



**BOLINAS COMMUNITY PUBLIC UTILITY DISTRICT**

**ACCOUNTING CONTROLS  
PROCEDURES AND POLICIES**

*Approved by Board of Directors on May 16, 2012*

*Amended by the Board of Directors on June 19, 2013*

*Further Amended by the Board of Directors on November 18, 2015, December 21, 2016, May 17, 2017, August 21, 2019, July 15, 2020 and June 19, 2024*

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## Table of Contents

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Identification Numbers	4
Compliance Reporting	4
Independent Contractors	4
Payroll Withholding and Employer Taxes	4
Cash Disbursements	4
Cash Disbursements Procedure	4
Recurring Invoices	5
Reimbursements	5
Cash Receipts	5
Water Use Customer Payments	5
Resource Recovery Project Customer Payments	6
Other Cash Receipts	6
Credit Card Receipts	6
Accounts Receivable/Invoicing	7
Customer Billing	7
Water Use	7
Sewer Use	7
Other Billing	7
Septage Dumping Haulers	7
Property Rentals	7
Other Invoices	7
RRP Charges	7
Payroll	8
Absences	8
Payroll Submission and Report	8
Financial Reporting	9
Finance Committee	9
Annual Audit	10
Bank and County of Marin Accounts	10
Transfers between Accounts	10
Bank and County Statements	11
Budget Development and Analysis	11
Accounting Policies	12
Financial Statements	12
Revenue	12
Utility Payments	12
Annual Service Charges	12
Property Taxes	13
Loan/Grant Revenues	13
Property and Equipment	13
Restricted Fund Activity	13
Insurance	14

Liability Insurance	14
Property Insurance	14
Workers' Compensation	14
Medical Insurance	15
Dental Insurance	15
Life Insurance	15
Defined Benefit Pension Plan	15
Deferred Compensation Plan	16

## Identification Numbers

Bolinas Community Public Utility District ("BCPUD") is a California special district. Its federal tax identification number is 94-6000112 and its state tax identification number is 499 00897.

## Compliance Reporting

### *Independent Contractors*

Forms 1099 and 1096 must be completed each year by January 31 for the preceding calendar year. Blank forms can be ordered from the Internal Revenue Service or Intuit.

A Form W-9 must be on file for all vendors eligible for a 1099 at calendar year-end. The Administrative Assistant will forward a W-9 to such vendors for completion before payment can be processed by the Administrative Assistant.

### *Payroll Withholdings and Employer Taxes*

Form W-2s are prepared by Paychex. Each year, by December, Paychex will mail a list of employees and addresses for the Administrative Assistant to review for accuracy and completeness. Once the list is accurate and complete, Paychex will send the W-2s directly to all employees by January 31. The Administrative Assistant is provided with a copy of the forms via Paychex and will maintain a copy in the files.

Payroll withholdings are handled by Paychex. Paychex will send Federal Form 941 and State Form DE6 each quarter, and Federal Form 940 and State Form DE7 each year. The Administrative Assistant reviews the forms and files them. Any questions may be addressed to Paychex.

## Cash Disbursements

ALL checks require two signatures, regardless of purchase amount. As a matter of practice, the General Manager and one of the five current directors sign each check issued by the District. However, any two of the District's authorized signatories (i.e., the General Manager and the five current directors) may sign the district's checks; *provided, however, that* the General Manager may not approve or sign any check issued to her/him and *provided further that* no director may sign any check issued to her/him, with the sole exception of the monthly "director fee" check.

### *Cash Disbursements Procedure*

When the Administrative Assistant receives invoices in the mail, she/he reviews the invoices, identifies the correct budget class to assign payment, and affixes a stamp for approval by the General Manager or Assistant General Manager. Statements from vendors are not adequate documentation of payments due; if only a statement is

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received, the Administrative Assistant will follow up with the vendor to require submission of an invoice. The Administrative Assistant attaches the packing slip to make sure that all goods on invoice have been received and confirms that the goods received are in satisfactory condition. The invoices with packing slips are then given to the General Manager or Assistant General Manager who reviews the invoices, approves the class in the budget and supporting documentation, and then approves payment of the invoice by initialing the approval stamp.

The Administrative Assistant enters the bills into QuickBooks and processes payments generally once a week. The Administrative Assistant issues each check in sequential numerical order. Checks are printed and the check stubs are stapled to the invoice and packing slip or other relevant documentation. Checks with the check stub packet are given to the General Manager to review, approve and sign. In the event an invoice is for a Construction in Progress (CIP) account, the Administrative Assistant will make a scanned copy of the invoice, purchase order and/or packing slip, and the check stub for inclusion in the appropriate electronic CIP folder.

The General Manager reviews and signs all approved checks and then returns them with the supporting documentation to the Administrative Assistant, who reviews to make sure all checks are signed. The Administrative Assistant then arranges for one of the current directors to sign each check. Once the checks have been completely prepared and signed, the Administrative Assistant processes and mails the checks. Twice a year, on or around December 31<sup>st</sup> and on or around June 30<sup>th</sup>, the Administrative Assistant will review the district's Bank of Marin statements and will reissue and/or void any old, outstanding uncleared checks.

The Administrative Assistant files the invoices in the monthly warrant files and, if applicable, the electronic CIP file.

Blank checks are kept in the a locked cabinet or safe.

### **Recurring Invoices**

Independent contractors will submit invoices according to the schedules set forth in their agreements with BCPUD. The invoices must be processed by the Administrative Assistant and approved by the General Manager or Assistant General Manager as above.

Recurring expenses such as loan interest payments, lease payments, office supplies and utilities do not require purchase orders. See Exhibit X, List of Recurring Expenses.

### **Credit Card Payment Policy**

For the purposes of streamlining accounting processes and avoiding late fees, credit card payments do not require advanced authorization or approval. The Administrative

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Assistant is authorized to pay the company credit card bill online without the need for pre-approval, provided that:

1. The expenses are legitimate, reasonable, and fall within the scope of approved business activities.
2. Receipts and documentation for all transactions are submitted in a timely manner and attached to the paper invoice and check stub for proper record-keeping.

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### **Reimbursements**

Reimbursements (under \$1,000) are authorized by the General Manager or Assistant General Manager after confirming sufficient funds are available in the budget. After authorization, the reimbursement is processed by the Administrative Assistant. Whenever possible, work-related expenses will be paid for by the BCPUD credit card rather than by an employee's personal bank accounts/credit card to minimize accounting for reimbursements and to maximize the BCPUD's credit card benefits.

### **Cash Receipts**

The Administrative Assistant receives and opens mail at least once a week depending on the availability of USMail service every day.

### **Water Use Customer Payments**

The Administrative Assistant receives all customer payments for metered water delivery either in person (or via the drop-off box) at the office or in the mail. Payments are entered in the customer database. and once a week - The Administrative Assistant enters total checks to be deposited into QuickBooks and deposits checks in the Bank of Marin operating account (13109) via remote deposit, or directly to the bank; on occasion, these entries and deposits may occur once every two weeks in the event of the Administrative Assistant's absence from the office, low payment activity, or other such circumstance. The original-checks backup documentation and the QuickBooks deposit letter are filed in the locked safe. As well, a copy of the deposit letter, deposit slip and bank deposit receipt are filed in the appropriate binder and kept in the safe.

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Online payment for metered water delivery will be processed weekly, at a minimum minimum, and entered into Quickbooks as an EFT. The supporting documentation will be printed and filed in the locked safe with the deposit letters.

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### **Resource Recovery Project Customer Payments**

Per an agreement between the BCPUD and the Resource Recovery Project ("RRP"), the Administrative Assistant receives all RRP customer payments either directly from the RRP Site Attendants or in the mail. Payments are entered as Payment Received by

RRP in QuickBooks. The Administrative Assistant enters collected RRP checks (and cash) into RRP deposits excel spreadsheet. The Administrative Assistant enters the total checks to be deposited into QuickBooks and deposits checks in the Bank of Marin operating account (13109), classed to the RRP, via remote deposit, or directly to the bank. The original checks, RRP deposits spreadsheet, and the QuickBooks deposit letter are filed in the locked safe. As well, a copy of the deposit letter, deposit slip and bank deposit receipt are filed in the appropriate binder and kept in the safe.

### **Other Cash Receipts**

All other checks and cash (including but not limited to rent income, culvert reimbursements, refunds and rebates, and RRP customer cash payments) are collected by the Administrative Assistant to endorse and process. The Administrative Assistant prepares a cash receipt, enters the cash deposit into QuickBooks, prepares the deposit slip, and deposits the cash (usually no less frequently than once every two weeks) in the Bank of Marin operating account (13109); checks to be deposited are entered into Quickbooks and deposited into the Bank of Marin operating account (13109) via remote deposit or directly to the bank. Checks and cash are stored in a locked cabinet or safe until deposited.

The Administrative Assistant prepares deposit slips and either the Administrative Assistant, Assistant General Manager or the General Manager makes the bank deposits. Deposit summary and validated deposit slips are attached to copies of the checks and cash receipts and filed by the Administrative Assistant.

### **Credit Card Receipts**

~~Currently, credit cards are not accepted for payment because of the fees involved.~~

## **Accounts Receivable/Invoicing**

### **Customer Billing**

Water Use. Quarterly metered water use bills are generated via a software program (InteData) and mailed or emailed out no later than the end of the following month by the Administrative Assistant. The District's customers are divided into three sections based on geographic region and each section is billed on a rotating quarterly basis (for example, section one is billed in January, section two in February, ~~and~~ section three in March, and then back to section one in April, etc.) so that bills are generated every month. ~~(See Cash Receipts, Customer Payments above for how the customer payments are handled.)~~

Water Service Charge. Customers who are exempt from paying property taxes are billed directly by the District for their annual water and/or sewer service charge. No later than the end of the thirdfirst quarter of each fiscal year, the Administrative Assistant generates a letter to each of the tax-exempt customers specifying the annual service

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charge(s) due and including a due date of no later than the end of the calendar year. [\(See Revenue section under Accounting Policies portion of this document for information regarding non-exempt customers' annual service charges.\)](#)

Sewer Use. There are no monthly sewer use bills.

### ***Other Billing***

Property Rentals. At present, one tenant pays monthly rental fees to the District. The Hearsay News leases space in the BCPUD office building and pays \$60.00 per month in rent to the District. In addition, two entities pay annual rental fees to the District of \$100.00 each for the use of land at the sewer pond property for goat raising and [for](#) farming. When payments are received, they are deposited and entered into QuickBooks by the Administrative Assistant, along with other deposits, and deposited into the Bank of Marin operating account (13109).

Other Invoices. The District sends out bills to small subsets of customers on an annual or tri-annual basis for backflow prevention and composting toilet inspections. The District also sends out bills to customers when the operations staff completes work, such as meter installations, requested by the customer. These bills are generated by the Administrative Assistant via Microsoft Word. ~~and As~~ the payments come in, they are deposited into the Bank of Marin operating account (13109) with other deposits.

RRP Charges. Some ~~of the RRP's~~ customers have been approved ~~by the RRP~~ to have charge accounts. Charges accrue as amounts due from each of these customers and, at the end of each month, on behalf of the RRP, the District's Administrative Assistant reviews all charge receipts, totals the amounts due and sends out a bill to each such RRP customer. As payments come in, they are deposited into the Bank of Marin operating account (13109) and classed to the RRP.

### **Payroll**

Exempt employees (General Manager and Assistant General Manager) are not required to submit a timesheet. Non-exempt hourly employees other than the Administrative Assistant are required to complete a daily timesheet. The Administrative Assistant is required to submit a monthly timesheet.

The wages and other benefits of District employees are negotiated between the employees and the Board of Directors (via the Board's Personnel Committee) every year (or every other year, as may be agreed by the employees and the Board of Directors) and are memorialized in a Memorandum of Understanding ("MOU"), which is approved at a duly noticed public meeting of the Board of Directors. Any changes to employee wages and benefits must be authorized by and in conformance with the MOU or otherwise approved in writing by the Board of Directors.

### **Absences**



The Administrative Assistant tracks all absences by employees, whether for sick days, personal leave, vacation or other approved leave, and prepares a monthly report on employee absences for review and approval by the General Manager or Assistant General Manager. Following this review and approval of the monthly report, the Administrative Assistant updates a chart which is posted for employee review that reflects each employee's current leave balances, as well as "comp" time earned.

### **Payroll Submission and Report**

The Administrative Assistant prepares the District's payroll on a bi-weekly basis. The Chief Operator initially reviews and approves the hours worked by the operations staff as reported on the daily log on a daily basis. The Administrative Assistant then enters and submits to Paychex via the internet a report of the pay period's payroll at least two business days before pay day. No less frequently than monthly, the General Manager or Assistant General Manager reviews and approves the District employee hours worked, including paid time off (i.e., vacation, sick leave, comp time, and holidays) and any errors identified by the General Manager or Assistant General Manager are corrected by the Administrative Assistant in the next regular payroll. Currently, the payroll is submitted every other Tuesday in advance of the every other Thursday paydays. (Note: Per the District's MOU with employees concerning compensation and benefits, as described above, payday is identified as every other Friday. The District therefore has a "grace day" in the event an unforeseen occurrence should delay payroll delivery from Paychex.)

~~The next day, Once the payroll is submitted to Paychex, delivers the payroll reports are accessible via the Paychex website, via the internet.~~ The Administrative Assistant reviews the payroll report to make sure that the payroll is correct. **If the report is correct, she dates and initials the report and enters the report figures into an internal excel spreadsheet.** The Administrative Assistant then enters the journal entry created by the internal spreadsheet into Quickbooks. Paychex processes and direct deposits, or mails the paychecks and paystubs to the District office. The Administrative Assistant delivers the paychecks and paystubs to the District employees on the ~~same dayday they arrive~~. Paychex withdraws the payroll and payroll taxes from the District's Bank of Marin operating account (13109). ~~The Administrative Assistant enters the appropriate payroll information into QuickBooks.~~

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### **RRP Payroll**

Per an agreement between the District and the RRP, the Administrative Assistant processes the RRP payroll. -The Assistant General Manager reviews and approves the hours worked by RRP staff. The Administrative Assistant processes the RRP payroll on the same schedule as the District's payroll as outlined above. -When the RRP paychecks are delivered by Paychex, the Administrative Assistant delivers them to the RRP site for distribution to RRP employees.

## Financial Reporting

At the end of each month, the District's outside bookkeeper reconciles all bank and County of Marin accounts and **confirms** that the Paychex payroll reporting has been entered correctly. As soon as the reconciliations are complete, the bookkeeper emails the reconciliations to the Administrative Assistant. The Administrative Assistant promptly prints out each reconciliation (no later than three (3) days following receipt thereof) and files it in the appropriate binder. Following the end of each quarter, the General Manager, Assistant General Manager and Administrative Assistant meet with the District's outside bookkeepers to review the current quarterly Balance Sheet and Profit and Loss Statements, discuss any issues with the reconciliations or payroll, review capital improvement projects in process, and so forth. Explanations are provided as needed.

On a quarterly basis, the "budget to actual" Profit and Loss ("P&L") Statement and Balance Sheet are prepared by the bookkeeper and reviewed by the General Manager, Assistant General Manager and BCPUD's Certified Public Accountant. If approved by the General Manager and CPA, the packet is then presented to the Board for review.

### Finance Committee

Meetings of the Board's Finance Committee are ~~held each month~~ at least once each month during the budget season from January through June of each calendar year, generally on the second Tuesday of the month. Committee meetings are held on an "as-needed" basis otherwise during the year. The Finance Committee consists of two members of the Board of Directors; the General Manager and Assistant General Manager attend all Finance Committee meetings. The General Manager sends the Finance Committee any information that is required at the meeting and is prepared to field questions in advance as well as during the meeting.

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A quarterly budget-to-actual P&L is presented at the regularly scheduled Board meeting following the close of each quarter. At a minimum, the Board package includes the P&L, Balance Sheet, and Cash Flow Projection. The Board's Finance Committee members and/or General Manager highlight important financial information at the Board meeting. Board members are given an opportunity to ask further questions of the Board's Finance Committee members or General Manager regarding the financial statements as well as the District's overall financial status at all Board meetings.

The Assistant General Manager keeps minutes of the Finance Committee meetings and presents the minutes for approval by the Finance Committee or the Board of Directors at the next regularly scheduled meeting, as applicable.

### Annual Audit

Each year, a CPA firm of record conducts an audit of the data that goes into the Financial Statements and verifies the accuracy of the Financial Statements. -The

District's auditors are O'Connor & Company, Certified Public Accountants. -The audit usually begins in early fall and every effort is made to complete it before the end of the calendar year. -The General Manager prepares documentation for the annual audit with support from the Assistant General Manager, the Administrative Assistant, the District's outside bookkeeper and the District's CPA. -The auditor's firm issues a report on the audit as well as recommendations for improvement, if applicable.

## Bank and County of Marin Accounts

BCPUD currently has nine (9) accounts:

- Bank of Marin Checking (13109). BCPUD disburses most funds out of this operating account. All cash receipts are deposited in this account. The cash balance is monitored regularly.
- County of Marin General Fund 8046 (13100). BCPUD receives all of the annual service charges collected and its share of the County's property tax proceeds into this account. -These funds are transferred to the Bank of Marin Checking account (13109) for disbursement or to the County of Marin Designated Fund 8005 (13106), as the case may be, per the approved district budget.
- County of Marin Investment 8004 ~~-(11110)-~~
- County of Marin Designated 8005 ~~-(13106)-~~
- County of Marin Sewer Bonds 8048- (S12603)-
- County of Marin SDW Loan Repayment 8047 ~~-(13111)-~~
- County of Marin FEMA Reimbursement 8750 ~~-(13112)-~~
- California Bank and Trust (13115)-
- Local Agency Investment Fund (13116)-

## Transfers between Accounts

Bank transfers are approved in writing by the General Manager in a memorandum to the Assistant General Manager ~~Administrative Assistant~~ and processed by the Assistant General Manager or the Administrative Assistant.

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## Bank and County Statements

Bank statements are provided by the Bank of Marin, California Bank and Trust, the Local Agency Investment Fund and the County of Marin on a monthly basis. The Administrative Assistant forwards these statements to the District's outside bookkeeper and CPA. The bookkeeper reconciles each bank and County of Marin statement on a monthly basis and presents them to the Administrative Assistant, usually via e-mail, who ~~then promptly~~ presents them to the General Manager for review and approval. The reconciliations are also provided to the CPA on a quarterly basis. Bank and County statements with the reconciliations are filed by the Administrative Assistant in appropriate 3-ring binders on a monthly basis and are kept in a locked cabinet or safe.

## Budget Development and Analysis

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In December of each year, the General Manager develops a proposed budget schedule for the upcoming budget season for approval by the Board of Directors at the December regular Board meeting. In January, the General Manager (with assistance from the Assistant General Manager) prepares a draft annual budget for the upcoming fiscal year for submission to the Finance Committee and Board of Directors. Typically, the initial draft annual budget will start with assumptions regarding inflation, wage increases, defined benefit plan pension contributions, and health care costs, and is then followed by a historical analysis of actual results. The General Manager (with assistance from the Assistant General Manager) also updates and incorporates capital improvement projects identified in the district's Five-Year Capital Improvement Plan, confers with the District's Chief Operator about planned or desired capital improvement or other infrastructure improvement projects and identifies probable costs therefore for inclusion in the draft budget.

In January and at least monthly thereafter until the budget hearing at the regular June meeting of the Board of Directors (and, as needed, until the budget adoption at the regular July meeting of the Board of Directors), the Finance Committee holds its first budget review meeting with the General Manager and Assistant General Manager. At this meeting, the Finance Committee reviews the updated Five-Year Capital Improvement Plan, as well as updated Status of Debt and Status of Reserves spreadsheets prepared by the General Manager, and an initial draft budget and identifies key issues for discussion and further development by the General Manager and Assistant General Manager. Throughout the next three months (February, March and April), the Finance Committee, General Manager and Assistant General Manager refine the proposed budget and report on the process at each regular monthly meeting of the Board of Directors.

If the proposed budget will necessitate an increase to any of the District's annual service charges (i.e., water, sewer or septic/drainage), the General Manager will prepare a notice to property owners pursuant to Proposition 218 for approval by the Finance Committee and Board of Directors. The Administrative Assistant will timely mail the notice to all property owners within the District as required by law.

Each year the Board of Directors conducts a public hearing on the budget at its regularly scheduled meeting in June. Any changes to the budget approved by the Board of Directors during the public hearing are then incorporated into the final budget and the final budget is adopted at the Board's regularly scheduled meeting in July.

Following the Board of Directors' adoption of the budget at the July meeting, the Administrative Assistant will enter it into QuickBooks, by no later than August 31st of the new fiscal year.

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From time to time during the fiscal year, the Board approves expenditures which were not budgeted. This typically arises in the case of emergency repairs or equipment

replacements or urgent distribution system projects. In such cases, the Board will approve the proposed expenditure only at a duly noticed public meeting and will also identify the source of revenue to fund the expenditure (most likely from one of the district's reserve funds). The Board then will direct the General Manager to prepare a memorandum documenting the expenditure and source of funds and will further direct the General Manager to complete any necessary transfer of funds between accounts within sixty (60) days of the date of Board approval therefore.

## Accounting Policies

### Financial Statements

At the District's fiscal year end, adjustments are made to the District's financial statements by the District's outside bookkeeper and CPA so that the financial statements adhere to generally accepted accounting principles (GAAP). GAAP statements are accrual basis statements. These are the statements that are audited and reported in the information returns. The policies below refer to the GAAP statements.

### Revenue

Utility Payments. Please see the Water Use Customer Payments and Customer Billing sections of this manual for an explanation of the District's receipt and processing of utility payments.

Annual Service Charges. Annual water, sewer, and septic/drainage service charges generally are placed on each customer's property tax bill and collected by the County of Marin via the parcel tax assessment process. (As explained in the Customer Billing section above, there are a small number of property tax-exempt customers whom the District bills directly for these charges.) The Administrative Assistant and the Assistant General Manager review the County of Marin parcel tax assessments annually to confirm that all water, sewer and septic/drainage annual charges are correctly assessed. Any changes in annual service charges and/or property ownership changes are reported to the County of Marin via the tax assessment process. The annual service charge proceeds are received by the District in its County General Fund 8046 (13100) on or about December 10 (approximately 55%), April 10 (approximately 40%) and in June (remaining 5%) of each year. Per the written direction of the General Manager, the Administrative Assistant then transfers these funds out of the County General Fund and deposits them into either the County Designated Fund 8005 (13106) or the Bank of Marin operating account (13109) in accordance with direction provided in writing by the General Manager.

Property Taxes. As a special district, the District receives a percentage share of the property taxes collected by the County of Marin for water and sewer on the same basis and schedule as the annual service charges. These funds are included in those

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transferred out of the County General Fund (13100) and into either the County Designated Fund 8005 (13106) or the Bank of Marin operating account (13109).

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**Loan/Grant Revenue.** From time to time, the District receives loan or grant funding to implement projects. In the case of loan funding, such funds typically are disbursed pursuant to a loan funding agreement and related documentation between the District and the lender (usually a state or federal agency) whereby the District receives the funds subject to a collateralized commitment to repay the amount loaned on a set schedule. The loaned funds are deposited into the Bank of Marin operating account (13109) when received and then expended as necessary to pay for the approved project in accordance with the terms and conditions of the loan. Thereafter, the District services the debt by timely making the loan repayments from its Bank of Marin operating account and/or via a fiscal agent, if required by the terms of the loan. In the case of grant funding, such funds are not subject to a repayment obligation. Grant funds similarly are deposited into and expended from the District's Bank of Marin operating account in accordance with the terms and conditions of the grant.

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### ***Property and Equipment***

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Property and equipment are recorded at cost, less accumulated depreciation. Depreciation expenses are computed using the straight-line method over the estimated useful lives of the related assets which are generally from three (3) to forty (40) years.

BCPUD assesses potential impairment to its long-lived assets when there is evidence that events or changes in circumstances have made full recovery of the asset's carrying value unlikely. An impairment loss would be recognized when the sum of the expected future undiscounted net cash flows is less than the carrying amount of the asset. Should impairment exist, the impairment loss would be measured based on the excess of the carrying amount of the asset of the asset's fair market value.

BCPUD capitalizes property and equipment with original cost of \$2,000 or more with useful lives over one (1) year. BCPUD conducts a physical inventory of its fixed assets every other year, prior to December 31 of each odd-numbered year.

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Capital expenditures related to site or customer work are booked to Construction in Progress (CIP). In general, the District pays for its projects from the Bank of Marin operating account (13109), supplemented by transfers from its reserves as may be approved by the Board (usually during the budget process). Once a CIP project is approved, the project is given a QuickBooks account number and all expenditures (and reimbursements) are booked into this account. The District's General Manager, Assistant General Manager and the District's outside bookkeeper and CPA review the CIP projects and individual capital asset accounts on a quarterly basis and determine whether or not an asset should remain in CIP, transfer to its specific asset class, or be reclassified as an expense. The District's capital asset schedule is then updated, tied to the general ledger and depreciation will begin accumulating.

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### ***Restricted Fund Activity***

The District maintains two restricted fund accounts with the County of Marin for the purpose of repaying outstanding loans. As expenses that fulfill the time or purpose restriction related to fund are incurred, net assets are released from restriction.

### **Insurance**

BCPUD maintains the following insurance coverage: general liability insurance, property and auto insurance, [cyber security insurance](#), workers' compensation insurance, and medical, dental, and life insurance for eligible employees. All coverage is carried by the Association of California Water Agencies/Joint Powers Insurance Authority ("ACWA/JPIA") and its reinsurers. The District is a member of ACWA/JPIA and its policies renew annually at adjusted premium costs established by ACWA/JPIA and/or its providers (i.e., Kaiser Permanente for medical services and Delta Dental for dental services).

#### ***Liability Insurance***

ACWA/JPIA provides a self-insured liability program which affords each member limits of \$60 million per occurrence for auto and general liability coverage. The program protects member agencies against third-party claims for bodily injury, property damage, errors and omissions, personal injury and employment practices.

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#### ***Property Insurance***

ACWA/JPIA provides a self-insured property program, which offers each member Special Form Property Coverage, including coverage for buildings (replacement cost), personal property (replacement cost), fixed equipment (replacement cost), mobile equipment (actual cash value), and licensed vehicles (actual cash value). Boiler and machinery coverage is also included, and provides coverage for sudden and accidental damage to mechanical, electrical and pressure equipment. Crime coverage and Terrorism coverage are also included.

#### ***Workers' Compensation***

ACWA/JPIA provides a self-insured Workers' Compensation Program that covers bodily injury by accident or bodily injury by disease, including death, of employees arising out of and in the course of employment. An experience modification factor is calculated for every member agency regardless of size; it reflects the District's loss experience in comparison with other employers in the same classifications.

#### ***Medical Insurance***

The District (through its membership in ACWA/JPIA) provides its employees with comprehensive medical coverage, subject to certain co-payment requirements. The full

premium cost for full-time employees and their legal dependents, if any, is paid by the District (and is paid on a pro-rata basis for part-time employees who are eligible for such coverage).

#### ***Dental Insurance***

The District (through its membership in ACWA/JPIA) also provides its employees with dental insurance and the full premium cost for enrolled employees is paid by the District.

#### ***Life Insurance***

The District (also through its membership in ACWA/JPIA) provides life insurance to its employees and the full premium cost of enrolled employees is paid by the District. Employees may purchase additional life insurance at their own expense.

#### **Defined Benefit Pension Plan**

BCPUD's defined benefit pension plan, the Miscellaneous Plan of 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. Active BCPUD plan members are required to contribute a percentage of their annual compensation as established by CalPERS. BCPUD is required to contribute the actuarially determined remaining amounts necessary to fund the benefits for its members, as well as an "unfunded liability" monthly payment in an amount established by CalPERS.

Employee contribution amounts are generated using the CalPERS website. Both Employee and District contribution amounts are reflected on all contributing District employees' bi-weekly paychecks. Percentages are checked by the Administrative Assistant when payroll is input using the Paychex online system. After each payroll, the Administrative Assistant submits the bi-weekly figures to the CalPERS online reporting system, and submits payment of the employee and District contributions via the CalPERS website; the District's unfunded liability payment is submitted monthly, also via the CalPERS website.

#### **Deferred Compensation Plan**

BCPUD provides a deferred compensation plan according to Internal Revenue Code Section 457 (the "Plan"), known as MissionSquare Retirement (the Plan). The Plan is available to all District employees and permits the deferral of a portion of the participating employees' salaries. If an employee elects to participate, the District will contribute 3.5% of the employee's gross payroll on a bi-weekly basis. The participating employee must then contribute any amount they wish, up to the Plan's current annual cap of \$23,000 (2024). If an employee elects to not participate in the Plan, then the District will add an additional 1.5% onto their gross payroll. Deferred amounts may not be withdrawn until termination, retirement, death or unforeseeable emergency per the

Commented [BW12]: 2025 cap needed



terms of the Plan. BCPUD has an obligation to ensure that the Plan's funds are prudently managed and invested.

Employee contribution amounts are generated using the Plan's website. Both Employee and Employer contribution amounts are reflected on all contributing employees' bi-weekly paychecks. Amounts are checked by the Administrative Assistant when payroll is input using the Paychex online system. After each payroll, the Administrative Assistant submits the bi-weekly contributions to the Plan's online reporting system and submits payment via ACH from the District's Bank of Marin account (13109).