

**SQUIRE CANYON COMMUNITY SERVICES DISTRICT**

1 Squire Road, San Luis Obispo, California 93401

(805) 835-3163

[www.squirecanyonsd.com](http://www.squirecanyonsd.com)

**AGENDA FOR BOARD OF DIRECTORS MEETING**

**Tuesday, July 11, 2023, 7:30 PM**

Avila Beach Community Services District Office, 100 San Luis Street, Avila Beach, California

**PUBLIC MAY PARTICIPATE IN THIS MEETING VIA TELECONFERENCE AND/OR ELECTRONICALLY.**

**ZOOM MEETING:** <https://us02web.zoom.us/j/8347246822>

**Meeting ID: 834 724 6822      Password: No Password Required**

**BY PHONE: 1-408-638-0968      Meeting ID: 834 724 6822**

**1. CALL TO ORDER:**

**2. ROLL CALL:**

<b>Board Members</b>	<b>Staff</b>
Steve Fiant, President	Brad Hagemann, GM
Fernando Campos, Director	Chase Martin, Legal Counsel
Elizabeth Cziraki, Director	
Zack Scott, Director	

**3. Consider Appointment of Mr. Mike Callahan to fill the Vacant Director Position  
If appointed, have Mr. Callahan take the Oath of Office**

**4. ANNOUNCEMENT OF CLOSED SESSION ITEM  
A. Public Comment on closed session item**

**B. CONFERENCE WITH LEGAL COUNSEL PURSUANT TO GOVERNMENT  
CODE §54956.9(d)(1):**

Existing Litigation - Nielsen v. Squire Canyon CSD

**C. Return to open session and announcement regarding action taken if any.**

**5. PUBLIC COMMENT:**

Any member of the public may address the Board relating to any matter within the Board of Director's jurisdiction, provided that the matter is NOT on the Board's Agenda. Presentations are limited to three (3) minutes or otherwise at the discretion of the Board President. Please note that pursuant to the Brown Act, the Board of Directors can only take action on those items specifically listed on the Agenda.

5. **CONSENT ITEMS:**

These items are approved with one motion. Directors may briefly discuss any item, or may pull any item, which is then added to the business agenda.

- A. Approval of Minutes for April 5, 2023 Regular Board Meeting
- B. Review and Approval of Warrant Register
- C. Financial Report

6. **MANAGER'S REPORT:** Oral Report

7. **BUSINESS ITEMS:**

- A. **Resolution No. 2023-02:** Adopting fiscal year 2023/2024 Assessment rates and authorizing the special assessment for road maintenance and improvements within the District. **Board Action Required.**
- B. **Fiscal Year 2023/2024 Budget:** Consider adoption of the FY 2023/24 District Budget. **Board Action Required.**
- C. **Road Repair and Maintenance:** Status Report on Repair and Maintenance Projects and Board Consideration of New Projects. Consider approval of proposal from Greenvale to trim trees and vegetation encroaching on District roads. **Possible board action.**

8. **DIRECTOR/MANAGER COMMENTS:** This is the time for introduction of any items that the Directors may wish to consider for the next meeting or to ask questions of staff.

9. **ADJOURNMENT**

The next Board meeting will be held on Tuesday, October 11th, 2023, at 7:30 pm at the Avila Beach Community Services District office, 100 San Luis Street, Avila Beach, California.

Certificate of Appointment and Oath of Office

I, Brad Hagemann, General Manager of the Squire Canyon Community Services District, County of San Luis Obispo, State of California, do hereby certify that at a Regular Meeting of said Board of Directors held at 100 San Luis Street, Avila Beach, CA in said county on the 11<sup>th</sup> day of July, 2023, Mr. Mike Callahan was appointed to the office of Director, Squire Canyon Community Services District. Term of office to expire December 2024, as appears by the official records of the Squire Canyon Community Services District.

IN WITNESS THEREOF, I have hereunto affixed my hand on this 11<sup>th</sup> day of July, 2023.

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Brad Hagemann  
General Manager

OATH OF OFFICE

I, Mike Callahan, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States and the Constitution of the State of California against all enemies, foreign and domestic; that I will bear true faith and allegiance to the Constitution of the United States and the Constitution of the State of California; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will faithfully discharge the duties upon which I am about to enter.

Director, Squire Canyon Community Services District, for a Term Expiring December 2024.

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Candidate Signature

Subscribed and sworn before me this 11<sup>th</sup> day of July, 2023

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Brad Hagemann, General Manager

**Squire Canyon Community Services District**  
**Board of Directors**  
**1 Squire Canyon**  
**San Luis Obispo, CA 93401**  
**(805) 227-6392**  
[www.squirecanyoncsd.com](http://www.squirecanyoncsd.com)

**April 4, 2023 Regular Meeting Minutes**

**Please Note:** The Board meets quarterly. It is the policy of the District to post draft minutes to our web site prior to the next Board Meeting to provide information regarding issues and decisions made. **\*\*If you would like to have your copy of the agenda sent electronically (via email), please contact the District General Manager, Brad Hagemann at [hagemann.associates@gmail.com](mailto:hagemann.associates@gmail.com) and request to be added to the electronic distribution list.**

These Minutes are in draft form and subject to Board approval at their next meeting.

**1. Call to Order:** President Fiant called the meeting to order at 7:35 PM.

**2. Roll Call: Board Members present:** President Fiant, Director Cziraki, Director Campos, and Director Scott

**Board members absent:** None. One Director position vacant

**Staff present:** Brad Hagemann, General Manager. Chase Martin, District Counsel

**3. Announcement of Closed Session:** No public comments on the Closed Session Item.

The Board returned to open session at approximately 8:05 PM.  
The Board took no reportable action on the Closed Session Item.

**4. Public Comments:** No public comments.

**5. Consent Items:**

- A. Approval of Minutes for the January 3, 2023, Regular Board meeting.
- B. Review and Approval of Warrant Register
- C. Financial Report

After some Board discussion and an opportunity for public comment, **President Fiant moved to approve the consent agenda, Director Scott seconded and motion carried unanimously 4-0.**

**6. Manager's Report:** GM Hagemann noted that the Board needs to continue to search for a community member to serve on the Board of Directors.

**7. Business Items:**

**A. Public Hearing and Second Reading of Ordinance No. 2023-01, an Ordinance amending and restating Chapter 3 of the District Code and Resolution No. 2023-01:** The Board opened the public hearing for comment on the draft Ordinance. No public comments were provided. The Board closed the public hearing. Director Fiant made a motion to adopt Ordinance No. 2023-01 and Resolution No. 2023-01, amending

and restating Chapter 3 of the District Code. Director Cziraki seconded the motion, and the motion passed 4-0 with one vacancy.

**B. Road Repair and Maintenance:** The Directors discussed several potential repair projects, but took no formal action to approve any new projects due to budget considerations.

**C. Assessment Rates for FY 23/24:** The Board directed the GM to prepare the FY 23/24 Budget assuming the typical 2% annual increase.

**8. Director Comments:** The Directors agreed to work on recruiting a District member to fill the existing vacancy. Hagemann reminded the Directors to complete their Form 700 for 2022, by the end of March.

**Adjourn**

There being no further business, the meeting was adjourned at 9:50 PM.

The next regular meeting of the Squire Canyon Community Services District will be held on Tuesday July 1, 2023, at 7:30 PM.

APPROVED AS TO FORM:

\_\_\_\_\_  
Steve Fiant  
President, Board of Directors  
Squire Canyon Community Services District

Respectfully submitted,

\_\_\_\_\_  
Brad Hagemann  
General Manager/Secretary

**Squire Canyon Community Services District**  
**Warrant Register-Checking**  
 April 5 through July 11, 2023

Date	Num	Name	Memo	Credit
<b>1000 · Cash Summary</b>				
<b>1004 · Checking-Heritage Oaks</b>				
04/28/2023			Service Charge	2.00
05/09/2023	887	Hayward Construction	Invoice dated April 14, 2023, Lg tree removal Squ Can Rd; grading work	4,200.00
05/09/2023	888	Adam, Moroski, M, C & Green, LLP	Inv # 60900	300.00
05/09/2023	889	Streamline Inc	Inv 5F2A06C4-0002 Annual Web Hosting Services SCCSD	504.00
05/31/2023			Service Charge	2.00
06/30/2023			Service Charge	2.00
07/11/2023	890	Adam, Moroski, M, C & Green, LLP	Inv # 61351	150.00
07/11/2023	891	SLO County Clerk Recorder	Nov. 8 2022 Election Charges - NO ELECTION	319.60
07/11/2023	892	SLOACTTC	LAFCO 2023-24	97.54
07/11/2023	893	SDRMA	Liability - Member # 7103 FY 2023_24 Inv #74081	3,473.75
07/11/2023	894	Hagemann and Associates	GM Services, April, May, June 2023; Inv # 1218	1,750.00
Total 1004 · Checking-Heritage Oaks				10,800.89
Total 1000 · Cash Summary				10,800.89
<b>TOTAL</b>				<b>10,800.89</b>

Squire Canyon Community Services District  
**Balance Sheet**  
As of July 11, 2023

	Jul 11, 23
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
1000 · Cash Summary	
1004 · Checking-Heritage Oaks	1,105.81
1005 · Savings-Heritage Oaks	37,869.87
Total 1000 · Cash Summary	38,975.68
Total Checking/Savings	38,975.68
Total Current Assets	38,975.68
<b>TOTAL ASSETS</b>	<b>38,975.68</b>
<b>LIABILITIES &amp; EQUITY</b>	
Equity	
3000 · Opening Balance Equity	38,686.94
3200 · Retained Earnings	6,079.63
Net Income	-5,790.89
Total Equity	38,975.68
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>38,975.68</b>

# Squire Canyon Community Services District Balance Sheet by Class

As of July 11, 2023

	1-ZONE 1, INDIAN KNOB	2-ZONE 2, SQUIRE CANYON	3-ZONE 3, ADMINISTRATIVE	Unclassified	TOTAL
<b>ASSETS</b>					
Current Assets					
Checking/Savings					
1000 · Cash Summary	21,745.75	703.43	-22,097.34	753.97	1,105.81
1004 · Checking-Heritage Oaks	-18,827.86	57,867.29	-1,169.56	0.00	37,869.87
1005 · Savings-Heritage Oaks					
Total 1000 · Cash Summary	2,917.89	58,570.72	-23,266.90	753.97	38,975.68
Total Checking/Savings	2,917.89	58,570.72	-23,266.90	753.97	38,975.68
Total Current Assets	2,917.89	58,570.72	-23,266.90	753.97	38,975.68
<b>TOTAL ASSETS</b>	<b>2,917.89</b>	<b>58,570.72</b>	<b>-23,266.90</b>	<b>753.97</b>	<b>38,975.68</b>
<b>LIABILITIES &amp; EQUITY</b>					
Equity					
3000 · Opening Balance Equity	13,582.35	14,714.19	10,390.40	0.00	38,686.94
3200 · Retained Earnings	-625.14	57,324.54	-51,373.74	0.00	5,325.66
Net Income	0.00	0.00	-5,790.89	0.00	-5,790.89
Total Equity	12,957.21	72,038.73	-46,774.23	0.00	36,221.71
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>12,957.21</b>	<b>72,038.73</b>	<b>-46,774.23</b>	<b>0.00</b>	<b>38,221.71</b>
<b>UNBALANCED CLASSES</b>	-10,039.32	-13,468.01	23,507.33	753.97	-753.97



# Squire Canyon Community Services District Income & Expenditures

April 5 through July 11, 2023

	1-ZONE 1, INDIAN KNOB	2-ZONE 2, SQUIRE CANYON	3-ZONE 3, ADMINISTRATIVE	TOTAL
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
4000 · Income Summary				
4001 · Assessments Collected	4,257.06	4,602.23	2,646.29	11,505.58
4005 · Interest Income	0.00	0.00	4.80	4.80
<b>Total 4000 · Income Summary</b>	<b>4,257.06</b>	<b>4,602.23</b>	<b>2,651.09</b>	<b>11,510.38</b>
<b>Total Income</b>	<b>4,257.06</b>	<b>4,602.23</b>	<b>2,651.09</b>	<b>11,510.38</b>
<b>Expense</b>				
5000 · Administrative Overhead				
5002 · Bank Service Charges	0.00	0.00	12.00	12.00
5004 · Election Costs	0.00	0.00	319.60	319.60
5005 · Insurance	0.00	0.00	3,473.75	3,473.75
5010 · LAFCO Dues	0.00	0.00	97.54	97.54
5030 · Professional Fees	0.00	0.00	450.00	450.00
5030.03 · Legal Services	0.00	0.00	1,750.00	1,750.00
5030.04 · Management				
<b>Total 5030 · Professional Fees</b>	<b>0.00</b>	<b>0.00</b>	<b>2,200.00</b>	<b>2,200.00</b>
5035 · Web Site Expense	0.00	0.00	504.00	504.00
<b>Total 5000 · Administrative Overhead</b>	<b>0.00</b>	<b>0.00</b>	<b>6,606.89</b>	<b>6,606.89</b>
5500 · Road Repair & Maintenance	1,000.00	3,200.00	0.00	4,200.00
<b>Total Expense</b>	<b>1,000.00</b>	<b>3,200.00</b>	<b>6,606.89</b>	<b>10,806.89</b>
<b>Net Ordinary Income</b>	<b>3,257.06</b>	<b>1,402.23</b>	<b>-3,955.80</b>	<b>703.49</b>
<b>Net Income</b>	<b>3,257.06</b>	<b>1,402.23</b>	<b>-3,955.80</b>	<b>703.49</b>

**RESOLUTION No. 2023-02**  
**A RESOLUTION OF THE BOARD OF DIRECTORS**  
**OF THE SQUIRE CANYON COMMUNITY SERVICES DISTRICT**  
**TO CONFIRM THE 2023-2024 FISCAL YEAR SPECIAL ASSESSMENT FOR**  
**ROAD MAINTENANCE WITHIN THE DISTRICT AND DIRECTING STAFF**  
**TO FORWARD THE SPECIAL ASSESSMENT TO THE COUNTY AUDITOR**  
**FOR COLLECTION**

**WHEREAS**, the Squire Canyon Community Services District (“District”) became effective February 27, 1981 by election and Resolution of the Board of Supervisors of the County of San Luis Obispo, and under the authority of the Cortese-Knox-Hertzberg Local Reorganization Act of 2000 (Government Code § 56000 et seq.); and

**WHEREAS**, by said Resolution and the resulting election, the Squire Canyon Community Services District, pursuant to Government Code §61100(l) is authorized to exercise the following services:

Acquire, construct, improve, and maintain streets, roads, rights-of-way, bridges, culverts, drains, curbs, gutters, sidewalks, and any incidental works. A district shall not acquire, construct, improve or maintain any work owned by another public agency unless that public agency gives its written consent; and

**WHEREAS**, the residents within Squire Canyon Community Services District voted to establish a special assessment as part of the above referenced election to finance the services more particularly described in the above Recitals for each parcel upon formation of the District and shortly thereafter created three zones of benefit each with its own assessment, a policy which continues to the present.

**NOW THEREFORE, BE IT RESOLVED, DECLARED, DETERMINED AND ORDERED BY THE BOARD OF DIRECTORS OF THE SQUIRE CANYON COMMUNITY SERVICES DISTRICT AS FOLLOWS:**

1. That the Recitals set forth hereinabove are true, correct and valid.
2. That the Squire Canyon Community Services District Board of Directors hereby confirms and imposes a special tax at the rate of Zone 1(Indian Knob): \$834.44 per parcel, Zone 2: \$471.58 per parcel, and Zone 3: \$108.72 per parcel for Fiscal Year 2023/2024 as identified in Exhibit “A” attached hereto and incorporated herein by this reference.
3. That said special tax shall be collected at the same time and in the same manner as other taxes levied and collected by the County of San Luis Obispo pursuant to Government Code §61115(b).

4. The District to reimburse the County of San Luis Obispo its standard collection costs.

**PASSED AND ADOPTED by the Board of Directors of the Squire Canyon Community Services District this 11th day of July, 2023 by the following vote:**

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSENT: \_\_\_\_\_

**APPROVED:**

\_\_\_\_\_  
Steve Fiant, President  
Board of Directors

**ATTEST:**

\_\_\_\_\_  
Brad Hagemann,  
General Manager/Secretary

### Squire Canyon Community Services District

#### Proposed Assessment Rates for FY 2023-2024

#### Proposed Assessment Rates for FY 2023-2024

Zone 1 APN				Zone 2 APN				Zone 3 APN			
APN	Assessment Rate	General & Admin	Total Assessment	APN	Assessment Rate	General & Admin	Total Assessment	APN	Assessment Rate	General & Admin	Total Assessment
076-271-041	\$ 725.72	\$ 108.72	\$ 834.44	076-271-046	\$ 362.85	\$ 108.72	\$ 471.58	076-271-030	\$ 108.72		\$ 108.72
076-271-042	\$ 725.72	\$ 108.72	\$ 834.44	076-272-010	\$ 362.85	\$ 108.72	\$ 471.58	076-271-031	\$ 108.72		\$ 108.72
076-272-022	\$ 725.72	\$ 108.72	\$ 834.44	076-272-014	\$ 362.85	\$ 108.72	\$ 471.58	076-271-043	\$ 108.72		\$ 108.72
076-272-030	\$ 725.72	\$ 108.72	\$ 834.44	076-272-024	\$ 362.85	\$ 108.72	\$ 471.58	076-271-047	\$ 108.72		\$ 108.72
076-272-034	\$ 725.72	\$ 108.72	\$ 834.44	076-272-025	\$ 362.85	\$ 108.72	\$ 471.58	076-271-048	\$ 108.72		\$ 108.72
076-272-035	\$ 725.72	\$ 108.72	\$ 834.44	076-272-038	\$ 362.85	\$ 108.72	\$ 471.58	076-271-049	\$ 108.72		\$ 108.72
076-272-041	\$ 725.72	\$ 108.72	\$ 834.44	076-272-039	\$ 362.85	\$ 108.72	\$ 471.58	076-271-050	\$ 108.72		\$ 108.72
076-272-042	\$ 725.72	\$ 108.72	\$ 834.44	076-272-040	\$ 362.85	\$ 108.72	\$ 471.58	076-271-051	\$ 108.72		\$ 108.72
076-272-055	\$ 725.72	\$ 108.72	\$ 834.44	076-272-046	\$ 362.85	\$ 108.72	\$ 471.58	076-271-052	\$ 108.72		\$ 108.72
076-272-056	\$ 725.72	\$ 108.72	\$ 834.44	076-272-047	\$ 362.85	\$ 108.72	\$ 471.58	076-271-053	\$ 108.72		\$ 108.72
076-272-070	\$ 725.72	\$ 108.72	\$ 834.44	076-272-054	\$ 362.85	\$ 108.72	\$ 471.58	076-271-054	\$ 108.72		\$ 108.72
076-272-073	\$ 725.72	\$ 108.72	\$ 834.44	076-272-066	\$ 362.85	\$ 108.72	\$ 471.58	076-271-055	\$ 108.72		\$ 108.72
076-272-074	\$ 725.72	\$ 108.72	\$ 834.44	076-272-067	\$ 362.85	\$ 108.72	\$ 471.58	076-274-006	\$ 108.72		\$ 108.72
076-272-077	\$ 725.72	\$ 108.72	\$ 834.44	076-272-072	\$ 362.85	\$ 108.72	\$ 471.58	076-274-011	\$ 108.72		\$ 108.72
076-272-078	\$ 725.72	\$ 108.72	\$ 834.44	076-272-079	\$ 362.85	\$ 108.72	\$ 471.58	076-274-012	\$ 108.72		\$ 108.72
076-273-004	\$ 725.72	\$ 108.72	\$ 834.44	076-272-080	\$ 362.85	\$ 108.72	\$ 471.58	076-274-013	\$ 108.72		\$ 108.72
076-273-009	\$ 725.72	\$ 108.72	\$ 834.44	076-272-081	\$ 362.85	\$ 108.72	\$ 471.58	076-274-017	\$ 108.72		\$ 108.72
076-273-013	\$ 725.72	\$ 108.72	\$ 834.44	076-272-082	\$ 362.85	\$ 108.72	\$ 471.58	076-274-018	\$ 108.72		\$ 108.72
076-273-029	\$ 725.72	\$ 108.72	\$ 834.44	076-273-001	\$ 362.85	\$ 108.72	\$ 471.58	076-273-020	\$ 108.72		\$ 108.72
				076-273-002	\$ 362.85	\$ 108.72	\$ 471.58				
				076-273-007	\$ 362.85	\$ 108.72	\$ 471.58				
				076-273-011	\$ 362.85	\$ 108.72	\$ 471.58				
				076-273-012	\$ 362.85	\$ 108.72	\$ 471.58				
				076-273-014	\$ 362.85	\$ 108.72	\$ 471.58				
				076-273-017	\$ 362.85	\$ 108.72	\$ 471.58				
				076-273-018	\$ 362.85	\$ 108.72	\$ 471.58				
				076-273-019	\$ 362.85	\$ 108.72	\$ 471.58				
				076-273-021	\$ 362.85	\$ 108.72	\$ 471.58				
				076-273-022	\$ 362.85	\$ 108.72	\$ 471.58				
				076-273-024	\$ 362.85	\$ 108.72	\$ 471.58				
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				076-273-026	\$ 362.85	\$ 108.72	\$ 471.58				
				076-273-027	\$ 362.85	\$ 108.72	\$ 471.58				
				076-274-002	\$ 362.85	\$ 108.72	\$ 471.58				
				076-274-003	\$ 362.85	\$ 108.72	\$ 471.58				
				076-274-004	\$ 362.85	\$ 108.72	\$ 471.58				
				076-274-005	\$ 362.85	\$ 108.72	\$ 471.58				
				076-274-007	\$ 362.85	\$ 108.72	\$ 471.58				
				076-274-008	\$ 362.85	\$ 108.72	\$ 471.58				
				076-274-009	\$ 362.85	\$ 108.72	\$ 471.58				
				076-274-010	\$ 362.85	\$ 108.72	\$ 471.58				
<b>19</b>	<b>Total</b>	<b>\$ 13,788.68</b>	<b>\$ 2,065.71</b>	<b>Total</b>	<b>\$ 14,877.05</b>	<b>\$ 4,457.59</b>	<b>\$ 19,334.63</b>	<b>19</b>	<b>Total</b>	<b>\$ 2,065.71</b>	<b>\$ 2,065.71</b>

Assessments increased 2% from FY 2022/23 rates

Totals for Each Zone	
Zone 1	\$ 15,854.39
Zone 2	\$ 19,334.63
Zone 3	\$ 2,065.71
<b>Total</b>	<b>\$ 37,254.73</b>

41      Total \$ 14,877.05    \$ 4,457.59    \$ 19,334.63

**SQUIRE CANYON COMMUNITY SERVICES DISTRICT  
FISCAL YEAR 2023-2024 BUDGET**

	Total Balance	Indian Knob	Squire Canyon	Administrative	Proposed FY 23/24 Budget
Est. Ending Balance June 30, 2023	\$ 38,000	\$ 3,000	\$ 20,000	\$ 15,000	
<b>REVENUE</b>		Zone 1	Zone 2	Zone 3	
FY 23/24 Assessment Revenue		\$ 13,600	\$ 14,800	\$ 8,500	\$ 36,900
Interest Income					\$ 15
Total Revenue					\$ 36,915
<b>BUDGETED EXPENDITURES</b>					
General Manager					\$ 5,000
Legal					\$ 2,000
LAFCO Membership					\$ 100
CSDA Dues					\$ 200
Auditor					\$ 2,000
Election Fees					\$ 250
Postage					\$ 25
Webmaster & Web Site					\$ 50
Insurance (SDRMA)					\$ 3,475
Office Supplies/Misc					\$ 100
Total Admin Expenses					\$ 13,200
Difference Between Admin Rev and Admin Exp					\$ (4,700)
Total Admin Overhead					\$ 13,200
Professional Services					
FY 23/24 Proposed Repair		\$ 11,000	\$ 11,000		\$ 22,000
Paving Sinking Fund					
Total Expenditures					\$ 35,200
<b>ALLOCATION TO/FROM RESERVES FOR MAJOR REPAIRS</b>					\$ 1,700
Projected Year End Fund Balance	\$ 39,715				

NOTES:



# Greenvale Tree Company

Estimate 16143

## \$4,375.00

Awaiting approval

Approve estimate

Estimate 16143

May 31, 2023

**Bill to**

 Brad Hagemann/ Squire Canyon CSD

 [hagemann.associates@gmail.com](mailto:hagemann.associates@gmail.com)

 1 Squire Canyon Rd San

Luis Obispo, CA, 93401-

8000 805-835-3163

Brad

[Download Estimate PDF](#)

**Description / Qty / Rate**

**Amount**

Raise all trees along the road to 15', clear all trees from sides of road

\$4,375.00

Haul debris

Thank you

Jim

C1234 12.5

0042

June 19, 2023

Mr. Brad Hagemann  
General Manager  
Squire Canyon Community Services District  
1 Squire Canyon Road  
San Luis Obispo, California 93401-8000

Dear Mr. Hagemann,

We sincerely appreciate your patience while the program reinsurers finalized the 2023-24 renewal costs for the SDRMA Property/Liability Program over the past few months. As expected, the program final renewal costs have been impacted by the challenging conditions of the current insurance market.

The initial program renewal estimates were projected to be a 15%-20% increase in early 2023. Since then, the market renewal pricing for public entities are increasing between 35-70% due to global losses, natural disasters, inflation and limited carriers providing coverage within the state of California. The American Property Casualty Insurance Association (APCIA) announced the United States Property & Casualty Insurers are facing the hardest market in a generation with the following Inflation and Financial Results:

- 2022 was the eighth consecutive year where the U.S. suffered at least 10 catastrophes causing over a billion dollars in losses.
- A.M. Best noted auto and homeowners incurred an estimated underwriting loss of \$34.9 billion in 2022, nearly tripling the prior-year level and driving an industry five-year high underwriting loss.
- The price of residential home construction materials have climbed 33.9% since the start of the pandemic, while trade services are up 27 percent.
- The U.S. property casualty insurance industry's policyholder surplus fell 9.4% in 2022, according to A.M. Best, and is likely to be the largest drop since early 2009, according to S&P.

Given these difficult market conditions and challenging renewal terms, in addition to your agency's loss experience, scheduled item changes, budget updates and exposure changes that were reported to SDRMA since July 1, 2022, your agency may see an increase greater than the estimated 15-20%.

Your agency's 2023-24 Property/Liability Program renewal invoice is now available on MemberPlus Online™ as an attachment to this letter. If your agency has an insurance broker for property/liability coverage, you may receive a separate invoice from your broker agency.

Your invoice may include the following adjustments:

- The annual contribution for the Property/Liability Package Program may vary compared to the 2022-23 renewal invoice due to scheduled item changes, updates submitted through the renewal questionnaire, and any optional coverages selected by your agency.
- The Limit of Liability selected by your agency is also indicated on the invoice.
- For members belonging to both SDRMA Property/Liability and Workers' Compensation Programs, a 5% Multi-Program Discount has been deducted from the invoice total.
- Credit Incentive Program (CIP) discounts, if earned, have been applied to your invoice.
- In addition, a \$75 credit has been applied if your agency used MemberPlus Online™ to submit your 2023-24 Renewal Questionnaire by the February 15 deadline.
- No Longevity Distribution is declared for the Property/Liability Program this year.

To ensure accurate and timely processing of your coverages, **please submit payment for the total contribution amount shown on the invoice by July 15, 2023.** If you would like to receive a hard copy invoice, please contact us at [memberplus@sdrma.org](mailto:memberplus@sdrma.org) or 800-537-7790.

Please note that any balance due on **August 15, 2023** will begin to accrue interest charges of 1% per month regardless of any payment arrangements.

From the SDRMA Board of Directors and entire risk management team, we thank you for your continued partnership! If you have any questions, please contact us at [memberplus@sdrma.org](mailto:memberplus@sdrma.org) or 800-537-7790.

Sincerely,  
Special District Risk Management Authority



Brian Kelley  
Chief Executive Officer



June 29, 2023

Mr. Brad Hagemann  
General Manager  
Squire Canyon Community Services District  
1 Squire Canyon Road  
San Luis Obispo, California 93401-8000

RE: 2023-24 Property/Liability Program Deductible Information

Dear Mr. Hagemann,

Each year, SDRMA requires that each member participating in the Property/Liability Program submit a copy of their most recent Report on Internal Controls or Management Letter, prepared by your financial auditor. Request for this information was sent to your agency on December 15, 2022. It included the deadline of January 17, 2023 and advisement that failure to submit a copy of your report will result in a higher deductible being implemented on your Agency's crime coverage. We are writing to inform you about changes affecting your agency's coverage for program year 2023-24 due to the non-submission.

**Deductible Adjustment: *Based upon the District's failure to submit the required documentation, we are implementing a \$15,000.00 deductible for any Employee/Public Officials Dishonesty (Crime) claims with an occurrence date of July 1, 2023 or later.***

If you have any questions, please contact our Member Services Department at [memberplus@sdrma.org](mailto:memberplus@sdrma.org) or 800-537-7790.

Sincerely,  
Special District Risk Management Authority



Brian Kelley, MBA, ARM  
Chief Executive Officer