geologic hazards and geotechnical constraints associated with developing a new multi-use trail, 2) identify possible trail alignments and discuss the pros and cons of each, and 3) develop preliminary recommendations and costs for trail construction and to mitigate the geologic hazards. The results presented here are preliminary and intended to inform the District as of our findings regarding the project. Additional geologic and geotechnical work may be required for permitting and to develop construction documents.

The assessment is based on review of geologic and geotechnical literature, maps and aerial photographs, field reconnaissance and mapping, analysis of bare-earth LiDAR data, and discussions with the District. Subsurface exploration was outside the project scope.

REGIONAL GEOLOGIC AND SITE CONDITIONS.

PROJECT SETTING

The project site is located along lower Miller Creek in the community of Marinwood, Marin County, California. The area is characterized by a broad, gently sloping alluvial valley bottom bounded to the south by a steep 50% to 90+% gradient hillside. Miller Creek is deeply incised with local steep and unstable channel banks. The flat valley bottom is mostly developed with residential homes, the steep slide slopes are undeveloped. The climate is Mediterranean, with cool, rainy winters and dry, warm summers. Vegetation is mainly oak woodland with some annual grassland and brush.

An abandoned 1952 road traverses across the lower portion of the steep hillside about 20 vertical feet above the channel bottom. The road was probably abandoned in 1968 when a 450-foot-long segment of Miller Creek was realigned about 100 feet to the south and into the steep ridge, eliminating the segment of the old road in that location. The realignment of Miller Creek was probably done to facilitate the development of a condominium complex now located on the north side of the stream. Where the stream was realigned the banks of the new channel are armored with rock riprap.

The circa 1952 road was constructed at a 10-to-12-foot width on balanced cut and fill. The resulting cut is 5 to 20+ feet high exposing thin colluvial soils overlying weathered bedrock. Fill is estimated to be less than 3 feet deep and more than likely unengineered. The old road is currently in mixed condition with portions of the old road prism narrowed by stream bank erosion and fill instability.

GEOLOGIC SETTING

The project area is mapped as underlain by bedrock of the Franciscan Complex consisting of fractured sandstone and shale (Blake Jr. et al., 2000; Rice et al., 2002). Where exposed the rock appears moderately well cemented and competent. In most areas the rock supports a stable cutbank inclined at steeper than a 1:1 slope. Old alluvial sediments consisting of sand, gravel and silt are found along the gently sloping valley bottom of Miller Creek.

Overlying bedrock on the steeper sideslopes is a thin mantle of colluvium and soil of varying thicknesses. Soils are primarily loam to clay loam with gravel. Field observations indicate the soils tend to be moderately drained and have a moderate erosion potential. Overall, these soils appear well suited for trail construction but may become muddy when saturated.

Old and recent stream bank failures of varying sizes exist along the steep streamside slopes bounding Miller Creek. These are located mainly below the old road and are attributed to stream bank erosion undermining the hillside. Though slopes are steep, no shallow landslides were observed in a mid to upper hillslope position, probably because of the competency of the underlying bedrock. No large-scale deep-seated landslides were observed. Overall, the principal landslide hazard is from shallow slope failures occurring along the steep channel banks of Miller Creek and to a lesser extent from local cut and fill instability along the old road.

The subject property is located within a highly seismically active region of California dominated by the San Andreas Fault system. The San Andreas Fault is located about 11 miles southwest from the site and the active Hayward Fault is about 7 miles to the northeast. Intense ground shaking is expected in the event of a major earthquake on either of these faults. Slope failures are possible in the event of a large magnitude earthquake.

Surface drainage is primarily by sheetwash. Seasonal high groundwater may exist locally, especially on the lower portion of the hillside.



TRAIL DESCRIPTION AND CONSTRAINTS

The proposed trail will extend 2475 feet along the southside of Miller Creek from Las Gallinas Ave to just west of Highway 101. The trail is divided into four segments, which are described below. A site map trail depicting trail segmentation is depicted in Figure 1.

SEGMENT A (STN 0 – 780): FLAT VALLEY BOTTOM

Starting at Las Gallinas Ave the first 780 feet of the trail is routed across the gently sloping valley bottom (fluvial terrace) of Miller Creek. The first two thirds of the trail will be new construction, the last third road will follow remnants of the old 1952 road. The following summarizes pertinent observations.

DESCRIPTION	PHOTO
<p>G1 - STN 325: Storm drain outfall</p> <p>Trail constrained by the fence line of the adjacent property and a storm drain outfall that discharges water into a small channel that drains into Miller Creek. There is about 15 to 20 feet of separation between the fence and outfall, which is sufficient room for the trail.</p>	 <p>Photo 1: Looking at narrow corridor between fence (to left) and storm drain outfall (to right and out of the photo).</p>

DESCRIPTION	PHOTO
<p>G2 - STN 375 – 430: Dry swale The trail will need to cross the head of a dry swale (old, abandoned channel) measuring about 25 feet wide and 6 feet deep. The easiest location to cross is at the head of the swale, though this would place the trail closer to an adjacent property.</p>	 <p>Photo 2: Looking across the head of the dry swale.</p>
<p>G3 - STN 660 – 690: Old erosional scar The trail follows the old, abandoned road across the head of an old erosional scar. The old roadbed is intact though a small amount of slough has deposited onto the tread. Overall, there are no significant constraints with routing the trail along the old road at this location.</p>	 <p>Photo 3: Looking across old erosional scar.</p>

OPPORTUNITIES AND CONSTRAINTS:

The flat ground is generally well suited for trail construction. A short segment of the trail is somewhat constrained at **G1** to a 10- to 15-foot-wide area between the property fence line and a storm drain outfall. At this location the trail will either need to be located on native ground upstream of the outfall and adjacent to the fence line or be located downstream where a 30-foot-long trail bridge would be required to span the drainage.




Outside of this location there are no significant geologic constraints and standard trail construction generally appears appropriate. Because of the clayey nature of the underlying soils, it may be necessary to rock the trail tread.




SEGMENT B (STN 780 – 1800): STEEP STREAMSIDE SLOPES OF MILLER CREEK

This segment of trail will traverse 1,020+/- feet across moderate to steep (30% to 90%) slopes above the locally unstable channel bank of Miller Creek. These steep slopes present the greatest physical constraint to the trail.

The first 420 to 620 feet of the trail, beginning at **G4**, will follow the western remnants of the abandoned 1952 road where several portions of the old road have been narrowed to a 2-to-5-foot width by stream bank erosion/instability. After this new trail construction will be required across moderate gradient slopes where the old road was removed when Miller Creek was realigned. This trail segment ends where the trail ramps onto the remnants of the 1952 road at **G10**.

There is a relatively high incidence of shallow landsliding occurring along the steep channel bank of Miller Creek below the old road and we observed four locations (**G4**, **G5**, **G6** and **G8**) where short segments of the old road have been narrowed to 2-to-5-foot width by a combination of streambank erosion/instability, and fill instability. Most of the observed erosion/instability appear relatively old and restricted to the overlying mantle of fill and colluvium. The remaining portion of the road prism is interpreted to be underlain by more competent native soils and quite possibly with bedrock at a shallow depth. We observed no evidence to suggest deeper bedrock instability. The following summarizes pertinent observations.

DESCRIPTION	PHOTO
<p>G4 - STN 790: 20-foot-long slope failure narrows road to 2 feet</p> <p>A 20+ -foot-long segment of the old road on 65% to 70% side slopes narrowed to 2-foot width by stream bank erosion/instability. The slide scar appears weathered and interpreted to be relatively old. Slopes above the old road are smooth, uniform and appear relatively stable. A 2-foot-wide trail can be established with little grading. A 5-foot-wide trail will require either supporting the outer edge of the trail on a 3-foot-high rock buttress, cutting into the bank on a full bench, or a combination of the two. Widening the road into the bank may require removal of a large Bay tree and therefore supporting the outer edge of the trail on a rock buttress is preferential.</p>	 <p>Photo 4: Looking across short, narrowed section of the old road. A 2-foot-wide trail can be established with little grading, a 5-foot wide trail will require supporting the outer edge of the trail on a rock buttress or cutting into the bank.</p>
<p>G5 - STN 950: 40-foot-long slope failure narrows trail to 5 feet</p> <p>A 40-foot-long segment of road on 70+% side slopes has been narrowed to a 5-foot width by stream bank erosion/instability. Failure appears old and restricted to overlying mantle of fill and colluvium. The proposed trail can be routed across the head of this failure at a 5-foot width with little grading. In the event of future instability, the road could be widened slightly into the bank or be rerouted upslope.</p>	 <p>Photo 5: Photo shows segment of the old road narrowed to 5 feet.</p>
<p>G6 – STN 1110: 30-foot-long slope failure narrows trail to 5 feet</p> <p>A ~30-foot-long segment of road on 80+% side slopes has been narrowed to a 5-foot width by a stream bank erosion/instability. Similar to Site G5, the failure appears old and restricted to overlying mantle of fill and colluvium. The proposed trail can be routed across the head of this failure with little grading. In the event of future instability, the road could be widened slightly into the bank or be rerouted upslope.</p>	 <p>Photo 6: Looking back at old road narrowed to about 5 feet.</p>

DESCRIPTION	PHOTO
<p>G7 – STN 1200 to 1360: New trail to ramp over cutslope and then across steep sideslopes</p> <p>This is the start of new trail construction to bypass above the less stable portion of the old road located further down at G8. At this location, the old road traverses 80% to 90% sideslopes resulting in a steep 12-foot-high stable cut inclined at 06H:1V slope. The trail will need to climb up and over the cut with about 60 feet of the trail partially supported by a 3- to 5-foot-high rock buttress. Once over the cut the new trail is to be constructed across 80% slopes with about 100 feet of the trail requiring the outer edge of the trail to be supported on a 3- to 4-foot-high rock buttress/retaining wall.</p>	 <p>Photo 7: Photo of steep 12+ foot high road cut. The preferred trail option is to ramp up this cut on a rock and fill buttress to avoid the steep unstable slopes at G8.</p>
<p>G8 – STN 1300 TO 1400: 100+ feet of unstable and actively failing slopes</p> <p>About 100 linear feet of the old road traverses very steep (100+%) gradient unstable slopes to a point where the old road has been removed by the realignment of Miller Creek. Along this segment there are multiple coalescing shallow slide scars of varying ages that have narrowed the road to a 5-to-8-foot width. This segment of road appears to be at greater risk for instability compared to the segment of road preceding it. Further, the very steep slopes below the trail present a greater risk to trail users if they were to fall over the edge. For these reasons reopening this segment of road for trail use is not recommended.</p>	 <p>Photo 8: Looking back on narrowed segment of the old road bounded by a steep escarpment that drops 20 feet down to Miller Creek.</p>
<p>G9 – STN 1360 – 1800: New trail construction</p> <p>New trail construction across moderate gradient slopes before reaching the eastern segment of the 1952 abandoned road at G10. No significant constraints.</p>	 <p>Photo 9: Looking back across moderate gradient slopes suitable for new trail construction.</p>

OPPORTUNITIES AND CONSTRAINTS:

The steep channel banks bounding Miller Creek are inherently prone to erosion and shallow slope failures. The location of the trail across steep and potentially unstable slopes places the trail at risk for being undermined by stream bank erosion and instability. The hazard appears greatest along the bottom of the slope adjacent to Miller Creek and diminishes as you move up the hillside. It also appears greater towards the end of the road (**G8**) where Miller Creek encroaches closer to the old road.

Future stream bank erosion and shallow instability should be expected in the event of a large magnitude storm, which under a worst-case scenario could further undercut the old road requiring any trail routed along the road to be reconstructed or relocated. While the steep toe slopes are found to be potentially unstable it is important to note that the inboard portion of the old road is still intact after 70+ years and outside of one location at **G4** of adequate width for trail use. To mitigate this risk the trail should be offset as far as feasible from the more unstable portions of the hillside.

We identified three options to route the trail across these slopes:

Option B1: New upslope trail

The first option is to route the entire 1,020-foot-long segment upslope of the old road and along ground that does not show signs of recent instability. This option would avoid using the portion of the old road that traverses steep sideslopes and which has been undermined in several locations. The trail could be constructed at either a 2 foot or 5-foot width. About 200+ feet of the trail will need to traverse slopes steeper than 80%. In these areas a narrow 2-foot-wide trail can be reasonably constructed using standard cut and fill techniques; a 5-foot-wide multi-use trail, however, may require the outer edge of the trail to be partially supported on a 3- to 5-foot-high rock buttress/retaining wall.

The advantage of this option is that it would provide the greatest level of stability because it would be located further away from the unstable slopes bounding the watercourse. The disadvantage is it requires a greater amount of new trail construction resulting in a significantly higher construction cost. While this option is expected to be more stable, we do not believe it is warranted at present given that much of the old roadbed is still intact and viable for trail use. If the trail is routed along the old road and a failure occurs in the future, the trail could be relocated upslope at that time.

Option B2: Road to trail conversion with new trail construction

In this option the trail will be routed for 620 feet along the entire remaining portion of the old road, past sites **G4**, **G5**, **G6** and **G8** to the point where the old road was removed when Miller Creek was relocated. At the end of the road (**G8**) the trail would then ramp up and over the 8-foot-high road cut and continue for 400 feet with new trail construction across moderate gradient slopes (**G9**).

The advantage of this option is it would be the least expensive to construct, especially if constructed at a relatively narrow 2-foot width. The principal disadvantage, which is potentially significant, is that 100 feet of the trail at **G8** would need to be routed across steep unstable slopes. The problems at **G8** are twofold. First, there appears to be a higher level of instability at this location resulting in a Moderate to High potential for the old road prism to be undercut by stream bank erosion requiring any trail routed along the road to be relocated. Second, stream bank erosion has resulted in a very steep 20-foot-high escarpment bounding the outer edge of the old road. The steep escarpment in concert with the narrow trail tread presents a potentially significant hazard to trail users. Significant injuries to trail users (hikers and bicyclists) could occur if they were to fall over the edge. For these reasons, we do not recommend Option B2.

Option B3: Partial Road to trail conversion with new trail construction (Preferred)

This option is sort of a combination of Options B1 and B2. The first 420 feet of the trail will follow the more stable portions of the old road before ramping up and over the road cut at **G7**.

On the portion of road to be reopened for trail use there are three areas where past instability has partially narrowed the old road. At **G4** an old stream bank failure has narrowed a 20-foot-long segment of trail to a 2-foot width. The remaining road prism is generally adequate for a narrow single-track trail. A 5-foot-wide multi-use trail can be established by either supporting the outer edge of the trail on a 3-foot-high rock buttress, cutting into the bank on a full bench, or a combination of the two. At **G5** and **G6** the old road has been partially narrowed to a 5-foot width but is still of adequate width for trail use with minimal grading.



At **G7** the trail will need to ramp up and over the 12-to-15-foot high cutslope to avoid the unstable ground at **G8**. This will require somewhat difficult trail construction. For a narrow 2-foot-wide single-track trail for hiking use only a relatively steep 20% gradient trail can be established by building up about 50 feet of trail on compacted fill with 30 feet of the fill supported by a 3- to 8-foot-high rock buttress. For a wider 5-foot-wide multi-use trail a maximum 10% gradient trail is recommended to allow for safer combined hiker and bicyclist access. In this case about 80 feet of trail will need to be built up on compacted fill with about 60 feet supported by a 3- to 8-foot-high rock buttress.

Once over the cut a new 2- to 5-foot-wide trail will need to be constructed across 30% to 80% gradient sideslopes (**G9**) for 540 feet before reconnecting with the eastern portion of the abandoned road at **G10**. In general, this terrain appears reasonably well suited for trail construction and can generally be constructed using standard cut and fill trail construction methods. About 100 to 150 feet of trail will need to traverse relatively steep 80% sideslopes and in these areas where a 5-foot-wide multi-use trail is proposed, the outer edge of the trail may need to be supported with a 3- to 5-foot-high rock retaining wall/buttress.

The advantage of Option 3 is it provides a reasonable level of stability and user safety by avoiding the more unstable and steeper portions of the hillside. The principal disadvantage is higher construction costs where the trail is forced to climb up and over the 12+ foot high road cut and then across locally steep side slopes. In our opinion, Option 3 is the preferred option as it provides a reasonable compromise between site stability and construction costs.

SEGMENT C (STN 1800 - 2250): EASTERN OLD ROAD SEGMENT

Segment C will follow the remnants of the eastern portion of the abandoned road for about 450 feet. The first 150 feet of the road (**G10**) traverses steep 90% slopes at a 15% to 20% grade. Thereafter the road crosses less steep sideslopes at a generally lower gradient. The following summarizes pertinent observations.

DESCRIPTION	PHOTO
<p>G10 – STN 1800 - 1950: Steep Road Grade</p> <p>Trail to be routed along the lower remnants of the eastern portion of the abandoned road. The road traverses across steep 90% slopes at 15% to 20% grade. The old road was constructed at 10-to-12-foot width resulting in steep 15- to 22-foot-high cut. Portions of the outer fill prism have failed narrowing the road slightly. The higher portion of the road cut has also failed/raveled depositing 2 to 3 feet of debris onto the old road surface and narrowing the old road to about 2 feet. A new 5-foot-wide trail can be constructed across the failed slide debris using standard cut and fill techniques. The 15% road grade can be reduced to a 10% to 12% grade by building up the lower portion of the trail on 4 feet to 5+ feet of compacted fill partially supported by a rock buttress.</p>	 <p>Photo 10: Looking down the trail where the trail drops over the old road cut. This portion of trail will need to be built up on 4 to 5+ feet on compacted fill to reduce the trail gradient to less than 12%. The cutbank failure that deposited 2 to 3 feet of fill onto the old road surface is behind the photographer and is not visible.</p>
<p>G11 – STN 1950 - 2250:</p> <p>Trail to be routed along the upper remnants of the eastern portion of the abandoned road. The road traverses across moderate 50% to 65% gradient slopes at a 10% to 15% grade. There are no significant constraints with trail use along this segment of road.</p>	 <p>Photo 11: Looking up the old road. No significant constraints with trail use.</p>

OPPORTUNITIES AND CONSTRAINTS:

There are two issues with this segment of trail, both located at **G10** at the bottom of the old road and both relatively minor. First a short portion of the 20+ foot high cutslope has failed or raveled depositing 2 to 3 feet of debris onto the old road surface and narrowing the old road to about 2 feet. A new 2- to 5-foot-wide trail can be constructed across the failed slide debris using standard cut and fill techniques. However, ongoing raveling of the steep cut should be expected over time requiring periodic maintenance to clear the trail tread of material.

Second, the lower most 100+ foot long segment of the old road has a relatively steep 15% to 20% grade which is steeper than preferred. Generally, trails greater than 15% have a much higher incidence of erosion and require greater maintenance efforts. Moreover, these trails are more difficult to travel by bicyclists in the uphill direction. To the extent practicable, trails that accommodate bicycles should have grades less than 12%.

We identified two options to route the trail up the road. Both options can accommodate a 2- or 5-foot-wide trail.

Option C1: Existing steep road

In this alternative the trail is routed along the old road prism at 15% to 20% grade. The advantage of this option is that it is easier to construct and therefore will be somewhat cheaper to construct. The disadvantage is the trail grade is steep and therefore will be more susceptible to erosion, will not be easily passible by bicyclists going uphill, and will require greater maintenance efforts. For a hiking only trail this is probably not a significant issue, but it will be an issue for bike use. We do recommend this option if bicycle use is anticipated.

Option C2: Built up trail tread (Preferred)

In this option the lower 100 feet of trail is built up on 3 to 5+ feet of compacted fill to reduce the trail grade to a more sustainable 12%. For a 5-foot-wide trail it may be necessary to support a portion of the outer edge of the trail with a rock buttress. The advantage of this option is the lower trail grade that will be more sustainable and will better accommodate bicycle use. The disadvantage is the higher construction cost.

SEGMENT D (STN 2250 – 2750): MODERATE SIDESLOPES

This segment of the trail will drop down across moderate gradient grassland slopes to flat ground adjacent to Highway 101. The first 150 feet will follow the old road until the road grade becomes too steep. At this point new trail construction at 10% grade is recommended.

OPPORTUNITIES AND CONSTRAINTS:

The ground is generally well suited for trail construction. Because the trail will be located in open grassland high runoff may occur during large storms. To mitigate this, frequent dips should be installed. Because of the clayey nature of the underlying soils, it may be necessary to rock the trail tread.

SUMMARY AND CONCLUSIONS

Much of the project area is characterized by moderate to steep slopes with potentially unstable channel banks along Miller Creek. An abandoned 1952 road traverses the steep hillside about 20 vertical feet above the channel bottom. A roughly 450-foot-long segment of this road was removed when Miller Creek was relocated in 1968.

Field review finds that the steep streamside slopes of Miller Creek have a moderate to high potential for erosion and instability. This hazard is greatest along the toe of the hillside, mainly below the old road, and diminishes upslope where although slopes are still steep, no recent or active erosional areas or slides were observed. While the steep toe slopes are found to be potentially unstable it is important to note that the inboard portion of the 70+ year old road is still intact and generally of adequate width for trail use.

There are several alternatives to develop a trail along the Miller Creek corridor depending on 1) expected type and level of use, 2) width of the trail, 3) desired level of long-term stability, and 4) level of effort (cost) that can be put into constructing the trail.

Both a 5-foot-wide multi-use trail and narrow 2-foot-wide single-track trail are viable. 5-foot-wide multi-use trails are generally designed to accommodate both hikers and bicycles under moderate to heavy use. The wider width allows for the passage of hikers and/or bicyclists without one or the other having to step off the trail. This is an important consideration given that the Miller Creek Trail will need to traverse steep sideslopes, will likely receive bicycle traffic, and, as we are told, could receive high use by students. It has been our experience that most new trail constructed by public agencies near urban settings are 4-to-5-foot wide multi use trails. A 2-foot-wide single-track trail is most appropriate on hiking only trails that receive little use.

Generally, 5-foot-wide trail is machine built (mini excavator) requiring an experienced equipment operator. A 2-foot-wide single-track trail can be built by either hand crews with aid from volunteers or machine built. Cost for a 5-foot-wide trail is generally more than a 2-foot-wide trail due to large amounts of material to be moved and because on steep slopes retaining structures may be required. In general, most trails constructed are 4 to 5 feet wide.

TRAIL ALTERNATIVE DISCUSSION

The following table summarizes four different trail alternatives the District should consider for routing the trail along the Miller Creek corridor. The difference in these alternatives are trail width (2-ft vs 5-ft), location (whether or not the trail is routed past or upslope of unstable area **G8**), and grade (whether or not the trail is built up at **G10** to reduce trail grade). Figure 2 depicts the different trail alternatives.

In our opinion, **Alternative 1A** is the preferred alternative because it minimizes crossing unstable terrain and because it is 5-feet wide allowing for both hikers and bicyclists. **Alternative 2B** should be avoided because of the potential hazard at the steep escarpment at **G7**. Figure 3 depicts preliminary layout of trail alternative 2A and 2B.

TABLE A: SUMMARY OF TRAIL ALTERNATIVES AND CONSTRAINTS

ALT	TRAIL WIDTH	PRINCIPAL CONSTRAINTS	DESCRIPTION	PROS / CONS		COST*
1A PREFERRED	5 FT Multi- Use	Steep streamside slopes but avoids unstable area G8	Follows alignments B3 and C2. Ramps up cutslope at G7 to avoid crossing unstable area G8 . Trail built up at G10 to lower road grade	<u>PROS</u> <ul style="list-style-type: none"> Reasonably stable/Minimizes unstable ground and limits risk to a generally acceptable level for trail use 5 ft width accommodates hikers and bikers Moderate gradient 	<u>CONS</u> <ul style="list-style-type: none"> High construction costs Larger footprint 	\$274,000
1B	2 FT Single track	Steep streamside slopes but avoids unstable area G8 ; narrow width	Same as 1A but at narrow 2 ft width	<u>PROS</u> <ul style="list-style-type: none"> Reasonably stable/Minimizes unstable ground Lower construction costs due to narrow width 	<u>CONS</u> <ul style="list-style-type: none"> 2 ft width restricts bicycle use Narrow width can result in greater user conflict due to difficulty to pass one another. Less suited for high use areas 	\$171,300
2A	5 FT Multi- Use	Does not avoids unstable area G8 , steeper trail grade	Follows alignments B2 and C1. Trail extends down road past unstable area G7 . At G10 trail follows old road at steeper grade.	<u>PROS</u> <ul style="list-style-type: none"> Lower construction costs compared to 1A 5 ft width accommodates hikers and bikers Minimizes new trail construction Trail can be realigned in future to offset from G8 Trail can be built up at G10 in future to reduce trail grade 	<u>CONS</u> <ul style="list-style-type: none"> Greater risk of instability / failure Steep escarpment at G8 presents a potentially significant hazard to trail users Steep 15% - 20% trail grade at G10 will impede bicycles 	\$111,000
2B	2 FT Single track	Does not avoids unstable area G8 , steeper trail grade; narrow width	Same as 2A but at narrow 2 ft width	<u>PROS</u> <ul style="list-style-type: none"> Lowest cost 5 ft width accommodates hikers and bikers Minimizes new trail construction Trail can be realigned in future to offset from G8 Trail can be built up at G10 in future to reduce trail grade 	<u>CONS</u> <ul style="list-style-type: none"> Greater risk of instability / failure Steep escarpment at G8 presents a potentially significant hazard to trail users 2 ft width and steep trail grade restricts bicycle use Narrow width can result in greater user conflict due to difficulty for users to pass. Less suited for high use areas 	\$82,500
3	2 FT OR 5 FT	Locally steep slopes	Follows alignments B1 and C2.	<u>PROS</u> <ul style="list-style-type: none"> Most stable 	<u>CONS</u> <ul style="list-style-type: none"> Highest construction costs Larger footprint Not much immediate benefit over 1A 	N/A

*Note: The actual cost will vary depending on whether the trail is constructed through partnerships with public agencies using dedicated trails staff or is constructed by a private contractor. The costs outlined here assume private contractor under prevailing wage and assumes 10% mobilization and 30% contingency. This estimate does not include permitting, biological monitoring, signage, rock of the trail tread. Costs are approximate. It also does not consider increased costs over time. Trail construction cost may be reduced slightly by eliminating the recommended retaining walls, though this will increase the height of cuts resulting in greater risk of cutbank instability and associated maintenance costs.

REFERENCES

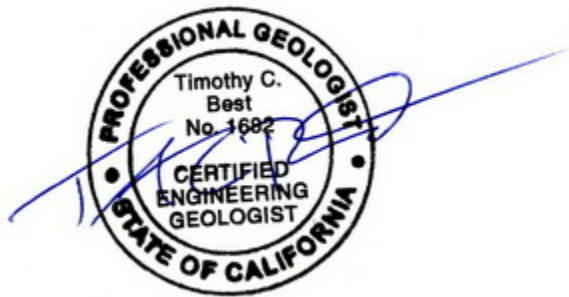
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- Rice, S. R., Smith, T. C., Strand, R. G., wagner, D. L., Randolph-Loar, C. E., Witter, R. C., and Clahan, K. B., 2002, Geologic Map of the Novato 7.5' Quadrangle, Marin and Sonoma Counties, California: A digital database: California Geologic Survey.

CLOSURE

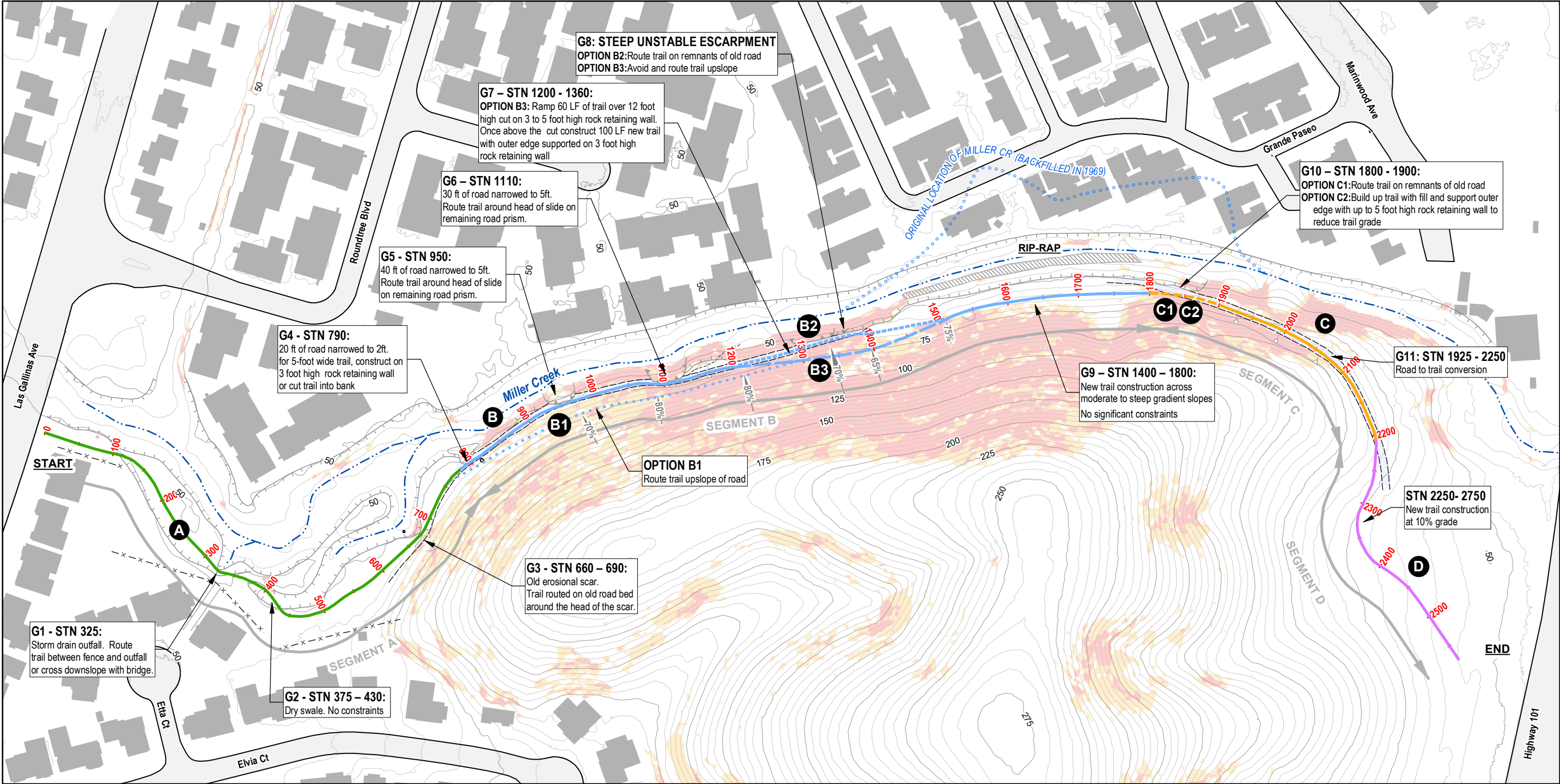
I hope this provides the information you need at this time. The recommendations outlined in this report are preliminary. Additional design services will be required if the District wishes to advance the recommendations outlined in this letter to construction documents and/or to develop reports for any permitting.

Our professional services were performed, findings obtained, and recommendations prepared in accordance with generally accepted engineering geologic principles and practices at this time and location. No warranties are either expressed or implied.

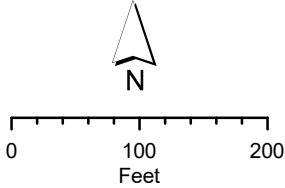
Sincerely,



Timothy C. Best, CEG 1682



TRAIL SEGMENT MAP



- OLD 1952 ROAD
- TOP OF CHANNEL BANK / ESCARPMENT
- SLIDE SCAR
- WATERCOURSE
- ABANDONED WATERCOURSE
- BUILDING
- FENCE LINE

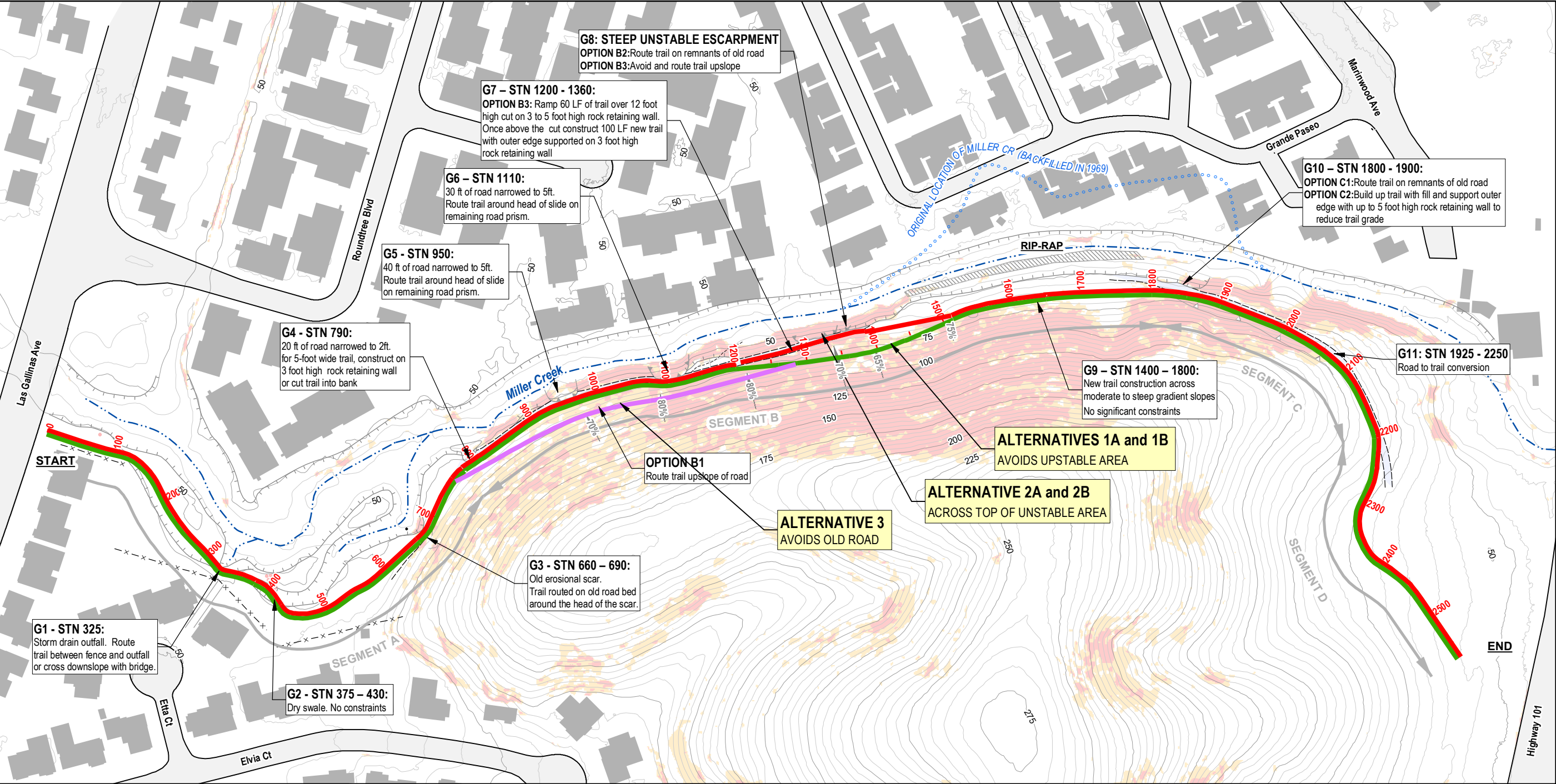
- TRAIL SEGMENTS AND OPTIONS
- A
 - B
 - B1: NEW TRAIL ABOVE ROAD
 - B2: TRAIL ROUTED UPSLOPE OF UNSTABLE AREA G7
 - B3: TRAIL ROUTED ALONG OLD ROAD AT TOP OF UNSTABLE AREA G7
 - C
 - C1: TRAIL BUILT UP ON FILL TO REDUCE TRAIL GRADE
 - C2: TRAIL ROUTED ON OLD ROAD AT STEEP TRAIL GRADE
 - D

- SLOPE GRADIENT (FROM LIDAR)
- 0-65%
 - 65 - 75%
 - >75%

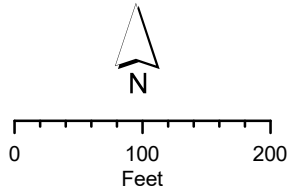
Note:
Topographic data derived from Marin County LiDAR Data.
Contours are approximate.

TRAIL SEGMENT MAP
MILLER CREEK WATERWAY TRAIL
Marinwood CSD

Date: 1/10/2022
Revised:
Project: MW-MILLERCR-894



TRAIL ALTERNATIVE MAP

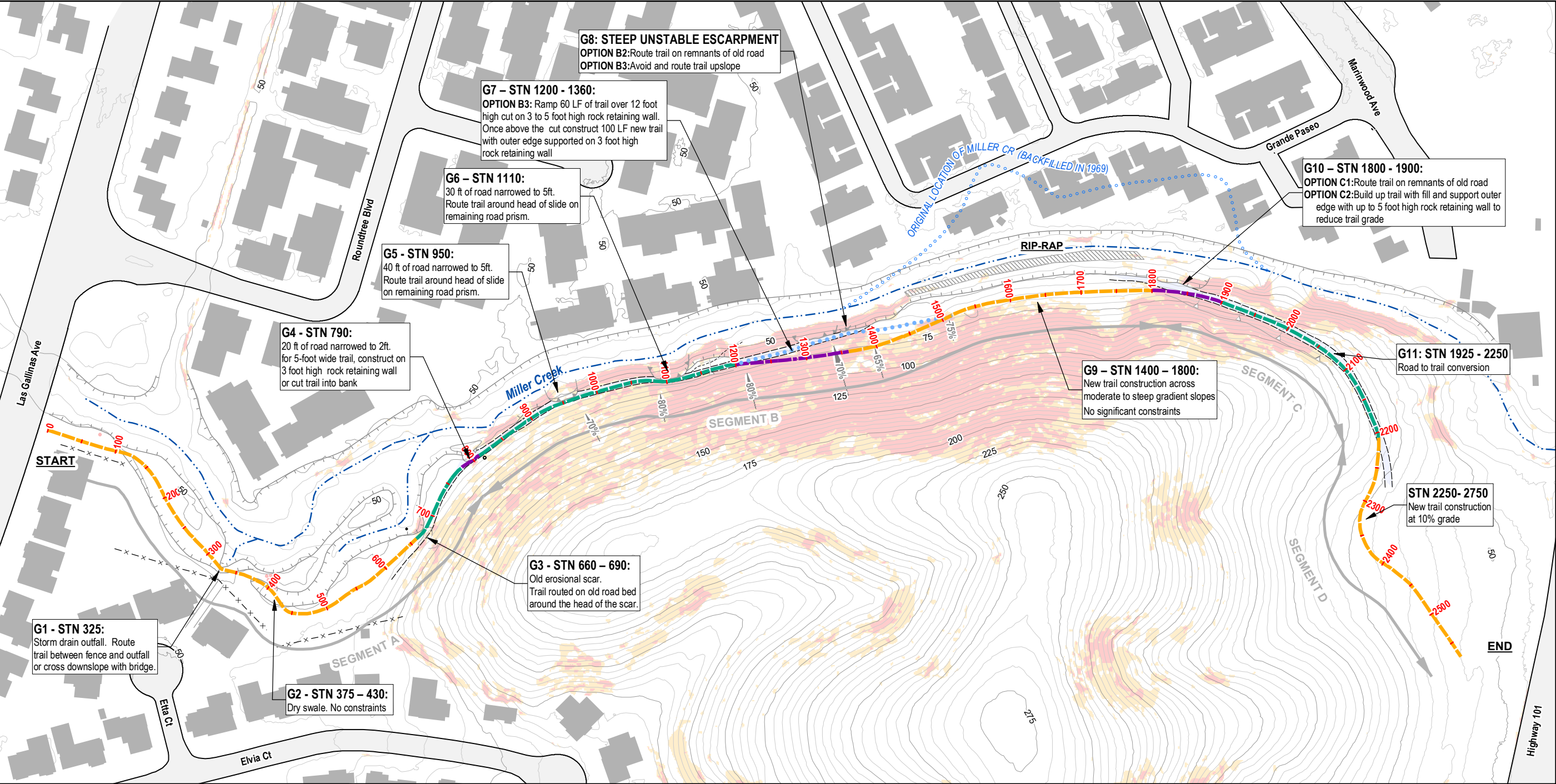


- OLD 1952 ROAD
- TOP OF CHANNEL BANK / ESCARPMENT
- SLIDE SCAR
- WATERCOURSE
- ABANDONED WATERCOURSE
- BUILDING
- FENCE LINE

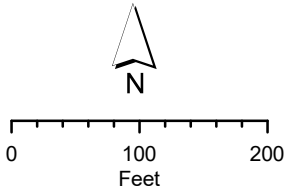
- TRAIL ALTERNATIVES**
- ALTERNATIVES 1A AND 1B (PREFERRED):** (5FT VS 2FT TRAIL WIDTH):
TRAIL ROUTED UPSLOPE TO AVOID UNSTABLE AREA G7
TRAIL BUILT UP ON FILL AT G10 TO REDUCE GRADE
 - ALTERNATIVES 2A AND 2B:** (5FT VS 2FT TRAIL WIDTH):
TRAIL ROUTED ON OLD ROAD ACROSS TOP OF UNSTABLE AREA G7
TRAIL NOT BUILT UP ON FILL AT G10 - STEEP TRAIL GRADE
 - ALTERNATIVE 3:**
TRAIL ROUTED UPSLOPE OF OLD ROAD

- SLOPE GRADIENT (FROM LIDAR)**
- 0-65%
 - 65 - 75%
 - >75%

Note:
Topographic data derived from Marin County LiDAR Data.
Contours are approximate.



ALTERNATIVE 1A AND 1B TRAIL LAYOUT MAP



- OLD 1952 ROAD
- TOP OF CHANNEL BANK / ESCARPMENT
- SLIDE SCAR
- WATERCOURSE
- ABANDONED WATERCOURSE
- BUILDING
- FENCE LINE

- ALTERNATIVE 1A AND 1B TRAIL LAYOUT
- NEW TRAIL CONSTRUCTION
 - ROAD TO TRAIL CONVERSION
 - ROCK RETAINING BUTRESS
 - OPTION B3

- SLOPE GRADIENT (FROM LIDAR)
- 0-65%
 - 65 - 75%
 - >75%

Note:
Topographic data derived from Marin County LiDAR Data.
Contours are approximate.

RECREATION

Spring/Summer Catalog

This past month the Recreation staff completed the spring/summer issue of the Marinwood Review, our semi-annual catalog of programs, classes, and events. This issue includes information about our summer camp program, the 2022 pool season, and all our classes and events taking place between March and August. The catalog is currently at the printer and should be mailed out in the next couple weeks. I want to thank Carolyn Sullivan for once again acting as Marinwood's one-person graphic design team and creating another well-organized and visually attractive brochure.

Summer Preparation

Having finalized our spring and summer schedule of programming, the Recreation staff is busy entering all our camps, classes, and swim lessons into our online registration system and making sure everything is correct and ready for registration to open next month.

We are currently accepting applications for camp counselors, lifeguards, and pool attendants. Robyn and John Paul have been conducting numerous interviews and the staffing puzzle is starting to come together. Each summer the District employs 200-250 high school and college age staff members to run our camps and pool programs.

Summer Camps

We are excited to be returning to a more normal summer this year. We will be increasing enrollment, resuming bi-weekly field trips for the oldest camps, and bringing back some of the activities and entertainers we weren't able to host the past two years. Our program will still be subject all the current health guidelines but should much more resemble a normal summer.

Summer Camp Registration

Summer Camp Registration will open to Marinwood residents on Monday, March 14th and to everyone on Thursday, March 17th. Registration will be accepted online as well as via fax, email, and in person.

Pool Season

The 2022 pool season will open on Monday, April 4th, at which time we will offer adult lap swim, recreation swim, and tot pool hours 7 days a week. We will also be offering private swim lessons and pool party reservations on the weekends.

This year we are returning to our traditional format, offering season memberships, 5-swim punch cards, and recreation swim daily drop-ins.

Pool Schedule

For the 2022 season we have made a few adjustments to the pool schedule in attempts to more effectively meet demand and better serve our various pool user groups. A few of the changes include an increase in adult lap swim hours across the board and an increase in camp swim time during the summer.

Upcoming Events

- Raise a Glass – Saturday, March 5th
 - New this year, we are excited to be offering non-alcoholic wine tasting options
- Spring Art Show – Saturday, April 23rd
- Music in the Park Series – 4 Fridays in summer; details TBD

PARKS & BUILDING MAINTENANCE

Firemen's Hill

This past month staff finished adding weed barrier and woodchips to the upper section of the hill next to the firehouse. We will be adding some additional plantings later this month.

Parking Lot

This week the staff began work relandscaping the area around the parking lot, removing old brush and weeds, adding a header board to eventually hold in woodchips. Staff will also be restriping and repainting the curbs in the coming weeks.

Pool

Staff began repainting the pool bathrooms ahead of the upcoming pool season. We will also be getting some concrete patched and replaced around the tot pool, as well as having some of the cracks around the main pool resealed.

Upcoming Projects

Some of the upcoming projects include updating landscaping around the community center and outside the pool entrance, checking the irrigation throughout the parks and pool and updating a handful of aging valves, and making repairs to the 3 patios around the community center.

Daily/Weekly Duties:

- Clean and restock Community Center building and park bathroom
- Blow/rake leaves around community center
- Empty garbage and dog waste receptacles in 3 parks and at trailhead
- Mow lawns in 3 parks and pool
- Irrigation inspection in 3 parks
- Check 3 playgrounds for graffiti and hazards
- Check and adjust pool chemistry/equipment