



## RICHARDSON BAY SANITARY DISTRICT

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August 16, 2017

Marin County Superior Court  
P.O. Box 4988  
San Rafael, CA 94913-4988

Attention: Judge Kelly V. Simmons

Subject: Grand Jury Report: The Budget Squeeze: How Will Marin Fund Its Public Employee Pensions?

Dear Honorable Judge Kelly V. Simmons,

Please be advised that the Richardson Bay Sanitary District is in receipt of your email dated, July 6, 2017, explaining that there was a clerical error, which missed sending us the email/letter on time.

The Board of Directors of the Richardson Bay Sanitary District would like to thank the Marin County Grand Jury for providing a comprehensive report on a subject of interest and concern to us, pension plans.

In response to the Findings and Recommendations contained in the Grand Jury Report, the Richardson Bay Sanitary District (RBSD) was asked to respond to recommendations R3, R4 and R8.

As to each recommendation, RBSD finds that the recommendations will not be implemented because it is not warranted or is not reasonable. An explanation and current practices are set forth below.

R3. RBSD publishes budgets annually. Pension information is available in the annual audited financial statements as well as the Comprehensive Sewer Rate Study dated June 2016. All financial information is posted on RBSD's website.

R4. RBSD audited financial statements going back to 2012 are available on RBSD's website, and RBSD will continue to publish its audits on its website as the years progress. Anyone wishing to view previous years' audits may request these public documents via email, written or oral request.

R8. The Grand Jury in the findings of their won report stated that public agencies like RBSD, which are members of CalPERS; do not have the ability to create a new defined

contribution or hybrid type plan without incurring significant immediate liabilities for a frozen or terminating plan. Without state wide legislative action to allow the creation of new defined contribution or hybrid plans, it would be futile to discuss these options. In addition, without state wide provision of such plans, RBSD would be at a significant disadvantage in recruiting future staff if it is competing with other agencies which continue to offer traditional defined benefit pension plans while it has a defined contribution or hybrid plan. After the passage of PEPRA, all agencies were on equal footing in recruiting new employees since they were required to offer similar level of benefits.

The Richardson Bay Board of Directors applauds and thanks the Grand Jury for their report and analysis.

Sincerely,



Jeff Slavitz  
Board President