

RICHARDSON'S BAY REGIONAL AGENCY
FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REPORT
YEARS ENDED JUNE 30, 2019 AND 2018

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Richardson's Bay Regional Agency

We have audited the accompanying financial statements of the Richardson's Bay Regional Agency (the Agency) as of and for the years ended June 30, 2019 and 2018, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Agency as of June 30, 2019 and 2018, and the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Agency's basic financial statements. The budgetary comparison schedules and the notes to the supplemental information are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Maher Accountancy

May 6, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Management's Discussion and Analysis provides an overview of the Agency's financial activities for the fiscal years ended June 30, 2019, and 2018. Please read it along with the Agency's financial statements, which begin on page 8.

FINANCIAL HIGHLIGHTS

The Agency's net position increased by \$89,000 from 2018 to 2019. Total revenues increased \$138,000 and total expenses increased by \$6,000 in 2019 as compared to 2018.

A budgetary comparison schedule is included in the supplemental information section. That schedule indicates that in 2018-2019 revenues were \$128,833 less than budgeted, and expenses were \$123,307 less than budgeted. In fiscal year 2017-18's revenues were less than budgeted by \$98,240 and expenses less than budgeted by \$89,137.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Agency's basic financial statements. The Agency's basic financial statements comprise two components: (1) government-wide financial statements and (2) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

The government-wide financial statements are designed to provide readers with a broad overview of the Agency's finances, similar to a private-sector business.

The Statement of Net Position information on all of the Agency's assets and liabilities, with the difference between assets and liabilities reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Agency is improving or deteriorating.

The Statement of Revenues and Expenses presents information showing how the Agency's net income or loss changed during the fiscal year. All changes in net position are recognized at the date the underlying event that gives rise to the change occurs, regardless of the timing of the related cash flows.

The Statement of Cash Flows present information about the Agency's cash receipts, cash payments and net changes in cash resulting from operations, investing, and financing activities. This statement shows the source and uses of cash, as well as the change in the cash balances during fiscal year.

The Agency is a single-purpose entity that has elected to account for its activity as an enterprise fund type under governmental accounting standards. Accordingly, the Agency presents only government-wide financial statements

MANAGEMENT'S DISCUSSION AND ANALYSIS

Changes in the Agency's net position were as follows:

	<u>2017</u>	<u>2018</u>	<u>2019</u>	Increase (decrease) (2019-2018)
Cash	\$ 64,513	\$ -	\$ 39,279	\$ 39,279
Receivables	13,078	153,913	197,632	43,719
Prepaid expenses	3,746	3,756	3,857	101
Capital assets, net	<u>32,889</u>	<u>23,734</u>	<u>18,525</u>	<u>(5,209)</u>
Total assets	114,226	181,403	259,293	77,890
Current liabilities	<u>29,321</u>	<u>138,680</u>	<u>127,305</u>	<u>(11,375)</u>
Investment in capital assets	32,889	23,734	18,525	(5,209)
Unrestricted	<u>52,016</u>	<u>18,989</u>	<u>113,463</u>	<u>94,474</u>
Total net position	<u><u>\$ 84,905</u></u>	<u><u>\$ 42,723</u></u>	<u><u>\$ 131,988</u></u>	<u><u>\$ 89,265</u></u>

The Agency experienced fluctuations in its cash balance year over year largely as a result of the timing difference between incurring reimbursable type expenses and receiving funds from the associated Department of Boating and Waterways (DBW) grant. At the end of 2017-18, the Agency reported zero available cash. Funds were expended on vessel abatement in advance of reimbursement from the DBW grant. As funding was received from the DBW grant and member contributions, cash was replenished, and the related liability was eliminated. In 2018-19, the Agency received \$100,000 from the County of Marin to assist with a one-time mooring feasibility study. These funds are recorded as a liability at the end of the year as the costs that will be covered by the funds had not yet occurred.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Changes in the Agency's revenues were as follows:

	<u>2017</u>	<u>2018</u>	<u>2019</u>	Increase (decrease) (2019-2018)
Operating revenues:				
State of California contracts	\$ 212,209	\$ 166,035	\$ 217,351	\$ 51,316
County of Marin grant	63,521	-	-	-
Slip rentals and moorings	11,389	6,135	5,330	(805)
Sales and services	10,424	15,586	30,920	15,334
Total operating revenues	<u>297,543</u>	<u>187,756</u>	<u>253,601</u>	<u>65,845</u>
Nonoperating revenues:				
Agency member contributions	282,101	345,997	415,196	69,199
Interest income	666	1,804	4,266	2,462
Total nonoperating revenues	<u>282,767</u>	<u>347,801</u>	<u>419,462</u>	<u>71,661</u>
Total revenues	<u>\$ 580,310</u>	<u>\$ 535,557</u>	<u>\$ 673,063</u>	<u>\$ 137,506</u>

The Agency receives revenue from the California Department of Boating and Waterways (DBW) to fund the disposition of derelict vessels in the Bay. This revenue is a reimbursable grant and funding is dependent on the timing the Agency performs certain tasks, such as disposing of derelict vessels.

The increase in agency member contributions agrees to the planned increase outlined in the budget. The budget increase was in anticipation of additional legal, planning and enforcement costs related to a revision in Agency enforcement priorities for vessels in the bay.

During 2016-17 the Agency received a one-time grant from the County of Marin.

MANAGEMENT’S DISCUSSION AND ANALYSIS

Changes in Agency’s expenses and net position were as follows:

	<u>2017</u>	<u>2018</u>	<u>2019</u>	Increase (decrease) (2019-2018)
Operating expenses:				
Operating and security	\$ 417,793	\$ 349,191	\$ 392,596	\$ 43,405
Maintenance	9,996	8,076	18,418	10,342
Administration and general	176,348	220,472	172,784	(47,688)
Total expenses	<u>604,137</u>	<u>577,739</u>	<u>583,798</u>	6,059
Revenues	<u>580,310</u>	<u>535,557</u>	<u>673,063</u>	137,506
Increase in net position	<u>\$ (23,827)</u>	<u>\$ (42,182)</u>	<u>\$ 89,265</u>	<u>\$ 131,447</u>

In conjunction with revenue increases in our State contract, salvaging expenses have increased, which accounts for most of the increase in operating and security. Administrative and general expenses during 2019 were less than in 2018 due primarily to a credit received in 2019 for legal fees charged to the Agency in 2018 that were subsequently assumed by the County of Marin.

THE FUTURE OF THE AGENCY

The RBRA’s focus in 2019-20 has been the completion of a marine ecology-based feasibility, planning study to inform about safe and health mooring locations and equipment/technique, as well as overall capacity and accessing the shore, adoption of Ordinance No. 19-1 updating definitions and requirements for vessels to be on the bay and establishments of enforcement priorities to encompass all unoccupied vessels and time limits on new vessels entering the bay.

Additionally, RBRA is developing a transition plan for meeting its goals of a safe, healthy, and well-managed bay, as well as addressing expectations of RBRA conveyed by the Bay Conservation and Development Commission (BCDC) in December 2019. These expectations encompass initiating action to cause the removal of certain categories of vessels BCDC has determined to pose greater risks, as well as transmittal of a plan that will result in the removal of remaining vessels in a reasonable period of time. This state agency’s timeline for initiating actions and transmitting a plan is March 31, 2020.

RBRA has had continued success with grants from the Surrendered and Abandoned Vessel Exchange Program (SAVE) through the State of California Division of Boating & Waterways. In December 2019, RBRA was awarded a \$250,000 SAVE grant, which is valid through September 2021. In August 2019, RBRA was awarded a \$150,000 Marine Debris Removal grant from the National Oceanic & Atmospheric Administration (NOAA), which is valid through July 2021.

MANAGEMENT'S DISCUSSION AND ANALYSIS

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the Agency's finances and to demonstrate the Agency's accountability for the funds under its stewardship.

Please address any questions about this report or requests for additional financial information to the address on our letterhead.

Respectfully submitted,

Beth Pollard

Beth Pollard, Executive Director

FINANCIAL STATEMENTS

RICHARDSON'S BAY REGIONAL AGENCY
STATEMENTS OF NET POSITION
JUNE 30, 2019 AND 2018

ASSETS	<u>2019</u>	<u>2018</u>
Current assets:		
Cash and pooled investments	\$ 39,279	\$ -
Receivables:		
State of California	196,636	144,249
County of Marin	-	9,664
Miscellaneous	996	-
Prepaid insurance	3,857	3,756
Total current assets	<u>240,768</u>	<u>157,669</u>
Capital assets, net of depreciation	<u>18,525</u>	<u>23,734</u>
Total assets	<u>259,293</u>	<u>181,403</u>
 LIABILITIES		
Current liabilities:		
Due to County pooled investment fund	-	96,321
Accounts payable	12,845	25,122
Grant received in advance	100,000	-
Accrued compensated absences	14,460	17,237
Total current liabilities	<u>127,305</u>	<u>138,680</u>
 NET POSITION		
Investment in capital assets	18,525	23,734
Unrestricted	113,463	18,989
Total net position	<u>\$ 131,988</u>	<u>\$ 42,723</u>

**RICHARDSON'S BAY REGIONAL AGENCY
STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2019 AND 2018**

	2019	2018
OPERATING REVENUES:		
State of California contracts	\$ 217,351	\$ 166,035
Harbor:		
Slip rentals and moorings	5,330	6,135
Services and miscellaneous	30,920	15,586
Total operating revenues	253,601	187,756
OPERATING EXPENSES:		
Operating and security	392,596	349,191
Maintenance	18,418	8,076
Administration and general	172,784	220,472
Total operating expense	583,798	577,739
Income (loss) from operations	(330,197)	(389,983)
NONOPERATING REVENUES		
Agency member contributions	415,196	345,997
Interest income	4,266	1,804
Net nonoperating revenues	419,462	347,801
CHANGE IN NET POSITION	89,265	(42,182)
Net position at beginning of the year	42,723	84,905
Net position at end of the year	\$ 131,988	\$ 42,723

**RICHARDSON'S BAY REGIONAL AGENCY
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2019 AND 2018**

	<u>2019</u>	<u>2018</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
State of California contract	\$ 164,964	\$ 21,786
County of Marin grant	109,664	-
Slip rentals and moorings	5,330	6,135
Sales and services	29,924	19,000
Operating and security	(415,286)	(326,998)
Maintenance	(18,418)	(8,076)
Administration and general	<u>(160,040)</u>	<u>(220,482)</u>
Net cash provided by (used for) operating activities	(283,862)	(508,635)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Cash received from agency members	415,196	345,997
Advanced from County pooled investment fund	-	96,321
Repayment to County pooled investment fund	<u>(96,321)</u>	<u>-</u>
Net cash provided by noncapital financing activities	318,875	442,318
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest income	<u>4,266</u>	<u>1,804</u>
Net increase (decrease) in cash and cash equivalents	39,279	(64,513)
Cash and cash equivalents at beginning of year	<u>-</u>	<u>64,513</u>
Cash and cash equivalents at end of year	<u><u>\$ 39,279</u></u>	<u><u>\$ -</u></u>

**RICHARDSON'S BAY REGIONAL AGENCY
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2019 AND 2018
(continued)**

RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	2019	2018
	<u> </u>	<u> </u>
Income (loss) from operations	\$ (330,197)	\$ (389,983)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation, an expense not requiring the use of cash	5,209	9,155
(Increase) decrease in operating accounts receivable	(43,719)	(140,835)
(Increase) decrease in prepaid expenses	(101)	(10)
Increase (decrease) in operating accounts payable	(12,277)	12,203
Increase (decrease) in grants received in advance	100,000	-
Increase (decrease) in accrued compensated absences	(2,777)	835
	<u> </u>	<u> </u>
Net cash provided by (used for) operating activities	<u>\$ (283,862)</u>	<u>\$ (508,635)</u>

**RICHARDSON'S BAY REGIONAL AGENCY
NOTES TO SUPPLEMENTARY INFORMATION
YEARS ENDED JUNE 30, 2019 AND 2018**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

REPORTING ENTITY

The Richardson's Bay Regional Agency (the Agency) is a separate governmental unit organized on July 16, 1985, by a joint powers agreement and later revised by an agreement dated July 21, 2018. The Agency's purpose is to maintain and implement those provisions of the Richardson's Bay Special Area Plan relative to mooring, dredging and navigational channel implementation, including but not limited to, the establishment and enforcement of permitted anchorage zones.

Agency members included the County of Marin, Tiburon, Belvedere and Mill Valley. The members funded the agency as follows:

<u>Members</u>	<u>Year ended June 30, 2019</u>		<u>Year ended June 30, 2018</u>	
	<u>Funding %</u>	<u>Contribution</u>	<u>Funding %</u>	<u>Contribution</u>
County of Marin	65.4%	\$ 271,538	65.4%	\$ 226,282
Tiburon	15.4%	63,940	15.4%	53,283
Belvedere	11.5%	47,748	11.5%	39,790
Mill Valley	7.7%	31,970	7.7%	26,642
Total	<u>100.0%</u>	<u>\$ 415,196</u>	<u>100.0%</u>	<u>\$ 345,997</u>

The Agency is governed by a four-person board. The Board is comprised of a County Supervisor and three City Council members. The Board elects from its members a Chairman and Vice Chairman, who serve two-year terms.

INTRODUCTION

The Agency's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

**RICHARDSON'S BAY REGIONAL AGENCY
NOTES TO SUPPLEMENTARY INFORMATION
YEARS ENDED JUNE 30, 2019 AND 2018**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

BASIS OF ACCOUNTING

The Agency's operations are accounted for as a governmental enterprise fund. Generally accepted accounting principles require that enterprise funds use the accrual basis of accounting – similar to business enterprises. Accordingly, revenues are recognized when they are earned and expenses are recognized at the time liabilities are incurred.

The Agency distinguishes between operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with an entity's principal ongoing operation. The principal operating revenues of the Agency relate to mooring, dredging and navigational channel implementation activities. Operating expenses include the cost of services, administrative expenses and depreciation on capital assets. Any revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

FINANCIAL STATEMENT AMOUNTS

Cash and cash equivalents:

For purposes of the statement of cash flows, the Agency has defined cash and cash equivalents to include cash on hand and demand deposits, if any, and short-term investments with fiscal agent (County of Marin).

Capital assets:

Capital assets owned by the Agency are recorded at cost, or if received in-kind, at estimated fair market value on the date received. The cost of normal repairs and maintenance are recorded as expenses. Improvements that add to the value or extend the life of assets are capitalized. Assets capitalized have an original cost of \$2,500 or more, and over one year of estimated useful life.

Depreciation expense is calculated using the straight-line method over estimated useful lives of ten years for boats and related equipment.

**RICHARDSON'S BAY REGIONAL AGENCY
NOTES TO SUPPLEMENTARY INFORMATION
YEARS ENDED JUNE 30, 2019 AND 2018**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenues:

Grants received for operating purposes, or which may be utilized for either operations or capital expenditures at the discretion of the recipient, are recognized as operating revenues. Resources restricted for the acquisition or construction of capital assets are recorded as non-operating revenue.

Salaries and Benefits:

The Agency's Harbor Administrator is an employee of the County of Marin and participates in the Marin County Employees' Retirement Association (MCERA). Pension information for this employee is included in the County's financial statements. The Agency reimburses the County for salary and benefits paid for the Administrator.

Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Management estimates that the salary and related benefits of the Harbor Administrator are allocable in the following manner: 50% to operating and security, 2% to maintenance, and 48% to administration and general.

2. CASH

The Agency maintains all of its cash in the County of Marin pooled investment fund to increase interest earnings through pooled investment activities. Interest earned on the investment pool is allocated quarterly to the participating funds using the daily cash balance of each fund. This pool, which is available for use by all funds, is displayed in the financial statements as "Cash and pooled investments."

The County Pool includes both voluntary and involuntary participation from external entities. The District is a voluntary participant. The State of California statutes require certain special districts and other governmental entities to maintain their cash surplus with the County Treasurer. The District has approved by resolution, the investment policy of the County of Marin which complies with the California Government Code.

The County's investment pool is not registered with the Securities and Exchange Commission as an investment company. The pool has a credit rating of "AAA/V1." Investments made by the Treasurer are regulated by the California Government Code and by the County's investment policy. The objectives of the policy are in order of priority, safety, liquidity, yield, and public trust.

**RICHARDSON'S BAY REGIONAL AGENCY
NOTES TO SUPPLEMENTARY INFORMATION
YEARS ENDED JUNE 30, 2019 AND 2018**

2. CASH (continued)

The County has established a treasury oversight committee to monitor and review the management of public funds maintained in the investment pool in accordance with Article 6 Section 27131 of the California Government Code. The oversight committee and the Board of Supervisors review and approve the investment policy annually. The County Treasurer prepares and submits a comprehensive investment report to the members of the oversight committee and the investment pool participants every month. The report covers the types of investments in the pool, maturity dates, par value, actual costs and fair value.

FAIR VALUE MEASUREMENT

The District categorized its fair value measurements within the fair value hierarchy established by general accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. As of June 30, 2019, The District held no individual investments. All funds are invested in the Marin County Investment Pool.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The District's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

Deposits and withdrawals from the County Pool are made on the basis of \$1 and not fair value. Accordingly, the Districts' proportionate share of investments in the County Pool at June 30, 2019 of \$39,279 is an uncategorized input not defined as a Level 1, Level 2, or Level 3 input. The Marin County Investment Pool invests substantially all its funds in U.S. government obligations and registered money market funds rated 'AAAmmf' by Fitch Ratings or equivalent.

INTEREST RATE RISK

In accordance with its investment policy, the County manages its exposure to declines in fair values by limiting the weighted average maturity of its investment pool to 540 days, or 1.5 years. At June 30, 2019, the County's investment pool had a weighted average maturity of 218 days.

For purposes of computing weighted average maturity, the maturity date of variable rate notes is the length of time until the next reset date rather than the stated maturity date.

**RICHARDSON'S BAY REGIONAL AGENCY
NOTES TO SUPPLEMENTARY INFORMATION
YEARS ENDED JUNE 30, 2019 AND 2018**

2. CASH (continued)

CREDIT RISK

State law and the County's Investment Policy limits investments in commercial paper, corporate bonds, and medium term notes to the rating of "A" or higher as provided by Moody's Investors Service or Standard & Poor's Corporation. The County's Investment Policy limits investments purchased by Financial Institution Investment Accounts, a type of mutual fund, to United States Treasury and Agency obligations with a credit quality rating of "AAA."

CONCENTRATION OF CREDIT RISK

The following is a summary of the concentration of credit risk by investment type as a percentage of each pool's fair value at June 30, 2019:

Investments in Investment Pool	Percent of Portfolio
Federal Agency - discount	76%
Federal Agency - coupon	23%
Money market funds	1%
	100%

CUSTODIAL CREDIT RISK

For investments and deposits held with safekeeping agents, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or deposits that are in the possession of an outside party. At year end, the County's investment pool had no securities exposed to custodial credit risk.

LOCAL AGENCY INVESTMENT FUND

The County Treasurer's Pool maintains an investment in the State of California Local Agency Investment Fund (LAIF), managed by the State Treasurer. This fund is not registered with the Securities and Exchange Commission as an investment company, but is required to invest according to California State Code. Participants in the pool include voluntary and involuntary participants, such as special districts and school districts for which there are legal provisions regarding their investments. The Local Investment Advisor Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State statute.

**RICHARDSON'S BAY REGIONAL AGENCY
NOTES TO SUPPLEMENTARY INFORMATION
YEARS ENDED JUNE 30, 2019 AND 2018**

3. CAPITAL ASSETS

The following is a summary of changes in capital assets:

	<u>Patrol Boat & Trailers</u>	<u>Pump out Vessel</u>	<u>Accumulated Depreciation</u>	<u>Net</u>
Balances as of June 30, 2017	\$ 105,472	\$ 56,133	\$ (128,716)	\$ 32,889
Additions	<u>-</u>	<u>-</u>	<u>(9,155)</u>	<u>(9,155)</u>
Balances as of June 30, 2018	105,472	56,133	(137,871)	23,734
Additions	<u>-</u>	<u>-</u>	<u>(5,209)</u>	<u>(5,209)</u>
Balances as of June 30, 2019	<u>\$ 105,472</u>	<u>\$ 56,133</u>	<u>\$ (143,080)</u>	<u>\$ 18,525</u>

4. RISK MANAGEMENT

The Agency is exposed to various risks of loss related to torts, bodily and personal injury, property damage, errors and omissions, and non-owned auto coverage for which the Agency carries commercial insurance. The Agency also maintains watercraft insurance, and related protection and indemnity insurance. Additional coverage is provided by the County for injuries to employees.

Each Agency member is responsible for its pro-rata share of any court-imposed liability, using the joint powers' agreement cost-sharing formula.

5. RELATED PARTY TRANSACTIONS

The Agency's staff are employees of the County of Marin (a member of the Agency). The costs incurred by the Agency to the County were approximately \$238,000 and \$249,000 for 2018-19 and 2017-18, respectively.

SUPPLEMENTARY INFORMATION

**RICHARDSON'S BAY REGIONAL AGENCY
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2019**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Positive (Negative)
REVENUES				
Interest pooled investments	\$ 900	\$ 900	\$ 4,266	\$ 3,366
Slip rentals	7,000	7,000	5,330	(1,670)
Other sales & services	6,000	6,000	30,920	24,920
Intergovernmental revenues - state	202,800	202,800	194,585	(8,215)
Intergovernmental revenues - local	415,196	415,196	415,196	-
County of Marin grant		100,000	-	(100,000)
State - supplemental	70,000	70,000	22,766	(47,234)
Total revenues	<u>701,896</u>	<u>801,896</u>	<u>673,063</u>	<u>(128,833)</u>
EXPENDITURES				
Professional services	638,096	638,096	498,952	139,144
Insurance premiums	17,000	17,000	15,328	1,672
Communication	2,400	2,400	2,375	25
Rental and operating leases	32,000	32,000	44,034	(12,034)
Professional development	600	600	790	(190)
Travel and meetings	1,500	1,500	678	822
Publication	1,200	1,200	-	1,200
Office expenses	400	400	376	24
Maintenance & repair of equipment	8,000	8,000	15,218	(7,218)
Oil and gas	700	700	838	(138)
Total expenditures	<u>701,896</u>	<u>701,896</u>	<u>578,589</u>	<u>123,307</u>
Excess of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ 100,000</u>	<u>\$ 94,474</u>	<u>\$ (5,526)</u>

**RICHARDSON'S BAY REGIONAL AGENCY
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2018**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES				
Interest pooled investments	\$ 300	\$ 300	\$ 1,804	\$ 1,504
Slip rentals	7,000	7,000	6,135	(865)
Other sales & services	6,000	6,000	15,586	9,586
Intergovernmental revenues - state	202,800	202,800	144,248	(58,552)
Intergovernmental revenues - local	345,997	345,997	345,997	-
State - supplemental	-	71,700	21,787	(49,913)
Total revenues	<u>562,097</u>	<u>633,797</u>	<u>535,557</u>	<u>(98,240)</u>
EXPENDITURES				
Professional services	522,771	594,471	515,063	79,408
Insurance premiums	17,000	17,000	15,013	1,987
Communication	2,400	2,400	2,256	144
Rental and operating leases	32,000	32,000	28,518	3,482
Professional development	600	600	1,095	(495)
Travel and meetings	1,100	1,100	306	794
Publication	1,200	1,200	109	1,091
Office expenses	350	350	595	(245)
Maintenance & repair of equipment	8,000	8,000	4,600	3,400
Oil and gas	600	600	1,029	(429)
Total expenditures	<u>586,021</u>	<u>657,721</u>	<u>568,584</u>	<u>89,137</u>
Excess of revenues over (under) expenditures	<u>\$ (23,924)</u>	<u>\$ (23,924)</u>	<u>\$ (33,027)</u>	<u>\$ (9,103)</u>

**RICHARDSON'S BAY REGIONAL AGENCY
NOTES TO SUPPLEMENTARY INFORMATION
YEARS ENDED JUNE 30, 2019 & 2018**

1. BUDGETARY BASIS OF PRESENTATION

The budget included in these financial statements represents the original budget and amendments approved by the Board of Directors. The budgetary basis is on the modified accrual basis. Various reclassifications have been made to the actual amounts to conform to classifications included in the budget approved by the Board of Directors. Additionally, various reclassifications have been made to the budget amounts to conform to the Agency's accounting records.

2. BUDGET RECONCILIATION TO STATEMENT OF REVENUES AND EXPENSES

The following reconciles the actual amount listed on the budgetary comparison schedule to the statement of revenues and expenses:

	<u>2019</u>	<u>2018</u>
Excess of revenues over (under) expenditures	\$ 94,474	\$ (33,027)
Depreciation expense	<u>(5,209)</u>	<u>(9,155)</u>
Change in net position	<u>\$ 89,265</u>	<u>\$ (42,182)</u>