

*Resolution 2021-05***Murphys Sanitary District**

15 Ernest St Suite A.
 Murphys, CA 95247
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 Email: csecada@murphysd.org
 Web site: www.murphysd.org

Board of Directors:

Steve Gonzales - President
 Lydia Scheller - Vice President
 Paige Mc Math-Jue - Treasurer
 Bruce Miller- Secretary
 Travis Owens - Parliamentarian

AGENDA

Regular Meeting

October 14, 2021 10:00 a.m. - Teleconference

Based on guidance from the California Governor's Office and Department of Public Health, in order to minimize the potential spread of the COVID-19 virus, this meeting will not be physically open to the public.

All members of the public may participate in the meeting via Web-Ex teleconference information below and will be given the opportunity to provide public comment.

Members of the public are encouraged to participate in the below noticed meeting:

[Join the meeting Click Here](#)

Join by Meeting Number: 2563 432 5117

Meeting Password: msd2021

Dial 25634325117@webex.com

Join by phone 1-415-655-0001

Join by Mobile Device 1 415-655-001 2563 4325 117# 6732021#

- 1) **Roll Call**
- 2) **Pledge of Allegiance**
- 3) **Agenda Changes**
- 4) **Public Comment** (*Limit 5 minutes per person*) on items not appearing on agenda.
NOTICE: Pursuant to Government Code § 54954.3(a), any member of the public shall be provided with the opportunity to directly address the Murphys Sanitary District Board of Directors concerning any item that has been described in the notice for the meeting before or during consideration of that item or on items not on the agenda but within the district's jurisdiction provided that no action be taken on off-agenda items unless otherwise authorized by law.
- 5) **Consent Agenda - Discussion\Possible Action**
 The following items are expected to be routine non-controversial. ***Items will be acted upon by the Board at one time without discussion.*** Any Board member may request that any item be removed for later discussion.
 - a) **Minutes**
09/09/2021 Regular Meeting
 - b) **Check Disbursements**
Sept 2021
- 6) **Staff Reports:**
 - a) Administration
 - b) Operations

*Resolution 2021-05***7) Committee Reports****Ad-hoc Reserve Funds Policy See item 8a** - Committee - Bruce Miller, Paige McMath-Jue**Ad-hoc Ordinance Revision Committee** - Steve Gonzales, Travis Owens, Dan Murphys, Cindy Secada**8) Unfinished Business:**

a) Review\Approve Draft Reserve Fund Policy - Discussion\Possible Action

9) New Business:a) **Adopt Res. 2021-05** Approve & Adopt the Calaveras County Multi-Jurisdictional Hazard Mitigation Plan (MJLHMP) - Discussion\Possible Actionb) **Adopt Res. 2021-06** Designating the Administration Manager as the Authorized Application Representative for the WWTP Force Main Replacement Project - Discussion\Possible Actionc) **Adopt Res. 2021-07** The Board of Directors of The Murphys Sanitary District Proclaiming a Local Emergency Persists, Ratifying the Proclamation of a State of Emergency by Executive Order N-15-21 March 4, 2020, and Authorizing Remote Teleconference Meetings of The Legislative Bodies of Murphys Sanitary District for The Period October 14, 2021 – November 14, 2021 Pursuant to Brown Act Provisions - Discussion\Possible Action

d) Accept Audited Financial Statements for FY 2020/21 - Discussion\Possible Action

e) WWTP Filtration System Upgrade - Discussion

f) Review the Water needs of the WWTP and the Kautz Hay Station Water Agreement during a drought Declaration - Discussion\Possible Action

g) Determine date for WWTP Upgrade Presentation; April 21, 2022

10) Director Comments**11) Next Meeting Agenda Items****12) Next Regular Meeting: November 11, 2021 10:00 a.m.****13) Adjournment*****Public Notice: All or a portion of this meeting is being recorded for purpose of public broadcast and/or internet posting.***

Materials related to any item on this Agenda, are available for public inspection in the District Office at 15 Ernest St Suite Murphys, CA 95247 during normal business hours. Information on materials in the agenda is also available via email request to csecada@murphysd.org. Any material provided to the legislative body at the meeting by agency staff or a member of the legislative body will be available at the public meeting; documents provided by others will be available right after the meeting. This agenda shall be made available upon request in alternative formats to persons with a disability, as required by the Americans with Disabilities Act of 1990 (42USC, §12132) and the Ralph M. Brown Act, CA Government Code §54954.2. Any persons requesting a disability related modification or accommodation in order to participate in the meeting should contact Cindy Secada at 209-728-3094, during regular business hours, at least 72 hours prior to the meetings or via email at csecada@murphysd.org. **Regular meetings are held on the second Thursday of the month at 10:00 A.M. at the districts main office located at 15 Ernest Street Suite A. Murphys, CA 95247 or Teleconference**

Murphys Sanitary District
MINUTES Regular Board Meeting
Thursday, September 9, 2021

Board of Directors:

Steve Gonzales - President
 Lydia Scheller - Vice President
 Paige Mc Math-Jue - Treasurer
 Bruce Miller- Secretary
 Travis Owens – Parliamentarian

10:01 a.m.

- 1) Roll Call – Travis Owens, Paige McMath-Jue (Absent w/notice), Bruce Miller, Lydia Scheller & S. Gonzales
- 2) Pledge of Allegiance
- 3) Agenda Changes - *None*
- 4) Public Comment - *None*
- 5) Consent Agenda
 - a) Minutes
 - 07/08/2021 Regular Meeting
 - No August 2021 Meeting
 - b) Check Disbursements
 - July 2021
 - Aug 2021

Motion: Directors T. Owens & B. Miller motion to accept the *Consent Agenda as presented: Minutes & Check Disbursements, July & August 2021: Roll Call Vote – (4) Yeas (0) Nays (1) Absent*

- 6) Staff Reports
 - a) Administration – *C. Secada informs the Board that the MSD Annual Audit was complete August 30, 2021; Status update in regards to DWR Reimbursement/Loan Status*
 - b) Operations – *D. Murphys gives the Board a brief status update on samples, algae growth & storage status, looking into options due to algae growth from low water levels – Board & Staff briefly discuss concerns – Agendize – issues, solutions, water needs due to the drought & discuss Filter system; consider closed session discussion*
- 7) Committee Reports

Ad-hoc Reserve Funds Policy Committee - Bruce Miller, Paige McMath-Jue (Absent) – *Bring back for discussion at the next Regular Board Meeting - No Action*

Ad-hoc Ordinance Revision Committee – Steve Gonzales, Travis Owens, Dan Murphys, Cindy Secada – *Director S. Gonzales updates the Board – Committee is currently working with Attorneys in regards to charges*

8) Unfinished Business

- a) Determine if the district should make an additional payment from the CalPERS 115 Trust fund to CalPERS UAL for FY 2021/22 – C. Secada & B. Miller briefly review the option that would be in the District's best interest.

Motion: Directors B. Miller & L. Scheller motion to take the balance of \$137,000 from the trust fund and move it to the UAL: *Roll Call Vote – (4) Yeas (0) Nays (1) Absent*

9) New Business

- a) Determine if the district should pay down the CalPERS UAL in its entirety and add additional funds to the CalPERS 115 Trust fund to pay future CalPERS unfunded liabilities – *No Action*

- b) Update 2021/22 Budget – *C. Secada briefly goes over changes made to the 2021/2022 Budget*

Motion: Directors S. Gonzales & B. Miller motion to accept the 2021/2022 Budget changes as presented: *Roll Call Vote – (4) Yeas (0) Nays (1) Absent*

- c) Determine if the district should invest in a new CD with UBS at a rate of .70% 3 years – *No Action*
- d) Discuss COVID Policy options: mandatory masks/vaccines/testing for public-facing staff, and for in-person board meetings - *B. Miller expresses concerns – Board & Staff Briefly discuss – Board directs C. Secada to bring back more information on Public Attendance & Future In-Person Meeting Options*
- e) Consider hiring a grant writer - *Bruce Miller suggests to the Board exploring different resources available to our District in regards to a Grant Writer/Funding – Brief Discussion – No Action*
- f) Determine if the district wants to create an 'Accessory Dwelling Unit (ADU) Campaign' which would give notice to customers of a potential additional monthly charge for any ADU based on our current ordinance – *Director L. Scheller recuses herself from the discussion & leaves meeting – C. Secada presents topic for discussion - Board & Staff briefly discuss – More Information Needed*

Motion: Directors T. Owens & B. Miller motion to allow funds up to \$1500 to be spent for C. Secada to contact Legal in order to obtain the proper rules in regards to enforcing the current "Accessory Dwelling Unit Regulations": *Roll Call Vote – (4) Yeas (0) Nays (2) Absent*

10) Director Comments - None**11) Next Meeting Agenda Items - None****12) Next Regular Meeting: October 14, 2021 10:00 a.m. (Public required to wear Masks if in-person meeting)****13) Adjournment – 11:34 a.m.**

Respectfully;

Amy R Lowe

Bruce Miller, Secretary

09-09-2021 Regular Meeting MINUTES

Murphys Sanitary District

Check Disbursements

September 2021

Type	Date	Num	Name	Memo	Amount
Check	09/01/2021	5	coPOWER	Dental & Vision Insurance	-294.69
Bill Pmt -Check	09/07/2021	9379	Brenntag Pacific, Inc.	Chemicals	-2,186.99
Bill Pmt -Check	09/07/2021	9380	Carbon Copy	Office Copy Machine - August 2021	-17.99
Bill Pmt -Check	09/07/2021	9381	Kim Delbar Cleaning Service	Office Cleaning Monthly September 2021	-60.00
Bill Pmt -Check	09/07/2021	9382	Modesto Welding Products	WWTP Supplies	-28.00
Bill Pmt -Check	09/07/2021	9383	Mother Lode Answering Service	Answering Service - September 2021	-228.00
Bill Pmt -Check	09/07/2021	9384	Mountain Oasis Water	Drinking Water	-81.10
Bill Pmt -Check	09/08/2021	9385	VOID	VOID	0.00
Bill Pmt -Check	09/07/2021	9386	Alpha	Groundwater Research & Monitoring	-781.00
Paycheck	09/08/2021	9387	Hemstad, Eric N	PR 09082021	-1,357.18
Paycheck	09/08/2021	9388	Lowe, Amy R	PR 09082021	-704.77
Paycheck	09/08/2021	9389	Murphy, Daniel W.	PR 09082021	-2,704.46
Paycheck	09/08/2021	9390	Onstad, Joseph C	PR 09082021	-2,047.37
Paycheck	09/08/2021	9391	Petersen, Carolyn M	PR 09082021	-500.43
Paycheck	09/08/2021	9392	Secada, Cynthia D	PR 09082021	-2,709.73
Liability Check	09/08/2021	1	CalPERS	PR 09082021	-2,743.30
Liability Check	09/08/2021	2	EDD	PR 09082021	-614.63
Liability Check	09/08/2021	3	EFTPS Federal Taxes	PR 09082021	-3,213.54
Bill Pmt -Check	09/08/2021	9393	TS-IRWMA	TS-IRWM FY 2021/22	-4,928.00
Check	09/09/2021	3	Vanco Services	Auto pay Aug 2021	-78.25
Bill Pmt -Check	09/13/2021	9394	Aramark - Ameripride	Uniforms	-221.81
Bill Pmt -Check	09/13/2021	9395	Calaveras Power Agency	Electric - WWTP	-2,916.30
Bill Pmt -Check	09/15/2021	9396	Bruce Miller	7/21 & 8/18 IRWM; 7/20 Committee & 9/8 Reg M	-250.00
Bill Pmt -Check	09/15/2021	9397	Kett - Rental	Oct 2021	-650.00
Bill Pmt -Check	09/15/2021	9398	Lydia Scheller	09082021 Regular Board Meeting	-100.00
Bill Pmt -Check	09/15/2021	9399	Steve Gonzales	09082021 Regular Board Meeting	-100.00
Bill Pmt -Check	09/15/2021	9400	Travis Owens	09082021 Regular Board Meeting	-100.00
Check	09/15/2021	4	CalPERS Health Insurance	October	-4,315.62
Check	09/21/2021	9401	WEL0001	WEL0001 Sold Partial Refund	-40.00
Bill Pmt -Check	09/21/2021	9402	PGE-Emerald Creek Pump Station	Emerald Creek - Electric July/August 2021	-196.00
Bill Pmt -Check	09/21/2021	9403	PGE-Office	Office - Electric August/September 2021	-125.73
Bill Pmt -Check	09/21/2021	9404	The Red Store	Misc. TP Supplies - Stakes, Tape and Razor Bla	-37.23
Check	09/21/2021	9405	MIL0018	MIL0018 Sold Partial Month Refund	-30.00
Paycheck	09/22/2021	9406	Hemstad, Eric N	PR 09222021	-1,282.61
Paycheck	09/22/2021	9407	Lowe, Amy R	PR 09222021	-702.34
Paycheck	09/22/2021	9408	Murphy, Daniel W.	PR 09222021	-2,630.75
Paycheck	09/22/2021	9409	Onstad, Joseph C	PR 09222021	-2,047.37
Paycheck	09/22/2021	9410	Petersen, Carolyn M	PR 09222021	-417.00
Paycheck	09/22/2021	9411	Secada, Cynthia D	PR 09222021	-2,798.74
Bill Pmt -Check	09/22/2021	9412	US Bank	Misc. Supplies; Phone/Internet/ Trash p/up; Cor	-1,903.89
Liability Check	09/22/2021	1	CalPERS	PR 09222021	-2,743.30
Liability Check	09/22/2021	2	EDD	PR 09222021	-585.34

Murphys Sanitary District

Check Disbursements

September 2021

Liability Check	09/22/2021	3	EFTPS Federal Taxes	PR 09222021	-3,023.78
Bill Pmt -Check	09/29/2021	1	CalPERS	Pay Additional UAL Misc. 2021/22	-137,000.00
Bill Pmt -Check	09/29/2021	9413	Brenntag Pacific, Inc.	Chemicals	-1,594.33
Bill Pmt -Check	09/29/2021	9414	Carbon Copy	Copy Machine	-27.07
Bill Pmt -Check	09/29/2021	9415	Comcast- Emerald Creek	Emerald Creek - Alarm Sept-Oct 2021	-100.42
				TOTAL	-191,219.06

ADMINISTRATION REPORT

10/14/2021 Board Meeting
September 2021
Cindy Secada

Finance

Cash Fund Balances as of 09-30-2021

El Dorado Checking	\$ 237,841.28
Reserves - LAIF @ 06/30/2021	\$ 1,977,247.43
CalPERS Trust Acct Funds	\$ 00.00
UBS CD Accounts	\$ 100,000.00
Petty Cash	\$ 200.00
Total Cash Balances	\$ 2,315,288.71

Sept Income	\$ 226,143.11
New Connection Funds YTD	\$ 60,000.00
Grant Income YTD	\$ 112,071.00
Property Tax income YTD	\$ 7,100.29
CD's Interest Earned -	\$ 0.00
YTD Interest Earned	\$ 11.86
Budget performance target	25%
LAIF Performance	.221% 08/31/2021

Administration

1. October 2021: This report is the 3rd Quarter of new fiscal year 2021/22: We have received payment for 6 (Six) new connections and there are two more being processed. I am expecting at least 8 more by the calendar year end. Expenses are looking good.
2. UAL Paydown: The payment of \$137,000 has posted to the CalPERS Misc. UAL. This leaves a projected UAL at 06/30/2022 of \$15,697.
3. LAIF Funds: as of 09/30/2021 balance is \$1,977,247.43 See attached balance sheet of 09/30/2021.
4. Year End Financial Audit: We have an agenda item this meeting to accept the Financial Statements for 2020/21.
5. DWR Reimbursement Requests: All payments expected from DWR have been paid. I hope to discuss our loan balance soon. I have not received final loan portion as of today.
6. IRWM: No September meeting. The next meeting should be October 20, 2021. This meeting will be remote.

7. WWTP Part Two (2) – Force Main, Filters & Generator: *Dan and I met with our engineering team and reviewed the project and the application progress to date. This process led to some additional items to the scope of work: generator at the WWTP, new filters, surveying costs, fencing and some additional smaller items. The DWR Grant application should be ready to submit in the next two weeks. We expect this project to be around \$3 m. to \$4 m. The first portion of the project is the planning. We are expecting the planning grant to be \$165,000 +/- . The deliverables should be at least three alternatives to achieve the scope of work requested. Along with the submitting of the Final Plan Alternatives to DWR, a construction grant application will be attached. We should have an agenda item on this project in the near future, Dec./Jan.*

8. *Vacation: I will be out of the office 10/15/2021 and return 11/03/21 for vacation. I will be attending the IRWM via remote. I will be available to staff if needed.*

**Murphys Sanitary District
September
Fiscal Year 2021/22**

	Sept 2021	2021-22	Annual Budget	% of Annual Budget
25.00%				
Income				
4100 · Srv Chrgs - Residential	54,386.78	162,146.72	645,560.00	25.12%
4102 · Srv Chrgs - Apartments	3,180.00	9,540.00	38,160.00	25.00%
4104 · Srv Chrgs - Lodges/Churches	360.00	1,080.00	4,320.00	25.00%
4106 · Srv Chrgs - School	356.00	1,068.00	4,272.00	25.00%
4108 · Srv Chrgs - Commercial	15,243.21	43,923.24	171,131.00	25.67%
Total Monthly Billing	73,525.99	217,757.96	863,443.00	25.22%
4110 · Plan Ck & Inspection Fees	50.00	105.94	3,000.00	3.53%
4111 · Late Fees	254.32	619.62	1,500.00	41.31%
4120 · Taxes	0.00	7,100.29	125,000.00	5.68%
4130 · Other Services	2.55	433.00	1,500.00	28.87%
4140 · General Reserve Interest	4.63	11.86	3,000.00	0.40%
4150 · Vacant Lot Billing	0.00	100.00	2,000.00	5.00%
4160 · Refunds - Rebates	234.62	234.62	474.00	49.50%
4200 · Connection Fees	40,000.00	60,094.06	120,000.00	50.08%
Total Misc. Income	40,546.12	68,699.39	256,474.00	26.79%
TOTAL INCOME	114,072.11	286,457.35	1,119,917.00	25.58%
Grant Funds - Other			0.00	0.00%
Grant Funds - WWTP Construction	112,071.00	112,071.00	112,071.00	100.00%
<i>Reserve Balance Transfer</i>			165,036.99	
TOTAL INCOME	226,143.11	398,528.35	1,397,024.99	28.53%
Wages				
5001.00 · Wages - Operations	14,654.40	50,637.60	190,541.00	26.58%
5001.50 · Wages - Administration	9,623.98	33,429.05	126,203.53	26.49%
5002.00 · Overtime - Operations	223.20	1,949.00	6,000.00	32.48%
5002.50 · Overtime - Office			500.00	0.00%
5005.00 · On-Call Comp - Operations	400.00	1,400.00	5,200.00	26.92%
Total Wages	24,901.58	87,415.65	328,444.53	26.62%
Employee Benefits				
5010.00 · Health Insurance - Operations	6,522.24	22,354.61	81,600.00	27.40%
5010.50 · Health Insurance Administration	2,032.25	7,103.26	26,400.00	26.91%
5015.00 Accrued Vacation - Operations			3,622.00	0.00%
5015.50 Accrued Vacation - Administration			1,701.00	0.00%
5010.10 · CalPERS Retirement - Unfunded Liability	137,000.00	187,000.00	200,000.00	93.50%
5020.00 · CalPERS Retirement - Operations	1,175.38	4,064.26	15,522.77	26.18%
5020.50 · CalPERS Retirement - Admin	589.84	2,064.46	9,586.00	21.54%
Total Employee Benefits	147,319.71	222,586.59	338,431.77	65.77%
PR Taxes				
5030.50 · FICA-Medicare	2,215.66	7,774.80	29,510.69	26.35%
Total PR Taxes	2,215.66	7,774.80	29,510.69	26.35%

Murphys Sanitary District
September
Fiscal Year 2021/22

	Sept 2021	2021-22	Annual Budget	% of Annual Budget
25.00%				
Workman's Comp -				
5040.00 · Workers Compensation – Operation	-	27,688.58	31,000.00	89.32%
5040.50 · Workers Comp. – Administration	-	670.28	1,000.00	67.03%
Total Workman's Comp	-	28,358.86	32,000.00	88.62%
OPERATIONS - Maint & Repairs - Other				
6001.10 · R&M - Collection	-	749.96	3,000.00	25.00%
6001.20 · R&M - Treatment	-	2,880.00	3,000.00	96.00%
6002.40 · R&M - Truck	-		4,000.00	0.00%
6003.40 · R&M - Tractor	-		1,000.00	0.00%
6004.40 · R&M -Trailer\Trash Pumps	-		500.00	0.00%
6005.40 · R&M - Hydro Equipment	-	270.45	1,000.00	27.05%
6006.40 · R&M - Sml Tools & Equipment	267.31	524.14	1,000.00	52.41%
Total Maint & Repairs - Other	267.31	4,424.55	13,500.00	32.77%
OPERATIONS - Supplies				
6010.00 · Equipment Rental			350.00	0.00%
6011.00 · Gas-Oil-Fuel	397.76	1,207.72	8,000.00	15.10%
6012.10 · Supplies - Collection	28.00	567.10	1,500.00	37.81%
6012.20 · Supplies - Treatment	3,848.22	12,048.69	35,000.00	34.42%
6013.00 · Safety Supplies	-		1,000.00	0.00%
6014.00 · Small Tools - Equipment CIP	-		7,000.00	0.00%
6015.00 · Uniforms	221.81	451.03	4,000.00	11.28%
OPERATIONS - Supplies	4,495.79	14,274.54	56,850.00	25.11%
OPERATIONS - Utilities				
6021.10 · Electric - Water	1,110.30	3,180.04	12,000.00	26.50%
6021.20 · Electric - Water - Garbage	2,371.71	6,993.65	26,000.00	26.90%
6022.00 · Telephone - Internet	432.04	826.45	8,000.00	10.33%
Total Utilities	3,914.05	11,000.14	46,000.00	23.91%

**Murphys Sanitary District
September
Fiscal Year 2021/22**

25.00%	Sept 2021	2021-22	Annual Budget	% of Annual Budget
OPERATIONS - Other				
6031.20 · Education Operations	-	1,130.21	3,000.00	37.67%
6032.20 · Research - Monitoring	782.00	6,476.40	24,000.00	26.99%
6033.00 · Answering Service	228.00	684.00	3,036.00	22.53%
6034.00 · Alarm \Security All departments	100.42	1,238.32	6,881.00	18.00%
Total Other	1,110.42	9,528.93	36,917.00	25.81%
ADMINISTRATION - Rents - Leases				
7050.10 · Rents & Leases - Collection	-	480.00	720.00	66.67%
7050.50 · Rents & Leases	650.00	1,950.00	7,800.00	25.00%
Total Rents - Leases	650.00	2,430.00	8,520.00	28.52%
ADMINISTRATIVE - Supplies				
7011.00 · Office Supplies - Operations	97.14	573.76	2,000.00	28.69%
7011.50 · Office Supplies - Admin	59.96	727.52	4,000.00	18.19%
7012.50 · Postage	-	7.95	3,300.00	0.24%
7013.50 · Printing			200.00	0.00%
7014.00 · Publications - Operations			200.00	0.00%
7015.50 · Office Equipment-Software	170.98	705.76	3,000.00	23.53%
Total Supplies	328.08	2,014.99	12,700.00	15.87%
ADMINISTRATIVE - Utilities				
7021.50 · Electric - Water	125.73	438.85	1,700.00	25.81%
7022.50 · Telephone-Internet Access	205.48	617.80	2,500.00	24.71%
Total Utilities	331.21	1,056.65	4,200.00	25.16%
ADMINISTRATIVE - Other				
7030.50 · Bank Charges	78.25	268.50	1,100.00	24.41%
7031.50 · County Lien Costs -Mileage	-	51.25	500.00	10.25%
7032.50 · Interest Expense				
7034.50 · Education			3,000.00	0.00%
7035.50 · Memberships	4,928.00	5,363.00	9,800.00	54.72%
7036.50 · Grant Expenses - Force Main			25,000.00	0.00%
Total Other	5,006.25	5,682.75	39,400.00	14.42%

Murphys Sanitary District
September
Fiscal Year 2021/22

	Sept 2021	2021-22	Annual Budget	% of Annual Budget
25.00%				
ADMINISTRATIVE - Insurance				
7040.50 · Liability Ins	-	26,954.54	27,030.00	99.72%
Total Insurance	-	26,954.54	27,030.00	99.72%
ADMINISTRATIVE - Professional				
7054.50 · Office Cleaning	60.00	180.00	720.00	25.00%
7053.50 · Professional - Accounting	-		8,500.00	0.00%
7051.50 · Professional - Legal Services	-	895.00	4,780.00	18.72%
7052.50 · Board Expenses	550.00	1,324.24	10,950.00	12.09%
Total Professional	610.00	2,399.24	24,950.00	9.62%
ADMINISTRATIVE - License - Permits				
7070.00 · State Permits			31,000.00	0.00%
7071.20 · Plan Check Permits - Treatment			3,000.00	0.00%
Total License Permits	-	0.00	34,000.00	0.00%
ADMINISTRATIVE - Advertising				
7080.50 · Advertising			750.00	0.00%
7081.50 · Customer Outreach			750.00	0.00%
Total Advertising	-	0.00	1,500.00	0.00%
ADMINISTRATIVE - Engineering				
8500.50 · Engineering-General	-		25,000.00	0.00%
Total Engineering	-	-	25,000.00	0.00%
TOTAL OPERATING EXPENSES	191,150.06	425,902.23	1,058,953.99	40.22%
CAPITAL EXPENSE - Loans				
9030.00 · WWTP Upgrade DWR Loan	-		51,000.00	
Total Capital Loans	-	-	51,000.00	0.00%
CAPITAL EXPENSES - CIP				
9007.00 · Capital Equipment Repair\Replace			10,000.00	0
9009.00 · Projects SSMP - EAP - Inundation Maps	-			#DIV/0!
9021.20 · CIP - Spray Field - IRWM Grant Funds				#DIV/0!
9021.20 · CIP Force Main			165,000.00	0
9022.00 · Treatment Plant Upgrade - Grant Funds				#DIV/0!
Total Capital Expenses-CIP	-	-	175,000.00	0
TOTAL CAPITAL	-	-	226,000.00	0
Cash to Reserves				#DIV/0!
Cash to Reserves from Grant Proceed			112,071.00	0.00%
TOTAL EXPENSES	191,150.06	425,902.23	1,397,024.99	30.49%

1:32 PM
10/11/21
Cash Basis

Murphys Sanitary District
Balance Sheet
As of September 30, 2021

	Sep 30, 21
ASSETS	
Current Assets	
Checking/Savings	
Operating Fund	237,841.28
Cash Drawer	200.00
Fund Accounts	
LAIF	1,977,247.43
UBS CD 3	100,000.00
Total Fund Accounts	2,077,247.43
Total Checking/Savings	2,315,288.71
Accounts Receivable	
11000 · Accounts Receivable	-7,350.37
Total Accounts Receivable	-7,350.37
Other Current Assets	
Prepaid Expenses	32,045.33
CIP Force Main	14,527.45
Const. Grant Receivables	112,071.00
Deferred Outflows-Contribution	69,905.00
Grant Funds Receivables	61,870.44
Rent Deposit	600.00
LAIF Interest Accrued	1,111.83
12000 · Undeposited Funds	3,484.25
Total Other Current Assets	295,615.30
Total Current Assets	2,603,553.64
Other Assets	
Capital WWTP Upgrade 2021	5,036,791.47
Accumulated Depreciation	-1,911,254.48
Donated Property	1,440,389.00
Land	274,091.29
Collection Expansion	216,729.72
Capital Equipment	181,671.83
Capital Administration	7,185.80
Capital Improvement-Treatment	1,880,068.90
Capital Improvement-Collection	19,897.00
Subsurface Lines	1,797,846.73
Total Other Assets	8,943,417.26
TOTAL ASSETS	11,546,970.90
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Compensated Absences	24,034.36
Accrued Interest	5,117.32
Total Other Current Liabilities	29,151.68
Total Current Liabilities	29,151.68
Long Term Liabilities	
SWRCB Loan WWTP Upgrade	1,003,397.00
Deferred Inflows-Actuarial	3,618.00
Net Pension Liability	181,426.00
Total Long Term Liabilities	1,188,441.00
Total Liabilities	1,217,592.68
Equity	
CAPITAL WWTP Bridge Loan	2,134,562.50

1:32 PM
 10/11/21
 Cash Basis

Murphys Sanitary District
Balance Sheet
 As of September 30, 2021

	<u>Sep 30, 21</u>
Capital Balances	
Fund Balance	<u>3,759,539.44</u>
Total Capital Balances	3,759,539.44
3200 · Retained Earnings	4,462,650.16
Net Income	<u>-27,373.88</u>
Total Equity	10,329,378.22
TOTAL LIABILITIES & EQUITY	<u><u>11,546,970.90</u></u>



PMIA/LAIF Performance Report as of 09/08/21



PMIA Average Monthly Effective Yields⁽¹⁾

Aug	0.221
Jul	0.221
Jun	0.262

Quarterly Performance Quarter Ended 06/30/21

LAIF Apportionment Rate ⁽²⁾ :	0.33
LAIF Earnings Ratio ⁽²⁾ :	0.00000897371743018
LAIF Fair Value Factor ⁽¹⁾ :	1.00008297
PMIA Daily ⁽¹⁾ :	0.22%
PMIA Quarter to Date ⁽¹⁾ :	0.30%
PMIA Average Life ⁽¹⁾ :	291

Pooled Money Investment Account Monthly Portfolio Composition ⁽¹⁾ 07/31/21 \$181.8 billion

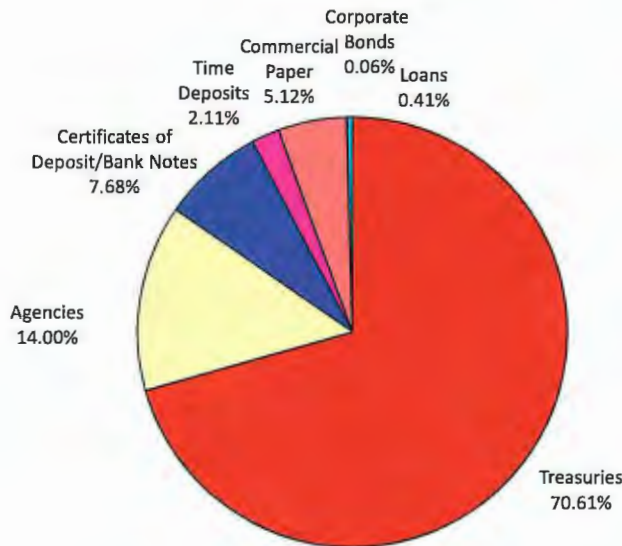


Chart does not include 0.01% of mortgages. Percentages may not total 100% due to rounding.

Daily rates are now available here. [View PMIA Daily Rates](#)

Notes: The apportionment rate includes interest earned on the CalPERS Supplemental Pension Payment pursuant to Government Code 20825 (c)(1) and interest earned on the Wildfire Fund loan pursuant to Public Utility Code 3288 (a).

Source:

⁽¹⁾ State of California, Office of the Treasurer

⁽²⁾ State of California, Office of the Controller

OPERATIONS REPORT

For 10-14-2021 Board Meeting

October 6th 2021

Dan Murphy

Operational Overview

September was the early end of our effluent pumping season which we discharged nearly eight and a half million gallons of treated water to KHS without any sample violations. With effluent processing wrapping up, operations will begin shutdown, clean out and weatherizing the spray fields, sand filters, detention basin and finishing pond. October started with a pond four storage elevation of 2248 feet which is it's lowest in over 10 years.

September is scheduled quarterly collections hydro flushing, observation and maintenance month. Last month, operations were able to clean and evaluate more than sixty-six hundred feet of sewer main in which no new root intrusions or offsets were video identified and our lines were cleaned thoroughly. MSD did not experience/record any spills or SSOs for September making it six months since the only system spill for 2021.

- Eric met with Mike Busse from CRWA for study session and prep for the state grade one operator test. Eric is eligible to take the test now although he won't have the required OIT service hours till March giving him plenty of to prepare and possible attend an in-person course prior to testing.
- IPS pumps serviced and cleaned. Maintenance shut down of the four check valves in which we experience ragging and debris accumulation yielded roughly the same amount upon cleaning indicating that our two-month service cycle on these valves is ideal at least with these flow patterns.
- Started revision and update of our SSMP (sewer system management plan) an approved edition is due to be filed with DWR in 2022.
- Alarm circuit board on IPS generator replaced, all run capacity, emergency operation, line loads and fail safes checked and certified by Generac tech.

OPERATIONS REPORT

For 10-14-2021 Board Meeting

- Pond's inlets and outlets cleared and all floating and bank line vegetation manually pulled out and piled for dewatering- more than average growth than in previous years.

September's Totals

Pond# 4	Gain of over 3' of Free Board Started October at 2248' elevation in storage
PG&E Kilo use	568 kWh at WWTP 73 kWh at IPS
Rain Fall at WWTF	0
CL2 Usage	1,726 gallons liquid Cl2 No tabs used
Plant influent gallons	4,003,600 gallons- 100k gallons less than August
Effluent gallons	8,434,250 gallons- over 3 million more gallons than August
Ironstone Influent	169,200 gallons AVG
Hydro flushing lineal footage	<6,600 feet- preventative maintenance
Sewer Overflow Count	0
Spray Field Gallons Applied	0

Murphys Sanitary District

Policy Title: **General Funds and Reserve Policy**

Approved Revisions 12/12/19, 02/14/19 4/12/18, 5/10/18

Date Adopted: 5/10/18

Income:

- Income from sewer service fees, plan check fees, inspection fees, Interest, other services to: General - Operating Fund
- Income from Taxes, new connection fees to LAIF Reserve Fund
- Income from Grant Funds – General Operating Fund or LAIF Reserve Fund or reimburses the fund that made the original payment to the vendor for which the grant payment was received.

General Fund Allocation:

- Budgeted operating costs
- Capital loan payments (budgeted)

Reserve Fund Allocation:

- Capital Repair & Replacement 50% of LAIF Investment Balance
- Equipment Repair & Replacement 25% of LAIF Investment Balance
- Emergency Expenses 20% of LAIF Investment Balance and/or 100% of CD Accounts
- Contingency Fund 5% of LAIF Investment Balance
- Debt Service Reserves Fund – Amount equal to a minimum of 1 (one) year debt service with respect to the districts debt service obligation(s).

Other requirements:

- Keep the general fund balance at a minimum of \$60,000.00
- Transfer excess funds from the General Fund to the Reserve Fund
- Keep LAIF Reserve Fund balance at no less than: \$300,000.00
- Use the Sewer System Management Plan (SSMP) as our guide for capital expenses
- Allocating non-budgeted expenses from the reserve funds requires a unanimous vote of the Board with Resolution

**AUTHORIZING APPLICATION REPRESENTATIVE
MURPHYS SANITARY DISTRICT**

RESOLUTION 2021-05

BE IT RESOLVED, by the Murphys Sanitary District (MSD) (the "Entity") Board of Director's, that the Administration Manager is hereby authorized and directed to sign and file, for and on behalf of MSD, a Financial Assistance Application for a financing agreement from the State Water Resources Control Board for the planning, design, and construction of the Wastewater Treatment Plant Force Main Replacement Project; and

BE IT FURTHER RESOLVED, that the Administration Manager or his/her designee of MSD is hereby authorized to negotiate and execute a financial assistance agreement from the State Water Resources Control Board and any amendments or change orders thereto, and to certify financing agreement disbursements on behalf of MSD; and

BE IT FURTHER RESOLVED, that the Administration Manager or his/her designee of MSD is hereby authorized to provide the assurances, certifications, and commitments required for the financial assistance application; and

BE IT FURTHER RESOLVED, that the Administration Manager or his/her designee of MSD is hereby authorized to represent the Entity in carrying out the Entity's responsibilities under the financing agreement, including certifying disbursement requests on behalf of the Entity and compliance with applicable state and federal laws.

THE FOREGOING RESOLUTION was duly approved and adopted by the Board of Directors of the Murphys Sanitary District at its regular meeting on October 14, 2021 by the following vote:

Adopted on the motion of director _____, seconded by director _____

PASSED AND ADOPTED this 14th day of October 2021 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Steve Gonzales
Board President

ATTEST:

L. Bruce Miller
Secretary of the Board of Directors

U.S. Department of Homeland Security
 FEMA Region IX
 1111 Broadway, Suite 1200
 Oakland, CA 94607-4052



FEMA

June 2, 2021

John K. Osbourn
 Director
 Calaveras County Office of Emergency Services
 891 Mountain Ranch Road
 San Andreas, CA 95249

Dear Mr. Osbourn,

FEMA has completed its review of the *Calaveras County Multi-Jurisdictional Hazard Mitigation Plan* and has determined that this plan is eligible for final approval pending its adoption by Calaveras County and all participating jurisdictions. Please see the enclosed list of approvable pending adoption jurisdictions.

Formal adoption documentation must be submitted to FEMA Region IX by at least one participating jurisdiction within one calendar year of the date of this letter, or the entire plan must be updated and resubmitted for review. FEMA will approve the plan upon receipt of the documentation of formal adoption.

Once the plan is approved, each participating jurisdiction must adopt the plan within five calendar years of the date of the approval. The adoption of the plan by each jurisdiction ensures that jurisdiction's continued eligibility for funding under FEMA's Hazard Mitigation Assistance (HMA) programs. All requests for funding, however, will be evaluated individually according to the specific eligibility, and other requirements of the particular program under which applications are submitted.

If you have any questions regarding the planning or review processes, please contact the FEMA Region IX Hazard Mitigation Planning Team at fema-r9-mitigation-planning@fema.dhs.gov.

Sincerely,

Digitally signed by
 ALISON KEARNS
 Date: 2021.06.02
 13:59:58 -07'00'

Alison Kearns
 Risk Analysis Branch Chief
 Mitigation Division
 FEMA Region IX

Enclosure

cc: Victoria LaMar-Haas, Hazard Mitigation Planning Chief, California Governor's Office of
 Emergency Services
 Jennifer Hogan, State Hazard Mitigation Officer, California Governor's Office of Emergency
 Services

Approvable Pending Adoption Notice
 June 2, 2021
 Page 2 of 2

Status of Participating Jurisdictions as of June 2, 2021

Jurisdictions – Adopted and Approved

#	Jurisdiction	Date of Adoption
1		
2		
3		

Jurisdictions – Approvable Pending Adoption

#	Jurisdiction
1	Calaveras County
2	Angels Camp
3	Murphys Sanitary District

**AUTHORIZING APPLICATION REPRESENTATIVE
WWTP Force Main Replacement Project
MURPHYS SANITARY DISTRICT**

RESOLUTION 2021-06

BE IT RESOLVED, by the Murphys Sanitary District (MSD) (the "Entity") Board of Director's, that the Administration Manager is hereby authorized and directed to sign and file, for and on behalf of MSD, a Financial Assistance Application for a financing agreement from the State Water Resources Control Board for the planning, design, and construction of the Wastewater Treatment Plant Force Main Replacement Project; and

BE IT FURTHER RESOLVED, that the Administration Manager or his/her designee of MSD is hereby authorized to negotiate and execute a financial assistance agreement from the State Water Resources Control Board and any amendments or change orders thereto, and to certify financing agreement disbursements on behalf of MSD; and

BE IT FURTHER RESOLVED, that the Administration Manager or his/her designee of MSD is hereby authorized to provide the assurances, certifications, and commitments required for the financial assistance application; and

BE IT FURTHER RESOLVED, that the Administration Manager or his/her designee of MSD is hereby authorized to represent the Entity in carrying out the Entity's responsibilities under the financing agreement, including certifying disbursement requests on behalf of the Entity and compliance with applicable state and federal laws.

THE FOREGOING RESOLUTION was duly approved and adopted by the Board of Directors of the Murphys Sanitary District at its regular meeting on October 14, 2021 by the following vote:

Adopted on the motion of director _____, seconded by director _____

PASSED AND ADOPTED this 14th day of October 2021 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Steve Gonzales
Board President

ATTEST:

L. Bruce Miller
Secretary of the Board of Directors

RESOLUTION OF THE BOARD OF DIRECTORS OF THE
MURPHYS SANITARY DISTRICT PROCLAIMING A LOCAL EMERGENCY
PERSISTS, RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY
BY EXECUTIVE ORDER N-29-20 MARCH 4, 2020, AND AUTHORIZING
REMOTE TELECONFERENCE MEETINGS OF THE LEGISLATIVE BODIES OF
MURPHYS SANITARY DISTRICT FOR THE PERIOD OCTOBER 14, 2021
THROUGH NOVEMBER 14, 2021 PURSUANT TO BROWN ACT PROVISIONS.

RESOLUTION NO. 2021-07

WHEREAS, the MURPHYS SANITARY DISTRICT is committed to preserving and nurturing public access and participation in meetings of the Board of Directors; and

WHEREAS, all meetings of MURPHYS SANITARY DISTRICT's legislative body are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend, participate, and watch the district's legislative bodies conduct their business; and

WHEREAS, the Brown Act, Government Code section 54953(e), makes provision for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition is that a state of emergency is declared by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558; and

WHEREAS, a proclamation is made when there is an actual incident, threat of disaster, or extreme peril to the safety of persons and property within the jurisdictions that are within the District's boundaries, caused by natural, technological or human-caused disasters; and

WHEREAS, it is further required that state or local officials have imposed or recommended measures to promote social distancing, or, the legislative body meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, as a condition of extending the use of the provisions found in section 54953(e), the Board of Directors must reconsider the circumstances of the state of emergency that exists in the district, and the Board of Directors has done so; and

WHEREAS, emergency conditions persist in the district, specifically Executive Order N-15-20 March 4, 2020 and

WHEREAS, social distancing is recommended; and

WHEREAS, the Board of Directors does hereby find that due to the COVID-19 pandemic, and social distancing orders and conditions causing imminent risk to attendees, has caused, and will continue to cause, conditions of peril to the safety of persons within the District that are likely to be beyond the control of services, personnel, equipment, and facilities of the District, and desires to affirm a local emergency exists and ratify the proclamation of state of emergency by the Governor of the State of California; and

WHEREAS, as a consequence of the local emergency persisting, the Board of Directors does hereby find that the legislative body of Murphys Sanitary District shall continue to conduct their meetings without compliance with paragraph (3) of subdivision (b) of Government Code section 54953, as authorized by subdivision (e) of section 54953, and that such legislative bodies shall continue to comply with the requirements to provide the public with access to the meetings as prescribed in paragraph (2) of subdivision (e) of section 54953; and

WHEREAS, Murphys Sanitary District will make available to the public online remote access via WebEx.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF Murphys Sanitary District DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Affirmation that Local Emergency Persists. The Board of Directors hereby considers the conditions of the state of emergency in the district and proclaims that a local emergency persists throughout the district.

Section 3. Re-ratification of Governor's Proclamation of a State of Emergency. The Board hereby ratifies the Governor of the State of California's Proclamation of State of Emergency, effective as of its issuance date of March 4, 2020.

Section 4. Remote Teleconference Meetings. The Administration Manager or staff and legislative body of Murphys Sanitary District are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, continuing to conduct open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.

Section 5. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of (j) November 14, 2021, or such time the Board of Directors adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the legislative bodies of Murphys Sanitary District may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953.

PASSED AND ADOPTED by the Board of Directors of Murphys Sanitary District, this 14th day of October, 2021, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Steve Gonzales
Board President

ATTEST:

L. Bruce Miller
Secretary of the Board of Directors

**EXECUTIVE DEPARTMENT
STATE OF CALIFORNIA**

PROCLAMATION OF A STATE OF EMERGENCY

WHEREAS in December 2019, an outbreak of respiratory illness due to a novel coronavirus (a disease now known as COVID-19), was first identified in Wuhan City, Hubei Province, China, and has spread outside of China, impacting more than 75 countries, including the United States; and

WHEREAS the State of California has been working in close collaboration with the national Centers for Disease Control and Prevention (CDC), with the United States Health and Human Services Agency, and with local health departments since December 2019 to monitor and plan for the potential spread of COVID-19 to the United States; and

WHEREAS on January 23, 2020, the CDC activated its Emergency Response System to provide ongoing support for the response to COVID-19 across the country; and

WHEREAS on January 24, 2020, the California Department of Public Health activated its Medical and Health Coordination Center and on March 2, 2020, the Office of Emergency Services activated the State Operations Center to support and guide state and local actions to preserve public health; and

WHEREAS the California Department of Public Health has been in regular communication with hospitals, clinics and other health providers and has provided guidance to health facilities and providers regarding COVID-19; and

WHEREAS as of March 4, 2020, across the globe, there are more than 94,000 confirmed cases of COVID-19, tragically resulting in more than 3,000 deaths worldwide; and

WHEREAS as of March 4, 2020, there are 129 confirmed cases of COVID-19 in the United States, including 53 in California, and more than 9,400 Californians across 49 counties are in home monitoring based on possible travel-based exposure to the virus, and officials expect the number of cases in California, the United States, and worldwide to increase; and

WHEREAS for more than a decade California has had a robust pandemic influenza plan, supported local governments in the development of local plans, and required that state and local plans be regularly updated and exercised; and

WHEREAS California has a strong federal, state and local public health and health care delivery system that has effectively responded to prior events including the H1N1 influenza virus in 2009, and most recently Ebola; and



WHEREAS experts anticipate that while a high percentage of individuals affected by COVID-19 will experience mild flu-like symptoms, some will have more serious symptoms and require hospitalization, particularly individuals who are elderly or already have underlying chronic health conditions; and

WHEREAS it is imperative to prepare for and respond to suspected or confirmed COVID-19 cases in California, to implement measures to mitigate the spread of COVID-19, and to prepare to respond to an increasing number of individuals requiring medical care and hospitalization; and

WHEREAS if COVID-19 spreads in California at a rate comparable to the rate of spread in other countries, the number of persons requiring medical care may exceed locally available resources, and controlling outbreaks minimizes the risk to the public, maintains the health and safety of the people of California, and limits the spread of infection in our communities and within the healthcare delivery system; and

WHEREAS personal protective equipment (PPE) is not necessary for use by the general population but appropriate PPE is one of the most effective ways to preserve and protect California's healthcare workforce at this critical time and to prevent the spread of COVID-19 broadly; and

WHEREAS state and local health departments must use all available preventative measures to combat the spread of COVID-19, which will require access to services, personnel, equipment, facilities, and other resources, potentially including resources beyond those currently available, to prepare for and respond to any potential cases and the spread of the virus; and

WHEREAS I find that conditions of Government Code section 8558(b), relating to the declaration of a State of Emergency, have been met; and

WHEREAS I find that the conditions caused by COVID-19 are likely to require the combined forces of a mutual aid region or regions to appropriately respond; and

WHEREAS under the provisions of Government Code section 8625(c), I find that local authority is inadequate to cope with the threat posed by COVID-19; and

WHEREAS under the provisions of Government Code section 8571, I find that strict compliance with various statutes and regulations specified in this order would prevent, hinder, or delay appropriate actions to prevent and mitigate the effects of the COVID-19.

NOW, THEREFORE, I, GAVIN NEWSOM, Governor of the State of California, in accordance with the authority vested in me by the State Constitution and statutes, including the California Emergency Services Act, and in particular, Government Code section 8625, **HEREBY PROCLAIM A STATE OF EMERGENCY** to exist in California.

IT IS HEREBY ORDERED THAT:

1. In preparing for and responding to COVID-19, all agencies of the state government use and employ state personnel, equipment, and facilities or perform any and all activities consistent with the direction of the Office of Emergency Services and the State Emergency Plan, as well as the California Department of Public Health and the Emergency Medical Services Authority. Also, all residents are to heed the advice of emergency officials with regard to this emergency in order to protect their safety.
2. As necessary to assist local governments and for the protection of public health, state agencies shall enter into contracts to arrange for the procurement of materials, goods, and services needed to assist in preparing for, containing, responding to, mitigating the effects of, and recovering from the spread of COVID-19. Applicable provisions of the Government Code and the Public Contract Code, including but not limited to travel, advertising, and competitive bidding requirements, are suspended to the extent necessary to address the effects of COVID-19.
3. Any out-of-state personnel, including, but not limited to, medical personnel, entering California to assist in preparing for, responding to, mitigating the effects of, and recovering from COVID-19 shall be permitted to provide services in the same manner as prescribed in Government Code section 179.5, with respect to licensing and certification. Permission for any such individual rendering service is subject to the approval of the Director of the Emergency Medical Services Authority for medical personnel and the Director of the Office of Emergency Services for non-medical personnel and shall be in effect for a period of time not to exceed the duration of this emergency.
4. The time limitation set forth in Penal Code section 396, subdivision (b), prohibiting price gouging in time of emergency is hereby waived as it relates to emergency supplies and medical supplies. These price gouging protections shall be in effect through September 4, 2020.
5. Any state-owned properties that the Office of Emergency Services determines are suitable for use to assist in preparing for, responding to, mitigating the effects of, or recovering from COVID-19 shall be made available to the Office of Emergency Services for this purpose, notwithstanding any state or local law that would restrict, delay, or otherwise inhibit such use.
6. Any fairgrounds that the Office of Emergency Services determines are suitable to assist in preparing for, responding to, mitigating the effects of, or recovering from COVID-19 shall be made available to the Office of Emergency Services pursuant to the Emergency Services Act, Government Code section 8589. The Office of Emergency Services shall notify the fairgrounds of the intended use and can immediately use the fairgrounds without the fairground board of directors' approval, and

notwithstanding any state or local law that would restrict, delay, or otherwise inhibit such use.

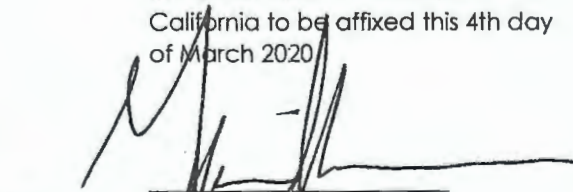
7. The 30-day time period in Health and Safety Code section 101080, within which a local governing authority must renew a local health emergency, is hereby waived for the duration of this statewide emergency. Any such local health emergency will remain in effect until each local governing authority terminates its respective local health emergency.
8. The 60-day time period in Government Code section 8630, within which local government authorities must renew a local emergency, is hereby waived for the duration of this statewide emergency. Any local emergency proclaimed will remain in effect until each local governing authority terminates its respective local emergency.
9. The Office of Emergency Services shall provide assistance to local governments that have demonstrated extraordinary or disproportionate impacts from COVID-19, if appropriate and necessary, under the authority of the California Disaster Assistance Act, Government Code section 8680 et seq., and California Code of Regulations, Title 19, section 2900 et seq.
10. To ensure hospitals and other health facilities are able to adequately treat patients legally isolated as a result of COVID-19, the Director of the California Department of Public Health may waive any of the licensing requirements of Chapter 2 of Division 2 of the Health and Safety Code and accompanying regulations with respect to any hospital or health facility identified in Health and Safety Code section 1250. Any waiver shall include alternative measures that, under the circumstances, will allow the facilities to treat legally isolated patients while protecting public health and safety. Any facilities being granted a waiver shall be established and operated in accordance with the facility's required disaster and mass casualty plan. Any waivers granted pursuant to this paragraph shall be posted on the Department's website.
11. To support consistent practices across California, state departments, in coordination with the Office of Emergency Services, shall provide updated and specific guidance relating to preventing and mitigating COVID-19 to schools, employers, employees, first responders and community care facilities by no later than March 10, 2020.
12. To promptly respond for the protection of public health, state entities are, notwithstanding any other state or local law, authorized to share relevant medical information, limited to the patient's underlying health conditions, age, current condition, date of exposure, and possible contact tracing, as necessary to address the effect of the COVID-19 outbreak with state, local, federal, and nongovernmental partners, with such information to be used for the limited purposes of monitoring, investigation and control, and treatment and coordination of care. The

notification requirement of Civil Code section 1798.24, subdivision (i), is suspended.

13. Notwithstanding Health and Safety Code sections 1797.52 and 1797.218, during the course of this emergency, any EMT-P licensees shall have the authority to transport patients to medical facilities other than acute care hospitals when approved by the California EMS Authority. In order to carry out this order, to the extent that the provisions of Health and Safety Code sections 1797.52 and 1797.218 may prohibit EMT-P licensees from transporting patients to facilities other than acute care hospitals, those statutes are hereby suspended until the termination of this State of Emergency.
14. The Department of Social Services may, to the extent the Department deems necessary to respond to the threat of COVID-19, waive any provisions of the Health and Safety Code or Welfare and Institutions Code, and accompanying regulations, interim licensing standards, or other written policies or procedures with respect to the use, licensing, or approval of facilities or homes within the Department's jurisdiction set forth in the California Community Care Facilities Act (Health and Safety Code section 1500 et seq.), the California Child Day Care Facilities Act (Health and Safety Code section 1596.70 et seq.), and the California Residential Care Facilities for the Elderly Act (Health and Safety Code section 1569 et seq.). Any waivers granted pursuant to this paragraph shall be posted on the Department's website.

I FURTHER DIRECT that as soon as hereafter possible, this proclamation be filed in the Office of the Secretary of State and that widespread publicity and notice be given of this proclamation.

IN WITNESS WHEREOF I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 4th day of March 2020.



GAVIN NEWSOM
Governor of California

ATTEST:

ALEX PADILLA
Secretary of State



EXECUTIVE DEPARTMENT
STATE OF CALIFORNIA

EXECUTIVE ORDER N-25-20

WHEREAS on March 4, 2020, I proclaimed a State of Emergency to exist in California as a result of the threat of COVID-19; and

WHEREAS despite sustained efforts, the virus remains a threat, and further efforts to control the spread of the virus to reduce and minimize the risk of infection are needed; and

WHEREAS state and local public health officials may, as they deem necessary in the interest of public health, issue guidance limiting or recommending limitations upon attendance at public assemblies, conferences, or other mass events, which could cause the cancellation of such gatherings through no fault or responsibility of the parties involved, thereby constituting a force majeure; and

WHEREAS the Department of Public Health is maintaining up-to-date guidance relating to COVID-19, available to the public at <http://cdph.ca.gov/covid19>; and

WHEREAS the State of California and local governments, in collaboration with the Federal government, continue sustained efforts to minimize the spread and mitigate the effects of COVID-19; and

WHEREAS there is a need to secure numerous facilities to accommodate quarantine, isolation, or medical treatment of individuals testing positive for or exposed to COVID-19; and

WHEREAS, many individuals who have developmental disabilities and receive services through regional centers funded by the Department of Developmental Services also have chronic medical conditions that make them more susceptible to serious symptoms of COVID-19, and it is critical that they continue to receive their services while also protecting their own health and the general public health; and

WHEREAS individuals exposed to COVID-19 may be temporarily unable to report to work due to illness caused by COVID-19 or quarantines related to COVID-19 and individuals directly affected by COVID-19 may experience potential loss of income, health care and medical coverage, and ability to pay for housing and basic needs, thereby placing increased demands on already strained regional and local health and safety resources such as shelters and food banks; and

WHEREAS in the interest of public health and safety, it is necessary to exercise my authority under the Emergency Services Act, specifically Government Code section 8572, to ensure adequate facilities exist to address the impacts of COVID-19; and

WHEREAS under the provisions of Government Code section 8571, I find that strict compliance with various statutes and regulations specified in this order would prevent, hinder, or delay appropriate actions to prevent and mitigate the effects of the COVID-19 pandemic.

NOW, THEREFORE, I, GAVIN NEWSOM, Governor of the State of California, in accordance with the authority vested in me by the State Constitution and statutes of the State of California, and in particular, Government Code sections 8567, 8571 and 8572, do hereby issue the following order to become effective immediately:

IT IS HEREBY ORDERED THAT:

1. All residents are to heed any orders and guidance of state and local public health officials, including but not limited to the imposition of social distancing measures, to control the spread of COVID-19.
2. For the period that began January 24, 2020 through the duration of this emergency, the Employment Development Department shall have the discretion to waive the one-week waiting period in Unemployment Insurance Code section 2627(b)(1) for disability insurance applicants who are unemployed and disabled as a result of the COVID-19, and who are otherwise eligible for disability insurance benefits.
3. For the period that began January 24, 2020 through the duration of this emergency, the Employment Development Department shall have the discretion to waive the one-week waiting period in Unemployment Insurance Code section 1253(d) for unemployment insurance applicants who are unemployed as a result of the COVID-19, and who are otherwise eligible for unemployment insurance benefits.
4. Notwithstanding Health and Safety Code section 1797.172(b), during the course of this emergency, the Director of the Emergency Medical Services Authority shall have the authority to implement additions to local optional scopes of practice without first consulting with a committee of local EMS medical directors named by the EMS Medical Directors Association of California.
5. In order to quickly provide relief from interest and penalties, the provisions of the Revenue and Taxation Code that apply to the taxes and fees administered by the Department of Tax and Fee Administration, requiring the filing of a statement under penalty of perjury setting forth the facts for a claim for relief, are suspended for a period of 60 days after the date of this Order for any individuals or businesses who are unable to file a timely tax return or make a timely payment as a result of complying with a state or local public health official's imposition or recommendation of social distancing measures related to COVID-19.
6. The Franchise Tax Board, the Board of Equalization, the Department of Tax and Fee Administration, and the Office of Tax Appeals shall use their administrative powers where appropriate to provide those individuals and businesses impacted by complying with a state or local public health official's imposition or recommendation of social

distancing measures related to COVID-19 with the extensions for filing, payment, audits, billing, notices, assessments, claims for refund, and relief from subsequent penalties and interest.

7. The Governor's Office of Emergency Services shall ensure adequate state staffing during this emergency. Consistent with applicable federal law, work hour limitations for retired annuitants, permanent and intermittent personnel, and state management and senior supervisors, are suspended. Furthermore, reinstatement and work hour limitations in Government Code sections 21220, 21224(a), and 7522.56(b), (d), (f), and (g), and the time limitations in Government Code section 19888.1 and California Code of Regulations, title 2, sections 300-303 are suspended. The Director of the California Department of Human Resources must be notified of any individual employed pursuant to these waivers.
8. The California Health and Human Services Agency and the Office of Emergency Services shall identify, and shall otherwise be prepared to make available—including through the execution of any necessary contracts or other agreements and, if necessary, through the exercise of the State's power to commandeer property – hotels and other places of temporary residence, medical facilities, and other facilities that are suitable for use as places of temporary residence or medical facilities as necessary for quarantining, isolating, or treating individuals who test positive for COVID-19 or who have had a high-risk exposure and are thought to be in the incubation period.
9. The certification and licensure requirements of California Code of Regulations, Title 17, section 1079 and Business and Professions Code section 1206.5 are suspended as to all persons who meet the requirements under the Clinical Laboratory Improvement Amendments of section 353 of the Public Health Service Act for high complexity testing and who are performing analysis of samples to test for SARS-CoV-2, the virus that causes COVID-19, in any certified public health laboratory or licensed clinical laboratory.
10. To ensure that individuals with developmental disabilities continue to receive the services and supports mandated by their individual program plans threatened by disruptions caused by COVID-19, the Director of the Department of Developmental Services may issue directives waiving any provision or requirement of the Lanterman Developmental Disabilities Services Act, the California Early Intervention Services Act, and the accompanying regulations of Title 17, Division 2 of the California Code of Regulations. A directive may delegate to the regional centers any authority granted to the Department by law where the Director believes such delegation is necessary to ensure services to individuals with developmental disabilities. The Director shall describe the need justifying the waiver granted in each directive and articulate how the waiver is necessary to protect the public health or safety from the threat of COVID-19 or necessary to ensure that services to individuals with developmental disabilities are not disrupted. Any waiver granted by a directive shall expire 30 days from the date of its issuance. The Director may grant one or more 30-day extensions if the waiver continues to be necessary

to protect health or safety or to ensure delivery of services. The Director shall rescind a waiver once it is no longer necessary to protect public health or safety or ensure delivery of services. Any waivers and extensions granted pursuant to this paragraph shall be posted on the Department's website.

11. Notwithstanding any other provision of state or local law, including the Bagley-Keene Act or the Brown Act, a local legislative body or state body is authorized to hold public meetings via teleconferencing and to make public meetings accessible telephonically or otherwise electronically to all members of the public seeking to attend and to address the local legislative body or state body, during the period in which state or local public officials impose or recommend measures to promote social distancing, including but not limited to limitations on public events. All requirements in both the Bagley-Keene Act and the Brown Act expressly or impliedly requiring the physical presence of members, the clerk or other personnel of the body, or of the public as a condition of participation in or quorum for a public meeting are hereby waived.

In particular, any otherwise-applicable requirements that

- (i) state and local bodies notice each teleconference location from which a member will be participating in a public meeting;
- (ii) each teleconference location be accessible to the public;
- (iii) members of the public may address the body at each teleconference conference location;
- (iv) state and local bodies post agendas at all teleconference locations;
- (v) at least one member of the state body be physically present at the location specified in the notice of the meeting; and
- (vi) during teleconference meetings, a least a quorum of the members of the local body participate from locations within the boundaries of the territory over which the local body exercises jurisdiction

are hereby suspended, on the conditions that:

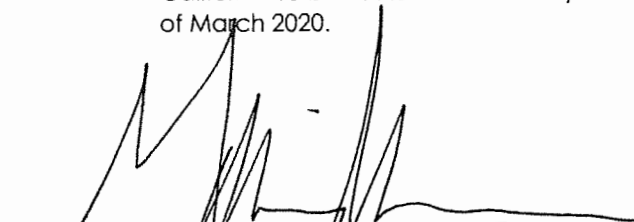
- (i) each state or local body must give advance notice of each public meeting, according to the timeframe otherwise prescribed by the Bagley-Keene Act or the Brown Act, and using the means otherwise prescribed by the Bagley-Keene Act or the Brown Act, as applicable; and
- (ii) consistent with the notice requirement in paragraph (i), each state or local body must notice at least one publicly accessible location from which members of the public shall have the right to observe and offer public comment at the public meeting, consistent with the public's rights of access and public comment otherwise provided for by the Bagley-Keene Act and the Brown Act, as applicable (including, but not limited to, the requirement that such rights of access and public comment be made available in a manner consistent with the Americans with Disabilities Act).

In addition to the mandatory conditions set forth above, all state and local bodies are urged to use sound discretion and to make reasonable efforts to adhere as closely as reasonably possible to the provisions of the Bagley-Keene Act and the Brown Act, and other applicable local laws regulating the conduct of public meetings, in order to maximize transparency and provide the public access to their meetings.

IT IS FURTHER ORDERED that as soon as hereafter possible, this Order be filed in the Office of the Secretary of State and that widespread publicity and notice be given of this Order.

This Order is not intended to, and does not, create any rights or benefits, substantive or procedural, enforceable at law or in equity, against the State of California, its agencies, departments, entities, officers, employees, or any other person.

IN WITNESS WHEREOF I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 12th day of March 2020.



GAVIN NEWSOM
Governor of California

ATTEST:

ALEX PADILLA
Secretary of State

**EXECUTIVE DEPARTMENT
STATE OF CALIFORNIA**

EXECUTIVE ORDER N-15-21

WHEREAS on March 4, 2020, I proclaimed a State of Emergency to exist in California as a result of the threat of COVID-19; and

WHEREAS on June 11, 2021, I issued Executive Order N-08-21 to roll back certain provisions of my COVID-19-related Executive Orders and to clarify that other provisions remained necessary to help California respond to, recover from, and mitigate the impacts of the COVID-19 pandemic; and

WHEREAS Paragraph 42 of Executive Order N-08-21 waived and set forth certain requirements related to public meetings of local legislative and state bodies, and specified that it would be valid through September 30; and

WHEREAS on September 16, 2021, I signed into law Assembly Bill 361 (AB 361), which pertains to the same subject matter as Paragraph 42 of Executive Order N-08-21, which took effect immediately pursuant to an urgency clause, and which may, in some instances, have different substantive provisions than the provisions contained in Paragraph 42 of Executive Order N-08-21; and

WHEREAS it is necessary to provide clarity around the applicable procedures governing meetings of local legislative and state bodies until Paragraph 42 of Executive Order N-08-21 expires to further mitigate the impacts of the COVID-19 pandemic as the state continues to reopen and to ensure that critical governmental functions are not interrupted.

NOW, THEREFORE, I, GAVIN NEWSOM, Governor of the State of California, in accordance with the authority vested in me by the State Constitution and statutes, do hereby issue the following Order to become effective immediately:

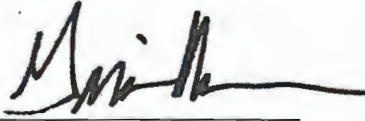
IT IS HEREBY ORDERED THAT:

1. The provisions governing teleconference meetings in Education Code section 89305.6, Government Code section 11133, and subdivision (e) of Government Code section 54953 are suspended through September 30, 2021, except that any local legislative body that meets to take a majority vote pursuant to subparagraph (B) of paragraph (1) of subdivision (e) of Government Code section 54953 shall conduct the meeting at which such vote is taken as required by paragraph (2) of subdivision (e) of Government Code section 54953. Except as otherwise specified in this paragraph, the requirements related to public meetings of local legislative and state bodies specified in Paragraph 42 of Executive Order N-08-21 shall continue to govern such meetings through September 30, 2021.
2. This Order shall expire at 11:59 p.m. on October 1, 2021.

IT IS FURTHER ORDERED that as soon as hereafter possible, this Order be filed in the Office of the Secretary of State and that widespread publicity and notice be given of this Order.

This Order is not intended to, and does not, create any rights or benefits, substantive or procedural, enforceable at law or in equity, against the State of California, its agencies, departments, entities, officers, employees, or any other person.

IN WITNESS WHEREOF I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 20th day of September 2021.



GAVIN NEWSOM
Governor of California

ATTEST:

SHIRLEY N. WEBER, Ph.D.
Secretary of State

MURPHYS SANITARY DISTRICT

INDEPENDENT AUDITOR'S REPORT

AND

FINANCIAL STATEMENTS

JUNE 30, 2021

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BRYANT L. JOLLEY

CERTIFIED PUBLIC ACCOUNTANTS

Bryant L. Jolley C.P.A.
Ryan P. Jolley C.P.A.
Darryl L. Smith C.P.A.
Luis A. Perez C.P.A.
Lan T. Kimoto

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Murphys Sanitary District
Murphys, California

Report on the Financial Statements

We have audited the accompanying financial statements of the Murphys Sanitary District (District), which comprise the statement of net position as of June 30, 2021, and the related statement of revenues, expenses and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements, which collectively comprise the District's basic financial statements.

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 controls 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 an opinion on these basic financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, 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 of material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Murphys Sanitary District as of June 30, 2021, and the changes in its net position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters**Required Supplementary Information**

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United State of America require that the District's Schedule of Proportionate Share of Net Pension Liability and Contributions, on pages 20 - 21 be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Government 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 and the other auditors 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 14, 2021 on our consideration of the Murphys Sanitary District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

A handwritten signature in black ink, appearing to be 'Michael J. [unclear]', written in a cursive style.

September 14, 2021

MURPHYS SANITARY DISTRICT**STATEMENT OF NET POSITION
JUNE 30, 2021****ASSETS****Current assets**

Cash and investments	\$ 2,303,151
Grant receivable	134,963
Interest receivable	1,112
Prepays	<u>32,645</u>
Total current assets	<u>2,471,871</u>

Non-current assets

Restricted cash and investments	43,579
Capital Assets	
Property, plant, and equipment - net of accumulated depreciation	<u>8,945,871</u>
Total non-current assets	<u>8,989,450</u>

Total assets	<u>11,461,321</u>
--------------	-------------------

DEFERRED OUTFLOWS OF RESOURCES

<u>69,905</u>

LIABILITIES**Current liabilities**

Accounts payable and accrued expenses	61,983
Interest payable	5,117
Current portion of long-term debt	<u>25,518</u>
Total current liabilities	<u>92,618</u>

Non-current liabilities

Compensated absences	24,034
Long-term debt	977,879
Net pension liability	<u>181,426</u>
Total non-current liabilities	<u>1,183,339</u>

Total liabilities	<u>1,275,957</u>
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DEFERRED INFLOWS OF RESOURCES

<u>3,618</u>

NET POSITION

Net investment in capital assets	7,937,357
Restricted for debt service	43,579
Unrestricted	<u>2,270,715</u>
Total net position	<u>\$ 10,251,651</u>

MURPHYS SANITARY DISTRICT**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEAR ENDED JUNE 30, 2021**

Operating Revenue	
Service charges	\$ 865,202
Total operating revenue	<u>865,202</u>
Operating Expense	
Salaries and wages	356,486
Employee benefits	168,225
Professional services	19,249
Operating supplies	34,405
Permits	30,385
Repairs and maintenance	1,911
Monitoring	23,210
Office	30,233
Utilities	34,787
Insurance	54,123
Communications	11,719
Memberships and publications	10,579
Depreciation	136,818
Total operating expense	<u>912,130</u>
Operating income/(loss)	<u>(46,928)</u>
Non-operating Revenue/(Expense)	
Property taxes	131,370
Interest income	1,536
Other income	68,910
Interest expense	<u>(2,103)</u>
Total non-operating revenue/(expense)	<u>199,713</u>
Net income before capital contributions	152,785
Capital Contributions	
Capital grants	<u>2,322,136</u>
Change in Net Position	2,474,921
Net Position	
Beginning of year	<u>7,776,730</u>
End of year	<u>\$ 10,251,651</u>

MURPHYS SANITARY DISTRICT**STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2021****Operating Activities**

Receipts from customers and users	\$ 874,823
Payments to suppliers for goods and services	(863,322)
Payments to employees for services	<u>(507,938)</u>
Net cash used in operating activities	<u>(496,437)</u>

Non-capital Financing Activities

Property taxes collected	131,370
Other income	<u>68,910</u>
Net cash provided by non-capital financing activities	<u>200,280</u>

Capital and Related Financing Activities

Receipts from other governments - capital grants	3,474,934
Acquisition of capital assets	<u>(3,416,429)</u>
Net cash provided by capital and related financing activities	<u>1,064,916</u>

Investing Activities

Interest received	<u>8,536</u>
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Net Increase/(Decrease) in Cash and Investments 777,295

Cash and Investments

Beginning of year	<u>1,569,435</u>
End of year	<u>\$ 2,346,730</u>

Cash Flows from Operating Activities

Operating income (loss)	\$ (46,928)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation	136,818
(Increase) Decrease in accounts receivable	9,621
(Increase) Decrease in deferred outflows of resources	(54)
Increase (Decrease) in account payables and accrued expenses	(580,676)
Increase (Decrease) in deferred inflows of resources	(7,656)
Increase (Decrease) in compensated absences	7,692
Increase (Decrease) in net pension liability	<u>16,791</u>

Net Cash Used in Operating Activities \$ (496,437)

MURPHYS SANITARY DISTRICT

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2021

Note 1 – Summary of Significant Accounting Policies

The financial statements of the Murphys Sanitary District (District) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to enterprise funds of governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the District are described below:

Reporting Entity

The District was established January 5, 1960, for the purpose of constructing and operating a system of sewage services to property within the District. Operations are conducted under provisions of the Community Services District Laws.

Basis of Accounting

The District accounts for its operations in enterprise funds using the economic resources measurement focus and the accrual basis of accounting. A fund is an accounting entity with a self-balancing set of accounts established to record the financial position and results of operations of a specific government activity. The activities of enterprise funds closely resemble those of ongoing businesses in which the purpose is to conserve and add to basic resources while meeting operating expenses from current revenues. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

An enterprise fund distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the District's principal ongoing operations. The principal operating revenues of the District are charges to customers for sewer service. Operating expenses for the District include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Financial Statement Amounts

Cash and Investments - Cash and investments represent the District's cash bank accounts including, but not limited to, certificates of deposit, money market funds and cash management pools for reporting purposes in the Statement of Cash Flows. Additionally, investments with maturities of three months or less when purchased are included as cash equivalents in the Statement of Cash Flows.

Investments of the pool include only those investments authorized by the California Government Code such as, United States Treasury securities, agencies guaranteed by the United States Government, registered state warrants, and other investments. Investments primarily consist of deposits in the State of California Local Agency Investment Fund. Investments are stated at fair value.

Accounts Receivable – Billings for sewer services are sent monthly and are reflected on the accrual basis of accounting. Delinquent accounts are submitted to the Calaveras County and are attached to the County tax rolls.

MURPHYS SANITARY DISTRICT

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2021

Note 1 – Summary of Significant Accounting Policies (Continued)

Capital Assets – Capital assets are defined by the government as assets with an initial individual cost of more than \$2,500 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Betterments and major improvements which significantly increase values, change capacities or extend useful lives are capitalized. Upon sale or retirement of fixed assets, the cost and related accumulated depreciation are removed from the respective accounts and any resulting gain or loss is included in the results of operations.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities are included as part of the capitalized value of the assets constructed.

Capital assets in service are depreciated using the straight line method over the following estimated useful lives:

	<u>Years</u>
Sewer Treatment	25 - 50
Collection	25 - 50
Equipment	5 - 10

Compensated Absences – The District allows employees to accumulate unused vacation leave to a maximum of twice their annual vacation rate. Upon termination, accumulated vacation that was not taken will be paid to the employee. Sick leave is not paid upon termination, but will be paid only upon illness while in the employment of the District.

Vested or accumulated vacation leave time that is expected to be paid with expendable available financial resources is recorded as an expense and liability as the benefits accrue.

Unearned Revenues – The District typically records unearned revenues related to customer deposits received but not earned.

Pension Plan – All full-time District employees are members of the State of California Public Employees' Retirement System. The District's policy is to fund all pension costs accrued; such costs to be funded are determined annually as of July 1 by the System's actuary. 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 District's California Public Employee Retirement System (CalPERS) plan and additions to/deduction from the Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

MURPHYS SANITARY DISTRICT

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2021

Note 1 – Summary of Significant Accounting Policies (Continued)

Long-Term Obligations – Long-term debt and other long-term obligations are reported as liabilities in the Proprietary Fund Statement of Net Position. Debt principal payments are reported as decreases in the balance of the liability on the Statement of Net Position.

Net Position/Fund Equity – The financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

- Net Investment in Capital Assets – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.
- Restricted Net Position – This category presents external restrictions on net position imposed by creditors, grantors, contributors, laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.
- Unrestricted Net Position – This category represents net position of the District not restricted for any project or other purpose.

Revenues and Expenses – The District distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the District’s principal ongoing operations. The principle operating revenues of the District are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Property Tax – Secured property taxes attach as an enforceable lien on property as of March 1. Taxes are payable in two installments on November 15 and March 15. Unsecured property taxes are payable in one installment on or before August 31. The County of Calaveras bills and collects the taxes for the District. Tax revenues are recognized by the District when billed.

Use of Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Note 2 – Cash and Investments

Cash and investments as of June 30, 2021 are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and Investments	\$ 2,303,151
Restricted cash and investments	43,579
Total Cash and Investments	<u>\$ 2,346,730</u>

MURPHYS SANITARY DISTRICT**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021****Note 2 – Cash and Investments (Continued)**

Cash and investments as of June 30, 2021 consist of the following:

Cash on hand	\$ 200
Deposits with financial institutions	369,283
Local Agency Investment Fund	<u>1,977,247</u>
Total Cash and Investments	<u>\$ 2,346,730</u>

Fair Value Measurements

The framework for measuring fair value provides a fair value hierarchy that categorizes the inputs to valuation techniques used to measure fair value into three levels. The fair value hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described as follows:

- Level 1: Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.
- Level 2: Inputs to valuation methodology include inputs – other than quoted prices included within Level 1 – that are observable for an asset or liability, either directly or indirectly.
- Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within a fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value.

LAIF is valued based on the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (Level 2 input).

Investments Authorized by the District's Investment Policy

The District's investment policy only authorizes investment in the local government investment pool administered by the State of California (LAIF). The District's investment policy does not contain any specific provisions intended to limit the District's exposure to interest rate risk, credit risk, and concentration of credit risk.

MURPHYS SANITARY DISTRICT**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021****Note 2 – Cash and Investments (Continued)****Investments Authorized by Debt Agreements**

Investments of debt proceeds held by bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the District's investment policy. The table below identifies the investment types that are authorized for investments held by the bond trustee. The table also identifies certain provisions of these debt agreements that address interest rate risk, credit risk, and concentration of credit risk.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>
U.S. Treasury Obligations	None
U.S. Agency Securities	None
Banker's Acceptances	180 days
Commercial Paper	270 days
Money Market Mutual Funds	N/A
Investment Contracts	30 years

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. As of June 30, 2021 the District had the following investments.

<u>Investment Type</u>	<u></u>	<u>Maturity Date</u>
Local Agency Investment Fund (LAIF)	\$ 1,977,247	N/A
Total	<u>\$ 1,977,247</u>	

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. LAIF does not have a rating provided by a nationally recognized statistical rating organization.

Concentration of Credit Risk

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. There are no investments in any one issuer that represent 5% or more of total District investments.

MURPHYS SANITARY DISTRICT**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

Note 2 – Cash and Investments (Continued)**Custodial Credit Risk**

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

The custodial risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF).

Investment in State Investment Pool – The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

MURPHYS SANITARY DISTRICT**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021****Note 3 – Property, Plant and Equipment**

The detail of property, plant and equipment at June 30, is as follows:

	Balance July 1, 2020	Additions	Retirements	Balance June 30, 2021
Capital assets, not being depreciated				
Land	\$ 274,091	\$ -	\$ -	\$ 274,091
Construction in progress	1,649,779	3,408,605	(5,043,857)	14,527
Total capital assets, not being depreciated	<u>1,923,870</u>	<u>3,408,605</u>	<u>(5,043,857)</u>	<u>288,618</u>
Capital assets, being depreciated				
Treatment plant	2,944,423	5,043,857	(1,055,550)	6,932,730
Utility system - infrastructure	2,290,307	7,824	(275,731)	2,022,400
Donated property	1,440,389	-	-	1,440,389
Buildings and equipment	396,250	-	(223,262)	172,988
Total capital assets, being depreciated	<u>7,071,369</u>	<u>5,051,681</u>	<u>(1,554,543)</u>	<u>10,568,507</u>
Less accumulated depreciation for				
Treatment plant	(1,666,773)	(47,591)	1,055,550	(658,814)
Utility system - infrastructure	(921,333)	(47,261)	275,731	(692,863)
Donated property	(421,704)	(28,808)	-	(450,512)
Buildings and equipment	(319,169)	(13,158)	223,262	(109,065)
Total accumulated depreciation	<u>(3,328,979)</u>	<u>(136,818)</u>	<u>1,554,543</u>	<u>(1,911,254)</u>
Total capital assets, being depreciated, net	<u>3,742,390</u>	<u>4,914,863</u>	<u>-</u>	<u>8,657,253</u>
Total capital assets, net	<u>\$ 5,666,260</u>	<u>\$ 8,323,468</u>	<u>\$ (5,043,857)</u>	<u>\$ 8,945,871</u>

MURPHYS SANITARY DISTRICT

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2021

Note 4 – Deferred Outflows and Deferred Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. The District reports \$69,905 in deferred outflows related to net pension liability. See Note 5 for more details.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represent an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District reports \$3,618 in deferred inflows related to net pension liability. See Note 5 for more details.

Note 5 – Defined Benefit Pension Plan

Plan Description

The District's defined benefit pension plan, the California Public Employees' Retirement System (CalPERS), provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. CalPERS is part of the Public Agency portion of the CalPERS, an agent multiple-employer plan administered by CalPERS, which acts as a common investment and administrative agent for participating public employers within the State of California. A menu of benefit provisions as well as other requirements is established by State statutes within the Public Employees Retirement Law. The District selects optional benefit provisions from the benefit menu by contract with CalPERS and adopts those benefits through local ordinance. CalPERS issues a separate comprehensive financial report. Copies of the CalPERS' annual financial report may be obtained from the CalPERS Executive Office – 400 P Street – Sacramento, CA 95814.

Funding Policy

Active plan members in the District's defined pension plan are required to contribute 7% of their annual salary. The District is required to contribute the actuarially determined remaining amounts necessary to fund the benefits for its members. The actuarial methods and assumptions used are those adopted by the CalPERS Board of Administration. The required employer contribution rate for fiscal year 2020 was 8.794% for Miscellaneous Classic and 7.732% for Miscellaneous PEPR. The contribution requirements of the plan members are established by State statute and the employer contribution rate is established and may be amended by CalPERS.

MURPHYS SANITARY DISTRICT**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021****Note 5 – Defined Benefit Pension Plan (continued)**

The Plans' provisions and benefits in effect at June 30, 2021, are summarized as follows:

	Miscellaneous Classic	Miscellaneous PEPRA
	Prior to January 1, 2013	On or after January 1, 2013
Hire Date		
Benefit Formula	2.0% at 60; maximum 2% COLA	2.0% at 62; maximum 2% COLA
Benefit Vesting Schedule	5 years service	5 years service
Benefit Payments	monthly for life	monthly for life
Retirement Age	60	60
Monthly Benefits, as a % of Eligible Compensation	2.00%	2.00%
Required Employee Contribution Rates	7.00%	6.25%
Required Employer Contribution Rates	8.794%	7.732%

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 July 1 following the notice of a change in the rate. Funding contributions for both 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. 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 the pension expense is as follows:

Contributions – employer	\$ 39,254
Contributions – employee	\$ 18,711

As of June 30, 2021, the District reported net pension liability for its proportionate share of the net pension liability of each Plan as follows:

Miscellaneous	Proportionate Share of <u>Net Pension Liability</u> \$ 181,426
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MURPHYS SANITARY DISTRICT**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021****Note 5 – Defined Benefit Pension Plan (Continued)****Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions**

The District's net pension liability is measured as the proportionate share of the net pension liability. The net pension liability of each Plan 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 the Plan as of June 30, 2019 and 2020 was as follows:

	<u>Miscellaneous</u>
Proportion – June 30, 2020	0.00411%
Proportion – June 30, 2021	<u>0.00430%</u>
Change – Increase/(Decrease)	0.00019%

For the year ended June 30, 2021, the District recognized pension expense of \$48,334. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$ 39,254	\$ -
Change in employer's proportion	12,197	-
Changes of assumptions	-	(1,294)
Differences between employer's contributions and proportionate share of contributions	3,716	(2,324)
Difference between expected and actual experience	9,349	-
Differences between projected and actual investment earnings	<u>5,389</u>	<u>-</u>
Total	<u>\$ 69,905</u>	<u>\$ (3,618)</u>

MURPHYS SANITARY DISTRICT**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021****Note 5 – Defined Benefit Pension Plan (Continued)**

\$39,254 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30		
2022	\$	8,679
2023		9,340
2024		6,429
2025		2,585
2026		-

Actuarial Methods and Assumptions – The collective total pension liability for the June 30, 2020 measurement period was determined by an actuarial valuation as of June 30, 2019, with update procedures used to roll forward the total pension liability to June 30, 2020. The collective total pension liability was based on the following assumptions:

Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Actuarial Cost Method	Entry-Age Normal Cost Method in accordance with the requirements of GASB Statement No. 68
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Payroll Growth	2.50%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table	Derived using CalPERS' Membership ¹ Date for all Funds
Post Retirement Benefit Increase	Contract COLA up to 2.50% until Purchasing Power Protection Allowance Floor on Purchasing Power applies

¹ The mortality table used was developed based on CalPERS-specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of scale MP 2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website.

Change of assumptions – No changes in assumptions.

MURPHYS SANITARY DISTRICT

NOTES TO FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2021

Note 5 – Defined Benefit Pension Plan (Continued)

Discount rate – The discount rate used to measure the total pension liability for PERF C was 7.15%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, 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 on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds’ asset classes, expected compound (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 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 for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

The long-term expected real rates of return by asset class can be found in CalPERS’ Comprehensive Annual Financial Report for the fiscal year ended June 30, 2020.

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

Asset Class ¹	New Strategic Allocation	Real Return Years 1-10 ²	Real Return Years 11+ ³
Global Equity	50%	4.80%	5.98%
Fixed Income	28%	1.00%	2.62%
Inflation Assets	0%	0.77%	1.81%
Private Equity	8%	6.30%	7.23%
Real Estate	13%	3.75%	4.93%
Liquidity	1%	0.00%	-0.92%
Total	100%		

¹ In the System's CAFR, Fixed Income is included in Global Debt Securities; Liquidity is in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities

² An expected inflation of 2.0% used for this period

³ An expected inflation of 2.92% used for this period

MURPHYS SANITARY DISTRICT**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021****Note 5 – Defined Benefit Pension Plan (Continued)**

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, calculating using the discount rate of 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 (6.15%) or 1-percentage point higher (8.15%) than the current rate:

	1% Decrease (6.15%)	Current Discount Rate (7.15%)	1% Increase (8.15%)
Net Pension Liability	\$ 296,743	\$ 181,426	\$ 86,143

Pension Plan Fiduciary Net Position – Detailed information about each pension plan’s fiduciary net position is available in the separately issued CalPERS financial reports.

Payable to the Pension Plan

At June 30, 2021, the District has no outstanding amount of contributions to the pension plan required for the year ended June 30, 2021.

Note 6 – Non-current Liabilities

Non-current liabilities at June 30, 2021, consisted of the following:

	<u>Balance</u> <u>July 1, 2020</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30, 2021</u>	<u>Current</u> <u>Portion</u>
State Water Resources Control Board Loan	\$ -	\$ 1,003,397	\$ -	\$ 1,003,397	\$ 25,518
Compensated absences	16,342	7,692	-	24,034	-
Net pension liability	164,635	16,791	-	181,426	-
Total Business-Type Activity Debt	<u>\$ 180,977</u>	<u>\$ 1,027,880</u>	<u>\$ -</u>	<u>\$ 1,208,857</u>	<u>\$ 25,518</u>

State Water Resources Control Board Loan

In May 2018, the District entered into an installment loan agreement in the amount of \$1,003,397 with the California State Water Resources Control Board to finance the construction of the District’s Wastewater Treatment Facility Upgrade Project. Terms of the loan include: a 30-year term with annual interest of 1.8%; annual debt service payments, including principal and interest, total \$43,579, commencing on April 30, 2022 and maturing on April 30, 2051. The loan is secured by a lien and a pledge of the District’s net revenues, and any reserve fund.

All earned vacation hours, holiday, and compensating time is payable upon termination or retirement and are accrued as compensated absences. Compensated absences liability is calculated in accordance with GASB Statement No. 16.

MURPHYS SANITARY DISTRICT**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021****Note 6 – Non-current Liabilities (continued)**

The future debt service requirements for the loan payable is as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 25,518	\$ 18,061	\$ 43,579
2023	25,977	17,602	43,579
2024	26,445	17,134	43,579
2025	26,921	16,658	43,579
2026	27,405	16,174	43,579
2027-2031	144,606	73,289	217,895
2032-2036	158,098	59,797	217,895
2037-2041	172,848	45,047	217,895
2042-2046	188,974	28,920	217,894
2047-2051	206,605	11,290	217,895
	<u>\$ 1,003,397</u>	<u>\$ 303,972</u>	<u>\$ 1,307,369</u>

Note 7 – Risk Management

The District is exposed to various risks of loss to torts; theft of, damage of, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District joined together with other special districts for insurance coverage under Special Districts Risk Management Authority (SDRMA). The District pays an annual premium to SDRMA for its general insurance coverage.

The District continues to carry commercial insurance for all other risks of loss, including workers' compensation, and employee health and accident insurance.

Note 8 – Subsequent Events

The District evaluated subsequent events for recognition and disclosure through September 14, 2021, the date which these financial statements were available to be issued. Management concluded that no material subsequent events have occurred since June 30, 2021 that required recognition or disclosure in such financial statements.

REQUIRED SUPPLEMENTAL INFORMATION

MURPHYS SANITARY DISTRICT

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY

LAST 10 YEARS*

YEAR ENDED JUNE 30, 2021

	Proportion of the net pension liability	Proportionate share of the net pension liability	Covered - employee payroll	Proportionate share of the net pension liability as percentage of covered-employee payroll	Plan's fiduciary net position	Plan's fiduciary net position as a percentage of the Total Pension Liability
2015	0.00150%	\$ 36,203	\$ 221,876	16.32%	\$ 528,000	93.18%
2016	0.00291%	\$ 79,794	\$ 237,895	33.54%	\$ 498,930	86.21%
2017	0.00347%	\$ 120,624	\$ 245,701	49.09%	\$ 528,696	81.42%
2018	0.00373%	\$ 147,057	\$ 250,630	58.67%	\$ 602,518	80.38%
2019	0.00384%	\$ 144,841	\$ 216,519	66.90%	\$ 610,193	80.82%
2020	0.00411%	\$ 164,635	\$ 236,253	69.69%	\$ 662,637	80.10%
2021	0.00430%	\$ 181,426	\$ 240,546	109.35%	\$ 685,130	79.06%

*Fiscal year 2014-15 was the first year of implementation, therefore only seven years are shown.

Changes of Assumptions: No changes in assumptions.

MURPHYS SANITARY DISTRICT

SCHEDULE OF CONTRIBUTIONS

LAST 10 YEARS*

YEAR ENDED JUNE 30, 2021

	Contractually required contribution (actuarially determined)	Contributions in relation to the actuarially determined contributions	Contributions deficiency (excess)	Covered-employee payroll	Contributions as a percentage of covered-employee payroll
2015	\$ 13,035	\$ (13,035)	\$ -	\$ 221,876	5.87%
2016	\$ 13,304	\$ (13,304)	\$ -	\$ 237,895	5.59%
2017	\$ 14,292	\$ (14,292)	\$ -	\$ 245,701	5.82%
2018	\$ 20,693	\$ (20,693)	\$ -	\$ 250,630	8.26%
2019	\$ 18,739	\$ (18,739)	\$ -	\$ 216,519	8.65%
2020	\$ 24,584	\$ (24,584)	\$ -	\$ 236,253	10.41%
2021	\$ 35,654	\$ (35,654)	\$ -	\$ 240,546	14.82%

*Fiscal year 2014-15 was the first year of implementation, therefore only seven years are shown.

BRYANT L. JOLLEY

CERTIFIED PUBLIC ACCOUNTANTS

Bryant L. Jolley C.P.A.
 Ryan P. Jolley C.P.A.
 Darryl L. Smith C.P.A.
 Luis A. Perez C.P.A.
 Lan T. Kimoto

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
 OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER
 MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
 PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Directors
 Murphys Sanitary District
 Murphys, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Murphys Sanitary District (District), which comprise the statement of net position as of June 30, 2021, and the related statement of revenues, expenses and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated September 14, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Murphys Sanitary District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Murphys Sanitary District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink, appearing to be "Meredith J. [unclear]", written in a cursive style.

September 14, 2021