

Report Title: Special Districts in Marin County**Report Date: June 14, 2002****Response by: Albert J. Boro Title: Board Chairman
San Rafael Sanitation District****FINDINGS**

- I (we) agree with the findings numbered: 1, 2, & 3
- I (we) disagree wholly or partially with the findings numbered: 6, 7, & 8

(Attach a statement specifying any portions of the findings that are disputed; include an explanation of the reasons therefor.)

RECOMMENDATIONS

- Recommendations numbered 1, 2, 3, 4, & 6 have been implemented.
(Attach a summary describing the implemented actions.)
- Recommendations numbered 7 have not yet been implemented, but will be implemented in the future.
(Attach a timeframe for the implementation.)
- Recommendations numbered _____ require further analysis.
(Attach an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the officer or director of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This timeframe shall not exceed six months from the date of publication of the grand jury report.)
- Recommendations numbered _____ will not be implemented because they are not warranted or are not reasonable.
(Attach an explanation.)

Date: 9-5-02 Signed: _____
ALBERT J. BORO, Board Chairman
San Rafael Sanitation District

Number of pages attached 7 (including this page)

September 5, 2002

The Honorable Lynn O'Malley Taylor
Marin County Superior Court
P.O. Box 4988
San Rafael, CA 94913-4988

Mr. Lowell Smith
Foreperson
Marin County Civil Grand Jury
3501 Civic Center Drive, Room 303
San Rafael, CA 94903

Re: Report on Special Districts in Marin County Dated June 14, 2002

This letter is in response to the report referenced above.

FINDINGS

1. Compensation for San Rafael Sanitation District Directors Is \$100.00 per month.
2. The San Rafael Sanitation District Board meets one time per month on the first Wednesday of the month.
3. The District Board of Directors receives no medical or dental benefits.
6. We believe our format provides the public with easily understandable reports on the status of expenditures and remaining funds needed for operation and maintenance and capital improvements. Please refer to the attached letter dated November 9, 2001, regarding the District's statement on reserves.
7. All budgetary information is public information, and anyone who has an interest may request information maintained by the District. A copy of the District budget is kept on file with the City Library.
8. Please refer to the letter dated November 9, 2001, regarding the San Rafael Sanitation District's response to reserves.

RECOMMENDATIONS

1. Board members receive \$100.00 per month as allowed by applicable legislation. This compensation is detailed in the budget documents that are available for public review at any time.
2. The District Board meets the first Wednesday of each month to conduct District business. During fiscal year 1999-00 there was one extra meeting held in the month of May. There were no extra meetings held during fiscal year 2000-01.
3. Board members do not receive medical or dental benefits.
4. District Board members have not attended conferences nor traveled at District expense during fiscal years 1999-00 and 2000-01. During that same period of time, the District Administrator did attend one conference at District expense.
6. District Board policy provides that the District has no uncommitted reserves. All funds are accounted for and are utilized for the following: maintenance and operations; implementation of an approved and formally adopted 10-year, \$11 million capital improvement program designed to upgrade aging District facilities; CMSA treatment plant maintenance and operations; and, bond redemption. Attached is a Budget Summary sheet detailing the revenue and expenditures of the District. This sheet is part of the District's budget document and is available for public review at any time at District offices or at the San Rafael Library.
7. The District Board welcomes the opportunity to work with the County Auditor to develop terminology and standardized formats for reporting reserves that are consistent with Government Accounting Standards Board (GASB) standards. The GASB is the authoritative standard setting body for government financial reporting. The District fully complies with GASB standards and intends to implement the new standard, GASB 34, for the fiscal year ended June 30, 2002. GASB 34 identifies the components of "net assets" and removes the uncertainty of "retained earnings" previously used. This new reporting approach, together with required narrative disclosures called "Management's Discussion and Analysis," explains changes in "Net Assets," i.e., reserves. The District has received several awards in prior years from the Government Finance Officer's Association of the United States and Canada for its Comprehensive Annual Financial Reports then issued.

Please contact David Bernardi, the District Administrator, at 485-3350 if you have any questions.

Very truly yours,

SAN RAFAEL SANITATION DISTRICT

ALBERT J. BORO
Board Chairman

AJB/ch

Attachments (3): Response to Grand Jury Report Form
 Budget Summary for 1999-00 & 2000-01
 Letter from SRSD dated 11-09-01

cc: Paul M. Cohen, Secretary/Director
 Steve Kinsey, Director
 David M. Bernardi, District Administrator
 Andrew J. Preston, Deputy District Administrator