



NORTH MARIN WATER DISTRICT
AGENDA - REGULAR MEETING
 December 3, 2024 – 4:00 p.m.
 Location: 100 Wood Hollow Dr., Suite 300
 Novato, California

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Item	Subject
	CALL TO ORDER
1.	APPROVE MINUTES FROM REGULAR MEETING , November 5, 2024
2.	GENERAL MANAGER'S REPORT
3.	OPEN TIME: (Please observe a three-minute time limit)
	This section of the agenda is provided so that the public may express comments on any issues not listed on the agenda that are of interest to the public and within the jurisdiction of the North Marin Water District. When comments are made about matters not on the agenda, Board members can ask questions for clarification, respond to statements or questions from members of the public, refer a matter to staff, or direct staff to place a matter of business on a future agenda. The public may also express comments on agenda items at the time of Board consideration.
4.	STAFF/DIRECTORS REPORTS
	ACTION CALENDAR
5.	Approve: Accept FY 23/24 Annual Comprehensive Financial Report and Management Report
6.	Approve: District Legal Counsel Services Compensation Increases
	INFORMATION
7.	FY 2024/25 1 st Quarter Financial Statement
8.	Project Completion Presentation - Arthur Street
9.	Preliminary Board Meeting Calendar for 2025
10.	WAC/TAC Meeting Minutes – August 5, 2024 and TAC Meeting Minutes – October 7, 2024
11.	NBWA Meeting – November 8, 2024
12.	MISCELLANEOUS
	Disbursements – Dated November 7, 2024
	Disbursements – Dated November 14, 2024
	Disbursements – Dated November 21, 2024
	Disbursements – Dated November 27, 2024
	Monthly Progress Report
	Auditor-Controller's Monthly Report of Investments for September 2024
	ACWA Update on Priority Issues
	NOAA Three Month Outlook Precipitation Probability
	NOAA Seasonal Outlook Drought Probability

Item	Subject
	<u>News Articles:</u> Marin IJ – Caltrans set back on work at bridge – WEST MARIN Pt Reyes Light – Caltrans told to scour options before removing redwood tree
	<u>Social Media Posts:</u> NMWD Web and Social Media Report – October 2024

13. ***ADJOURNMENT***

1

DRAFT
NORTH MARIN WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
NOVEMBER 5, 2024

CALL TO ORDER

President Baker called the regular meeting of the Board of Directors of North Marin Water District to order at 4:00 p.m. at the District Headquarters and the agenda was accepted as presented. Present were Directors Jack Baker, Ken Eichstaedt, Rick Fraites, Michael Joly, and Stephen Petterle. Also present were General Manager Tony Williams, District Secretary Eileen Mulliner, Auditor-Controller Julie Blue and AGM/Chief Engineer Eric Miller.

District employees Chris Kehoe, Construction Superintendent, Robert Clark, Operations and Maintenance Superintendent, and Pablo Ramudo, Water Quality Supervisor were also in attendance. Corey Reed, District Engineering Technician, joined the meeting after the call to order.

MINUTES

On motion of Director Joly, seconded by Director Petterle, the Board approved the minutes from the October 15, 2024 meeting by the following vote:

AYES: Director(s) Baker, Eichstaedt, Fraites, Joly and Petterle

NOES: None

ABSENT: None

ABSTAIN: None

GENERAL MANAGER'S REPORT

Tony Williams addressed the Board and said that each Director was provided a copy of Sonoma-Marin Water Savings Partnership's 2023-24 Annual Report that had just recently been completed. He said the annual report is a requirement of the partnership. He noted that the partnership received three awards during the FY23-24 period.

Mr. Williams told the Board that Kiosk put together for the District a West Marin Factsheet. We have not had one prior to this and he said that Kiosk did a nice job on it. He said he can provide a hardcopy to the Directors if they would like one but it is posted on the website as well.

Mr. Williams noted that in the Miscellaneous section of the agenda, the Office of Administrative Law recently approved new urban water use efficiency standards (Making Conservation a California Way of Life). He said he and Ryan Grisso will come back to the Board in early 2025 and present the new regulations in more detail. He said the calculated water budget will change over time, including the gallons per day per person (per capita). He said by 2030, the calculated overall water budget may be lower than the current total usage. He said we will have to collect commercial customer data by June 2027. He also said that the regulation requires that all

1 commercial customers will be required to have dedicated irrigations meters but that we hope to have
2 convert the majority of our commercial customers on an AMI meter. The plan is that our AMI system
3 will provide the necessary data for mixed usage in-lieu of installing dedicated irrigation meters as
4 allowed by the regulation.

5 Director Baker noted that Kiosk reached out to the Board members to conduct interviews
6 related to the strategic plan and said that Claire Garvie was very charming and put them all at ease.
7 Director Petteerle agreed. Director Joly said that she and Camille Milliner are both very smart and
8 personable.

9 **OPEN TIME**

10 President Baker asked if anyone in the audience wished to bring up an item not on the
11 agenda and there was no response.

12 **STAFF/DIRECTORS REPORTS**

13 President Baker asked if there were any staff or director's reports.

14 Director Fraites asked if, for the future, that we move the first Board meeting November to
15 either Monday or Wednesday so we do not have a meeting on election night. Mr. Williams said he
16 will bring a draft Board meeting calendar to the Board in December.

17 Julie Blue mentioned that we had a customer at the last meeting that spoke during open time
18 regarding a high water bill and that he had submitted a bill adjustment request but it was denied
19 because it didn't qualify. She said she has since reviewed his account and said he does not qualify
20 for a leak adjustment based on the home's usage. Ms. Blue said she reached out and informed the
21 customer and told him we have payment plans available and encouraged the customer to sign up
22 for WaterSmart to monitor future use. President Baker thanked her for looking into this.

23 Eric Miller mentioned that, in regards to the Lynwood Pump Station project, that we have not
24 received any formal response from AT&T regarding their interest in selling a site that the District has
25 looked into as a potential site for the new pump station. He said he will return to the Board when he
26 has more information likely not this calendar year. Director Eichstaedt said he has received emails
27 from customers regarding the pump station and he has responded that we haven't eliminated any
28 potential sites and are still looking into all potential sites. He suggested we add to the information on
29 our website that we are looking into additional sites and we may be coming back to the Board in
30 early 2025 and not November or December with more information. Director Joly added that we
31 should note when we will have an update on other sites.

32 Mr. Miller noted that we hope to have occupancy approval by the end of November for the
33 moving back to the new Administration and Lab building. The current plan is to have the December
34 17 meeting in the new building and that everything is trending towards that at this time. Director
35 Petteerle asked for tours for the Directors before then and Mr. Miller said he can arrange that.

1 **CONSENT CALENDAR**

2 On the motion of Director Petterle, and seconded by Director Fraites, the Board approved
3 the Consent Calendar by the following vote:

4 AYES: Director(s) Baker, Eichstaedt, Fraites, Joly, and Petterle

5 NOES: None

6 ABSENT: None

7 ABSTAIN: None

8 **CREST PUMP STATION PROJECT – CONSTRUCTION MANAGEMENT SERVICES CONTRACT**
9 **AMENDMENT**

10 GHD, Inc. was approved by the Board at the September 19, 2023 meeting to perform
11 construction management services for the Crest Pump Station Project. Due to submittal reviews
12 that were out of the original scope of work but necessary to ensure consistence and coordination for
13 the project, staff has proposed a contract amendment to GHD’s agreement for enhanced support
14 through the construction phase which includes pump size analysis and additional construction
15 submittal reviews.

16 **ACTION CALENDAR**

17 **APPROVE: REVISED INTER-AGENCY AGREEMENT FOR RECYCLED WATER BETWEEN**
18 **NOVATO SANITARY DISTRICT AND NORTH MARIN WATER DISTRICT**

19 Tony Williams said the revised inter-agency agreement showed the proposed changes in
20 red. He said the changes include an update to the state permit, clarifications about recycled water
21 production, and many deletions regarding how the treatment and distribution system was going to be
22 built since that was already done and no longer needed to be in the agreement. He noted that
23 Robert Clark and Pablo Ramudo were very involved with the agreement revisions and reviews. He
24 said that the updated version shows changes to Article D, how we set rates, and how Novato
25 Sanitary District bill us. He also said that significant changes were to explain how the Capital
26 Replacement and Expansion Fund is funded via net revenue and how it can be used by each
27 agency. Mr. Williams said that both agency’s legal counsels have reviewed the proposed changes.
28 If the Board approves the changes, Novato Sanitary District will take the agreement to their Board
29 for approval. He thanked the Engineering Department for updates to the exhibits. Director Joly
30 asked Julie Blue about the depreciation rates and she said she is working with Las Gallinas Sanitary
31 District under a similar agreement and is comfortable with them.

32 On the motion of Director Joly, and seconded by Director Fraites, the Board approved the
33 Fourth Revised Inter-Agency Agreement for Recycled Water Between Novato Sanitary District and
34 North Marin Water District by the following vote:

35

1 AYES: Director(s) Baker, Eichstaedt, Fraites, Joly, and Petterle
2 NOES: None
3 ABSENT: None
4 ABSTAIN: None

5 **APPROVE: COST SHARING FOR 2025 URBAN WATER MANAGEMENT PLAN UPDATE**

6 Eric Miller spoke to the Board and said that the California Water Code requires water
7 providers of certain size to submit an Urban Water Management Plan. As done previously, he said
8 that the water contractors are sharing the cost of hiring a consultant to assist with the 2025 plan. He
9 said the EKI Environment and Water is the consultant and the City of Santa Rosa will be the project
10 manager. Director Joly said it was nice that the agencies are sharing the costs.

11 On the motion of Director Joly, and seconded by Director Eichstaedt, the Board approved
12 the Cost Sharing for the 2025 Urban Water Management Plan Update by the following vote:

13 AYES: Director(s) Baker, Eichstaedt, Fraites, Joly, and Petterle
14 NOES: None
15 ABSENT: None
16 ABSTAIN: None

17 **APPROVE: NMWD ADMINISTRATION AND LABORATORY UPGRADE PROJECT –**
18 **CONSTRUCTION MANAGEMENT SERVICES CONTRACT AMENDMENT**

19 Eric Miller said that since the project has gone longer than anticipated, the Construction
20 Manager on the project, Consolidated CM (CCM) has had to spend more hours on necessary tasks
21 including documentation. He said that about half the agreement amendment is ear-marked for
22 mediation with the contractor after completion, should that occur, and the other half for the closeout
23 process. President Baker asked about liquidated damages and Mr. Miller said the contractor is
24 maintaining that none of the delays are their fault and that we are at fault. Director Joly noted the
25 prior amendments have been for delay of the project. Mr. Miller concurred and that CCM has been
26 on site to monitor and document everything that will help determine the cause of various delays.
27 Director Joly also asked about retention. Mr. Miller said that we have been retaining 5% all along
28 and that the contractor will not get paid in full until everything is in order. As part of closeout all
29 delays will be quantified and all associated expenses, such as rents paid for both Wood Hollow and the
30 Buck Center, and noted that it is very likely we will end up in mediation. President Baker asked
31 when the process will begin and Mr. Miller said that we will start the closeout process after we move
32 but that the project won't be completely closed out until probably June or July of 2025.

33 On the motion of Director Joly, and seconded by Director Eichstaedt, the Board approved
34 the NMWD Administration and Laboratory Upgrade Project – Construction Management Services
35 Contract Amendment by the following vote:

1 AYES: Director(s) Baker, Eichstaedt, Fraites, Joly, and Petterle
2 NOES: None
3 ABSENT: None
4 ABSTAIN: None

5 **APPROVE: EMPLOYER ASSISTED HOUSING PROGRAM LOAN REQUEST – PABLO RAMUDO**

6 Julie Blue spoke to the Board and said that Pablo Ramudo, the District’s Water Quality
7 Supervisor, requested a home loan through our Employer Assisted Housing Program. She said that
8 he qualifies for the program and is requesting a \$300,000 loan. She said that currently there is only
9 one other outstanding loan on the books. Director Joly asked if the loan has a fixed rate and Ms.
10 Blue answered that it is a variable rate. He also asked what the duration of the loan is and Ms. Blue
11 said it is to be paid in 15 years or sooner. She also noted that the District will be the second deed of
12 trust. Mr. Ramudo addressed the Board and said that he is grateful for the program and happy to
13 work here. President Baker said that the Board and District have been happy to have him on board.

14 On the motion of Director Fraites, and seconded by Director Joly, the Board approved the
15 Employer Assisted Housing Program Loan Request for Pablo Ramudo by the following vote:

16 AYES: Director(s) Baker, Eichstaedt, Fraites, Joly, and Petterle
17 NOES: None
18 ABSENT: None
19 ABSTAIN: None

20 **INFORMATION ITEMS**
21 **FY 2023/24 END OF YEAR PROGRESS REPORT – OPERATIONS/MAINTENANCE**

22 Robert Clark addressed the Board and went through the end of the year progress report for
23 2023/24 for the Operations and Maintenance Department. He gave a summary of maintenance
24 projects that Operations had worked on during the year. He said there were many projects at the
25 Stafford Treatment Plant related to treatment plant processes as well as older equipment and piping
26 needing maintenance. He said they worked on maintenance projects that were overdue and were
27 caught up on. He said there were 250 routine maintenance tasks completed. Mr. Clark noted that
28 Novato water production had increased by 5.9% compared to last year and that recycled water use
29 was down this year compared to last year, most likely that it wasn’t as hot as well as there was no
30 residential recycled water program. He said that in West Marin, consumption was up by 13% and
31 due to the new Gallagher Well No. 2 being online, the Coast Guard wells were not needed for
32 production. In Oceana Marin (OM) he said that we had a peak day of 115,559 gallons pumped but
33 the system handled it. Mr. Clark said there was a lot of time and effort on the District’s Cross-
34 Connection program and it will likely affect some of our existing policies. He said that we are trying
35 to inspect and test about 25 services a year. It is very time consuming, that anyone has an auxiliary

1 water supply on the property, a backflow device must be installed. Mr. Clark noted that AT&T does
2 not want to cover West Marin anymore regarding copper wire service and that we still have a few in
3 the area. He also mentioned that our Asset Management program is moving along and that we are
4 working on getting more information into the system. He said that most of STP's data is in the
5 system. Director Joly asked about storm damage in West Marin and if there have been any
6 regulatory issues in regards to contamination and Mr. Clark said there were not. He said the OM
7 treatment ponds had been relined and much more resilient now. Director Eichstaedt asked if West
8 Marin's data is in the Asset Management program and Mr. Clark said that it is. Director Eichstaedt
9 also asked about cross connection in West Marin and if we are looking at parcels with wells and Mr.
10 Clark said we are aware of the private wells.

11 **MISCELLANEOUS**

12 The Board received the following miscellaneous items: Disbursements - Dated October 17,
13 24 and 31, 2024, West Marin Water Factsheet, Final Text of "Making Conservation a California Way
14 of Life" Regulation, NOAA Three Month Outlook Precipitation Probability, and NOAA Seasonal
15 Outlook Drought Probability.

16 The Board received the following newspaper articles: Marin IJ – Revamp of span nearing key
17 vote – POINT REYES STATION, Marin IJ – Tribe celebrates land acquisition of Marin coast –
18 GRATON RANCHERIA.

19 **ADJOURNMENT**

20 President Baker adjourned the meeting at 5:02 p.m.

21 Submitted by

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Eileen Mulliner
District Secretary

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MEMORANDUM

To: Board of Directors Date: December 3, 2024
 From: Julie Blue, Auditor/Controller *JB*
 Subject: Accept Fiscal Year 2023/24 (FY24) Annual Comprehensive Financial Report (ACFR) and Management Report

T:\AC\Board Reports\Board Memos\2024\ACFR Board Presentation & Approval FY 23.24\Accept FY 23.24 ACFR Board Memo.docx

RECOMMENDED ACTION: Accept FY24 ACFR and Management Report
FINANCIAL IMPACT: None with this action. Annual audit cost is \$20,725

Audit Summary

Chris Brown of C.J. Brown & Company CPAs will attend the Board meeting to present the Fiscal Year 2023/24 (FY24) Annual Comprehensive Financial Report (ACFR) (Attachment 1) and the Management Report (Attachment 2). His presentation is included as Attachment 3 to this memorandum.

The key statement in the Independent Auditor's Report, found on page 9, states: "In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the North Marin Water District as of June 30, 2024 and 2023, and the changes in net position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America." This unmodified opinion is the most favorable opinion that an outside auditor can issue on an entity's financial statements.

The Management Report (Attachment 2) states that the auditor did not identify any deficiencies in the District's internal control that might result in material misstatement of the District's financial statements. The independent auditor did not have any comments or recommendations regarding internal controls.

Accounting Adjustments

Accounting adjustments were made by staff after submitting the general ledger trial balance to the outside auditor and are disclosed on the last six pages of the Management Report. The number of adjusting entries decreased from the prior fiscal year from 17 down to 11. The significant adjusting entries were posted for pension adjustments related to the Governmental Accounting Standards Board Statement 68 (GASB 68) and other post-employment benefit adjustments (OPEB, GASB 75).

The following changes make up the majority of the adjusting entries:

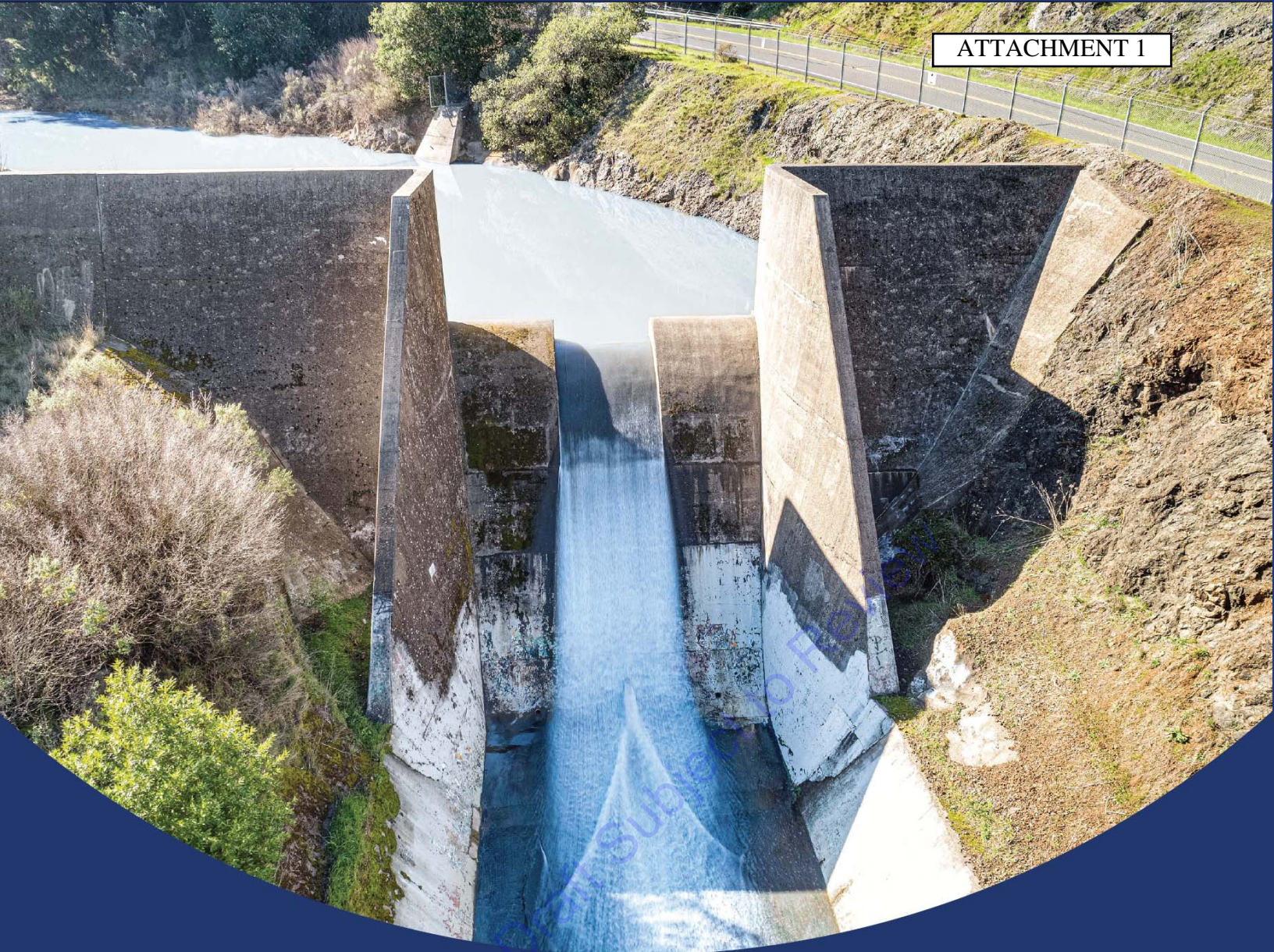
- 1) A GASB 68 adjustment to net pension expense of \$620,382 and an increase in the Pension Liability of \$1,129,625 to \$18,307,785.
- 2) A GASB 75 other post-employment benefits (OPEB) net expense of \$24,891 and a increase in the OPEB Liability of \$582,396 to \$4,869,618.

RECOMMENDATION

Accept Fiscal Year 2023/24 (FY24) Annual Comprehensive Financial Report (ACFR) and Management Report.

ATTACHMENTS:

1. Draft Annual Comprehensive Financial Report FY24 (ACFR)
2. Draft Management Report FY24
3. CJ Brown & Company CPAs Presentation FY24



Annual Comprehensive Financial Report

Novato, California
For the fiscal years ended
June 30, 2024 and 2023



**NORTH MARIN
WATER DISTRICT**



NORTH MARIN WATER DISTRICT

Name	Title	Elected/ Appointed	Current Term
Jack Baker	President	Elected	12/20 – 12/24
Michael Joly	Vice-President	Elected	12/20 – 12/24
Ken Eichstaedt	Director	Appointed	12/22 – 12/24
Rick Fraites	Director	Elected	12/22 – 12/26
Stephen Petterle	Director	Elected	12/20 – 12/24

**Anthony Williams, General Manager
North Marin Water District
999 Rush Creek Place
Novato, California 94945
(415) 897- 4133 – www.nmwd.com**

North Marin Water District
Annual Comprehensive Financial Report
For the Fiscal Years Ended June 30, 2024 and 2023

Working Draft Subject to Review

NORTH MARIN WATER DISTRICT

999 Rush Creek Place
Novato, California 94945

Prepared by:
Finance Department
Julie Blue, Auditor-Controller
Nancy Williamson, Accounting Supervisor
Ling Reilly, Senior Accountant

**North Marin Water District
Annual Comprehensive Financial Report
For the Fiscal Years Ended June 30, 2024 and 2023**

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Introductory Section

Working Draft Subject to Review



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December 3, 2024

To: Members of the Board of Directors and Customers of the North Marin Water District

It is our pleasure to submit the Annual Financial Report for the North Marin Water District (District) for the fiscal years ended June 30, 2024 and 2023, following guidelines set forth by the Governmental Accounting Standards Board. District staff prepared the data incorporated in this financial report. The District is ultimately responsible for both the accuracy of the data and the completeness and fairness of presentation, including all disclosures in this financial report. We believe that the data presented is accurate in all material respects. This report is designed in a manner that the Governmental Accounting Standards Board believes necessary to enhance your understanding of the District's financial position and activities.

Generally Accepted Accounting Principles (GAAP) require that management provide a narrative introduction, overview and analysis to accompany the financial statements in the form of the Management's Discussion and Analysis (MD&A) section. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found on page 12 of this report.

District Structure and Leadership

The District is an independent special district, which operates under the authority of Division 12 of the California Water Code. The District has been providing water service to its customers since 1948. The District is governed by a five-member Board of Directors, with each Director elected from one of five geographical areas from within the District's service area. The General Manager administers the day-to-day operations of the District in accordance with policies and procedures established by the Board of Directors. As of June 30, 2024, the District employed 57 regular employees, plus temporary and seasonal employees as needed based on workload. There were 58 full time positions budgeted, 26 office positions and 32 field positions. The District's Board of Directors generally meets on the first and third Tuesday of each month. Meetings are publicly noticed and customers are encouraged to attend.

District Services

The District provides water service to the greater Novato area and to areas of West Marin (Point Reyes Station, Olema, Bear Valley, Inverness Park and Paradise Ranch Estates). The District provides sewer service to the Oceana Marin subdivision adjacent to the Dillon Beach Village community.

DIRECTORS: JACK BAKER · KEN EICHSTAEDT · RICK FRAITES · MICHAEL JOLY · STEPHEN PETTERLE

OFFICERS: ANTHONY WILLIAMS, General Manager · EILEEN MULLINER, District Secretary · JULIE BLUE, Auditor-Controller · ERIC MILLER, Asst. GM/Chief Engineer

District Services, continued

The District provides water service to over 61,000 residents in the greater Novato area through 20,875 potable water service connections and 101 recycled water connections. The District also provides water service to approximately 1,800 residents in the Point Reyes service area of West Marin County through 797 service connections and sewer service to approximately 500 residents in the Oceana Marin service area of West Marin County through 237 service connections.

Residential customers comprise approximately 90% of the District's customer base and consume approximately 80% of the water produced annually by the District. On average, the District purchases approximately 80% of its Novato water supply from the Sonoma County Water Agency (SCWA) with the balance derived from the District's Stafford Lake Reservoir and some recycled water. The District purchased approximately 1.7 billion gallons of water in fiscal year 2024 and 1.3 billion gallons of water in fiscal year 2023 from SCWA.

Economic Condition, Outlook, and Major Initiatives

The District carries out its Mission with a highly-motivated and competent staff empowered to conduct the District's business that strive to meet or exceed customer needs and expectations. Each day, District employees carry out the mission of providing potable and recycled water and sewer services that are reliable, high-quality, environmentally responsible, and reasonably priced.

The Russian River water delivery system operated by SCWA provides approximately 80% of Novato's water supply. Novato rainfall in fiscal year 2024 totaled 34.5" which was about 129% of the historical average annual rainfall.

North Marin's Stafford Lake water treatment plant produced 409 million gallons of water to supplement Russian River supplies with local water supply during the fiscal year. Recycled water treatment facilities at Novato Sanitary District, Las Gallinas Valley Sanitary District and North Marin's Deer Island treatment facilities combined to provide 182 million gallons of highly treated recycled wastewater to large landscape irrigation customers and commercial car washes in Novato.

A 9.5% rate increase for customers in the Novato service area was authorized by the Board of Directors effective July 1, 2023. The typical Novato detached single-family home uses 78,000 gallons of water a year and costs the customer about \$834 per year. These rates are slightly below the median when compared to 16 other Bay Area water suppliers.

Major Initiatives

The activities of the Board and staff are driven by our mission to provide water and sewer services that are reliable, of high-quality, environmentally responsible, and reasonably priced. To that end, in light of the ever-changing climate, the District's major strategic priorities and initiatives include the following:

1. Increase local control and the long-term reliability of the water supply;
2. Increase communication with customers and ensure quality service;
3. Provide proactive and cost-effective asset management and operations;
4. Retain a high quality, motivated, and efficient workforce with excellent programs and investments in equipment, technology and training;
5. Ensure long-term financial stability, security, and ratepayer value; and
6. Increase preparedness for emergencies as well as long-term challenges such as drought and climate change.

Accomplishments

The District completed the following projects and accomplishments in fiscal year 2023-24 based on the initiatives listed on the previous page:

- Completed the Novato and Recycled Water Rate Study and successfully navigated the Prop 218 process, resulting in Board approval for a three-year schedule of rate increases, which includes pass-through costs from Sonoma Water to ensure funding for sustainable water services;
- Made significant progress on the Administration and Laboratory Upgrade Project with estimated completion in fiscal year 2024-25;
- Successfully converted the Geographic Information System (GIS) to a modern platform improving asset and data mapping capabilities and overall functionality;
- Replacement of 8" cast iron pipe with PVC at Railroad Avenue and Rose Street in Novato;
- Completed Phases 1 and 2 of the Supernatant discharge line to Center Road at the Stafford Treatment Plant (STP);
- Substantial Improvements made to the STP Primary Filter Basin;
- Received grant funding for West Marin projects including \$133,000 for Gallagher Well #2 in Point Reyes and \$241,000 for the Oceana Marin Treatment Pond Rehabilitation Project;
- Received over \$100,000 for Water Conservation grants for purposes including AMI install reimbursement and Water Efficiency Landscape Rebate (Cash for Grass); and
- Completed North Marin Aqueduct Restoration and Improvements near Olompali/Redwood Blvd slide which was a local landslide event caused by severe storms in 2023 and lifted local emergency, declared in previous year.

District Water Supply

Stafford Lake – Local Source Provides approximately 20% of the District's Supply.

Stafford Lake lies four miles west of downtown Novato and collects the runoff from 8.3 square miles of watershed land adjacent to the upper reaches of Novato Creek. The lake has a surface area of 230 acres and holds 4,450 AF (acre-feet) (1,450 MG) of water by virtue of the Stafford Dam which was originally built in 1951 and subsequently raised 9 feet in 1984. Water from Stafford Lake is fed into the 6 million gallons per day (mgd) treatment plant (STP) located just below the dam. In fiscal year 2024 and 2023, 1,255 AF (409 MG) and 1,953 AF (636 MG) respectively, was produced by the Stafford Lake Water Treatment Plant.

Russian River – Provides approximately 80% of the District's Annual Supply.

Russian River water originates from both the Eel River and the Russian River watersheds northeast of the City of Ukiah (Lake Mendocino) and west of Healdsburg (Lake Sonoma). Lake Mendocino's Coyote Dam impounds the Eel River diversions through the Potter Valley Project (PVP) and direct winter runoff from the local watershed. Lake Sonoma's Warm Springs Dam impounds winter runoff from the Dry Creek and Warm Springs watersheds. Lakes Mendocino and Sonoma combined can store 367,500 acre-feet (AF) to meet the regions' water supply needs, which totaled 41,313 acre-feet in fiscal year 2024, which is the most recent data available from SCWA.

District Water Supply, continued

Releases from the lakes flow to a point about 10 miles upstream of Guerneville where SCWA's six deep Ranney Collector wells collect river water that has been filtered through 60 to 90 feet of natural sand and gravel to perforated pipes located at the bottom of each well. The thick layer of sand and gravel through which the water must pass before reaching the intake pipes provides a highly efficient, natural filtration process which, with chlorination treatment, produces a clear, potable, bacteria-free water. This water is then fed directly into the Agency's aqueduct system.

During the fiscal years 2024 and 2023, the District received 5,136 AF (1,674 MG) and 4,033 AF (1,314 MG) respectively, of Russian River water. The District has an agreement in place with the Agency to provide sufficient supply to meet the District's current and future water supply needs. There continues to be competing interests for Russian River water, principally to protect steelhead and salmon listed as threatened species under the Endangered Species Act.

The Biological Opinion (BiOp) for water supply in the Russian River watershed, previously issued by the National Marine Fisheries Service (NMFS) in 2008, established the requirements to preserve, protect and restore the fisheries and maintain the existing Russian River water supplies expired in September 2023. SCWA and its federal partner, the US Army Corps of Engineers submitted a new biological assessment to NMFS and is awaiting issuance of a new BiOp. The District continues to actively support the necessary development of the Russian River water supply and protection of the Russian River fisheries.

Internal Control Structure

District management is responsible for the establishment and maintenance of the internal control structure that ensures the assets of the District are protected from loss, theft or misuse. The internal control structure also ensures that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The District's internal control structure is designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefit likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management.

Budgetary Control

The District Board of Directors annually adopts an operating and capital budget prior to the new fiscal year. The budget authorizes and provides the basis for reporting and control of financial operations and accountability for the District's enterprise operations and capital projects. The budget and reporting applied to the District is consistent with the accrual basis of accounting and the financial statement basis.

Investment Policy

The Board of Directors has adopted an investment policy that conforms to state law, District ordinance and resolutions, prudent money management, and the "prudent person" standard. The objective of the Investment Policy is safety, maturity, and yield. District funds are invested in the State Treasurer's Local Agency Investment Fund, US Treasury notes and time certificates of deposit.

Water Rates and District Revenues

Revenue from user charges generated from District customers supports District operations. Accordingly, water and sewer rates are reviewed annually. Water and sewer rates are user charges imposed on customers for services and are the primary component of the District's revenue. Water rates are comprised of a commodity (water use) charge and a bi-monthly service charge (fixed charge); whereas, sewer rates are comprised exclusively of a fixed charge.

Audit and Financial Reporting

State Law and Bond covenants require the District to obtain an annual audit of its financial statements by an independent Certified Public Accountant. The accounting firm of C.J. Brown & Company, CPAs has conducted the audit of the District’s financial statements. Their unmodified Independent Auditor’s Report appears in the Financial Section.


Awards and Acknowledgements

For the fifteenth consecutive year, the District was awarded the Government Finance Officers Association of the United States and Canada’s (GFOA) Certificate of Achievement for Excellence in Financial Reporting for its 2023 and 2022 Annual Comprehensive Financial Report. To be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. The report must satisfy both generally accepted accounting principles and applicable legal requirements.


A Certificate of Achievement is valid for a period of one year. We believe that this Annual Comprehensive Financial Report meets the Certificate of Achievement Program’s requirements, and we are submitting it to the GFOA to determine its eligibility for 2024.

Preparation of this report was accomplished by the combined efforts of District staff. We appreciate the dedicated efforts and professionalism that these staff members contribute to the District. We would also like to thank the members of the Board of Directors for their continued support in planning and implementation of the North Marin Water District’s fiscal policies.

Respectfully submitted,



Anthony Williams, General Manager

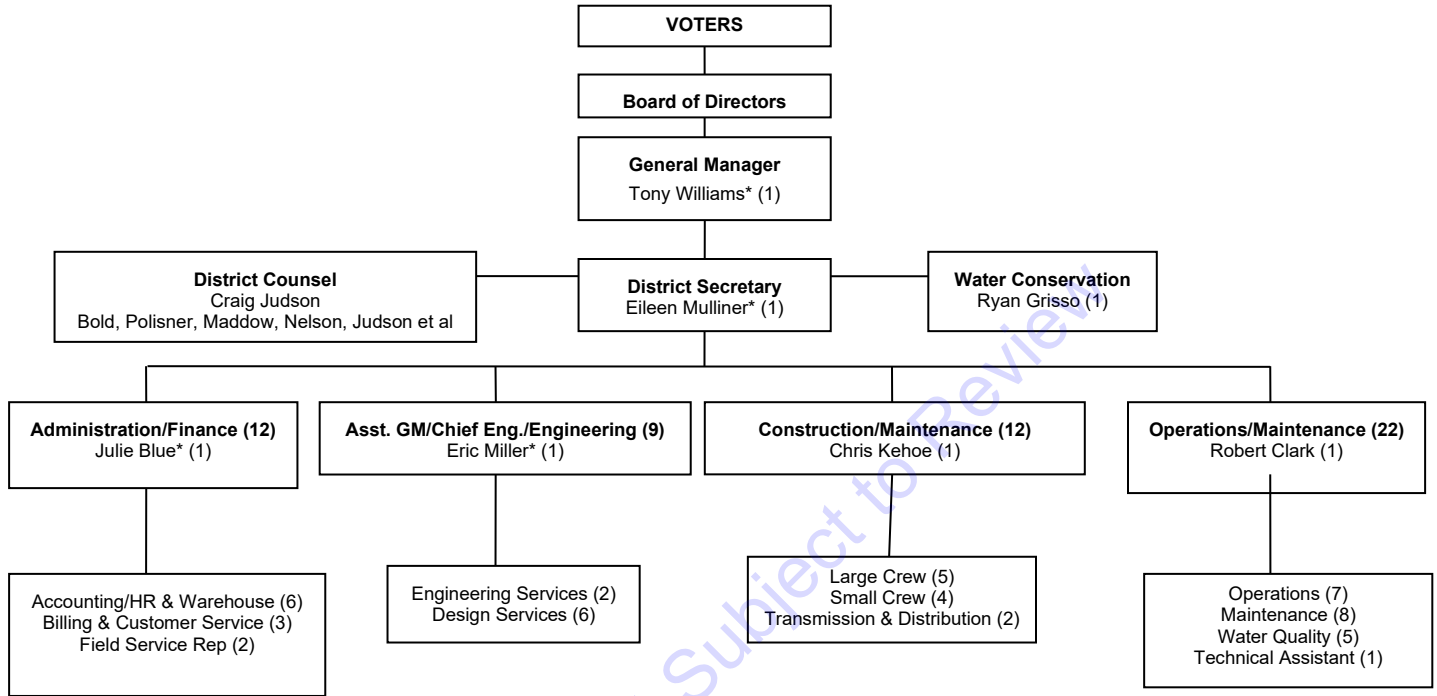


Julie Blue, Auditor-Controller

Working Draft Subject to Review

North Marin Water District Organizational Chart As of June 30, 2024

Budgeted Full Time Employees (FTE): 58



*Also serves as District officer

Working Draft Subject to Review





Government Finance Officers Association

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**North Marin Water District
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morrill

Executive Director/CEO

Financial Section

Working Draft Subject to Review

Independent Auditor's Report

Board of Directors
North Marin Water District
Novato, California

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of the North Marin Water District (District), which comprises the statements of net position as of June 30, 2024 and 2023, and the related statements of revenues, expenses, and changes in net position and cash flows for the years then ended, and the related notes to the financial statements, which collectively comprise the District's basic financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the North Marin Water District as of June 30, 2024 and 2023, and the changes in net position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the State Controller's Minimum Audit Requirements for California Special Districts. Those standards require that we plan and perform our audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Independent Auditor's Report, continued

Auditor's Responsibilities for the Audits of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audits 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits, significant audit findings, and certain internal control–related matters that we identified during the audits.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 12 through 18 and the required supplementary information on pages 61 through 63 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 inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, the basic financial statements, and other knowledge we obtained during our audits 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.

Independent Auditor's Report, continued

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The introductory section on pages 1 through 8, the supplementary information of combining schedules on pages 64 through 67, and the statistical section on pages 68 through 82 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information of combining schedules is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audits of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated December 3, 2024, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance. This report can be found on pages 83 and 84.

C.J. Brown & Company, CPAs
Cypress, California
December 3, 2024

North Marin Water District
Management's Discussion and Analysis
For the Fiscal Years Ended June 30, 2024 and 2023

The following Management's Discussion and Analysis (MD&A) of activities and financial performance of the North Marin Water District (District) provides an introduction to the financial statements of the District for the fiscal years ended June 30, 2024 and 2023. We encourage readers to consider the information presented here in conjunction with the transmittal letter in the Introductory Section and with the basic financial statements and related notes, which follow this section.

Financial Highlights

- In fiscal year 2024, the District's net position increased 3.0% or \$3,822,375 to \$130,043,353 due to net revenue from ongoing operations of \$1,682,701, which includes offsets of \$620,382 and \$107,271 in current year GASB 68 pension and GABS 75 other post-employment benefit adjustments, respectively, and capital contributions of \$2,139,674. In fiscal year 2023, the District's net position increased 5.0% or \$5,964,401 to \$126,220,978 due to net revenue from ongoing operations of \$4,203,106, of which \$3,438,780 sources from current year GASB 68 pension adjustments, and capital contributions of \$1,761,295.
- In fiscal year 2024, the District's total revenues increased 13.4% of \$3,452,043 to \$29,279,984. In fiscal year 2023, the District's total revenues increased 7.8% or \$1,869,256 to \$25,827,941.
- In fiscal year 2024, the District's operating revenues increased 11.2% or \$2,718,416 to \$26,963,127. In fiscal year 2023, the District's operating revenues increased 2.8% or \$656,930 to \$24,244,711.
- In fiscal year 2024, the District's non-operating revenues increased by 46.3% or \$733,627 to \$2,316,857. In fiscal year 2023, the District's non-operating revenues increased by 326.9% or \$1,212,326 to \$1,583,230.
- In fiscal year 2024, the District's total expenses including depreciation and amortization increased 27.6% or \$5,972,448 to \$27,597,283. In fiscal year 2023, the District's total expenses including depreciation and amortization decreased 20.6% or \$5,602,221 to \$21,624,835.
- In fiscal year 2024, the District's operating expenses, before depreciation and amortization, increased 40.4% or \$6,410,659 to \$22,278,718. In fiscal year 2023, the District's operating expenses, before depreciation and amortization, decreased 26.8% or \$5,795,283 to \$15,868,059.
- In fiscal year 2024, the District's non-operating expenses decreased by 4.3% or \$53,587 to \$1,179,283. In fiscal year 2023, the District's non-operating expenses decreased by 20.0% or \$307,608 to \$1,232,870.
- In fiscal year 2024, the District's capital contributions increased by 21.5% or \$378,379 to \$2,139,674. In fiscal year 2023, the District's capital contributions decreased by 3.5% or \$64,208 to \$1,761,295.

Required Financial Statements

This annual report consists of a series of financial statements. The Statement of Net Position, Statement of Revenues, Expenses, and Changes in Net Position, and Statement of Cash Flows provide information about the activities and performance of the District using accounting methods similar to those used by private sector companies.

The Statement of Net Position includes all of the District's investments in resources (assets), deferred outflows resources, obligations to creditors (liabilities), and deferred inflows of resources. It also provides the basis for computing a rate of return, evaluating the capital structure of the District, and assessing the liquidity and financial flexibility of the District. All the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses, and Changes in Net Position. This statement measures the success of the District's operations over the past year and can be used to determine if the District has successfully recovered all of its costs through its rates and other charges. This statement can also be used to evaluate profitability and creditworthiness. The final required financial statement is the Statement of Cash Flows, which provides information about the District's cash receipts and cash payments during the reporting period.

North Marin Water District
Management's Discussion and Analysis
For the Fiscal Years Ended June 30, 2024 and 2023

Required Financial Statements, continued

The Statement of Cash Flows reports cash receipts, cash payments, and the net change in cash resulting from operations, investing, non-capital financing, and capital and related financing activities, and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in cash balance during the reporting period.

Financial Analysis of the District

One of the most important questions asked about the District's finances is, "Is the District better off or worse off as a result of this year's activities?" The Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position report information about the District in a way that helps the reader answer this question. These statements include all assets, deferred outflows, liabilities, and deferred inflows using the *accrual basis of accounting*, which is similar to the accounting used by most private sector companies. All of the current year's revenues and expenses are taken into account regardless of when the cash is received or paid.

These two statements report the District's *net position* and changes in it. One can think of the District's net position – the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources – as one way to measure the District's financial health, or *financial position*. Over time, *increases* or *decreases* in the District's net position are one indicator of whether its *financial health* is improving or deteriorating. However, one will need to consider other non-financial factors such as changes in economic conditions, population growth, new or changed government legislation or accounting standards, as well as changes in Federal and State water quality standards.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The notes to the basic financial statements can be found on pages 24 through 60.

Statements of Net Position

Below is a summary of the statements of net position, and presents a comparison between June 30, 2024, 2023, and 2022.

Condensed Statements of Net Position					
	2024	2023	Change	2022	Change
Assets:					
Current assets	\$ 35,736,171	39,992,888	(4,256,717)	47,718,488	(7,725,600)
Non-current assets	4,728,756	6,896,968	(2,168,212)	6,391,431	505,537
Capital assets, net	155,093,702	147,063,309	8,030,393	140,803,815	6,259,494
Total assets	195,558,629	193,953,165	1,605,464	194,913,734	(960,569)
Deferred outflows of resources	7,014,861	6,917,788	97,073	2,797,995	4,119,793
Liabilities:					
Current liabilities	9,227,239	9,255,352	(28,113)	8,893,968	361,384
Non-current liabilities	62,186,447	63,356,094	(1,169,647)	59,331,484	4,024,610
Total liabilities	71,413,686	72,611,446	(1,197,760)	68,225,452	4,385,994
Deferred inflows of resources	1,116,451	2,038,529	(922,078)	9,229,700	(7,191,171)
Net position:					
Net investment in capital assets	116,599,712	112,410,898	4,188,814	110,111,018	2,299,880
Restricted	8,146,966	7,432,578	714,388	4,560,392	2,872,186
Unrestricted	5,296,675	6,377,502	(1,080,827)	5,585,167	792,335
Total net position	\$ 130,043,353	126,220,978	3,822,375	120,256,577	5,964,401

North Marin Water District
Management's Discussion and Analysis
For the Fiscal Years Ended June 30, 2024 and 2023

Statements of Net Position, continued

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of the District exceeded liabilities and deferred inflows by \$130,043,353 and \$126,220,978 as of June 30, 2024 and 2023, respectively.

By far the largest portion of the District's net position (90% and 89% as of June 30, 2024 and 2023, respectively) reflects the District's investment in capital assets (net of accumulated depreciation) less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to customers within the District's service area; consequently, these assets are *not* available for future spending.

At the end of fiscal years 2024 and 2023, the District showed a positive balance in its unrestricted net position of \$5,296,675 and \$6,377,502, respectively. See note 13 for further information.

Statements of Revenues, Expenses, and Changes in Net Position

Below is a summary of the statements of revenues, expenses, and changes in net position, and presents a comparison between the years ended June 30, 2024 and 2023.

Condensed Statements of Revenues, Expenses, and Changes in Net Position

	<u>2024</u>	<u>2023</u>	<u>Change</u>	<u>2022</u>	<u>Change</u>
Revenue:					
Operating revenue	\$ 26,963,127	24,244,711	2,718,416	23,587,781	656,930
Non-operating revenue	2,316,857	1,583,230	733,627	370,904	1,212,326
Total revenue	<u>29,279,984</u>	<u>25,827,941</u>	<u>3,452,043</u>	<u>23,958,685</u>	<u>1,869,256</u>
Expense:					
Operating expense	22,278,718	15,868,059	6,410,659	21,663,342	(5,795,283)
Depreciation and amortization	4,139,282	4,523,906	(384,624)	4,023,236	500,670
Non-operating expense	1,179,283	1,232,870	(53,587)	1,540,478	(307,608)
Total expense	<u>27,597,283</u>	<u>21,624,835</u>	<u>5,972,448</u>	<u>27,227,056</u>	<u>(5,602,221)</u>
Net income(expense) before capital contributions	1,682,701	4,203,106	(2,520,405)	(3,268,371)	7,471,477
Capital contributions	<u>2,139,674</u>	<u>1,761,295</u>	<u>378,379</u>	<u>1,825,503</u>	<u>(64,208)</u>
Changes in net position	3,822,375	5,964,401	(2,142,026)	(1,442,868)	7,407,269
Net position, beginning of year	<u>126,220,978</u>	<u>120,256,577</u>	<u>5,964,401</u>	<u>121,699,445</u>	<u>(1,442,868)</u>
Net position, end of year	<u>\$ 130,043,353</u>	<u>126,220,978</u>	<u>3,822,375</u>	<u>120,256,577</u>	<u>5,964,401</u>

The statement of revenues, expenses, and changes of net position shows how the District's net position changed during the fiscal year. In the case of the District, net position increased 3.0% or \$3,822,375 to \$130,043,353 due to net revenue from ongoing operations of \$1,682,701, which was offset by \$620,382 and \$107,271 in current year GASB 68 pension and GABS 75 other post-employment benefit adjustments, respectively, and capital contributions of \$2,139,674. In fiscal year 2023, the District's net position increased 5.0% or \$5,964,401 to \$126,220,978 due to net revenue from ongoing operations of \$4,203,106, of which \$3,438,780 sources from current year GASB 68 pension adjustments, and capital contributions of \$1,761,295.

A closer examination of the sources of changes in net position reveal that:

In 2024, the District's operating revenues increased 11.2% or \$2,718,416 to \$26,963,127 due primarily to increases in water consumption sales of \$1,978,200 and bi-monthly meter service charges of \$696,117, related to increases in rates and water sales volume as compared to the prior year. In 2023, the District's operating revenues increased 2.8% or \$656,930 to \$24,244,711 due primarily to a increases in bi-monthly meter service charges of \$499,854 and in water consumption sales of \$132,809.

North Marin Water District
Management's Discussion and Analysis
For the Fiscal Years Ended June 30, 2024 and 2023

Statements of Revenues, Expenses, and Changes in Net Position, continued

In 2024, the District's non-operating revenues increased by 46.3% or \$733,627 to \$2,316,857 due primarily to an increase in net investment earnings of \$528,035 and Regulation 15 forfeitures of \$180,890 sourcing from new development deposits forfeited to the District to be used for water conservation programs. In 2023, the District's non-operating revenues increased by 326.9% or \$1,212,326 to \$1,583,230 due primarily to an increase in net investment earnings of \$1,256,847.

In 2024, the District's capital contributions increased by 21.5% or \$378,379 to \$2,139,674 due primarily to increases in connection fees of \$676,490 and state and local capital grants of \$96,718, offset by a decrease from developer contributions of \$394,829. In 2023, the District's capital contributions decreased by 3.5% or \$64,208 to \$1,761,295 due primarily to a decrease in connection fees of \$524,300 offset by increases from developer contributions of \$355,528 and state and local capital grants of \$104,564.

In 2024, the District's operating expenses increased 40.4% or \$6,410,659 to \$22,278,718 due primarily to increases in transmission and distribution of \$1,378,755 due primarily to an increase of \$1,335,921 in GASB 68 related pension; general and administrative of \$1,809,754 primarily due to increases of \$1,165,444 in GASB 68 related pension; source of supply of \$1,725,308 due primarily to a; 12.5% increase in rates from Sonoma County Water Agency, and an 8% increase in consumption; water facilities operations of \$641,320 primarily due to increases of \$484,355 in GASB 68 related pension, \$87,479 in labor costs, and \$60,939 in maintenance costs; pumping of \$180,724 primarily due to increases in utility rates; water conservation of \$149,508 primarily due to increases of \$28,800 marketing and outreach and \$28,353 in GASB 68 related pension; water treatment of \$320,908 primarily due to increases of \$865,705 in GASB 68 related pension amounts, offset by decreases in purification chemicals of \$474,930 and maintenance of \$78,239; customer service of \$147,193, primarily due to \$113,894 in GASB 68 related pension and \$37,090 in billing and credit processing fees.

In 2023, the District's operating expenses decreased 26.8% or \$5,795,283 to \$15,868,059 due primarily to decreases in transmission and distribution of \$1,643,280 which includes \$1,149,892 in GASB 68 related pension adjustments, source of supply of \$1,448,891 due primarily to a decrease of \$1,436,318 in purchased water from Sonoma County Water Agency capital contribution credit, general and administrative of \$1,377,148 which includes \$1,469,057 in GASB 68 related pension amounts, water facilities operations of \$706,694 which includes \$716,070 in GASB 68 related pension amounts, water conservation of \$242,691 which includes \$191,276 in GASB 68 related pension amounts; and customer service of \$114,672 which includes \$165,786 in GASB 68 related pension amounts.

In 2024, the District's non-operating expenses decreased by 4.3% or \$53,587 to \$1,179,283 due primarily to a decrease in interest expense on long-term debt of \$42,829. In 2023, the District's non-operating expenses decreased by 20.0% or \$307,608 to \$1,232,870 due primarily to a \$1,754,360 decrease in unrealized investment loss from prior year levels and no current year debt issuance cost as compared with prior year, which were offset by increases in interest expense on long-term debt of \$430,763.

In 2024 the District's depreciation and amortization increased by 8.5% or \$384,624 to \$4,139,282 due primarily to the maturation of existing capital assets and equipment leases. In 2023, the District's depreciation and amortization increased by 12.4% or \$500,670 to \$4,523,906 due primarily to the capitalization of additions to the distribution system, treatment plant, other plant and equipment, and equipment leases.

North Marin Water District
Management's Discussion and Analysis
For the Fiscal Years Ended June 30, 2024 and 2023

Total District Revenues

Below is a detailed schedule of the District's total revenues segregated between operating revenues and non-operating revenues.

	<u>2024</u>	<u>2023</u>	<u>Change</u>	<u>2022</u>	<u>Change</u>
Operating revenues:					
Water consumption sales	\$ 18,516,024	16,537,824	1,978,200	16,405,015	132,809
Monthly meter service charge	7,713,543	7,017,426	696,117	6,517,572	499,854
Sewer service charge	324,264	304,560	19,704	290,460	14,100
Other charges and services	409,296	384,901	24,395	374,734	10,167
Total operating revenues	<u>26,963,127</u>	<u>24,244,711</u>	<u>2,718,416</u>	<u>23,587,781</u>	<u>656,930</u>
Non-operating revenues:					
Property tax revenue	145,929	143,332	2,597	132,649	10,683
Investment earnings, net	1,784,882	1,256,847	528,035	-	1,256,847
Interest earnings from note receivable – BPGL	10,416	9,009	1,407	11,177	(2,168)
Interest earnings from loan receivable – MMWD	73,271	79,845	(6,574)	56,418	23,427
Interest earnings from leases	11,930	12,782	(852)	14,054	(1,272)
Rental revenue	78,577	69,876	8,701	94,843	(24,967)
Gain on sale of capital assets	2,940	-	2,940	34,135	(34,135)
Regulation 15 forfeiture	180,890	-	180,890	-	-
Other non-operating revenues	28,022	11,539	16,483	27,628	(16,089)
Total non-operating revenues	<u>2,316,857</u>	<u>1,583,230</u>	<u>733,627</u>	<u>370,904</u>	<u>1,212,326</u>
Total revenues	<u>\$ 29,279,984</u>	<u>25,827,941</u>	<u>3,452,043</u>	<u>23,958,685</u>	<u>1,869,256</u>

In 2024, total revenues increased \$3,452,043. In 2023, total revenues increased \$1,869,256.

Total District Expenses

Below is a detailed schedule of the District's total expenses segregated between operating revenues and non-operating revenues.

	<u>2024</u>	<u>2023</u>	<u>Change</u>	<u>2022</u>	<u>Change</u>
Operating expenses including depreciation expense:					
Source of supply	\$ 6,727,290	5,001,982	1,725,308	6,450,873	(1,448,891)
Pumping	673,751	493,027	180,724	522,717	(29,690)
Water facilities operations	1,319,893	678,573	641,320	1,385,267	(706,694)
Water treatment	2,674,372	2,353,464	320,908	2,588,135	(234,671)
Transmission and distribution	4,292,602	2,913,847	1,378,755	4,557,127	(1,643,280)
Sewage collection and treatment	277,564	220,375	57,189	217,921	2,454
Customer service	533,526	386,333	147,193	501,005	(114,672)
General and administrative	5,309,615	3,499,861	1,809,754	4,877,009	(1,377,148)
Water conservation	470,105	320,597	149,508	563,288	(242,691)
Depreciation and amortization	4,139,282	4,523,906	(384,624)	4,023,236	500,670
Total operating expenses including depreciation expense	<u>26,418,000</u>	<u>20,391,965</u>	<u>6,026,035</u>	<u>25,686,578</u>	<u>(5,294,613)</u>
Non-operating expenses:					
Unrealized loss, net of investment inc.	-	-	-	497,513	(497,513)
Interest expense – long-term debt	1,176,988	1,219,819	(42,831)	789,056	430,763
Capital contribution to agency	-	-	-	124,000	(124,000)
Loss on disposition of capital assets	-	10,885	(10,885)	-	10,885
Other non-operating expenses	2,295	2,166	129	129,909	(127,743)
Total non-operating expenses	<u>1,179,283</u>	<u>1,232,870</u>	<u>(53,587)</u>	<u>1,540,478</u>	<u>(307,608)</u>
Total expenses	<u>\$ 27,597,283</u>	<u>21,624,835</u>	<u>5,972,448</u>	<u>27,227,056</u>	<u>(5,602,221)</u>

North Marin Water District
Management's Discussion and Analysis
For the Fiscal Years Ended June 30, 2024 and 2023

Total District Expenses, continued

In 2024, total expenses increased \$5,972,448. In 2023, total expenses decreased \$5,602,221.

Capital Asset Administration

Changes in capital asset amounts for 2024 were as follows:

	<u>Balance 2023</u>	<u>Additions</u>	<u>Transfers/ Deletions</u>	<u>Balance 2024</u>
Capital assets:				
Non-depreciable assets	\$ 18,381,029	12,042,022	(1,594,020)	28,829,031
Depreciable and amortizable assets	205,067,640	1,721,673	(617,934)	206,171,379
Accumulated depreciation and amortization	<u>(76,385,360)</u>	<u>(4,139,282)</u>	<u>617,934</u>	<u>(79,906,708)</u>
Total capital assets, net	<u>\$ 147,063,309</u>	<u>9,624,413</u>	<u>(1,594,020)</u>	<u>155,093,702</u>

Changes in capital asset amounts for 2023 were as follows:

	<u>Balance 2022</u>	<u>Additions</u>	<u>Transfers/ Deletions</u>	<u>Balance 2023</u>
Capital assets:				
Non-depreciable assets	\$ 10,013,663	10,717,500	(2,350,134)	18,381,029
Depreciable and amortizable assets	202,832,150	2,449,082	(213,592)	205,067,640
Accumulated depreciation and amortization	<u>(72,041,998)</u>	<u>(4,523,906)</u>	<u>180,544</u>	<u>(76,385,360)</u>
Total capital assets, net	<u>\$ 140,803,815</u>	<u>8,642,676</u>	<u>(2,383,182)</u>	<u>147,063,309</u>

At the end of fiscal years 2024 and 2023, the District's investment in capital assets (net of accumulated depreciation) totaled \$155,093,702 and \$147,063,309, respectively. This investment in capital assets (net of accumulated depreciation) includes land, transmission and distribution systems, reservoirs, tanks, pumps, buildings and structures, equipment, vehicles, and construction-in-progress. See note 8 for further information.

Debt Administration

Changes in long-term debt amounts for 2024 were as follows:

	<u>Balance 2023</u>	<u>Additions</u>	<u>Principal Payments</u>	<u>Balance 2024</u>
Long-term debt:				
Leases payable	\$ 464,421	146,993	(211,318)	400,096
Loans payable	<u>44,668,971</u>	<u>-</u>	<u>(3,327,341)</u>	<u>41,341,630</u>
Total long-term debt	<u>\$ 45,133,392</u>	<u>146,993</u>	<u>(3,538,659)</u>	<u>41,741,726</u>

North Marin Water District
Management's Discussion and Analysis
For the Fiscal Years Ended June 30, 2024 and 2023

Debt Administration, continued

Changes in long-term debt amounts for 2023 were as follows:

	<u>Balance 2022</u>	<u>Additions</u>	<u>Principal Payments</u>	<u>Balance 2023</u>
Long-term debt:				
Leases payable	\$ 800,066	215,258	(550,903)	464,421
Loans payable	<u>48,058,224</u>	<u>-</u>	<u>(3,389,253)</u>	<u>44,668,971</u>
Total long-term debt	<u>\$ 48,858,290</u>	<u>215,258</u>	<u>(3,940,156)</u>	<u>45,133,392</u>

See note 10 for further information.

Conditions Affecting Current Financial Position

Management is unaware of any conditions which could have a significant impact on the District's current financial position, net position, or operating results in terms of past, present, and future.

Requests for Information

This financial report is designed to provide the District's funding sources, customers, stakeholders and other interested parties with an overview of the District's financial operations and financial condition. Should the reader have questions regarding the information included in this report or wish to request additional financial information, please contact the District's Auditor-Controller at 999 Rush Creek Place, Novato, California 94945, Telephone: (415) 897-4133.

Working Draft Subject to Review

Basic Financial Statements

Working Draft Subject to Review

**North Marin Water District
Statements of Net Position
June 30, 2024 and 2023**

	2024	2023
Current assets:		
Cash and cash equivalents (note 2)	\$ 4,796,991	7,081,362
Restricted – cash and cash equivalents (note 2)	8,593,084	15,152,734
Restricted – investments (note 2)	14,169,770	11,448,459
Accrued interest receivable	226,668	213,124
Accounts receivable – water and sewer sales and services	5,573,111	4,177,746
Accounts receivable – governmental agencies	617,700	288,404
Accounts receivable – other	11,647	39,413
Leases receivable (note 3)	32,218	30,016
Note receivable (note 4)	38,791	38,406
Loan receivable (note 4)	161,355	157,092
Materials and supplies inventory	1,007,639	940,172
Prepaid expenses and deposits	507,197	425,960
	35,736,171	39,992,888
Non-current assets:		
Restricted – investments (note 2)	1,709,884	3,646,592
Leases receivable (note 3)	326,431	357,790
Note receivable (note 4)	983,592	1,022,382
Loan receivable (note 4)	1,458,849	1,620,204
Notes receivable – employee housing assistance loans, net (note 5)	250,000	250,000
Capital assets, not being depreciated (note 8)	28,829,031	18,381,029
Depreciable capital assets, net (note 8)	126,264,671	128,682,280
	159,822,458	153,960,277
Total non-current assets	159,822,458	153,960,277
Total assets	195,558,629	193,953,165
Deferred outflows of resources:		
Deferred other post-employment benefits outflows (note 11)	236,289	22,539
Deferred pension outflows (note 12)	6,778,572	6,895,249
	7,014,861	6,917,788
Total deferred outflows of resources	\$ 7,014,861	6,917,788

Continued on next page

See accompanying notes to the basic financial statements.

North Marin Water District
Statements of Net Position, continued
June 30, 2024 and 2023

	2024	2023
Current liabilities:		
Accounts payable and accrued expenses	\$ 3,062,711	2,659,579
Accrued wages and related payables	335,477	309,098
Accrued claims payable	29,437	20,125
Customer advances and deposits	1,932,799	1,973,477
Accrued interest payable – long-term debt	335,004	355,078
Long-term liabilities – due within one year:		
Compensated absences (note 9)	199,782	173,828
Leases payable (note 10)	134,871	199,124
Loans payable (note 10)	2,948,111	3,338,229
Other post-employment benefits liability (note 11)	249,047	226,814
Total current liabilities	9,227,239	9,255,352
Non-current liabilities:		
Long-term liabilities – due in more than one year:		
Compensated absences (note 9)	599,347	521,487
Leases payable (note 10)	265,225	265,297
Loans payable (note 10)	38,393,519	41,330,742
Other post-employment benefits liability (note 11)	4,620,571	4,060,408
Net pension liability (note 12)	18,307,785	17,178,160
Total non-current liabilities	62,186,447	63,356,094
Total liabilities	71,413,686	72,611,446
Deferred inflows of resources:		
Deferred lease inflows (note 3)	325,129	359,912
Deferred other post-employment benefits inflows (note 11)	63,082	324,457
Deferred pension inflows (note 12)	728,240	1,354,160
Total deferred inflows of resources	1,116,451	2,038,529
Net position: (note 13)		
Net investment in capital assets	116,599,712	112,410,898
Restricted:		
SRF loan fund – Stafford Treatment Plant	1,067,432	1,063,737
SRF reserve fund – Recycled Water System	1,105,072	1,105,072
Interagency capital replacement and expansion fund	5,974,462	5,263,769
Unrestricted	5,296,675	6,377,502
Total net position	\$ 130,043,353	126,220,978

See accompanying notes to the basic financial statements.

North Marin Water District
Statements of Revenues, Expenses, and Changes in Net Position
For the Years Ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Operating revenues:		
Water consumption sales	\$ 18,516,024	16,537,824
Bi-monthly meter service charge	7,713,543	7,017,426
Sewer service charges	324,264	304,560
Other charges and services	409,296	384,901
Total operating revenues	<u>26,963,127</u>	<u>24,244,711</u>
Operating expenses:		
Source of supply	6,727,290	5,001,982
Pumping	673,751	493,027
Water facilities operations	1,319,893	678,573
Water treatment	2,674,372	2,353,464
Transmission and distribution	4,292,602	2,913,847
Sewage collection and treatment	277,564	220,375
Customer service	533,526	386,333
General and administrative	5,309,615	3,499,861
Water conservation	470,105	320,597
Total operating expenses	<u>22,278,718</u>	<u>15,868,059</u>
Operating income before depreciation	4,684,409	8,376,652
Depreciation and amortization expense – capital recovery	(4,139,282)	(4,523,906)
Operating income	<u>545,127</u>	<u>3,852,746</u>
Non-operating revenues(expenses):		
Property tax revenue	145,929	143,332
Investment (market value unrealized loss) earnings, net	1,784,882	1,256,847
Interest earnings from note receivable – BPGL	10,416	9,009
Interest earnings from loan receivable – MMWD	73,271	79,845
Interest earnings from leases receivable	11,930	12,782
Rental revenue	78,577	69,876
Interest expense – long-term debt	(1,176,988)	(1,219,819)
Gain (loss) on sale of capital assets	2,940	(10,885)
Regulation 15 forfeiture	180,890	-
Other non-operating revenues	28,022	11,539
Other non-operating expenses	(2,295)	(2,166)
Total non-operating revenue(expenses), net	<u>1,137,574</u>	<u>350,360</u>
Net income before capital contributions	<u>1,682,701</u>	<u>4,203,106</u>
Capital contributions:		
Developers and others	551,213	946,042
Connection fees	1,114,170	437,680
Capital grants – state and local	474,291	377,573
Total capital contributions	<u>2,139,674</u>	<u>1,761,295</u>
Change in net position	<u>3,822,375</u>	<u>5,964,401</u>
Net position, beginning of year	<u>126,220,978</u>	<u>120,256,577</u>
Net position, end of year	<u>\$ 130,043,353</u>	<u>126,220,978</u>

See accompanying notes to the basic financial statements.

**North Marin Water District
Statements of Cash Flows
For the Years Ended June 30, 2024 and 2023**

	2024	2023
Cash flows from operating activities:		
Cash receipts from customers and others	\$ 25,763,762	24,314,591
Cash paid to employees for salaries and wages	(7,324,836)	(6,680,654)
Cash paid to vendors and suppliers for materials and services	(13,869,374)	(12,763,770)
Net cash provided by operating activities	4,569,552	4,870,167
Cash flows from non-capital financing activities:		
Property tax revenue	145,929	143,332
Net cash provided by non-capital financing activities	145,929	143,332
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	(12,169,675)	(10,783,400)
Proceeds from the sale of capital assets	2,940	(10,885)
Proceeds from capital contributions and connection fees	1,810,378	1,782,302
Proceeds from capital leases	146,993	215,258
Principal paid on long-term debt	(3,538,659)	(3,940,156)
Interest paid on long-term debt	(1,197,062)	(1,108,555)
Net cash used in capital and related financing activities	(14,945,085)	(13,845,436)
Cash flows from investing activities:		
Proceeds from sale of investments	11,424,397	2,643,925
Purchases of investments	(12,209,000)	(14,839,000)
Principal received on notes receivable	38,405	38,024
Principal received on loans receivable	186,249	196,029
Investment earnings, net of fair value	1,945,532	1,268,843
Net cash provided by (used in) investing activities	1,385,583	(10,692,179)
Net decrease in cash and cash equivalents	(8,844,021)	(19,524,116)
Cash and cash equivalents, beginning of year	22,234,096	41,758,212
Cash and cash equivalents, end of year	\$ 13,390,075	22,234,096
 Reconciliation of cash and cash equivalents to statement of financial position:		
Cash and cash equivalents	\$ 4,796,991	7,081,362
Restricted assets – cash and cash equivalents	8,593,084	15,152,734
Total cash and cash equivalents	\$ 13,390,075	22,234,096

Continued on next page

See accompanying notes to the basic financial statements.

North Marin Water District
Statements of Cash Flows, continued
For the Years Ended June 30, 2024 and 2023

	2024	2023
Reconciliation of operating income to net cash provided		
by operating activities:		
Operating income	\$ 545,127	3,852,746
Adjustments to reconcile operating income to net cash provided		
by operating activities:		
Depreciation expense – capital recovery	4,139,282	4,523,906
Regulation 15 forfeiture	180,890	-
Other non-operating revenue	28,022	11,539
Other non-operating expenses	(2,295)	(2,166)
Changes in assets, deferred outflows of resources, liabilities and		
deferred inflows of resources:		
(Increase)Decrease in assets:		
Accounts receivable – water and sewer sales and services	(1,395,365)	(82,100)
Accounts receivable – other	27,766	28,219
Materials and supplies inventory	(67,467)	(87,898)
Prepaid expenses and other deposits	(81,237)	(62,743)
(Increase)Decrease in deferred outflows of resources:		
Other post-employment benefits related	(213,750)	5,946
Pension related	116,677	(4,125,739)
Increase(Decrease) in liabilities:		
Accounts payable and accrued expenses	403,132	81,134
Accrued wages and related payables	26,379	(3,317)
Accrued claims payable	9,312	(3,315)
Customer advances and deposits	(40,678)	112,222
Compensated absences	103,814	(41,844)
Other post-employment benefit liability	582,396	(56,378)
Net pension liability	1,129,625	7,911,126
Increase(Decrease) in deferred inflows of resources:		
Lease related	(34,783)	(42,325)
Other post-employment benefits related	(261,375)	75,323
Pension related	(625,920)	(7,224,169)
Total adjustments	4,024,425	1,017,421
Net cash provided by operating activities	\$ 4,569,552	4,870,167
Non-cash investing, capital, and financing transactions:		
Change in fair value of investments	\$ (361,065)	(384,953)

See accompanying notes to the basic financial statements.

North Marin Water District
Notes to the Basic Financial Statements
For the Years Ended June 30, 2024 and 2023

(1) Reporting Entity and Summary of Significant Accounting Policies

A. Organization and Operations of the Reporting Entity

The North Marin Water District (District) is an independent special district formed in April 1948, which operates under the authority of Division 12 of the California Water Code. The District's service area includes the City of Novato, adjacent areas, plus annexed areas in West Marin County. The District is governed by a five-member Board of Directors who serve overlapping four-year terms.

The criteria used in determining the scope of the financial reporting entity is based on the provisions of Governmental Accounting Standards Board Statement No. 61, *The Financial Reporting Entity*. The District is the primary governmental unit based on the foundation of a separately elected governing board that is elected by the citizens in a general popular election. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The District is financially accountable if it appoints a voting majority of the organization's governing body and: 1) It is able to impose its will on that organization, or 2) There is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government.

The District's operations are accounted for by the following service areas, some of which were originally established as Improvement Districts. Although the Improvement Districts are legally separate organizations, they are reported herein as if they were part of the primary government because the primary government controls the Improvement Districts, and the Board of Directors serve as their governing board. The following service areas are reported as blended component units.

Novato Water System – The Novato Water System is the primary service division of the District and represents the basic primary component of the District.

West Marin Water System (formally *Point Reyes Service Area*) – This service area began in 1970 as a separate voter-approved Improvement District. Point Reyes was consolidated with the Olema Improvement District in 1996 and the Paradise Ranch Estate Improvement District in 2002, forming the West Marin Water System.

Oceana Marin Sewer Service – By agreement with a private developer, this service area was formed to provide sewer service to area residents commencing in June 1973.

Novato Recycled Water System – This enterprise fund was formed by the District in 2007 to account for the operation of the District's recycled water treatment and distribution system.

B. Basis of Accounting and Measurement Focus

The District reports its activities as an enterprise fund, which is used to account for operations that are financed and operated in a manner similar to a private business enterprise, where the intent of the District is that the cost of providing water or wastewater disposal to its service area on a continuing basis be financed or recovered primarily through user charges (water sales and sewer service charges), capital grants, and similar funding. Revenues and expenses are recognized on the full accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned and expenses are recognized in the period incurred, regardless of when the related cash flows take place.

Operating revenues and expenses, such as water sales and sewer service charges, along with water purchases and wastewater disposal, result from exchange transactions associated with the principal activity of the District. Exchange transactions are those in which each party receives and gives up essentially equal value. Management, administration, and depreciation expenses are also considered operating expenses. Other revenues and expenses not included in the above categories are reported as non-operating revenues and expenses. Non-operating revenues and expenses, such as grant funding, investment income, and interest expense, result from non-exchange transactions in which the District gives (receives) value without directly receiving (giving) value in exchange.

North Marin Water District
Notes to the Basic Financial Statements, continued
For the Years Ended June 30, 2024 and 2023

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

C. Financial Reporting

The District's basic financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), as applied to enterprise funds. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District solely operates as a special-purpose government which means it is only engaged in business-type activities; accordingly, activities are reported in the District's proprietary fund.

The District has adopted the following GASB pronouncements in the current year:

Governmental Accounting Standards Board Statement No. 99

In April 2022, the GASB issued Statement No. 99 – *Omnibus 2022*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees.

The requirements of this Statement will enhance comparability in the application of accounting and financial reporting requirements and will improve the consistency of authoritative literature. Consistent authoritative literature enables governments and other stakeholders to locate and apply the correct accounting and financial reporting provisions, which improves the consistency with which such provisions are applied. The comparability of financial statements also will improve as a result of this Statement. Better consistency and comparability improve the usefulness of information for users of state and local government financial statements.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

Governmental Accounting Standards Board Statement No. 100

In June 2022, the GASB issued Statement No. 100 – *Accounting Changes and Error Corrections – An Amendment of GASB Statement No. 62*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements.

The requirements of this Statement will improve the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. In turn, more understandable, reliable, relevant, consistent, and comparable information will be provided to financial statement users for making decisions or assessing accountability. In addition, the display and note disclosure requirements will result in more consistent, decision useful, understandable, and comprehensive information for users about accounting changes and error corrections.

The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

North Marin Water District
Notes to the Basic Financial Statements, continued
For the Years Ended June 30, 2024 and 2023

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position

1. Use of Estimates

The preparation of the basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities, and deferred inflows and disclosures of contingent assets at the date of the financial statements and the changes in net position during the reporting period.

2. Cash and Cash Equivalents

Substantially all of the District's cash is invested in interest bearing accounts. The District considers all highly liquid investments with a maturity of three months or less to be cash equivalents.

3. Investments and Investment Policy

The District has adopted an investment policy directing the District's Auditor-Controller to deposit funds in financial institutions.

Changes in fair value that occur during a fiscal year are recognized as investment income reported for that fiscal year. Investment income includes interest earnings, changes in fair value, and any gains or losses realized upon the liquidation or sale of investments.

4. Fair Value Measurements

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on valuation inputs used to measure the fair value of the asset, as follows:

- **Level 1** – Valuation is based on quoted prices in active markets for identical assets.
- **Level 2** – Valuation is based on directly observable and indirectly observable inputs. These inputs are derived principally from or corroborated by observable market data through correlation or market-corroborated inputs. The concept of market-corroborated inputs incorporates observable market data such as interest rates and yield curves that are observable at commonly quoted intervals.
- **Level 3** – Valuation is based on unobservable inputs where assumptions are made based on factors such as prepayment rates, probability of defaults, loss severity, and other assumptions that are internally generated and cannot be observed in the market.

5. Restricted Assets

Restricted assets are financial resources generated for a specific purpose such as capital projects or debt service. These assets are for the benefit of a specified purpose and, as such, are legally or contractually restricted by an external third-party agreement.

6. Accounts Receivable

The District extends credit to customers in the normal course of operations. Management deems all accounts receivable as collectible at year-end. Accordingly, an allowance for doubtful accounts has not been recorded.

7. Property Taxes

The County of Marin Assessor's Office assesses all real and personal property within the County each year. The County of Marin Tax Collector's Office bills and collects the District's share of property taxes and assessments. The County of Marin Treasurer's Office remits current and delinquent property tax collections to the District throughout the year. Property tax in California is levied in accordance with Article 13A of the State Constitution at one percent (1%) of countywide assessed valuations.

North Marin Water District
Notes to the Basic Financial Statements, continued
For the Years Ended June 30, 2024 and 2023

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position, continued

8. Lease Receivable / Payable

Leases receivable / payable are measured at the present value of payments expected to be received / paid during the lease term.

9. Prepaid Expenses

Certain payments to vendors reflect costs or deposits applicable to future accounting periods and are recorded as prepaid items in the basic financial statements.

10. Capital Assets and Leased Assets

Capital assets acquired and/or constructed are capitalized at historical cost. District policy has set the capitalization threshold for capitalizing equipment purchases at \$5,000. Donated assets are recorded at estimated cost at the date of donation. Upon retirement or other disposition of capital assets, the cost and related accumulated depreciation are removed from the respective balances and any gains or losses are recognized. Depreciation is recorded on a straight-line basis over the estimated useful lives of the assets as follows:

- Dam – 100 years
- Transmission and distribution systems – 50 to 150 years
- Treatment plant – 20 to 50 years
- Sewer mains and pumps – 4 to 40 years
- Buildings and storage facilities – 35 to 50 years
- Equipment and vehicles – 5 to 10 years

Leased assets are amortized on a straight-line basis over the life of the lease term.

11. Deferred Outflows of Resources

The statements of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets applicable to future periods and, therefore, will *not* be recognized as an outflow of resources (expenditure) until that time. The District has the following items that qualify for reporting in this category:

Post-Employment Benefits Other Than Pensions (OPEB)

- Deferred outflow for the net differences between the actual and expected experience which will be amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with post-employment benefits.

Pensions

- Deferred outflow which is equal to the employer contributions made after the measurement date of the net pension liability. This amount will be amortized-in-full against the net pension liability in the next fiscal year.
- Deferred outflow for the net difference between the actual and expected experience which will be amortized over a closed period equal to the expected average remaining service lives of all employees that are provided with pension.
- Deferred outflow for the net change in assumptions which will be amortized over a closed period equal to the expected average remaining service lives of all employees that are provided with pension.
- Deferred outflow for the net difference between the projected and actual earnings on investments of the pension plan's fiduciary net position. This amount is amortized over a five-year period.

North Marin Water District
Notes to the Basic Financial Statements, continued
For the Years Ended June 30, 2024 and 2023

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position, continued

12. Compensated Absences

The District's employees have a vested interest in accrued vacation time. All vacation hours will eventually be either used or paid-off by the District. Employees earn vacation time on a semi-monthly basis. Employees normally earn and use their current vacation time with a small portion being unused each year. As this occurs, the District incurs a future obligation to pay for these unused hours and accrues a liability for such accumulated and unpaid vacation time.

Full-time District employees earn sick leave at a rate of one day per month. District employees may elect to be paid for accumulated and unused sick leave in excess of 90 days, at a rate of one-half of the value of such accumulated amount. The District has accrued a liability for such excess amounts. Employees hired after 10/1/2000 may apply their unused sick leave credit to enhance CalPERS retirement benefits but are not eligible to receive any pay for accrued unused sick leave from the District.

13. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pension, and pension expense, information about the fiduciary net position of the District's California Public Employees' Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

GASB 68 requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

- Valuation Dates: June 30, 2022 and 2021
- Measurement Date: June 30, 2023 and 2022
- Measurement Period: July 1, 2022 to June 30, 2023 and July 1, 2021 to June 30, 2022

14. Deferred Inflows of Resources

The statements of net position will sometimes report a separate section for deferred inflows of resources. This financial statement element, *deferred inflows of resources*, represents an acquisition of net assets applicable to future periods and, therefore, will *not* be recognized as an inflow of resources (revenue) until that time. The District has the following items that qualify for reporting in this category:

Post-Employment Benefits Other Than Pensions (OPEB)

- Deferred inflow for the net change in assumptions which will be amortized over a closed period equal to the expected average remaining service lives of all employees that are provided with post-employment benefits.

Pensions

- Deferred inflow for the net difference between actual contributions and the proportionate share of employer contribution which will be amortized over a closed period equal to the expected average remaining service lives of all employees that are provided with pension.
- Deferred inflow as a result of the net change in proportions of the net pension liability which will be amortized over a closed period equal to the expected average remaining service lives of all employees that are provided with pension.

North Marin Water District
Notes to the Basic Financial Statements, continued
For the Years Ended June 30, 2024 and 2023

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position, continued

15. Water and Sewer Sales

Water sales are billed on a bi-monthly cyclical basis. Estimated unbilled water and sewer sales and service charges through June 30th have been accrued as of year-end.

16. Capital Contributions

Capital contributions represent cash and capital asset additions contributed to the District by property owners, granting agencies, or real estate developers desiring services that require capital expenditures or capacity commitment.

17. Capital and Operating Grants

When a grant agreement is approved and eligible expenditures are incurred, the amount is recorded as a capital or operating grant receivable on the statements of net position and as capital grant contribution or operating grant revenue, as appropriate, on the statements of revenues, expenses, and changes in net position.

18. Budgetary Policies

The District adopts an annual non-appropriated budget for planning, control, and evaluation purposes. Budgetary control and evaluation are affected by comparison of actual revenue and expense with planned revenue and expense for the period. Encumbrance accounting is not used to account for commitments related to unperformed contracts for construction and services.

19. Net Position

The financial statements utilize a net position presentation. Net position is categorized as follows:

- **Net investment in capital assets** – This component of net position consists of capital assets, net of accumulated depreciation and reduced by any outstanding debt against the acquisition, construction, or improvement of those assets.
- **Restricted** – This component of net position consists of constraints placed on net position use imposed by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted** – This component of net position consists of net position that does not meet the definition of *net investment in capital assets* or *restricted* components of net position.

(2) Cash and Investments

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

	2024	2023
Cash and cash equivalents	\$ 4,796,991	7,081,362
Restricted – cash and cash equivalents	8,593,084	15,152,734
Total cash and cash equivalents	13,390,075	22,234,096
Restricted – investments	14,169,770	11,448,459
Restricted – investments non-current	1,709,884	3,646,592
Total restricted investments	15,879,654	15,095,051
Total cash and investments	\$ 29,269,729	37,329,147

North Marin Water District
Notes to the Basic Financial Statements, continued
For the Years Ended June 30, 2024 and 2023

(2) Cash and Investments, continued

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

	2024	2023
Cash on hand	\$ 350	350
Deposits with financial institutions	1,058,657	1,221,972
Deposits with County of Marin Treasury	1,068,438	1,064,608
California Local Agency Investment Fund	11,262,630	19,947,166
Investments	15,879,654	15,095,051
Total cash and investments	\$ 29,269,729	37,329,147

Investments Authorized by the California Government Code and the District's Investment Policy

The table below identifies the investment types that are authorized by the District in accordance with the California Government Code (or the District's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the District's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage Of Portfolio *	Maximum Investment in One Issuer
State and Local Agency Bonds	5 years	100%	None
U.S. Treasury Obligations	5 years**	100%	None
U.S. Agency Securities	5 years**	100%	None
Banker's Acceptances	180 days	40%	30%
Commercial Paper	270 days	40%	10%
Non-negotiable Certificates of Deposit	1 year	30%	None
Negotiable Certificates of Deposit	5 years	30%	None
Medium-Term Notes	5 years	30%	None
Repurchase agreements	30 days	100%	None
Money Market Mutual Funds	N/A	20%	10%
California Local Agency Investment Fund (LAIF)	N/A	100%	None
California Asset Management Program (CAMP)	N/A	100%	None

* Excluding amounts held by bond trustee that are not subject to California Government Code.

** Except when authorized by the District's legislative body in accordance with Government Code Section 53601

Custodial Credit Risk

The custodial credit risk for *deposits* is the risk that, in the event of failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party.

The custodial credit risk for *investments* is the risk that, in the event of failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF).

North Marin Water District
Notes to the Basic Financial Statements, continued
For the Years Ended June 30, 2024 and 2023

(2) Cash and Investments, continued

Custodial Credit Risk, continued

The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). In addition, the District's investment policy requires that no more than two-thirds of the District's deposits in a depository to be collateralized by mortgage-backed securities and the remainder to be collateralized by non-mortgage-backed securities. The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by public agencies. California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of secured public deposits. As of June 30, 2024 and 2023, bank balances are federally insured up to \$250,000. The remaining balance is collateralized in accordance with the Code; however, collateralized securities are not held in the District's name.

Deposit in California Local Agency Investment Fund

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

The pool portfolio is invested in a manner that meets the maturity, quality, diversification and liquidity requirements set forth by GASB 79 for external investment pools that elect to measure, for financial reporting purposes, investments at amortized cost. LAIF does not have any legally binding guarantees of share values. LAIF does not impose liquidity fees or redemption gates on participant withdrawals.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the District manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio matures or comes close to maturity evenly over time as necessary to provide requirements for cash flow and liquidity needed for operations.

As of June 30, 2024, the District's investments are scheduled to mature as follows:

Investment Type	Amount	Remaining Maturity (in Months)			
		12 months or less	13 to 24 months	25-60 months	More than 60 months
Certificates-of-deposit	\$ 5,404,420	3,694,536	1,709,884	-	-
U.S. Treasury bill	10,475,234	10,475,234	-	-	-
Total	\$ 15,879,654	14,169,770	1,709,884	-	-

North Marin Water District
Notes to the Basic Financial Statements, continued
For the Years Ended June 30, 2024 and 2023

(2) Cash and Investments, continued

Interest Rate Risk, continued

As of June 30, 2023, the District's investments are scheduled to mature as follows:

Investment Type	Amount	Remaining Maturity (in Months)			
		12 months or less	13 to 24 months	25-60 months	More than 60 months
Certificates-of-deposit	\$ 7,058,326	3,411,734	3,646,592	-	-
U.S. Treasury bill	8,036,725	8,036,725	-	-	-
Total	\$ 15,095,051	11,448,459	3,646,592	-	-

Credit ratings as of June 30, 2024, were as follows:

Investment Type	Amount	Minimum Legal Rating	Exempt From Disclosure	Ratings AA+ to AA-
Certificates-of-deposit	\$ 5,404,420	N/A	5,404,420	-
U.S. Treasury bill	10,475,234	N/A	-	10,475,234
Total	\$ 15,879,654		5,404,420	10,475,234

Credit ratings as of June 30, 2023, were as follows:

Investment Type	Amount	Minimum Legal Rating	Exempt From Disclosure	Ratings AA+ to AA-
Certificates-of-deposit	\$ 7,058,326	N/A	7,058,326	-
U.S. Treasury bill	8,036,725	N/A	-	8,036,725
Total	\$ 15,095,051		7,058,326	8,036,725

Fair Value Measurements

Assets measured at fair value on a recurring basis, based on their fair value hierarchy at June 30, 2024, are as follows:

Investment Type	Total	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Certificates-of-deposit	\$ 5,404,420	-	5,404,420	-
U.S. Treasury bill	10,475,234	10,475,234	-	-
Total investments measured at fair value	\$ 15,879,654	10,475,234	5,404,420	-

North Marin Water District
Notes to the Basic Financial Statements, continued
For the Years Ended June 30, 2024 and 2023

(2) Cash and Investments, continued

Fair Value Measurements, continued

Assets measured at fair value on a recurring basis, based on their fair value hierarchy at June 30, 2023, are as follows:

Investment Type	Total	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Certificates-of-deposit	\$ 7,058,326	-	7,058,326	-
U.S. Treasury bill	8,036,725	8,036,725	-	-
Total investments measured at fair value	\$ 15,095,051	8,036,725	7,058,326	-

Inputs and valuations methods used for each of the District's investment classes are as follows:

- U.S. Treasury securities – The fair value U.S. Treasury securities is generally based on quoted market prices in active markets (Level 1).
- Certificates-of-deposit – The fair value of certificate-of-deposit is generally determined using a market-based model in which valuation consideration is given to yield or price of comparable securities, coupon rate, maturity, credit quality, and dealer-provided prices (Level 2).

(3) Leases Receivable

Changes in leases receivable for 2024 were as follows:

	Balance 2023	Additions	Principal Payments	Balance 2024	Current Portion	Long-term Portion	Deferred Inflows
Leases receivable:							
<i>Novato Water</i>							
Indian Valley Golf Course	\$ 95,112	-	(10,261)	84,851	11,895	72,956	(82,238)
Tower development	275,341	-	(13,465)	261,876	14,544	247,332	(232,321)
Subtotal leases Novato	370,453	-	(23,726)	346,727	26,439	320,288	(314,559)
<i>West Marin Water</i>							
Horizon Cable TV Inc.	17,353	-	(5,431)	11,922	5,779	6,143	(10,570)
Total leases receivable	\$ 387,806	-	(29,157)	358,649	32,218	326,431	(325,129)

Changes in leases receivable for 2023 were as follows:

	Balance 2022	Additions	Principal Payments	Balance 2023	Current Portion	Long-term Portion	Deferred Inflows
Leases receivable:							
<i>Novato Water</i>							
Indian Valley Golf Course	\$ 120,663	-	(25,551)	95,112	11,120	83,992	(92,377)
Tower development	287,778	-	(12,437)	275,341	13,465	261,876	(251,680)
Subtotal leases Novato	408,441	-	(37,988)	370,453	24,585	345,868	(344,057)
<i>West Marin Water</i>							
Horizon Cable TV Inc.	22,452	-	(5,099)	17,353	5,431	11,922	(15,855)
Total leases receivable	\$ 430,893	-	(43,087)	387,806	30,016	357,790	(359,912)

North Marin Water District
Notes to the Basic Financial Statements, continued
For the Years Ended June 30, 2024 and 2023

(3) Leases Receivable, continued

Indian Valley Golf Course

On July 20, 1988, the District entered into a lease agreement with Indian Valley Golf Course (Indian Valley), whereby Indian Valley has agreed to pay the District monthly for approximately 208.86 acres of watershed area adjoining Stafford Lake for the purpose of maintaining and operating a golf course. The terms of the agreement require Indian Valley to pay the District in monthly installments through June 2030. Monthly installments are adjusted annually based on the cost-of-living index calculated each fiscal year.

Following the guidelines of *GASB Statement No. 87*, the District recorded a lease receivable and a deferred inflow at present value using a discount rate of 3.11%. The deferred inflow is amortized on a straight-line basis over the term of the lease. As of June 30, 2024 and 2023, deferred inflows were reported at \$82,238 and \$92,377, respectively.

Future payments to be received and deferred inflows as of June 30, 2024, are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Deferred Inflows</u>
2025	\$ 11,895	2,470	14,365	(13,706)
2026	12,737	2,088	14,825	(13,706)
2027	13,620	1,680	15,300	(13,706)
2028	14,546	1,243	15,789	(13,707)
2029	15,517	777	16,294	(13,706)
2030	16,536	280	16,816	(13,707)
Total	84,851	8,538	93,389	(82,238)
Current	(11,895)			
Non-current	\$ 72,956			

Tower Development

On August 1, 2010, the District entered into a lease agreement with Verizon Wireless and Tower Development Corporation (Tower Development), whereby Tower Development has agreed to pay the District for providing for construction of a wireless communications antenna. The terms of the agreement require Tower Development to pay the District in annual installments through November 2025 and is adjusted annually by 3.00%.

Following the guidelines of *GASB Statement No. 87*, the District recorded a lease receivable and a deferred inflow at present value using a discount rate of 3.11%. The deferred inflow is amortized on a straight-line basis over the term of the lease. As of June 30, 2024 and 2023, deferred inflows were reported at \$232,321 and \$251,680, respectively.

North Marin Water District
Notes to the Basic Financial Statements, continued
For the Years Ended June 30, 2024 and 2023

(3) Leases Receivable, continued

Tower Development, continued

Future payments to be received and deferred inflows as of June 30, 2024, are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Deferred Inflows</u>
2025	\$ 14,544	8,144	22,688	(19,360)
2026	15,677	7,692	23,369	(19,360)
2027	16,866	7,204	24,070	(19,360)
2028	18,113	6,680	24,793	(19,360)
2029	19,420	6,117	25,537	(19,360)
2030-2034	119,003	20,640	139,643	(96,800)
2035-2038	58,253	2,731	60,984	(38,721)
Total	261,876	59,208	321,084	(232,321)
Current	(14,544)			
Non-current	\$ 247,332			

Horizon Cable

On November 1, 2020, the District entered into a lease agreement with Horizon Cable TV Inc. (Horizon Cable), whereby Horizon Cable has agreed to pay the District for the purpose of operating, maintaining, and replacing facilities for off-air television signal receiving at the District's water tank site number four. The terms of the agreement require Horizon Cable to pay the District in annual installments through October 2026 and is adjusted annually by 3.00%.

Following the guidelines of *GASB Statement No. 87*, the District recorded a lease receivable and a deferred inflow at present value using a discount rate of 3.11%. The deferred inflow is amortized on a straight-line basis over the term of the lease. As of June 30, 2024 and 2023, deferred inflows were reported at \$10,570 and \$15,855, respectively.

Future payments to be received and deferred inflows as of June 30, 2024, are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Deferred Inflows</u>
2025	\$ 5,779	371	6,150	(5,285)
2026	6,143	191	6,334	(5,285)
Total	11,922	562	12,484	(10,570)
Current	(5,779)			
Non-current	\$ 6,143			

North Marin Water District
Notes to the Basic Financial Statements, continued
For the Years Ended June 30, 2024 and 2023

(4) Note and Loan Receivable

Changes in note and loan receivable for 2024 were as follows:

	<u>Balance 2023</u>	<u>Additions</u>	<u>Principal Payments</u>	<u>Balance 2024</u>	<u>Current Portion</u>	<u>Long-term Portion</u>
Note receivable:						
Marin Country Club	\$ 1,060,788	-	(38,405)	1,022,383	38,791	983,592
Total notes receivable	<u>1,060,788</u>	<u>-</u>	<u>(38,405)</u>	<u>1,022,383</u>	<u>38,791</u>	<u>983,592</u>
Loan receivable:						
Marin Municipal Water District	1,777,296	-	(157,092)	1,620,204	161,355	1,458,849
Total loans receivable	<u>1,777,296</u>	<u>-</u>	<u>(157,092)</u>	<u>1,620,204</u>	<u>161,355</u>	<u>1,458,849</u>
Total notes and loans receivable	<u>\$ 2,838,084</u>	<u>-</u>	<u>(195,497)</u>	<u>2,642,587</u>	<u>200,146</u>	<u>2,442,441</u>

Changes in notes and loan receivable for 2023 were as follows:

	<u>Balance 2022</u>	<u>Additions</u>	<u>Principal Payments</u>	<u>Balance 2023</u>	<u>Current Portion</u>	<u>Long-term Portion</u>
Note receivable:						
Marin Country Club	\$ 1,098,812	-	(38,024)	1,060,788	38,406	1,022,382
Total notes receivable	<u>1,098,812</u>	<u>-</u>	<u>(38,024)</u>	<u>1,060,788</u>	<u>38,406</u>	<u>1,022,382</u>
Loan receivable:						
Marin Municipal Water District	1,930,238	-	(152,942)	1,777,296	157,092	1,620,204
Total loans receivable	<u>1,930,238</u>	<u>-</u>	<u>(152,942)</u>	<u>1,777,296</u>	<u>157,092</u>	<u>1,620,204</u>
Total notes and loans receivable	<u>\$ 3,029,050</u>	<u>-</u>	<u>(190,966)</u>	<u>2,838,084</u>	<u>195,498</u>	<u>2,642,586</u>

Marin Country Club

On June 10, 2015, the District entered into a contractual agreement with the Marin Country Club (Country Club), whereby the Country Club agreed to reimburse the District for construction costs incurred for a new recycled water facility in-lieu of connection fees. The Country Club is the primary customer of the Central Service Area pipeline and the receivable from this agreement contributes significantly to the related District debt (see note 8 for further information). The terms of the agreement require the Country Club to reimburse the District in bi-monthly installments through November 2047, and bear an interest rate of 1.00%.

Future payments to be received under the agreement as of June 30, 2024, are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 38,791	10,063	48,854
2026	39,181	9,673	48,854
2027	39,574	9,280	48,854
2028	39,972	8,882	48,854
2029	40,373	8,481	48,854
2030-2034	208,028	36,241	244,269
2035-2039	218,685	25,584	244,269
2040-2044	229,887	14,381	244,268
2045-2048	167,892	3,095	170,987
Total	<u>1,022,383</u>	<u>125,680</u>	<u>1,148,063</u>
Current	<u>(38,791)</u>		
Non-current	<u>\$ 983,592</u>		

North Marin Water District
Notes to the Basic Financial Statements, continued
For the Years Ended June 30, 2024 and 2023

(4) Note and Loan Receivable, continued

Marin Municipal Water District – Interconnection Agreement AEEP

In February 2019, the District entered into an agreement with Marin Municipal Water District (MMWD) for MMWD to fund a portion of the cost to replace 24,000 feet of the District's aqueduct (Aqueduct Energy Efficiency Project). MMWD uses the District's aqueduct to take water delivery from the Sonoma County Water Agency. On an annual basis, MMWD utilizes 51% of water flowing through the aqueduct. MMWD benefits from the continued use of the aqueduct through 2040 in exchange for funding a portion of the cost. The District received an initial payment of \$480,000 and financed the remaining \$3,142,883. The loan bears an interest rate of 2.71% and matures on July 2032. Principal and interest payments of \$205,320 are due annually on July 1.

Future payments to be received under the agreement as of June 30, 2024, are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 161,355	43,965	205,320
2026	165,734	39,586	205,320
2027	170,231	35,089	205,320
2028	174,850	30,470	205,320
2029	179,595	25,725	205,320
2030-2033	<u>768,439</u>	<u>52,841</u>	<u>821,280</u>
Total	1,620,204	<u>227,676</u>	<u>1,847,880</u>
Current	<u>(161,355)</u>		
Non-current	\$ <u>1,458,849</u>		

(5) Notes Receivable – Employee Housing Assistance Loans

The District's Employer Assisted Housing Program (Program) allows up to \$300,000 to be loaned to an employee for a period of up to 15 years for the purchase of a home within the District's service area. This allows an employee to respond rapidly to customer calls or emergencies affecting the operation of the District. Repayment is due upon sale of the employee's residence, termination of employment, or other events as described in the Program documents. Interest earned on the loan is based on the amount of interest foregone using the District's investment portfolio yield.

The following schedule lists the loans for employee housing assistance and their corresponding origination dates as of June 30, 2024 and 2023:

<u>Origination</u>	<u>2024</u>	<u>2023</u>
March 2015	\$ <u>250,000</u>	<u>250,000</u>

North Marin Water District
Notes to the Basic Financial Statements, continued
For the Years Ended June 30, 2024 and 2023

(6) Interfund Loan

In 2022, the District entered into an interfund loan agreement between the Novato Water system and West Marin Water system for \$1,000,000 with an interest rate of 2.75% per annum. The proceeds from the loan were used for the purpose of covering construction in progress projects and expense deficits. Principal and interest payments on the loan are due annually beginning July 1, 2023 and maturing in 2033. See the Combining Schedule of Net Position on page 64.

Annual debt service requirements for the loan are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 90,677	25,043	115,720
2026	93,168	22,553	115,721
2027	95,727	19,993	115,720
2028	98,356	17,364	115,720
2029	101,058	14,663	115,721
2030-2033	432,761	30,120	462,881
Total	911,747	129,736	1,041,483
Current	(90,677)		
Non-current	\$ 821,070		

(7) Transfer

In 2024, the Novato Water system transferred \$693,686 to the Novato Recycled system to assist the Novato Recycled system's operations.

In 2023, the Novato Water system transferred \$614,299 to the Novato Recycled system to assist the Novato Recycled system's operations.

(8) Capital Assets

Construction-In-Progress

The District has been involved in various construction projects throughout the year. The balance of the various construction projects that comprise construction-in-progress at June 30 are as follows:

	<u>2024</u>	<u>2023</u>
Developer construction – Novato Water	\$ 1,885,830	1,334,617
Other construction – Novato Water	22,226,275	13,219,450
Other construction – Novato Recycled	303,024	661
Other construction – West Marin Water	2,345,352	2,080,970
Other construction – Oceana Marin Sewer	575,459	252,240
Total construction-in-progress	\$ 27,335,940	16,887,938

North Marin Water District
Notes to the Basic Financial Statements, continued
For the Years Ended June 30, 2024 and 2023

(8) Capital Assets, continued

The change in capital assets for 2024 are as follows:

	<u>Balance 2023</u>	<u>Additions/ Transfers</u>	<u>Deletions/ Transfers</u>	<u>Balance 2024</u>
Non-depreciable assets:				
Land and land rights	\$ 1,493,091	-	-	1,493,091
Construction-in-progress	16,887,938	12,042,022	(1,594,020)	27,335,940
Total non-depreciable assets	<u>18,381,029</u>	<u>12,042,022</u>	<u>(1,594,020)</u>	<u>28,829,031</u>
Depreciable and amortizable assets:				
Distribution system	111,659,086	361,855	-	112,020,941
Treatment plant	23,263,267	223,463	-	23,486,730
Storage facilities	26,198,518	231,714	-	26,430,232
Transmission system	29,503,127	-	-	29,503,127
Source facilities	5,675,845	-	-	5,675,845
Sewer facilities	1,218,650	-	-	1,218,650
Structures and improvements	2,119,365	383,632	-	2,502,997
Other plant and equipment	4,172,155	373,846	(30,243)	4,515,758
Leased structures	587,691	-	(587,691)	-
Leased equipment	669,936	147,163	-	817,099
Total depreciable and amortizable assets	<u>205,067,640</u>	<u>1,721,673</u>	<u>(617,934)</u>	<u>206,171,379</u>
Accumulated depreciation and amortization:				
Distribution system	(39,931,989)	(2,019,717)	-	(41,951,706)
Treatment plant	(12,557,720)	(745,834)	-	(13,303,554)
Storage facilities	(9,474,615)	(526,531)	-	(10,001,146)
Transmission system	(5,243,574)	(235,104)	-	(5,478,678)
Source facilities	(2,725,437)	(107,410)	-	(2,832,847)
Sewer facilities	(719,065)	(33,706)	-	(752,771)
Structures and improvements	(1,545,085)	(52,378)	-	(1,597,463)
Other plant and equipment	(3,403,347)	(206,981)	30,243	(3,580,085)
Leased structures	(523,638)	(64,053)	587,691	-
Leased equipment	(260,890)	(147,568)	-	(408,458)
Total accumulated depreciation and amortization	<u>(76,385,360)</u>	<u>(4,139,282)</u>	<u>617,934</u>	<u>(79,906,708)</u>
Total depreciable assets, net	<u>128,682,280</u>	<u>(2,417,609)</u>	<u>-</u>	<u>126,264,671</u>
Total capital assets, net	<u>\$ 147,063,309</u>	<u>9,624,413</u>	<u>(1,594,020)</u>	<u>155,093,702</u>

North Marin Water District
Notes to the Basic Financial Statements, continued
For the Years Ended June 30, 2024 and 2023

(8) Capital Assets, continued

The change in capital assets for 2023 are as follows:

	<u>Balance 2022</u>	<u>Additions/ Transfers</u>	<u>Deletions/ Transfers</u>	<u>Balance 2023</u>
Non-depreciable assets:				
Land and land rights	\$ 1,493,091	-	-	1,493,091
Construction-in-progress	8,520,572	10,717,500	(2,350,134)	16,887,938
Total non-depreciable assets	<u>10,013,663</u>	<u>10,717,500</u>	<u>(2,350,134)</u>	<u>18,381,029</u>
Depreciable and amortizable assets:				
Distribution system	109,925,253	1,733,833	-	111,659,086
Treatment plant	23,012,963	250,304	-	23,263,267
Storage facilities	26,174,758	23,760	-	26,198,518
Transmission system	29,503,127	-	-	29,503,127
Source facilities	5,675,845	-	-	5,675,845
Sewer facilities	1,267,600	37,834	(86,784)	1,218,650
Structures and improvements	2,119,365	-	-	2,119,365
Other plant and equipment	4,111,348	187,615	(126,808)	4,172,155
Lease asset structures	587,691	-	-	587,691
Lease asset equipment	454,200	215,736	-	669,936
Total depreciable and amortizable assets	<u>202,832,150</u>	<u>2,449,082</u>	<u>(213,592)</u>	<u>205,067,640</u>
Accumulated depreciation and amortization:				
Distribution system	(37,936,358)	(1,995,631)	-	(39,931,989)
Treatment plant	(11,820,270)	(737,450)	-	(12,557,720)
Storage facilities	(8,938,120)	(536,495)	-	(9,474,615)
Transmission system	(4,983,846)	(259,728)	-	(5,243,574)
Source facilities	(2,618,026)	(107,411)	-	(2,725,437)
Sewer facilities	(743,504)	(29,296)	53,735	(719,065)
Structures and improvements	(1,492,670)	(52,415)	-	(1,545,085)
Other plant and equipment	(3,277,921)	(252,235)	126,809	(3,403,347)
Lease asset structures	(81,669)	(441,969)	-	(523,638)
Lease asset equipment	(149,614)	(111,276)	-	(260,890)
Total accumulated depreciation and amortization	<u>(72,041,998)</u>	<u>(4,523,906)</u>	<u>180,544</u>	<u>(76,385,360)</u>
Total depreciable assets, net	<u>130,790,152</u>	<u>(2,074,824)</u>	<u>(33,048)</u>	<u>128,682,280</u>
Total capital assets, net	<u>\$ 140,803,815</u>	<u>8,642,676</u>	<u>(2,383,182)</u>	<u>147,063,309</u>

(9) Compensated Absences

The change in compensated absences for 2024 was as follows:

	<u>Balance 2023</u>	<u>Earned</u>	<u>Taken</u>	<u>Balance 2024</u>	<u>Current Portion</u>	<u>Long-term Portion</u>
\$	695,315	968,730	(864,916)	799,129	199,782	599,347

North Marin Water District
Notes to the Basic Financial Statements, continued
For the Years Ended June 30, 2024 and 2023

(9) Compensated Absences, continued

The change in compensated absences for 2023 was as follows:

	<u>Balance 2022</u>	<u>Earned</u>	<u>Taken</u>	<u>Balance 2023</u>	<u>Current Portion</u>	<u>Long-term Portion</u>
\$	737,159	929,860	(971,704)	695,315	173,828	521,487

(10) Long-term Debt

The change in long-term debt for 2024 was as follows:

	<u>Balance 2023</u>	<u>Additions</u>	<u>Principal Payments</u>	<u>Balance 2024</u>	<u>Current Portion</u>	<u>Long-term Portion</u>
Long-term debt:						
Leases payable:						
Enterprise vehicle lease	\$ 397,580	146,993	(144,477)	400,096	134,871	265,225
100 Wood Hollow structure lease	43,972	-	(43,972)	-	-	-
Buck Institute structure lease	22,869	-	(22,869)	-	-	-
Total leases payable	<u>464,421</u>	<u>146,993</u>	<u>(211,318)</u>	<u>400,096</u>	<u>134,871</u>	<u>265,225</u>
Loans payable:						
<i>Novato Water</i>						
2005 DWR loan	5,806,044	-	(911,122)	4,894,922	463,743	4,431,179
2011 B of M loan	3,490,933	-	(368,180)	3,122,753	381,264	2,741,489
2018 JP Morgan Chase Loan	3,275,000	-	(290,000)	2,985,000	300,000	2,685,000
2022 Webster Bank loan	19,120,331	-	(753,254)	18,367,077	776,681	17,590,396
<i>Novato Recycled</i>						
2005 SWRCB loan	1,030,881	-	(248,627)	782,254	254,593	527,661
2011-2012 SWRCB loans	5,359,962	-	(487,075)	4,872,887	498,676	4,374,211
2016 SWRCB Loan	6,073,389	-	(215,039)	5,858,350	217,189	5,641,161
<i>West Marin Water</i>						
2011 B of M loan	512,431	-	(54,044)	458,387	55,965	402,422
Total loans payable	<u>44,668,971</u>	<u>-</u>	<u>(3,327,341)</u>	<u>41,341,630</u>	<u>2,948,111</u>	<u>38,393,519</u>
Total long-term debt	<u>\$ 45,133,392</u>	<u>146,993</u>	<u>(3,538,659)</u>	<u>41,741,726</u>	<u>3,082,982</u>	<u>38,658,744</u>

The change in long-term debt for 2023 was as follows:

	<u>Balance 2022</u>	<u>Additions</u>	<u>Principal Payments</u>	<u>Balance 2023</u>	<u>Current Portion</u>	<u>Long-term Portion</u>
Long-term debt:						
Leases payable:						
Enterprise vehicle lease	\$ 292,532	215,258	(110,210)	397,580	132,283	265,297
100 Wood Hollow structure lease	378,677	-	(334,705)	43,972	43,972	-
Buck Institute structure lease	128,857	-	(105,988)	22,869	22,869	-
Total leases payable	<u>800,066</u>	<u>215,258</u>	<u>(550,903)</u>	<u>464,421</u>	<u>199,124</u>	<u>265,297</u>
Loans payable:						
<i>Novato Water</i>						
2005 DWR loan	6,695,774	-	(889,730)	5,806,044	922,010	4,884,034
2011 B of M loan	3,847,058	-	(356,125)	3,490,933	368,180	3,122,753
2018 JP Morgan Chase Loan	3,555,000	-	(280,000)	3,275,000	290,000	2,985,000
2022 Webster Bank loan	20,000,000	-	(879,669)	19,120,331	753,254	18,367,077
<i>Novato Recycled</i>						
2005 SWRCB loan	1,273,680	-	(242,799)	1,030,881	248,627	782,254
2011-2012 SWRCB loans	5,835,707	-	(475,745)	5,359,962	487,075	4,872,887
2016 SWRCB Loan	6,286,299	-	(212,910)	6,073,389	215,039	5,858,350
<i>West Marin Water</i>						
2011 B of M loan	564,706	-	(52,275)	512,431	54,044	458,387
Total loans payable	<u>48,058,224</u>	<u>-</u>	<u>(3,389,253)</u>	<u>44,668,971</u>	<u>3,338,229</u>	<u>41,330,742</u>
Total long-term debt	<u>\$ 48,858,290</u>	<u>215,258</u>	<u>(3,940,156)</u>	<u>45,133,392</u>	<u>3,537,353</u>	<u>41,596,039</u>

North Marin Water District
Notes to the Basic Financial Statements, continued
For the Years Ended June 30, 2024 and 2023

(10) Long-term Debt, continued

Enterprise Vehicle Lease

In May 2019, the District entered into an agreement with Enterprise Fleet Management Trust (Enterprise) to lease vehicles from time to time, commencing on the delivery date of each vehicle. As of June 30, 2024, the District maintains leases for 25 vehicles with delivery dates from June 2019 through February 2024. Each vehicle has a term of 60 months with principal and interest due monthly through 2029.

Following the guidelines set forth by *GASB Statement No. 87*, the District has recorded a right-to-use asset and a lease payable at present value with interest rates ranging from -0.03% to 0.43%. The right-to-use asset is amortized on a straight-line basis over the term of the lease.

Annual lease payments are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 134,871	10,765	145,636
2026	109,233	7,826	117,059
2027	83,248	4,871	88,119
2028	55,436	1,985	57,421
2029	17,308	311	17,619
Total	<u>400,096</u>	<u>25,758</u>	<u>425,854</u>
Current	<u>(134,871)</u>		
Non-current	<u>\$ 265,225</u>		

100 Wood Hollow Structure Lease

In March 2022, the District entered into an agreement with 100 Wood Hollow Drive Owner LLC to rent 10,289 square feet of building space for the purpose of providing a temporary location for the District's headquarters operations for the duration of the District's headquarters remodeling project. Terms of the agreement commenced on May 15, 2022, for a period of 15 months, with base rent due monthly at \$28,295 per month, for months 1-12 and \$29,735 for months 13-15.

Following the guidelines set forth by *GASB Statement No. 87*, the District has recorded a right-to-use asset and a lease payable at present value with an implicit rate of 3.11%. The right-to-use asset is amortized on a straight-line basis over the term of the lease.

In 2024, the District revised the lease terms to month-to-month in the anticipation of the close of construction on the District's headquarters building in Novato.

Buck Institute Structure Lease

In February 2022, the District entered into an agreement with The Buck Institute for Research on Aging to rent laboratory facility space for purposes of conducting water quality testing for the duration of the District's headquarters remodeling project. Terms of the agreement commenced on February 16, 2022, for a period of 19 months with base rent due quarterly at \$8,964 per month for months 1-12 and \$9,233 for months 13-19.

Following the guidelines set forth by *GASB Statement No. 87*, the District has recorded a right-to-use asset and a lease payable at present value with an implicit rate of 3.11%. The right-to-use asset is amortized on a straight-line basis over the term of the lease.

In 2024, the District revised the lease terms to month-to-month in the anticipation of the close of construction on the District's headquarters building in Novato.

North Marin Water District
Notes to the Basic Financial Statements, continued
For the Years Ended June 30, 2024 and 2023

(10) Long-term Debt, continued

2005 DWR Loan – Novato Water segment

In 2005, the District entered into an agreement with the California Department of Water Resources (DWR) for a loan in an amount not-to-exceed \$16,528,850 with an interest rate of 2.39% per annum. The proceeds from the loan were used for the reconstruction of the Stafford Water Treatment Plant. Principal and interest payments on the loan are due semi-annually on January 1st and July 1st and matures in 2030. Annual debt service requirements for the loan are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 463,743	58,494	522,237
2026	944,177	100,297	1,044,474
2027	966,878	77,597	1,044,475
2028	990,124	54,350	1,044,474
2029	1,013,930	30,544	1,044,474
2030	516,070	6,168	522,238
Total	4,894,922	327,450	5,222,372
Current	(463,743)		
Non-current	\$ 4,431,179		

2005 SWRCB Loan – Novato Recycled Water segment

In 2005, the District entered into an agreement with the California State Water Resources Control Board (SWRCB) for a loan in an amount of \$4,302,560 with an interest rate of 2.40% per annum. The proceeds from the loan were used to construct the Deer Island Recycled Water Facility. Principal and interest are payable annually on June 19th and matures in 2027.

As noted in note 3, the District entered into a contractual agreement with Stone Tree Golf Course whereby Stone Tree Golf Course agreed to reimburse the District for construction costs incurred for the new recycled water facility in-lieu of connection fees. As the major customer of the recycled water facility, Stone Tree Golf Course contributed a significant amount towards the District's repayment of this loan.

Annual debt service requirements for the loan are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 254,593	18,774	273,367
2026	260,703	12,664	273,367
2027	266,958	6,407	273,365
Total	782,254	37,845	820,099
Current	(254,593)		
Non-current	\$ 527,661		

North Marin Water District
Notes to the Basic Financial Statements, continued
For the Years Ended June 30, 2024 and 2023

(10) Long-term Debt, continued

2011-2012 SWRCB Loans – Novato Recycled Water segment – North and South Service Areas

In 2011, the District entered into an agreement with the California State Water Resources Control Board (SWRCB) for a loan in an amount not-to-exceed \$4,364,335 with an interest rate of 2.60% per annum. The proceeds from the loan were used to construct the Recycled Water Expansion project – North Service Area. As of June 30, 2013, the loan totaled \$4,375,605 consisting of eligible reimbursement cost of \$4,364,335 and capitalized interest charges of \$11,270. Principal and interest payments of \$281,892 are payable annually and matures in 2033.

In 2012, the District entered into an agreement with the California State Water Resources Control Board (SWRCB) for a loan in an amount not-to-exceed \$5,480,740 with an interest rate of 2.20% per annum. The proceeds from the loan were used to construct the Recycled Water Expansion project – South Service Area. Principal and interest payments of \$332,407 are payable annually and matures in 2034.

Annual debt service requirements for the loan are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 498,676	115,623	614,299
2026	510,556	103,743	614,299
2027	522,720	91,579	614,299
2028	535,177	79,122	614,299
2029	547,932	66,367	614,299
2030-2034	<u>2,257,826</u>	<u>133,838</u>	2,391,664
Total	4,872,887	<u>590,272</u>	<u>5,463,159</u>
Current	<u>(498,676)</u>		
Non-current	\$ <u>4,374,211</u>		

2011 Bank of Marin Loan – Novato Water and West Marin Water Segments

In October 2013, the District entered into a loan agreement with the Bank of Marin for a 20-year \$8.0 million construction loan with an interest rate of 3.42% per annum. The proceeds of the loan were used for the North Marin Aqueduct Energy Efficiency Project and West Marin water improvements. Principal and interest payments of \$46,067 are payable monthly on the 27th day of each month and matures in September 2031.

Annual debt service requirements for the loan are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 437,229	115,571	552,800
2026	452,405	100,395	552,800
2027	468,107	84,693	552,800
2028	484,175	68,625	552,800
2029	501,159	51,641	552,800
2030-2032	<u>1,238,065</u>	<u>51,802</u>	<u>1,289,867</u>
Total	3,581,140	<u>472,727</u>	<u>4,053,867</u>
Current	<u>(437,229)</u>		
Non-current	\$ <u>3,143,911</u>		

North Marin Water District
Notes to the Basic Financial Statements, continued
For the Years Ended June 30, 2024 and 2023

(10) Long-term Debt, continued

2016 SWRCB Loan – Novato Recycled Water segment – Central Service Area

In 2016, the District entered into an agreement with the California State Water Resources Control Board (SWRCB) for an amount not-to-exceed \$10,450,708. The amount consists of a 30-year loan totaling \$7,130,503 with an interest rate of 1.00% per annum and capital grant totaling \$3,320,205. The proceeds of the loan were used to construct the Recycled Water Expansion project – Central Service Area. Principal and interest are payable annually on December 31st and matures in 2048.

As noted in note 3, the District entered into a contractual agreement with the Marin Country Club whereby the Country Club agreed to reimburse the District for construction costs incurred for the new recycled water pipeline in-lieu of connection fees. As the primary customer of the Central Service Area pipeline, the Country Club contributes a significant amount towards the District's repayment of this loan.

Annual debt service requirements for the loan are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 217,189	58,584	275,773
2026	219,361	56,412	275,773
2027	221,555	54,218	275,773
2028	223,770	52,002	275,772
2029	226,008	49,765	275,773
2030-2034	1,164,397	214,467	1,378,864
2035-2039	1,223,793	155,071	1,378,864
2040-2044	1,286,219	92,645	1,378,864
2045-2048	1,076,058	27,035	1,103,093
Total	5,858,350	760,199	6,618,549
Current	(217,189)		
Non-current	\$ 5,641,161		

2018 JP Morgan Chase Loan

In 2018, the District entered into an agreement with JP Morgan Chase Bank for a loan in an amount of \$4,600,000 with an interest rate of 2.69% per annum. The proceeds of the loan were used to finance the acquisition and construction of the automated meter information system throughout the District's Novato service area. Principal and interest payments on the loan are due semi-annually on September 1st and March 1st and matures in 2033.

Annual debt service requirements for the loan are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 300,000	80,297	380,297
2026	305,000	72,227	377,227
2027	315,000	64,022	379,022
2028	320,000	55,549	375,549
2029	330,000	46,941	376,941
2030-2033	1,415,000	96,302	1,511,302
Total	2,985,000	415,338	3,400,338
Current	(300,000)		
Non-current	\$ 2,685,000		

North Marin Water District
Notes to the Basic Financial Statements, continued
For the Years Ended June 30, 2024 and 2023

(10) Long-term Debt, continued

2022 Webster Bank Loan

In May 2022, the District entered into an agreement with Webster Bank, N.A. for a loan in the amount of \$20,000,000 with an interest rate of 3.11% per annum. The proceeds of the loan were used to finance the improvements to its system, consisting of the District's headquarters building upgrade and expansion project, and other capital projects. Principal and interest payments on the loan are due semi-annually on September 1st and March 1st and matures in 2042.

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 776,681	571,216	1,347,897
2026	800,835	547,061	1,347,896
2027	825,741	522,155	1,347,896
2028	851,422	496,475	1,347,897
2029	877,901	469,996	1,347,897
2030-2034	4,816,430	1,923,054	6,739,484
2035-2039	5,613,441	1,126,042	6,739,483
2040-2043	3,804,626	239,063	4,043,689
Total	18,367,077	5,895,062	24,262,139
Current	(776,681)		
Non-current	\$ 17,590,396		

(11) Other Post-employment Benefits (OPEB) Plan

General Information about the OPEB Plan

Plan description – The District's defined benefit OPEB plan (Plan) provides OPEB for all permanent full-time employees. The Plan is a single-employer defined benefit OPEB plan administered by the District. The District's Board of Directors has the authority to establish and amend the benefit terms and financing requirements of the Plan. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits provided – The District offers other post-employment medical benefits to retired employees who satisfy the eligibility rules. Spouses and surviving spouses are also eligible to receive benefits.

The District contributes up to \$319.22 to PEMHCA on behalf of each retiree eligible for PEMHCA. The District makes supplemental contributions towards certain retirees' PEMHCA premiums if the retiree has attained age 55 and has completed at least 12 years of service with the District at the time of retirement. For employees hired on or after October 1, 2018, the retiree must be at least age 55 at the date of retirement with a minimum of 20 years of full-time equivalent service.

The District's contribution varies by group and retirement date, as follows:

(1) Retiring on or after January 1, 2013, all groups: Up to 85% of the Kaiser 2-party rate each year, offset by the District's basic contribution of \$319.22/month to PEMHCA. If there is no covered spouse, or once the spouse has attained age 65, this changes to 85% of the Kaiser 1-party rate. The supplement ends upon the retiree's attainment of age 65*.

(2) Retiring on or after June 1, 2005, but before January 1, 2013, all groups: Up to 90% of the Kaiser 2-party rate each year, offset by the District's basic contribution of \$319.22/month to PEMHCA. If there is no covered spouse, or once the spouse has attained age 65, this changes to 90% of the Kaiser 1-party rate. The supplement ends upon the retiree's attainment of age 65*.

North Marin Water District
Notes to the Basic Financial Statements, continued
For the Years Ended June 30, 2024 and 2023

(11) Other Post-employment Benefits (OPEB) Plan, continued

(3) Retiring before June 1, 2005:

- *Represented* – Up to 100% of the Kaiser 2-party rate (or 1-party rate if single or if spouse has attained age 65) until retiree's age 65; after age 65, the dollar amount is capped at a flat \$409.91/month. All amounts are offset by the District's basic \$319.22/month to PEMHCA.
- *Unrepresented* – Up to 90% of the Kaiser 2-party rate (or 1-party rate if single or if spouse has attained age 65) until retiree's age 65; after age 65, the dollar amount is capped at a flat \$364.87/month. All amounts are offset by the District's basic \$319.22/month to PEMHCA.
- Coverage terminates for the spouse when the spouse becomes eligible for Medicare, or for both the retiree and spouse when the retiree becomes eligible for Medicare.

* If a retiree covered under the medical plan dies before age 65, his/her spouse may continue District-paid group health coverage until age 65 if ineligible for other health insurance coverage, i.e., through employment or remarriage.

Employees covered by benefit terms – At June 30, the following employees were covered by the benefit terms:

	2024	2023
Inactive employees or beneficiaries currently receiving benefit payments	39	38
Inactive employees entitled to but not receiving benefit payments	-	-
Active employees	55	53
	94	91

General Information about the OPEB Plan, continued

Contributions – The Plan and its contribution requirements for eligible retired employees of the District are established and may be amended by the Board of Directors. The District pays a portion of the cost of health insurance for retirees under any group plan offered by CalPERS, subject to certain restrictions as determined by the District. The annual contribution is based on the actuarially determined contribution. No assets are accumulated in a trust that meets the criteria in Paragraph 4 of *GASB Statement No. 75*.

Total OPEB Liability

The District's total OPEB liability of \$4,869,618 and \$4,287,222 was measured as of June 30, 2024 and 2023, respectively, and was determined by an actuarial valuation as of July 1, 2022, to June 30, 2023, and July 1, 2020, to June 30, 2021, respectively.

Actuarial assumptions and other inputs – The total OPEB liability measured based on the July 1, 2023 and July 1, 2021, actuarial valuations were determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2024 - 2.50 percent 2023 - 2.75 percent
Salary increases	3.00 percent, average, including inflation
Discount rate	2024 - 3.97 percent 2023 - 3.86 percent
Healthcare cost trend rates	5.50 percent for 2024, 5.25 percent for 2025-2029, 5.00 percent for 2030-2039, 4.75 percent for 2040-2049, 4.50 percent for 2050-2069 4.00 percent for 2070 and later years; Medicare ages: 4.50 percent for 2024-2029 and 4.00 percent for 2030 and later years.

North Marin Water District
Notes to the Basic Financial Statements, continued
For the Years Ended June 30, 2024 and 2023

(11) Other Post-employment Benefits (OPEB) Plan, continued

As of and for the years ended June 30, 2024 and 2023, the discount rates were based on the Fidelity GO AA 20-Years Municipal Index of 3.97% and 3.86%, respectively.

As of and for the year ended June 30, 2024, pre-retirement mortality rates were based on the CalPERS Experience Study (2000-2019).

As of and for the year ended June 30, 2023, pre-retirement mortality rates were based on the RP-2014 Employee Mortality Table for Males or Females, as appropriate, without projection. Post-retirement mortality rates were based on the RP-2014 Health Annuitant Mortality Table for Males or Females, as appropriate, without projection.

Actuarial assumptions used in the July 1, 2023 and 2021 valuations were based on a review of plan experience during the periods July 1, 2022 to June 30, 2023 and July 1, 2020 to June 30, 2021.

Changes in the Total OPEB Liability

	Total OPEB Liability 2024	Total OPEB Liability 2023
Balance at beginning of year	\$ 4,287,222	4,343,600
Changes for the year:		
Service cost	196,490	133,569
Interest	188,823	160,146
Difference between expected and actual experience	228,085	-
Changes in assumptions or other inputs	277,919	(73,234)
Benefit payments	(308,921)	(276,859)
Net change	582,396	(56,378)
Balance at end of year	\$ 4,869,618	4,287,222

There were no changes in benefit terms.

Changes of assumptions and other inputs reflect a change in the discount rate from 3.86% in 2023 to 3.97% in 2024.

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the District as of June 30, 2024, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	Discount Rate - 1% (2.97%)	Current Discount Rate (3.97%)	Discount Rate + 1% (4.97%)
District's total OPEB liability	\$ 5,401,725	4,869,618	4,404,730

North Marin Water District
Notes to the Basic Financial Statements, continued
For the Years Ended June 30, 2024 and 2023

(11) Other Post-employment Benefits (OPEB) Plan, continued

Changes in the Total OPEB Liability, continued

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the District as of June 30, 2023, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	Discount Rate - 1% (2.86%)	Current Discount Rate (3.86%)	Discount Rate + 1% (4.86%)
District's total OPEB liability	\$ 4,748,886	4,287,222	3,894,652

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates – The following presents the total OPEB liability of the District as of June 30, 2024, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease (4.50%) increasing to 5.50%)	Healthcare Cost Trend Rates (5.50%) increasing to 6.50%)	1% Increase (6.50%) increasing to 7.50%)
District's total OPEB liability	\$ 4,472,902	4,869,618	4,404,730

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates – The following presents the total OPEB liability of the District as of June 30, 2023, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease (4.00%) increasing to 4.20%)	Healthcare Cost Trend Rates (5.00%) increasing to 5.20%)	1% Increase (6.00%) increasing to 6.20%)
District's total OPEB liability	\$ 4,031,340	4,287,222	4,593,288

North Marin Water District
Notes to the Basic Financial Statements, continued
For the Years Ended June 30, 2024 and 2023

(11) Other Post-employment Benefits (OPEB) Plan, continued

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2024 and 2023, the District recognized OPEB expense of \$107,271 and \$24,891, respectively. The District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources at June 30:

Description	2024		2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ -	(63,082)	-	(324,457)
Differences between actual and expected experience	236,289	-	22,539	-
Total	\$ 236,289	(63,082)	22,539	(324,457)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB, continued

As of June 30, 2024, amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year June 30:	Net Differences between Expected and Actual Experience		
	Net Changes in Assumptions	and Actual Experience	Net Deferred Outflows/(Inflows) of Resources
2025	\$ (17,085)	16,582	(503)
2026	(90,314)	50,030	(40,284)
2027	(96,494)	47,680	(48,814)
2028	24,472	26,522	50,994
2029	116,339	95,475	211,814
Total	\$ (63,082)	236,289	173,207

As of June 30, 2023, amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year June 30:	Net Differences between Expected and Actual Experience		
	Net Changes in Assumptions	and Actual Experience	Net Deferred Outflows/(Inflows) of Resources
2024	\$ (15,772)	(12,187)	(27,959)
2025	(49,401)	(9,940)	(59,341)
2026	(122,630)	23,508	(99,122)
2027	(128,810)	21,158	(107,652)
2028	(7,844)	-	(7,844)
Total	\$ (324,457)	22,539	(301,918)

Schedule of Changes in the District's Total OPEB Liability and Related Ratios

See page 61 for the Required Supplementary Schedule.

North Marin Water District
Notes to the Basic Financial Statements, continued
For the Years Ended June 30, 2024 and 2023

(12) Defined Benefit Pension Plan

Plan Description

All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Pension Plan (PERF C) administered by the California Public Employees' Retirement System (CalPERS). The PERF C consists of a miscellaneous risk pool and a safety risk pool, which are comprised of individual employer miscellaneous and safety plans respectively. Benefit provisions under the Plan are established by State Statute and the District's resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions, and membership information that can be found on the CalPERS website or may be obtained from their executive office at 400 Q Street, Sacramento, California 95811.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: The Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. Cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

On September 12, 2012, the California Governor signed the California Public Employees' Pension Reform Act of 2013 (PEPRA) into law. PEPRA took effect January 1, 2013. The new legislation closed the District's CalPERS 2.0% at 60 Risk Pool Retirement Plan to new employee entrants effective December 31, 2012. For employees hired prior to January 1, 2013, who are current members of CalPERS or a reciprocal agency as of December 31, 2012 and have not been separated from service from such agency for more than six months, the retirement benefit is 2.5% at 55 years of age; highest single year of compensation. All other employees hired on or after January 1, 2013, are eligible for the District's CalPERS 2.0% at 62 Retirement Plan under PEPRA based on the average annual compensation for the last three years of employment.

The District participates in the PERF C miscellaneous risk pool. The provision and benefits for the PERF C miscellaneous pool in effect at June 30, are summarized as follows:

	<u>Classic</u>	<u>PEPRA</u>
Hire date	Prior to January 1, 2013	On or after January 1, 2013
Benefit formula	2.5% @ 55	2.0% @ 62
Benefit vesting schedule	5 years of service	
Benefit payments	monthly for life	
Retirement age	50 - 55	57 - 62
Monthly benefits, as a % of eligible compensation	2.0% to 2.5%	1.0% to 2.5%
Required employee contribution rates	2024: 7.96%	2024: 7.75%
	2023: 7.96%	2023: 6.75%
Required employer contribution rates	2024: 14.06%	2024: 7.68%
	2023: 12.21%	2023: 7.47%

North Marin Water District
Notes to the Basic Financial Statements, continued
For the Years Ended June 30, 2024 and 2023

(12) Defined Benefit Pension Plan, continued

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by an actuary and shall be effective on July 1, following notice of the change in rate. Funding contributions for the Plan are determined annually on an actuarial basis as of June 30, by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the fiscal years ended June 30, the District's pension contributions were as follows:

	Miscellaneous Plan	
	2024	2023
Contributions – employer	\$ 1,918,876	1,847,485

Net Pension Liability

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

	2024	2023
Proportionate share of net pension liability	\$ 18,307,785	17,178,160

The District's net pension liability for the PERF C is measured as the proportionate share of the net pension liability for the miscellaneous pool. As of June 30, 2024 and 2023, the net pension liability of the Plan is measured as of June 30, 2023 and 2022 (the measurement dates), respectively. The total pension liability for the PERF C's miscellaneous risk pool used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022 and 2021 (valuation dates), rolled forward to June 30, 2023 and 2022, respectively, using standard update procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

The District's change in the proportionate share of the net pension liability for the Plan as of the measurement dates for June 30, 2024 and 2023, were as follows:

	Proportionate Share
Proportion at Measurement Date – June 30, 2022	0.17135 %
Change in proportion	(0.02263)
Proportion at Measurement Date – June 30, 2023	0.14872
Change is proportion	(0.00197)
Proportion at Measurement Date – June 30, 2024	0.14675 %

Deferred Pension Outflows (Inflows) of Resources

For the years ended June 30, 2024 and 2023, the District recognized pension expense and income of \$620,382 and \$1,564,295, respectively.

North Marin Water District
Notes to the Basic Financial Statements, continued
For the Years Ended June 30, 2024 and 2023

(12) Defined Benefit Pension Plan, continued

Deferred Pension Outflows (Inflows) of Resources, continued

At June 30, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	2024		2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to the measurement date at June 30	\$ 1,918,876	-	1,874,485	-
Net difference between actual and expected experience	790,179		113,924	
Net change in assumptions	1,105,323	-	1,760,260	-
Net difference between projected and actual earnings on plan investments	2,964,194	-	3,146,580	-
Net difference between actual contribution and proportionate share of contribution	-	(225,035)	-	(558,545)
Net change due to differences in proportion of net pension liability	-	(503,205)	-	(795,615)
Total	\$ 6,778,572	(728,240)	6,895,249	(1,354,160)

As of June 30 2024 and 2023, the District reported \$1,918,876 and \$1,874,485, respectively, as deferred outflows of resources related to contributions subsequent to the measurement dates. Pension contributions subsequent to the measurement date for the year ended June 30, 2024, will be recognized as a reduction of the net pension liability for the year ended June 30, 2025. Pension contributions subsequent to the measurement date for the year ended June 30, 2023, were recognized as a reduction of the net pension liability for the year ended June 30, 2024.

At June 30, 2024, other amounts reported as deferred outflows of resources and deferred inflows of resources related to the pension will be recognized as pension expense as follows:

Fiscal Year June 30,	Net Difference between Expected and Actual Experience	Net Change in Assumptions	Net Difference between Projected and Actual Earnings on Pension Plan Investments	Net Difference between Actual Contribution and Proportionate Share of Contribution	Net Change due to Differences in Proportions	Net, Deferred Outflows/(Inflows) of Resources
2025	\$ 343,713	655,090	381,895	(169,009)	(315,616)	896,073
2026	202,018	451,782	191,071	(69,885)	(192,998)	581,988
2027	244,448	(1,549)	2,345,540	13,859	5,409	2,607,707
2028	-	-	45,688	-	-	45,688
Total	\$ 790,179	1,105,323	2,964,194	(225,035)	(503,205)	4,131,456

North Marin Water District
Notes to the Basic Financial Statements, continued
For the Years Ended June 30, 2024 and 2023

(12) Defined Benefit Pension Plan, continued

Deferred Pension Outflows (Inflows) of Resources, continued

At June 30, 2023, other amounts reported as deferred outflows of resources and deferred inflows of resources related to the pension will be recognized as pension expense as follows:

Fiscal Year June 30,	Net Difference between Expected and Actual Experience	Net Change in Assumptions	Net Difference between Projected and Actual Earnings on Pension Plan Investments	Net Difference between Actual Contribution and Proportionate Share of Contribution	Net Change due to Differences in Proportions	Net, Deferred Outflows/(Inflows) of Resources
2024	\$ 179,313	649,518	365,124	(285,007)	(273,479)	635,469
2025	38,153	657,025	336,211	(186,331)	(322,377)	522,681
2026	(103,542)	453,717	145,387	(87,207)	(199,759)	208,596
2027	-	-	2,299,858	-	-	2,299,858
Total	\$ 113,924	1,760,260	3,146,580	(558,545)	(795,615)	3,666,604

Actuarial Assumptions

The total pension liabilities in the June 30, 2022 and 2021, actuarial valuations were determined using the following actuarial assumptions and methods:

Valuation dates	June 30, 2022 and 2021
Measurement dates	June 30, 2023 and 2022
Actuarial cost method	Entry Age Normal in accordance with the requirements of GASB Statement No. 68
Actuarial assumptions:	
Discount rate	2023 - 6.90% 2022 - 6.90%
Inflation	2023 - 2.30% 2022 - 2.30%
Salary increases	Varies by Entry Age and Service
Investment Rate of Return	6.90% Net of Pension Plan Investment and Administrative Expenses; includes inflation
Mortality Rate Table*	Derived using CalPERS Membership Data for all Funds
Period upon which actuarial Experience Survey assumptions were based	2022 and 2021 – 1997-2015
Post Retirement Benefit	2022 and 2021 – Contract COLA up to 2.30% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.30% thereafter

* The mortality table was developed based on CalPERS specific data. The table includes 15 years of mortality improvement using the Society of Actuaries 90 percent of scale MP 2016. For more details on this table, please refer to the December 2017, experience study report (based on CalPERS demographic data from 1997 to 2015) available online on the CalPERS website.

Discount Rate

The discount rate used to measure the total pension liability as of June 30, 2023 and 2022, for the PERF C was 6.90%, respectively. This discount rate is not adjusted for administrative expenses.

North Marin Water District
Notes to the Basic Financial Statements, continued
For the Years Ended June 30, 2024 and 2023

(12) Defined Benefit Pension Plan, continued

Discount Rate, continued

The PERF C fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return for those pension plans' investments were applied to all periods of projected benefit payments to determine the total pension liability.

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical and forecasted information for all funds' asset classes, expected compound (geometric) returns were calculated over the short term (first 10 years) and the long term (11+ years) using a building-block approach. Using the expected nominal returns for both short term and long term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

The table below reflects long-term expected real rates of return by asset class. The rates of return were calculated using the capital market assumptions applied to determine the discount rate.

<u>Asset Class</u>	<u>New Strategic Allocation</u>	<u>Real Return Years 1-10*</u>
Global equity - cap-weighted	30.00 %	4.45 %
Global equity non-cap-weighted	12.00	3.84
Private Equity	13.00	7.28
Treasury	5.00	0.27
Mortgage-backed Securities	5.00	0.50
Investment Grade Corporates	10.00	1.56
High Yield	5.00	2.27
Emerging Market Debt	5.00	2.48
Private Debt	5.00	3.57
Real Assets	15.00	3.21
Leverage	-5.00	-0.59
	<u>100.00 %</u>	

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

As June 30, 2024, the District's proportionate share of the net position liability for the Plan calculated using the discount rate, as well as what the District's proportional share of the net pension liability would be if it were calculated using a discount rate that is one-percentage point lower or one-percentage point higher than the current rate:

	<u>Discount Rate - 1% (5.90%)</u>	<u>Current Discount Rate (6.90%)</u>	<u>Discount Rate + 1% (7.90%)</u>
District's net pension liability	\$ 26,580,129	18,307,785	11,498,935

North Marin Water District
Notes to the Basic Financial Statements, continued
For the Years Ended June 30, 2024 and 2023

(12) Defined Benefit Pension Plan, continued

As of June 30, 2023, the District's proportionate share of the net position liability for the Plan calculated using the discount rate, as well as what the District's proportional share of the net pension liability would be if it were calculated using a discount rate that is one-percentage point lower or one-percentage point higher than the current rate:

	Discount Rate - 1% (5.90%)	Current Discount Rate (6.90%)	Discount Rate + 1% (7.90%)
District's net pension liability	\$ 25,132,339	17,178,160	10,633,845

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in separately issued CalPERS financial reports. See pages 62 and 63 for Required Supplementary Schedules.

(13) Net Position

Calculation of net position per fund as of June 30, 2024, was as follows:

	Novato Water	Novato Recycled	West Marin Water	Oceana Marin Sewer	Total
Net investment in capital assets:					
Capital assets, not being depreciated	\$ 25,466,389	303,024	2,482,837	576,781	28,829,031
Depreciable capital assets, net	90,411,037	28,775,191	6,163,179	915,264	126,264,671
Webster loan fund – administrative building	3,404,828	-	-	-	3,404,828
Current:					
Leases payable	(134,871)	-	-	-	(134,871)
Loans payable	(1,921,688)	(970,458)	(55,965)	-	(2,948,111)
Non-current:					
Leases payable	(265,225)	-	-	-	(265,225)
Loans payable	(27,448,064)	(10,543,033)	(402,422)	-	(38,393,519)
Total net investment in capital assets	89,355,314	17,564,724	8,187,629	1,492,045	116,599,712
Restricted net position:					
SRF loan fund – Stafford Treatment Plant	1,067,432	-	-	-	1,067,432
SRF reserve fund – Recycled Water System North, South, and Central	-	890,072	-	-	890,072
SRF reserve fund – Recycled Water System Deer Island	-	215,000	-	-	215,000
Interagency capital replacement and expansion fund	-	5,974,462	-	-	5,974,462
Total restricted net position	1,067,432	7,079,534	-	-	8,146,966
Unrestricted net position:					
Non-spendable net position:					
Current:					
Materials and supplies inventory	1,007,639	-	-	-	1,007,639
Prepaid expenses and deposits	507,197	-	-	-	507,197
Non-current:					
Notes receivable	-	983,592	-	-	983,592
Notes receivable – employee housing loans	250,000	-	-	-	250,000
Total non-spendable net position	1,764,836	983,592	-	-	2,748,428
Spendable net position are designated as follows:					
Other post-employment benefits reserve	4,287,222	-	-	-	4,287,222
Operating reserve (deficit)	(2,288,716)	406,540	(339,131)	482,332	(1,738,975)
Total spendable net position (deficit)	1,998,506	406,540	(339,131)	482,332	2,548,247
Total unrestricted net position	3,763,342	1,390,132	(339,131)	482,332	5,296,675
Total net position	\$ 94,186,088	26,034,390	7,848,498	1,974,377	130,043,353

North Marin Water District
Notes to the Basic Financial Statements, continued
For the Years Ended June 30, 2024 and 2023

(13) Net Position, continued

Calculation of net position per fund as of June 30, 2023, was as follows:

	<u>Novato Water</u>	<u>Novato Recycled</u>	<u>West Marin Water</u>	<u>Oceana Marin Sewer</u>	<u>Total</u>
Net investment in capital assets:					
Capital assets, not being depreciated	\$ 15,922,939	661	2,204,381	253,048	18,381,029
Depreciable capital assets, net	91,898,532	29,563,702	6,252,447	967,599	128,682,280
Webster loan fund – administrative building	10,480,981	-	-	-	10,480,981
Current:					
Leases payable	(199,124)	-	-	-	(199,124)
Loans payable	(2,333,444)	(950,741)	(54,044)	-	(3,338,229)
Non-current:					
Leases payable	(265,297)	-	-	-	(265,297)
Loans payable	(29,358,864)	(11,513,491)	(458,387)	-	(41,330,742)
Total net investment in capital assets	<u>86,145,723</u>	<u>17,100,131</u>	<u>7,944,397</u>	<u>1,220,647</u>	<u>112,410,898</u>
Restricted net position:					
SRF loan fund – Stafford Treatment Plant	1,063,737	-	-	-	1,063,737
SRF reserve fund – Recycled Water System					
North, South, and Central	-	890,072	-	-	890,072
SRF reserve fund – Recycled Water System					
Deer Island	-	215,000	-	-	215,000
Interagency capital replacement and expansion fund	-	5,263,769	-	-	5,263,769
Total restricted net position	<u>1,063,737</u>	<u>6,368,841</u>	<u>-</u>	<u>-</u>	<u>7,432,578</u>
Unrestricted net position:					
Non-spendable net position:					
Current:					
Materials and supplies inventory	940,172	-	-	-	940,172
Prepaid expenses and deposits	424,662	-	-	1,298	425,960
Non-current:					
Notes receivable	-	1,022,382	-	-	1,022,382
Notes receivable – employee housing loans	250,000	-	-	-	250,000
Total non-spendable net position	<u>1,614,834</u>	<u>1,022,382</u>	<u>-</u>	<u>1,298</u>	<u>2,638,514</u>
Spendable net position are designated as follows:					
Other post-employment benefits reserve	4,658,025	-	-	-	4,658,025
Operating reserve (deficit)	(1,844,400)	634,342	(182,224)	473,245	(919,037)
Total spendable net position (deficit)	<u>2,813,625</u>	<u>634,342</u>	<u>(182,224)</u>	<u>473,245</u>	<u>3,738,988</u>
Total unrestricted net position	<u>4,428,459</u>	<u>1,656,724</u>	<u>(182,224)</u>	<u>474,543</u>	<u>6,377,502</u>
Total net position	<u>\$ 91,637,919</u>	<u>25,125,696</u>	<u>7,762,173</u>	<u>1,695,190</u>	<u>126,220,978</u>

(14) Deferred Compensation Savings Plan

For the benefit of its employees, the District participates in a 457 Deferred Compensation Program (Program). The purpose of this Program is to provide deferred compensation for public employees that elect to participate in the Program. Generally, eligible employees may defer receipt of a portion of their salary until termination, retirement, death, or unforeseeable emergency. Until the funds are paid or otherwise made available to the employee, the employee is not obligated to report the deferred salary for income tax purposes.

Federal law requires deferred compensation assets to be held in trust for the exclusive benefit of the participants. Accordingly, the District is in compliance with this legislation. Therefore, these assets are not the legal property of the District and are not subject to claims of the District's general creditors. The District has implemented *GASB Statement No. 32, Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. Since the District has little administrative involvement and does not perform the investing function for this plan, the assets and related liabilities are not shown on the statements of net position. As of June 30, 2024 and 2023, the assets of the deferred compensation savings plan totaled \$9,760,911 and \$8,777,675, respectively.

North Marin Water District
Notes to the Basic Financial Statements, continued
For the Years Ended June 30, 2024 and 2023

(15) Risk Management

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District purchases commercial insurance policies with a variety of coverage.

At June 30, 2024, the District coverage with various insurance carriers are as follows:

- General liability coverage includes general aggregate and products and completed operations aggregate of \$10 million; personal and advertising injury and damage to premises rented by the District of \$1 million; and medical expenses of \$10,000. Each claim is subject to a deductible of \$100,000.
- Property insurance coverage is as follows: 1) Real property and business personal property blanket coverage up to \$90,575,926 and coverage extension blanket up to \$2 million subject to a \$50,000 deductible; and mobile equipment coverage up to \$679,500 for scheduled, \$100,000 for unscheduled, and \$250,000 for borrowed, rented, or leased subject to a \$1,000 deductible.
- Automobile insurance coverage as follows: 1) \$1,000,000 Combined single limit for bodily injury & property damage; \$1,000,000 each for hired auto, non-owned auto, and uninsured/underinsured motorist; \$100,000 for hired physical damage; and \$5,000 for medical payments. Liability coverages are subject to a \$100,000 deductible and physical damage coverages are subject to a \$5,000.
- Crime coverage includes employee theft of \$1 million, forgery or alteration of \$500,000, theft of money and securities of \$250,000, robbery and safe burglary of \$100,000, crime outside the premises of \$250,000, computer fraud and funds transfer fraud of \$500,000 and money orders and counterfeit money limit of \$250,000. Each claim is subject to a deductible of \$100,000.
- Public officials and management liability against wrongful acts, employment practices, and employee benefit plans of \$10 million. Each claim is subject to a deductible of \$100,000.
- Workers' compensation insurance: Statutory limits; Employers Liability coverage up to \$1 million per accident; each employee; policy aggregate.

Settled claims have not exceeded any of the coverage amounts in any of the last three fiscal years and there were no reductions in the District's insurance coverage during the years ended June 30, 2024 and 2023.

(16) Governmental Accounting Standards Board Statements Issued, Not Yet Effective

The Governmental Accounting Standards Board (GASB) has issued several pronouncements prior to the report date, that have effective dates that may impact future financial presentations.

Governmental Accounting Standards Board Statement No. 101

In June 2022, the GASB issued Statement No. 101 – *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

North Marin Water District
Notes to the Basic Financial Statements, continued
For the Years Ended June 30, 2024 and 2023

(16) Governmental Accounting Standards Board Statements Issued, Not Yet Effective, continued

Governmental Accounting Standards Board Statement No. 101, continued

This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences.

The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

Governmental Accounting Standards Board Statement No. 102

In December 2023, the GASB issued Statement No. 102 – *Certain Risk Disclosures*. The primary objective of this Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact to have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. Earlier application is encouraged.

Governmental Accounting Standards Board Statement No. 103

In April 2024, the GASB issued Statement No. 103 – *Financial Reporting Model Improvements*. The primary objective of this Statement is to improve key components of the financial reporting model to enhance effectiveness in providing information that is essential for decision making and assessing a government's accountability. Also, this Statement: (1) continues the requirement that the basic financial statements be preceded by management's discussion and analysis (MD&A), which is presented as required supplementary information (RSI); (2) describes unusual or infrequent items as transactions and other events that are either unusual in nature or infrequent in occurrence; (3) requires that the proprietary fund statement of revenues, expenses, and changes in fund net position continue to distinguish between operating and nonoperating revenues and expenses; (4) requires governments to present each major component unit separately in the reporting entity's statement of net position and statement of activities if it does not reduce the readability of the statements; and (5) requires governments to present budgetary comparison information using a single method of communication—RSI.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged.

North Marin Water District
Notes to the Basic Financial Statements, continued
For the Years Ended June 30, 2024 and 2023

(17) Commitments and Contingencies

Solar Power Services, Facilities, and Site Agreement

In February 2012, the District entered into a Solar Power Services Agreement to purchase all the solar power generated from the Solar Power Generating Facility constructed near the District's Stafford Treatment Plant facility at a Take-or-Pay price of \$0.1700 per kilowatt hour escalating 3.0% annually to \$0.2981 per kilowatt hour over a 20-year contract period. In addition, in February 2013, the District executed a 20-year lease with the Solar Services company to construct the Solar Power Generating Facility on District land for a land lease of \$100 for the period (or \$5 per year).

Construction Contracts

The District has a variety of agreements with developers and private parties relating to the installation, improvement, or modification of buildings, transmission facilities, and distribution systems within its service area in addition to the acquisition of other assets. The financing of such improvements is provided primarily from advances for construction. The District also improves and modifies its existing infrastructure and finances such improvements from its reserves. The District has commitments of approximately \$6,338,993 and \$7,246,436 in capital expenditures as of June 30, 2024 and 2023, respectively.

Grant Awards

Grant funds received by the District are subject to audit by the grantor agencies. Such audit could lead to requests for reimbursements to the grantor agencies for expenditures disallowed under terms of the grant. Management of the District believes that such disallowances, if any, would not be significant.

Litigation

In the ordinary course of operations, the District is subject to claims and litigation from outside parties. After consultation with legal counsel, the District believes the ultimate outcome of such matters, if any, will not materially affect its financial condition.

(19) Subsequent Events

Events occurring after June 30, 2024, have been evaluated for possible adjustment to the financial statements or disclosure as of December 3, 2024, which is the date the financial statements were available to be issued. The District is not aware of any subsequent events that would require recognition or disclosure in the financial statements.

Required Supplementary Information

Working Draft Subject to Review

North Marin Water District
Schedule of Changes in the District Total OPEB Liability and Related Ratios
As of June 30, 2024
Last Ten Years*

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability							
Service cost	\$ 196,490	133,569	189,098	166,020	140,410	137,480	145,989
Interest	188,823	160,146	101,213	115,047	135,765	150,690	132,454
Differences between expected and actual experience	228,085	-	138,698	-	(272,373)	163,205	-
Changes in assumptions or other inputs	277,919	(73,234)	(758,672)	256,981	363,781	195,564	(197,296)
Benefit payments	<u>(308,921)</u>	<u>(276,859)</u>	<u>(264,768)</u>	<u>(258,042)</u>	<u>(229,722)</u>	<u>(250,340)</u>	<u>(375,787)</u>
Net change in total OPEB liability	582,396	(56,378)	(594,431)	280,006	137,861	396,599	(294,640)
Total OPEB liability - beginning	<u>4,287,222</u>	<u>4,343,600</u>	<u>4,938,031</u>	<u>4,658,025</u>	<u>4,520,164</u>	<u>4,123,565</u>	<u>4,418,205</u>
Total OPEB liability - ending	\$ <u>4,869,618</u>	<u>4,287,222</u>	<u>4,343,600</u>	<u>4,938,031</u>	<u>4,658,025</u>	<u>4,520,164</u>	<u>4,123,565</u>
Covered-employee payroll	\$ 7,366,467	6,668,362	6,126,310	5,685,912	5,699,559	5,434,109	5,635,521
Total OPEB liability as a percentage of covered-employee payroll	<u>66.11%</u>	<u>64.29%</u>	<u>70.90%</u>	<u>86.85%</u>	<u>81.73%</u>	<u>83.18%</u>	<u>73.17%</u>
Valuation date	<u>July 1, 2023</u>	<u>July 1, 2022</u>	<u>July 1, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Methods and assumptions used to determine contribution rates:							
Single and agent employers	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age
Amortization method	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Inflation	2.50%	2.75%	2.75%	3.00%	3.00%	3.00%	4.00%
Salary increases	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Mortality, retirement, turnover	(2)	(2)	(2)	(3)	(3)	(3)	(3)

(1) Level percentage of payroll, closed

(2) Preretirement Mortality Rates from CalPERS Experience Study (2000-2019).

Post-retirement Mortality Rates for Healthy Recipients from CalPERS Experience Study (2000-2019).

(3) Preretirement Mortality Rates from RP-2014 Employee Mortality, without projection

Postretirement Mortality Rates from RP-2014 Healthy Annuitant Mortality, without projection.

There are no asset accumulated in a trust that meets the criteria of GASB codification P52.101 to pay related benefits for the OPEB plan.

* The District has presented information for those years for which information is available until a full 10-year trend is compiled.

North Marin Water District
Schedules of the District's Proportionate Share of the Net Pension Liability
As of June 30, 2024
Last Ten Years

<u>Description</u>	<u>Measurement Dates</u>									
	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>	<u>June 30, 2014</u>
District's proportion of the net pension liability	0.14675%	0.14872%	0.17135%	0.13536%	0.13324%	0.13034%	0.12881%	0.12759%	0.12558%	0.10769%
District's proportionate share of the net pension liability \$	18,307,785	17,178,160	9,267,034	14,727,660	13,653,187	12,560,160	12,774,724	11,040,789	8,619,837	6,701,264
District's covered payroll \$	5,387,870	5,228,970	5,013,891	4,877,510	4,878,849	4,953,247	4,600,500	4,542,666	4,305,518	4,106,287
District's proportionate share of the net pension liability as a percentage of its covered payroll	339.80%	328.52%	184.83%	301.95%	279.84%	253.57%	277.68%	243.05%	200.20%	163.20%
Plan's fiduciary net position as a percentage of the total pension liability	70.07%	70.56%	83.29%	72.26%	73.56%	74.43%	72.80%	73.98%	78.63%	83.47%

Notes to schedule:

There were no changes in benefits.

Changes in assumptions:

From fiscal year June 30, 2015 to June 30, 2016:

GASB 68, paragraph 68 states that the long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. The discount rate of 7.50% used for the June 30, 2014 measurement date was net of administrative expenses.

The discount rate of 7.65% used for the June 30, 2015 measurement date is without reduction of pension plan administrative expense.

From fiscal year June 30, 2016 to June 30, 2017:

There were no changes in assumptions.

From fiscal year June 30, 2017 to June 30, 2018:

The discount rate was reduced from 7.65% to 7.15%

From fiscal year June 30, 2018 to June 30, 2019:

The inflation rate was reduced from 2.75% to 2.50%

From fiscal year June 30, 2019 to June 30, 2020:

There were no changes in assumptions.

From fiscal year June 30, 2020 to June 30, 2021:

There were no changes in assumptions.

From fiscal year June 30, 2021 to June 30, 2022:

The discount rate was reduced from 7.15% to 6.90%

The inflation rate was reduced from 2.50% to 2.30%

From fiscal year June 30, 2022 to June 30, 2023:

There were no changes in assumptions.

**North Marin Water District
Schedules of Pension Plan Contributions
As of June 30, 2024
Last Ten Years**

Description	Fiscal Years									
	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Actuarially determined contribution	\$ 1,918,876	1,867,734	1,674,677	1,490,360	1,370,702	1,155,358	1,017,325	926,448	828,792	669,066
Contributions in relation to the actuarially determined contribution	(1,918,876)	(1,867,734)	(1,674,677)	(1,490,360)	(1,370,702)	(1,155,358)	(1,017,325)	(926,448)	(828,792)	(669,066)
Contribution deficiency (excess)	\$ -	-	-	-	-	-	-	-	-	-
District's covered payroll	\$ 6,012,964	5,387,870	5,228,970	5,013,891	4,877,510	4,878,849	4,953,247	4,600,500	4,542,666	4,305,518
Contribution's as a percentage of covered payroll	31.91%	34.67%	32.03%	29.72%	28.10%	23.68%	20.54%	20.14%	18.24%	15.54%
Notes to schedule:										
Valuation date	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013
Methods and assumptions used to determine contribution rates:										
Actuarial cost method	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age
Amortization method	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Asset valuation method	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	15 year Smoothed Market
Inflation	2.30%	2.30%	2.50%	2.63%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%
Salary increases	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Investment rate of return	6.90% (3)	6.90% (3)	7.15% (3)	7.25% (3)	7.375% (3)	7.50% (3)	7.50% (3)	7.50% (3)	7.50% (3)	7.50% (3)
Retirement age	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)
Mortality	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)

- (1) Level of percentage payroll, closed
(2) Depending on age, service, and type of employment
(3) Net of pension plan investment expense, including inflation
(4) 50 for all plans with exception of 52 for Miscellaneous 2% @ 62
(5) Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board.

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Working Draft Subject to Review

Supplemental Information

Working Draft Subject to Review

Combining Schedules

Working Draft Subject to Review

North Marin Water District
Combining Schedule of Net Position
For the Year Ended June 30, 2024

	Novato Water	Novato Recycled	West Marin Water	Oceana Marin Sewer	Total
Current assets:					
Cash and cash equivalents	\$ 380,724	3,612,759	492,145	311,363	4,796,991
Restricted – cash and cash equivalents	5,045,811	3,547,273	-	-	8,593,084
Restricted – investments	14,169,770	-	-	-	14,169,770
Accrued interest receivable	226,668	-	-	-	226,668
Accounts receivable – water and sewer sales	4,873,986	417,966	276,556	4,603	5,573,111
Accounts receivable – governmental agencies	291,900	-	132,939	192,861	617,700
Accounts receivable – other	-	11,647	-	-	11,647
Leases receivable	26,439	-	5,779	-	32,218
Note receivable	-	38,791	-	-	38,791
Loan receivable	161,355	-	-	-	161,355
Interfund loan – West Marin (note 6)	90,677	-	-	-	90,677
Materials and supplies inventory	1,007,639	-	-	-	1,007,639
Prepaid expenses and deposits	507,197	-	-	-	507,197
Total current assets	26,782,166	7,628,436	907,419	508,827	35,826,848
Non-current assets:					
Restricted – investments	1,709,884	-	-	-	1,709,884
Leases receivable	320,288	-	6,143	-	326,431
Notes receivable	-	983,592	-	-	983,592
Loan receivable	1,458,849	-	-	-	1,458,849
Interfund loan – West Marin (note 6)	821,070	-	-	-	821,070
Note receivable – employee housing loans, net	250,000	-	-	-	250,000
Capital assets, not being depreciated	25,466,389	303,024	2,482,837	576,781	28,829,031
Depreciable capital assets, net	90,411,037	28,775,191	6,163,179	915,264	126,264,671
Total non-current assets	120,437,517	30,061,807	8,652,159	1,492,045	160,643,528
Total assets	147,219,683	37,690,243	9,559,578	2,000,872	196,470,376
Deferred outflows of resources:					
Deferred other post-employment benefits outflows	236,289	-	-	-	236,289
Deferred pension outflows	6,778,572	-	-	-	6,778,572
Total deferred outflows of resources	7,014,861	-	-	-	7,014,861
Current liabilities:					
Accounts payable and accrued expenses	3,045,517	10,005	-	7,189	3,062,711
Accrued wages and related payables	235,348	38,643	47,931	13,555	335,477
Accrued claims payable	27,971	534	666	266	29,437
Customer advances and deposits	1,670,188	390	256,736	5,485	1,932,799
Accrued interest payable – long-term debt	217,171	92,790	25,043	-	335,004
Long-term liabilities – due within one year:					
Compensated absences	199,782	-	-	-	199,782
Interfund loan – West Marin (note 6)	-	-	90,677	-	90,677
Leases payable	134,871	-	-	-	134,871
Loans payable	1,921,688	970,458	55,965	-	2,948,111
Other post-employment benefits liability	249,047	-	-	-	249,047
Total current liabilities	7,701,583	1,112,820	477,018	26,495	9,317,916
Non-current liabilities:					
Long-term liabilities – due in more than one year:					
Compensated absences	599,347	-	-	-	599,347
Interfund loan – West Marin (note 6)	-	-	821,070	-	821,070
Leases payable	265,225	-	-	-	265,225
Loans payable	27,448,064	10,543,033	402,422	-	38,393,519
Other post-employment benefits liability	4,620,571	-	-	-	4,620,571
Net pension liability	18,307,785	-	-	-	18,307,785
Total non-current liabilities	51,240,992	10,543,033	1,223,492	-	63,007,517
Total liabilities	58,942,575	11,655,853	1,700,510	26,495	72,325,433
Deferred inflows of resources:					
Deferred lease inflows	314,559	-	10,570	-	325,129
Deferred other post-employment benefits inflows	63,082	-	-	-	63,082
Deferred pension inflows	728,240	-	-	-	728,240
Total deferred inflows of resources	1,105,881	-	10,570	-	1,116,451
Net position:					
Net investment in capital assets	89,355,314	17,564,724	8,187,629	1,492,045	116,599,712
Restricted:					
SRF loan fund – Stafford Treatment Plant	1,067,432	-	-	-	1,067,432
SRF reserve fund – Recycled Water System	-	1,105,072	-	-	1,105,072
Interagency capital replacement and expansion fund	-	5,974,462	-	-	5,974,462
Unrestricted (deficit)	3,763,342	1,390,132	(339,131)	482,332	5,296,675
Total net position	\$ 94,186,088	26,034,390	7,848,498	1,974,377	130,043,353

North Marin Water District
Combining Schedule of Net Position
For the Year Ended June 30, 2023

	Novato Water	Novato Recycled	West Marin Water	Oceana Marin Sewer	Total
Current assets:					
Cash and cash equivalents	\$ 2,371,442	3,479,403	746,011	484,506	7,081,362
Restricted – cash and cash equivalents	11,821,852	3,330,882	-	-	15,152,734
Restricted – investments	11,448,459	-	-	-	11,448,459
Accrued interest receivable	213,124	-	-	-	213,124
Accounts receivable – water and sewer sales	3,733,529	253,927	188,767	1,523	4,177,746
Accounts receivable – governmental agencies	202,868	-	83,216	2,320	288,404
Accounts receivable – other	-	39,413	-	-	39,413
Leases receivable	24,585	-	5,431	-	30,016
Note receivable	-	38,406	-	-	38,406
Loan receivable	157,092	-	-	-	157,092
Interfund loan	88,253	-	-	-	88,253
Materials and supplies inventory	940,172	-	-	-	940,172
Prepaid expenses and deposits	424,662	-	-	1,298	425,960
Total current assets	31,426,038	7,142,031	1,023,425	489,647	40,081,141
Non-current assets:					
Restricted – investments	3,646,592	-	-	-	3,646,592
Leases receivable	345,868	-	11,922	-	357,790
Note receivable	-	1,022,382	-	-	1,022,382
Loan receivable	1,620,204	-	-	-	1,620,204
Interfund loan – West Marin (note 6)	911,747	-	-	-	911,747
Notes receivable – employee housing loans, net	250,000	-	-	-	250,000
Capital assets, not being depreciated	15,922,939	661	2,204,381	253,048	18,381,029
Depreciable capital assets, net	91,898,532	29,563,702	6,252,447	967,599	128,682,280
Total non-current assets	114,595,882	30,586,745	8,468,750	1,220,647	154,872,024
Total assets	146,021,920	37,728,776	9,492,175	1,710,294	194,953,165
Deferred outflows of resources:					
Deferred other post-employment benefits outflows	22,539	-	-	-	22,539
Deferred pension outflows	6,895,249	-	-	-	6,895,249
Total deferred outflows of resources	6,917,788	-	-	-	6,917,788
Current liabilities:					
Accounts payable and accrued expenses	2,659,579	-	-	-	2,659,579
Accrued wages and related payables	220,077	37,371	39,812	11,838	309,098
Accrued claims payable	18,659	534	666	266	20,125
Customer advances and deposits	1,835,794	912	133,771	3,000	1,973,477
Accrued interest payable – long-term debt	227,580	100,031	27,467	-	355,078
Long-term liabilities – due within one year:					
Compensated absences	173,828	-	-	-	173,828
Interfund loan – West Marin (note 6)	-	-	88,253	-	88,253
Leases payable	199,124	-	-	-	199,124
Loans payable	2,333,444	950,741	54,044	-	3,338,229
Other post-employment benefits liability	226,814	-	-	-	226,814
Total current liabilities	7,894,899	1,089,589	344,013	15,104	9,343,605
Non-current liabilities:					
Long-term liabilities – due in more than one year:					
Compensated absences	521,487	-	-	-	521,487
Interfund loan – West Marin (note 6)	-	-	911,747	-	911,747
Leases payable	265,297	-	-	-	265,297
Loans payable	29,358,864	11,513,491	458,387	-	41,330,742
Other post-employment benefits liability	4,060,408	-	-	-	4,060,408
Net pension liability	17,178,160	-	-	-	17,178,160
Total non-current liabilities	51,384,216	11,513,491	1,370,134	-	64,267,841
Total liabilities	59,279,115	12,603,080	1,714,147	15,104	73,611,446
Deferred inflows of resources:					
Deferred lease inflows	344,057	-	15,855	-	359,912
Deferred other post-employment benefits inflows	324,457	-	-	-	324,457
Deferred pension inflows	1,354,160	-	-	-	1,354,160
Total deferred inflows of resources	2,022,674	-	15,855	-	2,038,529
Net position:					
Net investment in capital assets	86,145,723	17,100,131	7,944,397	1,220,647	112,410,898
Restricted:					
SRF loan fund – Stafford Treatment Plant	1,063,737	-	-	-	1,063,737
SRF reserve fund – Recycled Water System	-	1,105,072	-	-	1,105,072
Interagency capital replacement and expansion fund	-	5,263,769	-	-	5,263,769
Unrestricted	4,428,459	1,656,724	(182,224)	474,543	6,377,502
Total net position	\$ 91,637,919	25,125,696	7,762,173	1,695,190	126,220,978

North Marin Water District
Combining Schedule of Revenues, Expenses, and Changes in Net Position
For the Year Ended June 30, 2024

	Novato Water	Novato Recycled	West Marin Water	Oceana Marin Sewer	Total
Operating revenues:					
Water consumption sales	\$ 16,441,186	1,352,663	722,175	-	18,516,024
Bi-monthly meter service charge	7,301,145	140,808	271,590	-	7,713,543
Sewer service charges	-	-	-	324,264	324,264
Other charges and services	397,912	25	10,159	1,200	409,296
Total operating revenues	24,140,243	1,493,496	1,003,924	325,464	26,963,127
Operating expenses:					
Source of supply	6,436,226	270,502	20,562	-	6,727,290
Pumping	577,094	11,240	85,417	-	673,751
Water facilities operations	1,098,933	143,799	77,161	-	1,319,893
Water treatment	2,361,656	10,776	301,940	-	2,674,372
Transmission and distribution	4,075,563	39,722	177,317	-	4,292,602
Sewage collection and treatment	-	-	-	277,564	277,564
Customer service	497,270	1,823	31,057	3,376	533,526
General and administrative	4,919,943	118,552	215,236	55,884	5,309,615
Water conservation projects	455,091	-	15,014	-	470,105
Total operating expenses	20,421,776	596,414	923,704	336,824	22,278,718
Operating income before depreciation	3,718,467	897,082	80,220	(11,360)	4,684,409
Depreciation	(3,057,406)	(788,512)	(241,030)	(52,334)	(4,139,282)
Operating income(loss)	661,061	108,570	(160,810)	(63,694)	545,127
Non-operating revenues(expenses):					
Property tax revenue	145,929	-	-	-	145,929
Investment earnings	1,426,315	301,479	34,289	22,799	1,784,882
Interest earnings from note receivable – BPGL	-	10,416	-	-	10,416
Interest earnings from loan receivable – MMWD	73,271	-	-	-	73,271
Interest earnings from leases	11,390	-	540	-	11,930
Rental revenue	73,042	-	5,285	250	78,577
Interest expense – long-term debt	(929,775)	(205,457)	(41,756)	-	(1,176,988)
Gain on sale of capital assets	2,940	-	-	-	2,940
Regulation 15 forfeiture	151,815	-	29,075	-	180,890
Other non-operating revenues	25,022	-	-	3,000	28,022
Other non-operating expenses	(2,295)	-	-	-	(2,295)
Total non-operating revenues(expense), net	977,654	106,438	27,433	26,049	1,137,574
Net income(loss) before capital contributions	1,638,715	215,008	(133,377)	(37,645)	1,682,701
Capital contributions:					
Developers and others	536,625	-	14,073	515	551,213
Connection fees	970,610	-	68,560	75,000	1,114,170
Capital grants – state and local	95,905	-	137,069	241,317	474,291
Total capital contributions	1,603,140	-	219,702	316,832	2,139,674
Transfer in(out)	(693,686)	693,686	-	-	-
Change in net position	2,548,169	908,694	86,325	279,187	3,822,375
Net position, beginning of year	91,637,919	25,125,696	7,762,173	1,695,190	126,220,978
Net position, end of year	\$ 94,186,088	26,034,390	7,848,498	1,974,377	130,043,353

North Marin Water District
Combining Schedule of Revenues, Expenses, and Changes in Net Position
For the Year Ended June 30, 2023

	Novato Water	Novato Recycled	West Marin Water	Oceana Marin Sewer	Total
Operating revenues:					
Water consumption sales	\$ 14,520,476	1,382,898	634,450	-	16,537,824
Bi-monthly meter service charge	6,625,825	134,313	257,288	-	7,017,426
Sewer service charges	-	-	-	304,560	304,560
Other charges and services	375,288	-	9,613	-	384,901
Total operating revenues	21,521,589	1,517,211	901,351	304,560	24,244,711
Operating expenses:					
Source of supply	4,657,596	331,168	13,218	-	5,001,982
Pumping	422,830	2,258	67,939	-	493,027
Water facilities operations	551,185	76,014	51,374	-	678,573
Water treatment	2,192,411	3,814	157,239	-	2,353,464
Transmission and distribution	2,623,780	128,299	161,768	-	2,913,847
Sewage collection and treatment	-	-	-	220,375	220,375
Customer service	363,490	1,627	19,394	1,822	386,333
General and administrative	3,085,613	138,163	201,145	74,940	3,499,861
Water conservation projects	312,861	-	7,736	-	320,597
Total operating expenses	14,209,766	681,343	679,813	297,137	15,868,059
Operating income before depreciation	7,311,823	835,868	221,538	7,423	8,376,652
Depreciation	(3,455,892)	(788,511)	(233,218)	(46,285)	(4,523,906)
Operating income	3,855,931	47,357	(11,680)	(38,862)	3,852,746
Non-operating revenues(expenses):					
Property tax revenue	143,332	-	-	-	143,332
Investment earnings, net	1,168,552	74,359	5,544	8,392	1,256,847
Interest earnings from note receivable – BPGI	-	9,009	-	-	9,009
Interest earnings from loan receivable – MMWD	79,845	-	-	-	79,845
Interest earnings from leases	12,084	-	698	-	12,782
Rental revenue	64,341	-	5,285	250	69,876
Interest expense – long-term debt	(948,973)	(224,896)	(45,950)	-	(1,219,819)
Gain on sale of capital assets	22,164	-	-	(33,049)	(10,885)
Other non-operating revenues	11,524	-	15	-	11,539
Other non-operating expenses	(2,158)	-	-	(8)	(2,166)
Total non-operating revenues(expense), net	550,711	(141,528)	(34,408)	(24,415)	350,360
Net income before capital contributions	4,406,642	(94,171)	(46,088)	(63,277)	4,203,106
Capital contributions:					
Developers and others	897,391	-	48,651	-	946,042
Connection fees	437,680	-	-	-	437,680
Capital grants – state and local	-	-	359,890	17,683	377,573
Total capital contributions	1,335,071	-	408,541	17,683	1,761,295
Transfers in(out)	(614,299)	614,299	-	-	-
Change in net position	5,127,414	520,128	362,453	(45,594)	5,964,401
Net position, beginning of year	86,510,505	24,605,568	7,399,720	1,740,784	120,256,577
Net position, end of year	\$ 91,637,919	25,125,696	7,762,173	1,695,190	126,220,978

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Working Draft Subject to Review

Statistical Information Section

Working Draft Subject to Review

North Marin Water District Statistical Section

This part of the District's Annual Comprehensive Financial Report presents detailed information as context for understanding what the information in the financial statements, note disclosures, and required supplementary information say about the District's overall financial health.

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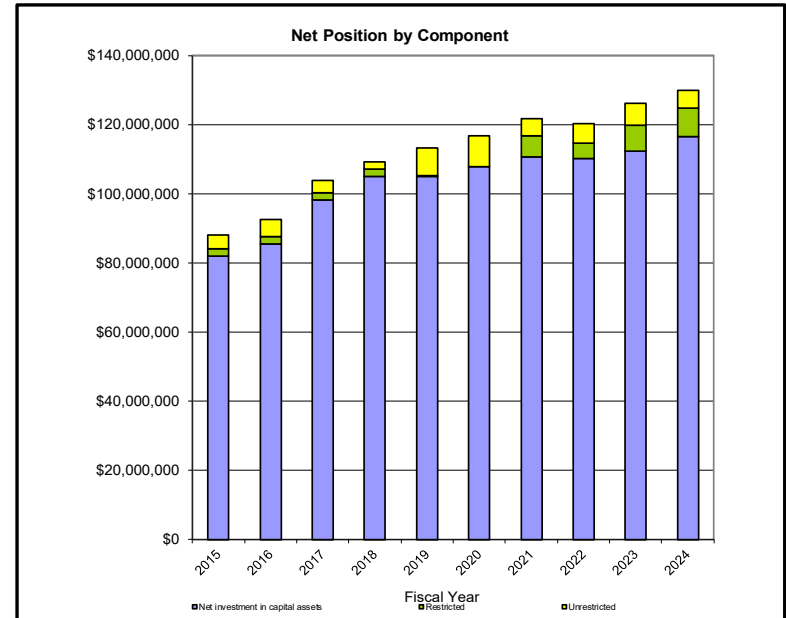
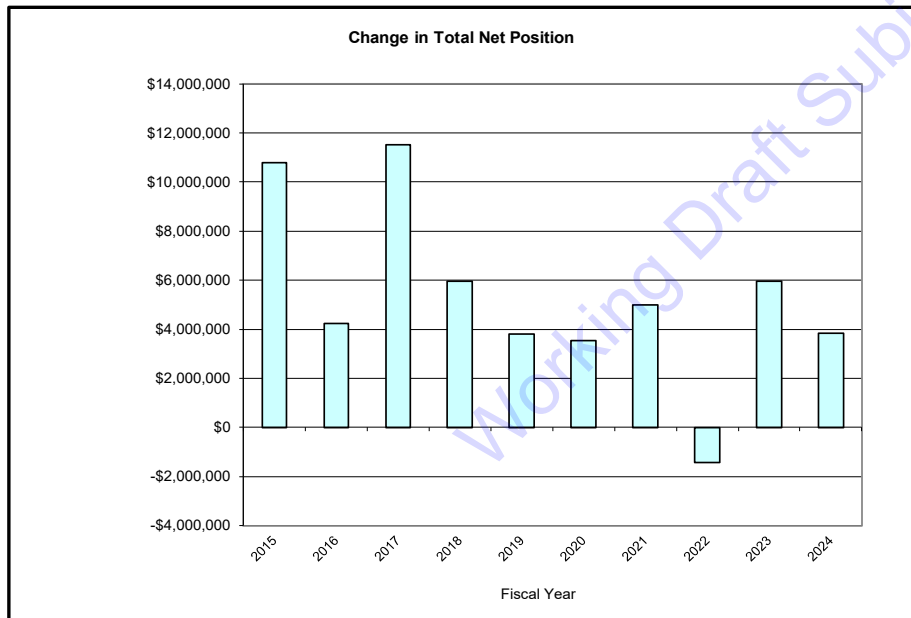
	<u>Page No.</u>
Financial Trends These schedules contain information to help the reader understand how the District's financial performance and well-being have changed over time.	69-72
Revenue Capacity These schedules contain information to help the reader assess the District's most significant own-source revenue, water sales.	73-76
Debt Capacity These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	77-78
Demographic Information This schedule offers demographic indicators to help the reader understand the environment within which the District's financial activities take place.	79-80
Operating Information This schedule contains service and infrastructure data to help the reader understand how the information in the District's financial report relates to the service the District provides.	81-82

Working Draft Subject to Review

North Marin Water District Changes in Net Position and Net Position by Component Last Ten Fiscal Years

Schedule 1

	Fiscal Year									
	2015	2016	2017	Restated 2018	Restated 2019	2020	Restated 2021	2022	2023	2024
Change in net position:										
Operating revenues (see schedule 2)	\$18,081,308	\$17,411,543	\$18,703,476	\$22,094,094	\$21,772,246	\$23,796,921	\$25,378,535	\$23,587,781	\$24,244,711	\$26,963,127
Operating expenses (see schedule 3)	(13,328,124)	(13,704,737)	(15,099,687)	(16,461,030)	(16,371,492)	(19,404,779)	(20,737,073)	(21,663,342)	(15,868,060)	(22,278,718)
Depreciation and amortization	(3,183,725)	(3,286,353)	(3,416,411)	(3,434,069)	(3,451,155)	(3,366,216)	(3,887,096)	(4,023,236)	(4,523,906)	(4,139,282)
Operating income(loss)	\$1,569,459	\$420,453	\$187,378	\$2,198,995	\$1,949,599	\$1,025,926	\$754,366	(\$2,098,797)	\$3,852,745	\$545,127
Net non-op revenue(expense) (see schedule 4)	(488,661)	(328,734)	(304,830)	(253,110)	(59,467)	(239,641)	(356,774)	(1,169,574)	350,361	1,137,574
Net income(loss) before capital contributions	\$1,080,798	\$91,719	(\$117,452)	\$1,945,885	\$1,890,132	\$786,285	\$397,592	(\$3,268,371)	\$4,203,106	\$1,682,701
Capital contributions	9,714,111	4,139,047	11,643,388	4,020,041	1,921,709	2,762,983	4,588,088	1,825,503	1,761,295	2,139,674
Change in net position	\$10,794,909	\$4,230,766	\$11,525,936	\$5,965,926	\$3,811,841	\$3,549,268	\$4,985,680	(\$1,442,868)	\$5,964,401	\$3,822,375
Net position by component:										
Net investment in capital assets	\$82,037,287	\$85,542,035	\$98,131,574	\$104,921,863	\$105,092,277	\$107,946,623	\$110,643,664	\$110,111,018	\$112,410,898	\$116,599,712
Restricted	2,170,429	2,122,980	2,140,681	2,186,164	71,715	-	6,166,090	4,560,392	7,432,578	8,146,966
Unrestricted	3,977,830	5,007,769	3,639,717	2,244,629	8,000,505	8,767,142	4,889,691	5,585,167	6,377,502	5,296,675
Total net position	\$88,185,546	\$92,672,784	\$103,911,972	\$109,352,656	\$113,164,497	\$116,713,765	\$121,699,445	\$120,256,577	\$126,220,978	\$130,043,353

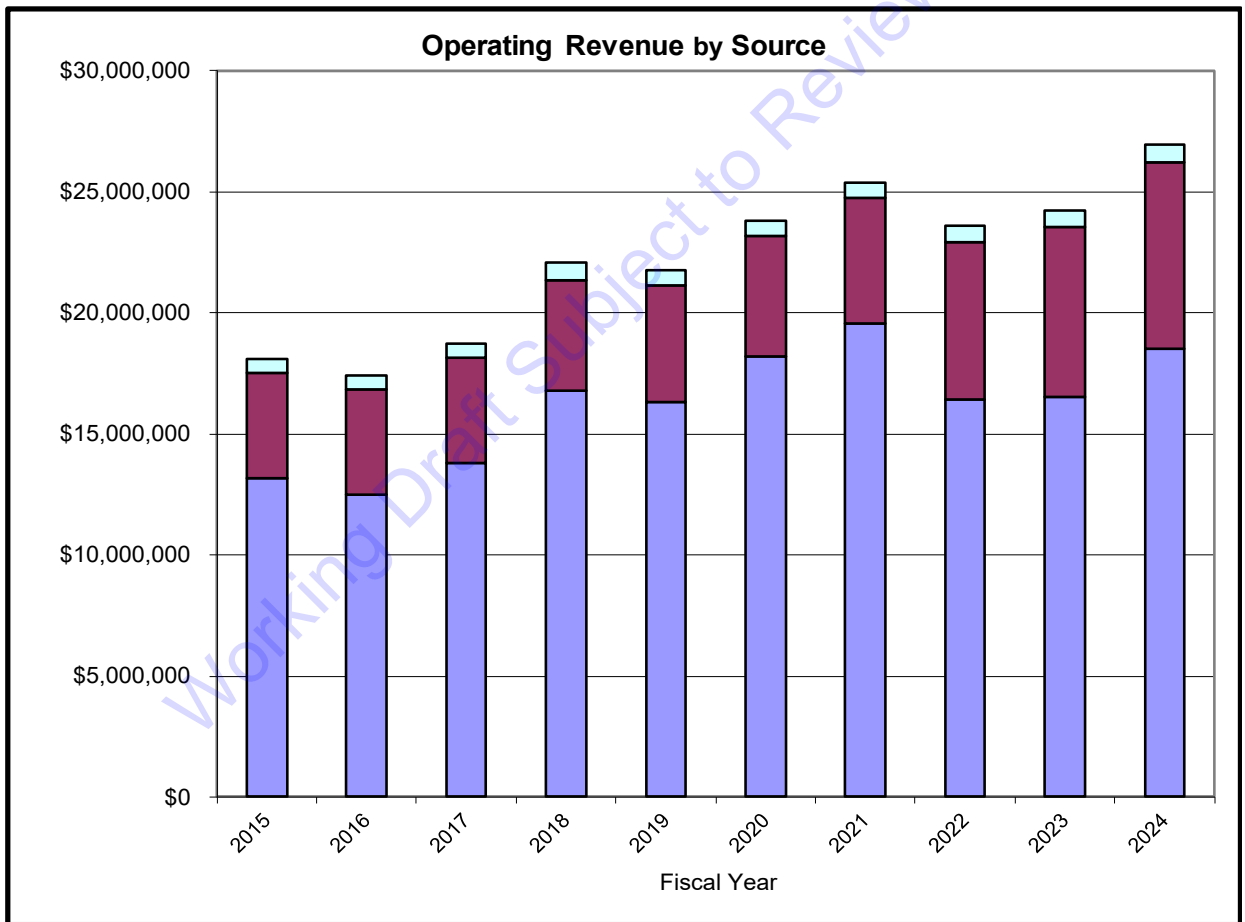


Source: North Marin Water District Audited Financial Statements

**North Marin Water District
Operating Revenue by Source
Last Ten Fiscal Years**

Schedule 2

Fiscal Year	Water Sales	Bi-Monthly Service Charges	Other Charges and Services	Total Operating Revenue
2015	\$ 13,180,015	4,312,108	589,188	\$ 18,081,311
2016	12,508,927	4,331,899	570,717	17,411,543
2017	13,801,864	4,334,762	566,850	18,703,476
2018	16,764,567	4,564,228	765,299	22,094,094
2019	16,337,171	4,810,296	624,779	21,772,246
2020	18,194,168	4,968,620	634,133	23,796,921
2021	19,546,611	5,210,162	621,762	25,378,535
2022	16,405,015	6,517,572	665,194	23,587,781
2023	16,537,824	7,017,426	689,461	24,244,711
2024	18,516,024	7,713,543	733,560	26,963,127

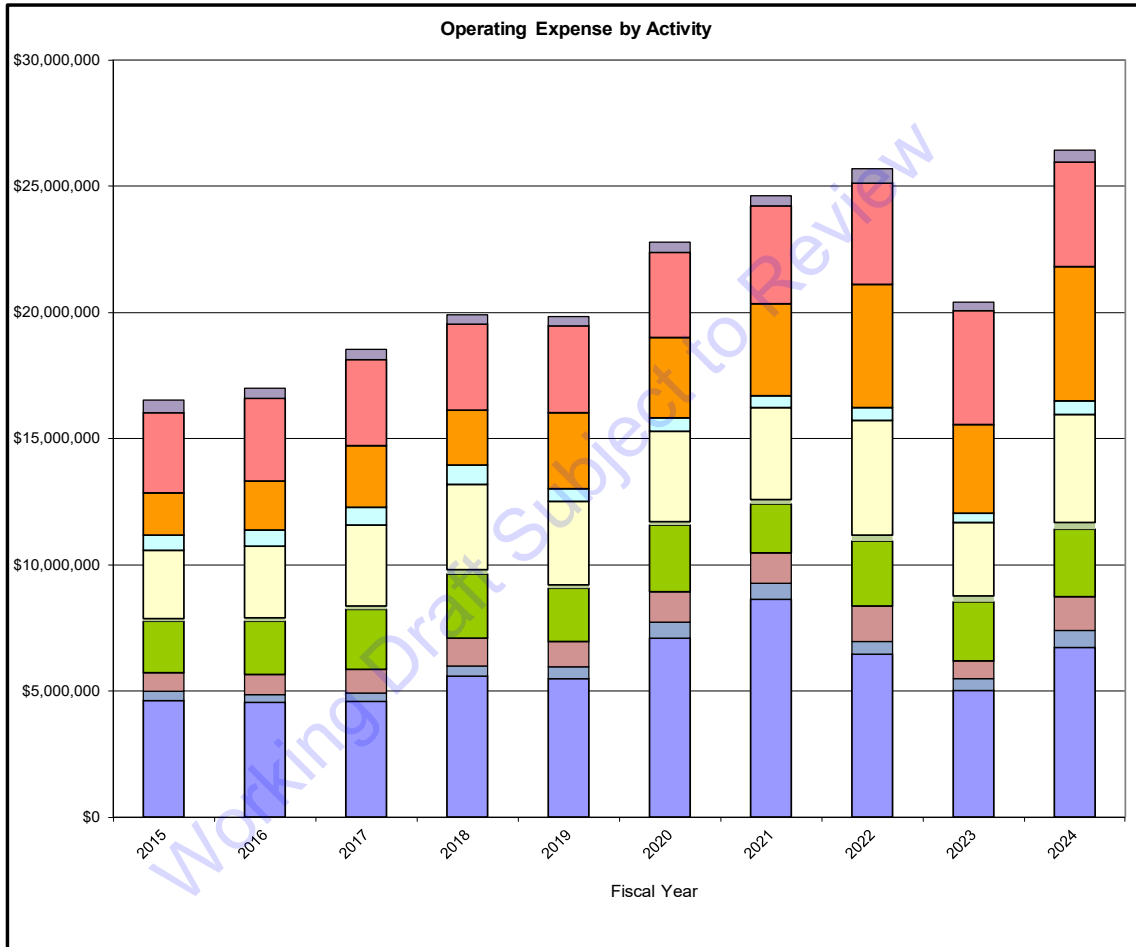


Source: North Marin Water District Audited Financial Statements

North Marin Water District Operating Expenses by Activity Last Ten Fiscal Years

Schedule 3

Fiscal Year	Source of Supply	Pumping	Operations	Water Treatment	Sewage Coll. & Treat.	Transmission & Distrib.	Customer Service	General & Admin (2)	Other Op Expense	Deprec and Amortization (1)	Total Op Expense
2015	\$ 4,624,655	352,007	751,940	2,020,865	108,928	2,727,168	588,579	1,673,156	478,360	3,183,725	\$ 16,509,383
2016	4,565,833	281,255	797,806	2,099,887	134,193	2,871,290	628,981	1,934,011	391,481	3,286,353	16,991,090
2017	4,579,359	351,342	937,559	2,346,949	151,205	3,223,237	676,189	2,462,392	371,455	3,416,411	18,516,098
2018	5,569,766	426,356	1,079,917	2,567,146	163,957	3,387,559	742,164	2,169,660	354,505	3,434,069	19,895,099
2019	5,492,324	458,594	993,209	2,131,166	127,513	3,301,629	510,341	3,007,301	349,415	3,451,155	19,822,647
2020	7,096,645	646,366	1,176,833	2,647,688	145,032	3,560,513	534,552	3,199,140	398,010	3,366,216	22,770,995
2021	8,624,268	642,477	1,218,090	1,917,786	185,533	3,623,201	470,411	3,658,893	396,414	3,887,096	24,624,169
2022	6,450,873	522,717	1,385,267	2,588,135	217,921	4,557,127	501,005	4,877,009	563,288	4,023,236	25,686,578
2023	5,001,982	493,027	678,573	2,353,464	220,375	2,913,847	386,333	3,499,861	320,597	4,523,906	20,391,965
2024	6,727,290	673,751	1,319,893	2,674,372	277,564	4,292,602	533,526	5,309,615	470,105	4,139,282	26,418,000

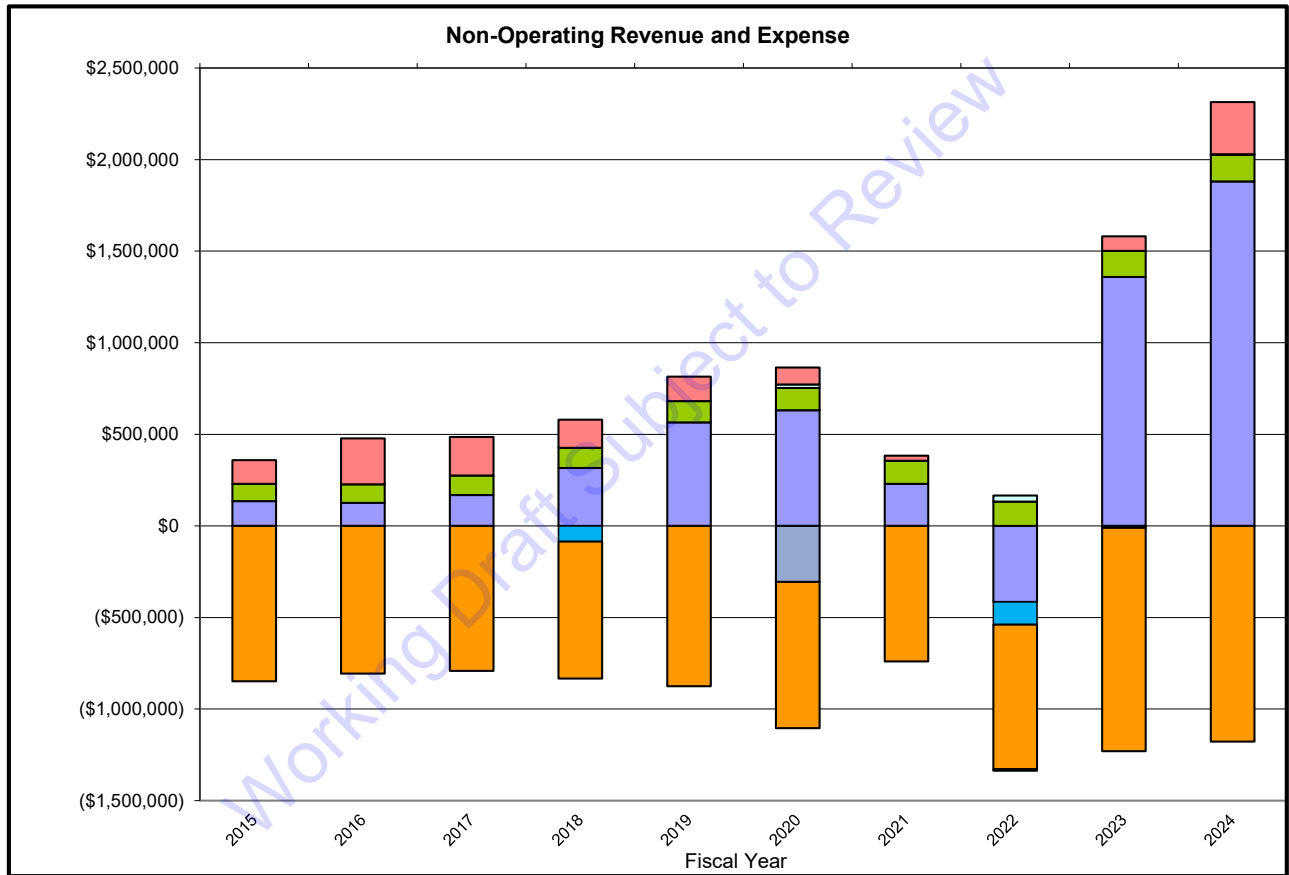


Source: North Marin Water District Audited Financial Statements

**North Marin Water District
Non-operating Revenues and Expenses
Last Ten Fiscal Years**

Schedule 4

Fiscal Year	Investment Income ⁽¹⁾	Property Taxes	Gain/(Loss) on Asset Sales	Debt Issuance Costs	Cap Contribution to Agency	Interest Expense	Other Inc & Exp, net	Net Non-Op Rev/(Exp)
2015	\$ 135,307	94,391	-	-	-	(847,950)	129,591 ⁽²⁾	(488,661)
2016	125,078	102,259	-	-	-	(807,035)	250,969	(328,729)
2017	168,766	107,210	-	-	-	(791,211)	210,405	(304,830)
2018	316,072	109,927	-	(86,180)	-	(747,118)	154,189	(253,110)
2019	565,721	115,706	-	-	-	(875,354)	134,460	(59,467)
2020	632,208	120,821	18,816	-	(305,711)	(798,522)	92,747	(239,641)
2021	229,851	125,416	-	-	-	(740,004)	27,963	(356,774)
2022	(415,864)	132,649	34,135	(124,000)	-	(789,056)	(7,438)	(1,169,574)
2023	1,358,483	143,332	(10,885)	-	-	(1,219,819)	79,249	350,360
2024	1,880,499	145,929	2,940	-	-	(1,176,990)	285,193	1,137,571



Notes:

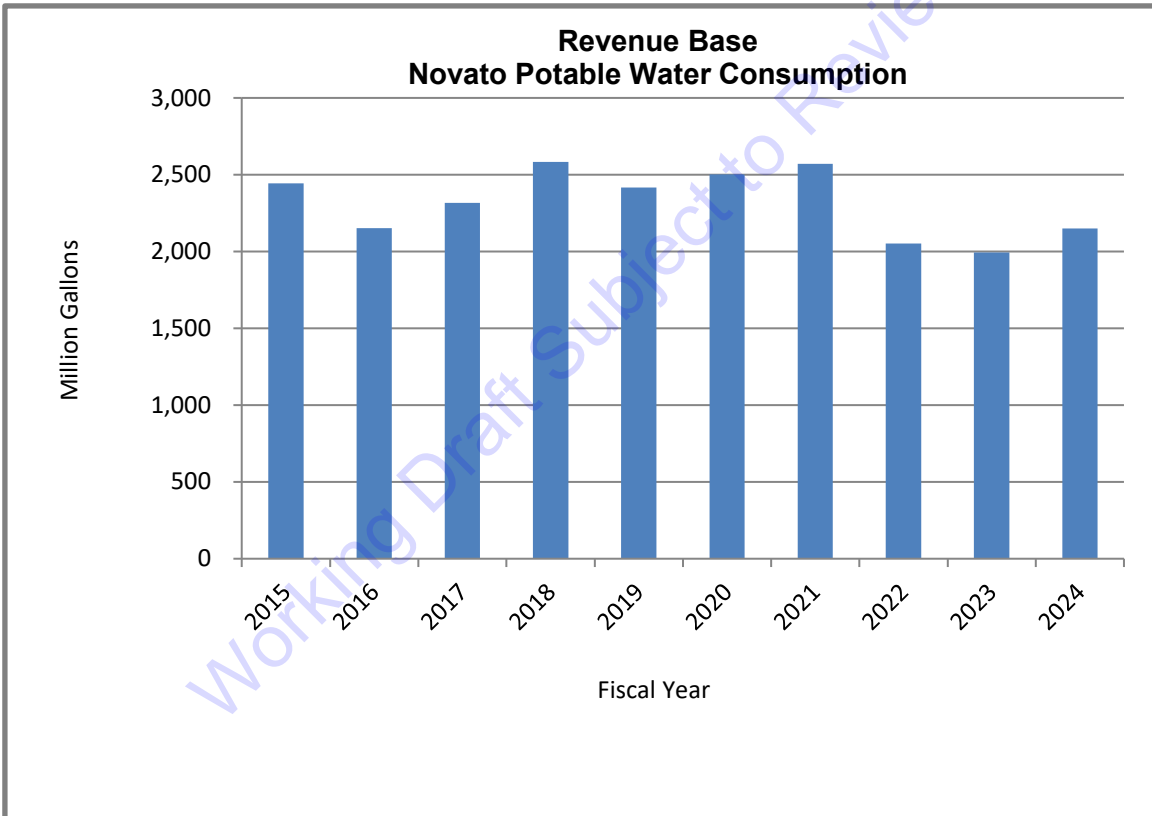
- (1) Includes interest income and realized and unrealized gains and losses on investments.
- (2) Includes CalPERS Side Fund Payoff (\$2,073,701).

Source: North Marin Water District Audited Financial Statements

**North Marin Water District
Revenue Base
Last Ten Fiscal Years**

Schedule 5

Fiscal Year	Novato Potable Water Consumption (Million Gallons)
2015	2,444
2016	2,152
2017	2,317
2018	2,584
2019	2,416
2020	2,502
2021	2,570
2022	2,052
2023	1,993
2024	2,150



Note: See Schedule 2 "Revenue by Source" for information regarding water sales.

Source: Novato Water District Billing System

**North Marin Water District
Customers by Type
Last Ten Fiscal Years**

Schedule 6

Fiscal Year	Customer Type					West Marin Water	Oceana Marin Sewer	Total
	Novato Potable & Recycled							
	Single-Family Residential	Multi-Family Residential	Commerical/Business	Government	Recycled			
2015	18,541	698	1,226	230	44	778	229	21,746
2016	18,561	704	1,239	232	44	780	230	21,790
2017	18,631	700	1,254	229	47	780	231	21,872
2018	18,449	699	1,217	220	53	785	232	21,655
2019	18,387	701	1,210	233	91	783	234	21,639
2020	18,398	711	1,213	232	91	782	235	21,662
2021	18,469	699	1,222	217	96	785	235	21,723
2022	18,552	699	1,232	217	97	789	235	21,821
2023	18,686	699	1,228	218	100	792	235	21,958
2024	18,719	699	1,240	217	101	797	237	22,010

Source: North Marin Water District - Finance Department

Working Draft Subject to Review

**North Marin Water District
Novato Water Revenue Rates
Last Ten Fiscal Years**

Schedule 7

Bimonthly Service Charge										
Meter Size	6/30/15	6/30/16	6/30/17	6/30/18	6/30/19	6/30/20	6/30/21	6/30/22	6/30/23	6/30/24
5/8" & 3/4"	\$ 30.00	\$ 30.00	\$ 31.50	\$ 33.00	\$ 34.15	\$ 34.15	\$ 41.46	\$ 43.95	\$ 46.58	\$ 51.01
1"	60.00	60.00	63.00	66.00	68.30	68.30	74.06	78.50	83.21	91.11
1 1/2"	73.00	73.00	77.00	80.50	83.30	83.30	128.38	136.08	144.25	157.95
2"	114.00	114.00	120.00	125.50	129.90	129.90	193.57	205.18	217.50	238.16
3"	227.00	227.00	238.00	248.50	257.20	257.20	367.41	389.45	412.82	452.04
4"	364.00	364.00	382.00	399.00	413.00	413.00	562.98	596.76	632.56	692.65
6"	761.00	761.00	799.00	835.00	864.00	864.00	1,106.23	1,172.60	1,242.96	1,361.04
8"	1,134.00	1,134.00	1,191.00	1,244.50	1,288.00	1,288.00	1,432.18	1,518.11	1,609.20	1,762.07

Water Use Rate (per 1,000 Gallons)										
User Type	6/30/15	6/30/16	6/30/17	6/30/18	6/30/19	6/30/21	6/30/22	6/30/23	6/30/23	6/30/24
<u>Residential Zone A</u>										
Base Rate ⁽¹⁾	\$ 4.46	\$ 4.77	\$ 5.01	\$ 5.24	\$ 5.42	\$ 5.42	\$ 5.50	\$ 5.83	\$ 6.18	\$ 6.77
Tier 1 ⁽²⁾	7.11	7.61	7.99	8.35	8.64	8.64	6.23	6.60	7.00	7.67
Tier 2 ⁽²⁾	12.38	13.25	13.91	14.54	15.05	15.05	7.57	8.13	8.62	9.44
<u>Non-Residential Zone A</u>										
Base Rate ⁽¹⁾	4.92	5.26	5.52	5.77	5.97	5.97	5.50	5.83	6.18	6.77
Seasonal Rate	5.28	5.65	5.93	6.20	6.42	6.42	7.67	8.13	8.62	9.44

Notes:

(1) Rates shown exclude additional elevation rate applicable to customers in upper elevation zones

(2) Tier 1 = 616-1845 gallons/day (gpd) FY13-FY20, 263-720 gpd FY21-FY23, Tier 2 = >1845 gpd FY13-FY20, >720 gpd FY21-FY23

N/A - Rate class was not established during the period

Source: North Marin Water approved rates

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**North Marin Water District
Ten Largest Water Customers by Revenue
Current Fiscal Year and Ten Years Ago**

Schedule 8

FY 2023/24		% of Total	FY 2014/15		% of Total
1	Bay Club Stonetree	2.0%	City of Novato		2.3%
2	City of Novato	1.7%	Bay Club Stonetree		1.9%
3	Novato Unified School District	1.6%	Novato Unified School District		1.6%
4	Biomarin Pharmaceutical	1.5%	Fireman's Fund		0.9%
5	NCP Multifamily LLC	0.7%	BioMarin Pharmaceutical		0.7%
6	Avanath Bay Vista LP	0.7%	Indian Valley Golf Course		0.7%
7	Marin Country Club	0.7%	Meadow Park HOA		0.6%
8	Marion Park Apts	0.6%	Bay Vista Apartments		0.6%
9	Indian Valley Golf Course	0.5%	Marion Park Apts		0.5%
10	Meadow Park HOA	0.5%	Western Oaks Village		0.4%
		10.5%			10.2%
	Total Water Service Revenue	\$26,230,000	Total Water Service Revenue		\$17,492,000

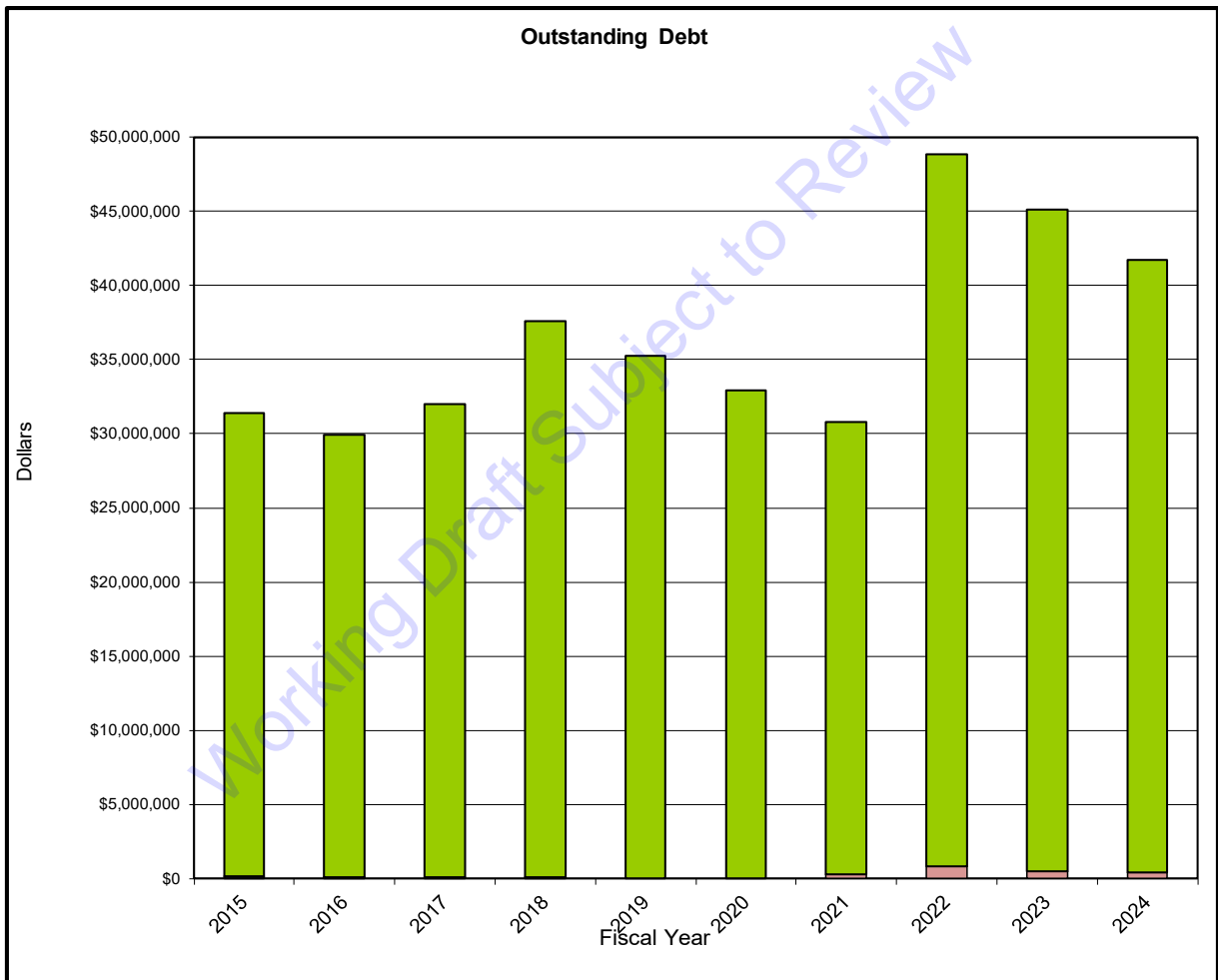
Source: NMWD CORE billing system (t:\finance\audit\audit24\acfr fy24\top revenue 2015_2024.xlsx\top 10

Working Draft Subject to Review

North Marin Water District Ratio of Outstanding Debt by Type Last Ten Fiscal Years

Schedule 9

Fiscal Year	Bonds Payable	Leases Payable	Loans Payable	Total		
				Debt	Per Capita	As a Share of Personal Income ⁽¹⁾
2015	136,000	-	31,237,390	31,373,390	511.44	0.24%
2016	116,000	-	29,823,693	29,939,693	487.81	0.44%
2017	94,000	-	31,922,939	32,016,939	521.04	0.39%
2018	72,000	-	37,513,463	37,585,463	611.28	0.39%
2019	-	-	35,236,198	35,236,198	571.67	0.43%
2020	-	-	32,903,399	32,903,399	533.65	0.40%
2021	-	268,052	30,509,356	30,777,408	498.98	0.32%
2022	-	800,066	48,058,224	48,858,290	791.95	0.29%
2023	-	464,421	44,668,971	45,133,392	731.64	0.46%
2024	-	400,096	41,341,630	41,741,726	676.66	0.43%



Source: North Marin Water District Audited Financial Statements

⁽¹⁾ Per Capita/Personal Income per Capita (See Schedule 11)

**North Marin Water District
Pledged-Revenue Coverage
Last Ten Fiscal Years**

Schedule 10

Fiscal Year	Revenue ⁽¹⁾	Expense ⁽²⁾	Net Available		Debt Service			Coverage Ratio
			Revenue	Principal	Interest	Total		
2015	\$ 19,308,316	(13,803,596)	\$ 5,504,720	\$ 1,686,523	847,951	\$ 2,534,474	2.17	
2016	18,191,410	(13,727,613)	4,463,797	1,721,904	807,034	2,528,938	1.77	
2017	20,209,860	(15,118,535)	5,091,325	1,769,239	757,781	2,527,020	2.01	
2018	22,506,537	(16,470,065)	6,036,472	1,814,680	747,118	2,561,798	2.36	
2019	22,496,702	(16,395,767)	6,100,935	2,349,265	875,354	3,224,619	1.88	
2020	26,057,340	(19,411,083)	6,646,257	2,332,799	740,004	3,072,803	2.16	
2021	29,203,577	(20,742,030)	8,461,547	2,452,431	740,004	3,192,435	2.65	
2022	24,290,503	(17,510,034)	6,780,469	2,629,807	789,056	3,418,863	1.98	
2023	26,122,289	(17,409,629)	8,712,660	3,940,156	1,031,254	4,971,410	1.75	
2024	30,064,395	(21,553,360)	8,511,035	3,082,982	1,029,324	4,112,306	2.07	

Notes:

(1) Revenues includes Connection Fee Revenue, Interest Revenue, Rent & Lease Revenue, other non-operating revenue

(2) Expense excludes depreciation and amortization, interest, GASB 68 related pension, and GASB 75 related OPEB expense.

Source: North Marin Water District Audited Financial Statements

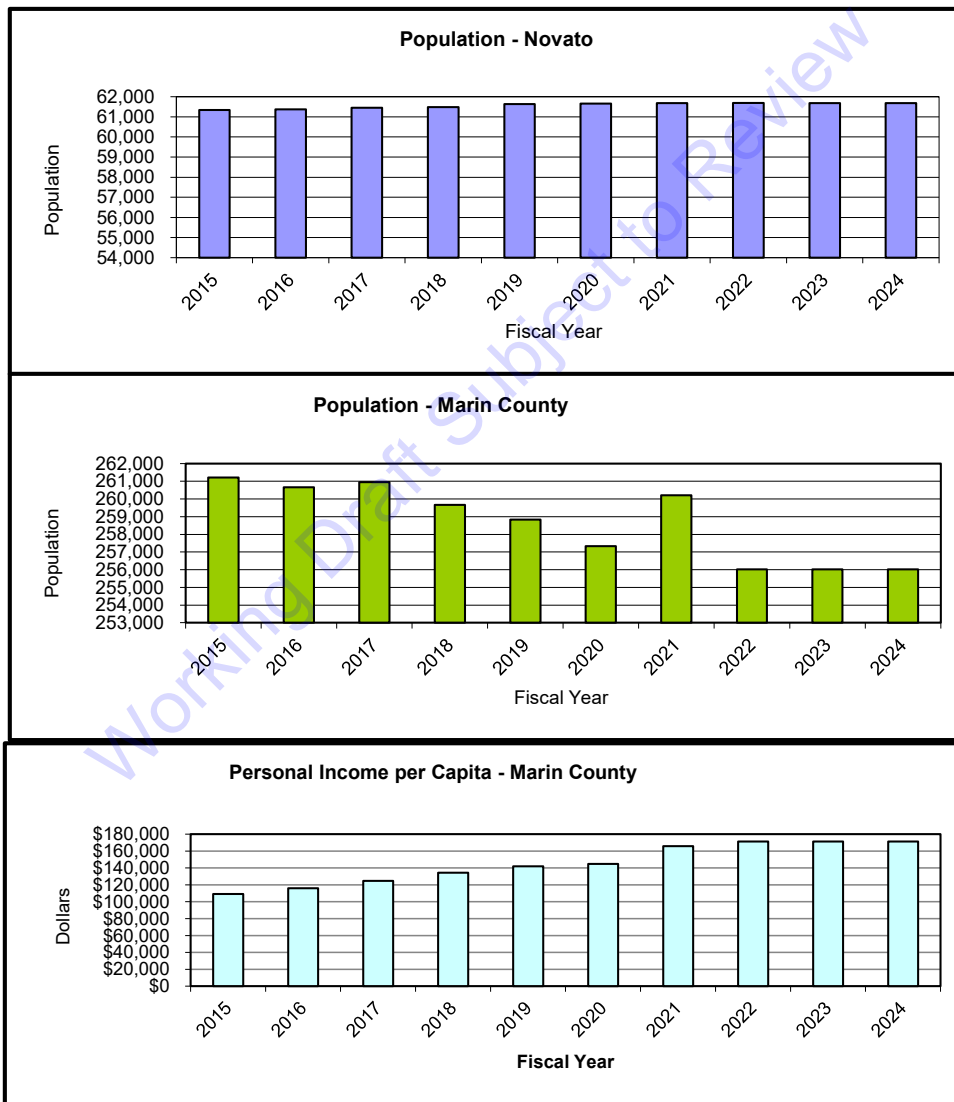
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North Marin Water District Demographics and Economics Statistics Last Ten Fiscal Years

Schedule 11

Year	Novato Service Area ⁽¹⁾		County of Marin		
	Estimated Population	Unemployment Rate	Population	Personal Income (thousands of dollars)	Personal Income per Capita
2015	61,343	3.5%	261,221	\$ 28,492,942	\$ 109,076
2016	61,376	3.5%	260,651	30,223,005	115,952
2017	61,448	3.1%	260,955	32,502,467	124,552
2018	61,486	2.6%	259,666	34,866,652	134,275
2019	61,637	2.5%	258,826	36,684,703	141,735
2020	61,658	7.4%	257,332	37,225,132	144,658
2021	61,681	4.5%	260,206	43,109,109	165,673
2022	61,693	2.5%	256,018	43,824,393	171,177
2023	61,688	3.1%	256,018	43,824,393	171,177
2024	61,688	3.9%	256,018	43,824,393	171,177



Sources:

Novato population estimates based on District's occupancy estimates per Active Dwelling Unit (Active DU x 2.56)
https://www.labormarketinfo.edd.ca.gov/serp.html?q=Novato_marinsub.xls
 Population for County of Marin for 2023 & 2024 was unavailable, 2022 amount was used
 Personal Income per Capita for 2023 & 2024 was unavailable, 2022 amount was used www.bea.gov

**North Marin Water District
Demographics and Economics Statistics – Ten Largest Employers
Current Year** **Schedule 12**

FY 2023/2024*			FY 2014/2015		
Employer	Number of Employees	Percent of Total Employment	Employer	Number of Employees	Percent of Total Employment
1 BioMarin Pharmaceutical	3,082	2.43%	County of Marin	2,194	1.61%
2 County of Marin	2,436	1.92%	San Quentin Prsion	1,750	1.28%
3 San Quentin Prsion	1,857	1.46%	Kaiser Permanente	1,340	0.98%
4 Marin General Hospital	1,757	1.39%	Marin General Hospital	1,229	0.90%
5 San Rafael City Schools	1,241	0.98%	BioMarin Pharmaceutical	850	0.62%
6 Kaiser Permanente	902	0.71%	Novato Unified School District	800	0.59%
7 Novato Unified School District	800	0.63%	Autodesk, Inc.	748	0.55%
8 Glassdoor Inc.	706	0.56%	Fireman's Fund Insurance Co.	721	0.53%
9 Marin Community Clinics	550	0.43%	San Rafael City School	650	0.48%
10 Marin County Office of Education	504	0.40%	Dominican University	422	0.31%
	13,835	10.91%		10,704	7.85%

Source: County of Marin

<https://www.marincounty.org/depts/df/annual-comprehensive-financial-reports-acfr>

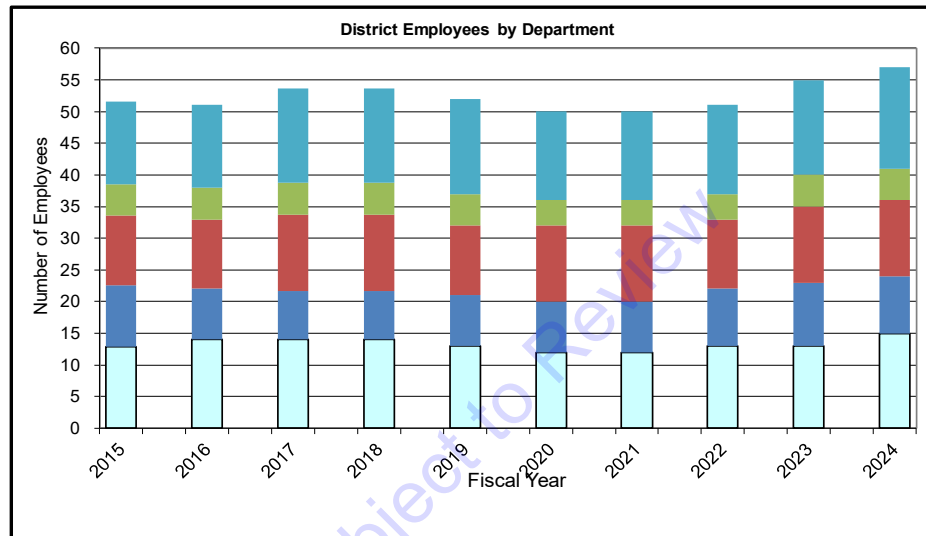
* 2023/2024 Largest Employers was not available. The last available year available was FY 2022/2023.

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**North Marin Water District
Operating and Capacity Indicators – Total Employees
Last Ten Fiscal Years**

Schedule 13

Department	Fiscal Year End									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Administrative Services	13	14	14	14	13	12	12	13	13	15
Engineering Services	10	8	8	8	8	8	8	9	10	9
Construction / Maintenance	11	11	12	12	11	12	12	11	12	12
Water Quality	5	5	5	5	5	4	4	4	5	5
Operations / Maintenance	13	13	15	15	15	14	14	14	15	16
	52	51	54	54	52	50	50	51	55	57



Source: North Marin Water District Overhead Payroll Worksheets for Pay Periods Ending June 30
Note: Excludes temporary employees

**North Marin Water District
Other Operating and Capacity Indicators
Last Ten Fiscal Years**

Schedule 14

Other Operating and Capacity Indicators				
Fiscal Year	District Area (Square Miles)	Miles of Pipeline	Number of Fire Hydrants	System Storage Capacity (MG)
2015	100	357	2,808	39
2016	100	358	2,814	39
2017	100	364	2,824	39
2018	100	364	2,842	40
2019	100	364	2,852	40
2020	100	365	2,862	40
2021	100	366	2,886	40
2022	100	367	2,894	40
2023	100	368	2,896	40
2024	100	384*	2,901	40

Source: North Marin Water District - Engineering Department

* Miles of Pipeline increased by approximately 16 miles due to the conversion to new GIS Software and pipeline length conversion that affected a small percentage of pipes.

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Report on Internal Controls and Compliance

Working Draft Subject to Review

**Independent Auditor's Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with Government Auditing Standards**

Board of Directors
North Marin Water District
Novato, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audit contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the North Marin Water District (District) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprises the District's basic financial statements, and have issued our report thereon dated December 3, 2024.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

**Independent Auditor's Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards*, continued**

Purpose of this Report

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

C.J. Brown & Company, CPAs
Cypress, California
December 3, 2024

Working Draft Subject to Review

North Marin Water District

Management Report

June 30, 2024

Working Draft

North Marin Water District

Management Report

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Working Draft

Board of Directors
North Marin Water District
Novato, California

Dear Members of the Board:

In planning and performing our audit of the financial statements of the North Marin Water District (District) as of and for the year ended June 30, 2024, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

- *Reasonably possible.* The chance of the future event or events occurring is more than remote but less than likely.
- *Probable.* The future event or events are likely to occur.

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

Current Year Comments and Recommendations

Disclosure of Audit Adjustments and Reclassifications

As your external auditor, we assume that the books and records of the District are properly adjusted before the audit begins. In many cases, however, audit adjustments and reclassifications are made in the normal course of the audit process to present the District's financial statements in conformity with accounting principles generally accepted in the United States of America or for comparison purposes with the prior year. For the Board of Directors to gain a full and complete understanding and appreciation of the scope and extent of the audit process we have presented these audit adjustments and reclassifications as an attachment to this letter. There can be very reasonable explanations for situations of having numerous adjustments as well as having no adjustments at all. However, the issue is simply disclosure of the adjustments and reclassifications that were made and to provide the Board of Directors with a better understanding of the scope of the audit.

Current Year Comments and Recommendations, continued

Disclosure of Audit Adjustments and Reclassifications, continued

Management's Response

The District has reviewed and approved all of the audit adjustment and reclassification entries provided by the auditor and have entered those entries into the District's accounting system.

Prior Year Comments and Recommendations

Disclosure of Audit Adjustments and Reclassifications

As your external auditor, we assume that the books and records of the District are properly adjusted before the audit begins. In many cases, however, audit adjustments and reclassifications are made in the normal course of the audit process to present the District's financial statements in conformity with accounting principles generally accepted in the United States of America or for comparison purposes with the prior year. For the Board of Directors to gain a full and complete understanding and appreciation of the scope and extent of the audit process we have presented these audit adjustments and reclassifications as an attachment to this letter. There can be very reasonable explanations for situations of having numerous adjustments as well as having no adjustments at all. However, the issue is simply disclosure of the adjustments and reclassifications that were made and to provide the Board of Directors with a better understanding of the scope of the audit.

Management's Response

The District has reviewed and approved all of the audit adjustment and reclassification entries provided by the auditor and have entered those entries into the District's accounting system.

This communication is intended solely for the information and use of management, the Board of Directors, and others within the District, and is not intended to be, and should not be, used by anyone other than these specified parties. This restriction is not intended to limit the distribution of this letter, which is a matter of public record.

We appreciate the courtesy and cooperation extended to us during our examination. We would be pleased to discuss the contents of this letter with you at your convenience. Please do not hesitate to contact us.

C.J. Brown & Company, CPAs

Cypress, California

December 3, 2024

APPENDIX

North Marin Water District

Audit/Finance Committee Letter

June 30, 2024

Working Draft

Board of Directors
North Marin Water District
Novato, California

We have audited the financial statements of the business-type activities of the North Marin Water District (District) for the year ended June 30, 2024. and have issued our report thereon dated December 3, 2024. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated June 4, 2024, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, as part of our audit, we considered the internal control of the District solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

If any, we have provided our findings regarding significant control deficiencies over financial reporting and material noncompliance, and other matters noted during our audit in a separate letter to you dated December 3, 2024.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence.

An auditor that is not involved in the engagement performed an independent review of the financial statements that was prepared by us based on the information provided by management. This safeguard reduces the threat of self-review risk to an acceptable level.

Required Risk Assessment Procedures per Auditing Standards:

As auditors of the District, we are required per AU-C Section 240, "Consideration of Fraud in a Financial Statement Audit", to "ordinarily" presume and consider the following risks in designing our audit procedures:

- Management override of controls
- Revenue recognition

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the District is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during 2024. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments. The most sensitive accounting estimates affecting the financial statements are as follows:

Management's estimate of the fair value of cash and investments which is based on information provided by financial institutions. We evaluated the key factors and assumptions used to develop the fair value of cash and investments in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of capital assets depreciation which is based on historical estimates of each capitalized item's useful life expectancy or cost recovery period. We evaluated the key factors and assumptions used to develop the capital asset depreciation calculations in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the other post-employment benefits which is based on an actuarial valuation conducted by a third-party actuary. We evaluated the basis, and actuarial methods and assumptions used by the actuary to calculate the other post-employment benefits in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the defined benefit pension plan which is based on an actuarial valuation conducted by a third-party actuary. We evaluated the basis, and actuarial methods and assumptions used by the actuary to calculate the defined benefit pension plan in determining that it is reasonable in relation to the financial statements taken as a whole.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the District's financial statements relate to:

The disclosure of cash and investments in Note 2 to the financial statements which represents amounts susceptible to market fluctuations.

The disclosure of capital assets, net in Note 8 to the financial statements which is based on estimated useful lives of each capitalized item which could differ from actual useful lives of each capitalized item.

The disclosure of the District's other post-employment benefits plan in Note 11 to the financial statements which is based on an actuarial valuation which could differ from actual costs.

Financial Statement Disclosures, continued

The disclosure of the District's defined benefit pension plan in Note 12 to the financial statements which is based on an actuarial valuation which could differ from actual costs.

Significant Unusual Transactions

For purposes of this communication, professional standards require us to communicate to you significant unusual transactions identified during our audit. No significant unusual transactions were identified as a result of our audit procedures that were brought to the attention of management.

Identified or Suspected Fraud

We have not identified or have not obtained information that indicates that fraud may have occurred.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards also require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. The attached schedule on pages 7 through 12 discloses all material misstatements that we identified as a result of our audit procedures that were brought to the attention of, and corrected by, management.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the District's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Circumstances that Affect the Form and Content of the Auditor's Report

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditor's report. There were no circumstances that affect the form and content of the auditor's report.

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached letter dated December 3, 2024.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the District, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the District's auditors.

Other Information Included in Annual Reports

Pursuant to professional standards, our responsibility as auditors for other information, whether financial or nonfinancial, included in the District's annual reports, does not extend beyond the information identified in the audit report, and we are not required to perform any procedures to corroborate such other information. However, in accordance with such standards, we have read the information and considered whether such information, or the manner of its presentation, was materially inconsistent with its presentation in the financial statements.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

We applied certain limited procedures to the management discussion and analysis, schedules of changes in the District's total OPEB liability and related ratios, schedules of the District's proportionate share of net pension liability, and the schedule of pension plan contributions, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on combining schedules, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory and statistical information sections, which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Conclusion

We appreciate the cooperation extended to us by Anthony Williams, General Manager, Julie Blue, Auditor-Controller, Nancy Williamson, Accounting Supervisor, Ling Reilly, Senior Accountant, and the rest of the District staff in the performance of our audit testwork. We will be pleased to respond to any questions you have about the foregoing. We appreciate the opportunity to continue to be of service to the District.

This report is intended solely for the information and use of the Board of Directors and management of the District and is not intended to be and should not be used by anyone other than the specified parties. This restriction is not intended to limit the distribution of this letter, which is a matter of public record.

C.J. Brown & Company, CPAs
Cypress, California
December 3, 2024

Working Draft

North Marin Water District
Schedule of Audit Adjusting Journal Entries
June 30, 2024

Account	Description	Debit	Credit
Adjusting Journal Entries			
Adjusting Journal Entries JE # 1			
GASB Entry #1 - To reclassify 2023 contributions to the net pension liability at June 30, 2024.			
21502.01	Pension Related Debt:Novato:Admin	1,847,485.00	
16100.01	Deferred Outflows - Pension		1,847,485.00
Total		<u>1,847,485.00</u>	<u>1,847,485.00</u>
Adjusting Journal Entries JE # 2			
GASB Entry #2 - To reclassify 2024 contributions to Deferred Outflows of Resources at June 30, 2024. Note: Entry includes cash balancing entries.			
13509.02	Unrestricted Cash:West Marin:GM	99,974.00	
13509.05	Unrestricted Cash	18,038.00	
13509.08	Unrestricted Cash	28,975.00	
16100.01	Deferred Outflows - Pension	1,918,876.00	
13509.01	Unrestricted Cash		146,987.00
51400.01	GASB68 Adjustment - Source		8,059.00
51400.02	GASB68 Adjustment - Source		1,535.00
52309.01	GASB68 Adjustment - Pumping		12,281.00
52309.02	GASB68 Adjustment - Pumping		3,070.00
52700.01	GASB68 Adjustment - Operations		200,906.00
52700.02	GASB68 Adjustment - Operations		15,735.00
52700.05	GASB68 Adjustment - Operations		9,978.00
53800.01	GASB68 Adjustment - Water Treatment		341,368.00
53800.02	GASB68 Adjustment - Water Treatment		44,134.00
53800.05	GASB68 Adjustment - Water Treatment		768.00
54598.01	GASB68 Adjustment - T&D		600,416.00
54598.02	GASB68 Adjustment - T&D		29,551.00
54598.05	GASB68 Adjustment - T&D		7,292.00
54699.08	GASB68 Adjustment - Sewage Collection		11,897.00
54799.08	GASB68 Adjustment - Sewage Treatment		9,019.00
54899.08	GASB68 Adjustment - Disposal-OMSewer-Admin		8,059.00
55999.01	GASB68 Adjustment - Consumer Accounting		56,991.00
55999.02	GASB68 Adjustment - Consumer Accounting		3,838.00
57000.01	GASB68 Adjustment - G&A		497,756.00
58100.01	GASB68 Adjustment - Water Conservation		54,112.00
58100.02	GASB68 Adjustment - Water Conservation		2,111.00
Total		<u>2,065,863.00</u>	<u>2,065,863.00</u>

North Marin Water District
Schedule of Audit Adjusting Journal Entries
June 30, 2024

Account	Description	Debit	Credit
Adjusting Journal Entries JE # 3			
GASB Entry #3 - To record changes in pension liability during FY22/23 at June 30, 2024. Note: Entry includes cash balancing entries.			
13509.01	Unrestricted Cash	117,228.00	
16100.01	Deferred Outflows - Pension	1,161,128.00	
16100.01	Deferred Outflows - Pension	228,424.00	
23100.01	Deferred Inflows - Pension	25,692.00	
23100.01	Deferred Inflows - Pension	65,825.00	
51400.01	GASB68 Adjustment - Source	6,428.00	
51400.02	GASB68 Adjustment - Source	1,224.00	
52309.01	GASB68 Adjustment - Pumping	9,795.00	
52309.02	GASB68 Adjustment - Pumping	2,449.00	
52700.01	GASB68 Adjustment - Operations	160,232.00	
52700.02	GASB68 Adjustment - Operations	12,549.00	
52700.05	GASB68 Adjustment - Operations	7,958.00	
53800.01	GASB68 Adjustment - Water Treatment	272,258.00	
53800.02	GASB68 Adjustment - Water Treatment	35,199.00	
53800.05	GASB68 Adjustment - Water Treatment	612.00	
54598.01	GASB68 Adjustment - T&D	478,861.00	
54598.02	GASB68 Adjustment - T&D	23,568.00	
54598.05	GASB68 Adjustment - T&D	5,816.00	
54699.08	GASB68 Adjustment - Sewage Collection	9,488.00	
54799.08	GASB68 Adjustment - Sewage Treatment	7,193.00	
54899.08	GASB68 Adjustment - Disposal-OMSewer-Admin	6,428.00	
55999.01	GASB68 Adjustment - Consumer Accounting	45,453.00	
55999.02	GASB68 Adjustment - Consumer Accounting	3,061.00	
57000.01	GASB68 Adjustment - G&A	396,985.00	
58100.01	GASB68 Adjustment - Water Conservation	43,157.00	
58100.02	GASB68 Adjustment - Water Conservation	1,683.00	
13509.02	Unrestricted Cash:West Marin:GM		79,733.00
13509.05	Unrestricted Cash		14,386.00
13509.08	Unrestricted Cash		23,109.00
16100.01	Deferred Outflows - Pension		27,002.00
16100.01	Deferred Outflows - Pension		7,354.00
21502.01	Pension Related Debt:Novato:Admin		2,977,110.00
Total		<u>3,128,694.00</u>	<u>3,128,694.00</u>

North Marin Water District
Schedule of Audit Adjusting Journal Entries
June 30, 2024

Account	Description	Debit	Credit
Adjusting Journal Entries JE # 4			
GASB Entry #4 - To record changes in the deferred outflows and deferred inflows (amortization) during FY22/23 at June 30, 2024. Note: Entry includes cash balancing entries.			
13509.01	Unrestricted Cash	77,280.00	
23100.01	Deferred Inflows - Pension	266,718.00	
23100.01	Deferred Inflows - Pension	267,685.00	
51400.01	GASB68 Adjustment - Source	4,237.00	
51400.02	GASB68 Adjustment - Source	807.00	
52309.01	GASB68 Adjustment - Pumping	6,456.00	
52309.02	GASB68 Adjustment - Pumping	1,614.00	
52700.01	GASB68 Adjustment - Operations	105,627.00	
52700.02	GASB68 Adjustment - Operations	8,273.00	
52700.05	GASB68 Adjustment - Operations	5,246.00	
53800.01	GASB68 Adjustment - Water Treatment	179,476.00	
53800.02	GASB68 Adjustment - Water Treatment	23,204.00	
53800.05	GASB68 Adjustment - Water Treatment	404.00	
54598.01	GASB68 Adjustment - T&D	315,673.00	
54598.02	GASB68 Adjustment - T&D	15,536.00	
54598.05	GASB68 Adjustment - T&D	3,834.00	
54699.08	GASB68 Adjustment - Sewage Collection	6,255.00	
54799.08	GASB68 Adjustment - Sewage Treatment	4,742.00	
54899.08	GASB68 Adjustment - Disposal-OMSewer-Admin	4,237.00	
55999.01	GASB68 Adjustment - Consumer Accounting	29,963.00	
55999.02	GASB68 Adjustment - Consumer Accounting	2,018.00	
57000.01	GASB68 Adjustment - G&A	261,699.00	
58100.01	GASB68 Adjustment - Water Conservation	28,450.00	
58100.02	GASB68 Adjustment - Water Conservation	1,110.00	
13509.02	Unrestricted Cash:West Marin:GM		52,562.00
13509.05	Unrestricted Cash		9,484.00
13509.08	Unrestricted Cash		15,234.00
16100.01	Deferred Outflows - Pension		410,808.00
16100.01	Deferred Outflows - Pension		647,583.00
16100.01	Deferred Outflows - Pension		484,873.00
Total		<u>1,620,544.00</u>	<u>1,620,544.00</u>
Adjusting Journal Entries JE # 5			
CPE - To record Nor Cal Pump Invoice 23-5013 for June 30, 2024. Note: Includes cash balancing entry.			
11202.02	Work In Progress - District Contra Acct GASB68	77,808.00	
13509.01	Unrestricted Cash	77,808.00	
13509.02	Unrestricted Cash:West Marin:GM		77,808.00
22201.01	Accounts Payable - Vouchers		77,808.00
Total		<u>155,616.00</u>	<u>155,616.00</u>
Adjusting Journal Entries JE # 6			
CPE - To record GHD invoice for June received in September at June 30, 2024.			
11202.01	Work In Progress - District Contra Acct GASB68	88,365.31	
22201.01	Accounts Payable - Vouchers		88,365.31
Total		<u>88,365.31</u>	<u>88,365.31</u>

North Marin Water District
Schedule of Audit Adjusting Journal Entries
June 30, 2024

Account	Description	Debit	Credit
Adjusting Journal Entries JE # 7			
GASB 75 Entry # 1 - To record changes in the OPEB liability and related deferrals at June 30, 2024. Note: This entry includes cash balancing.			
13509.01	Unrestricted Cash	7,646.00	
16200.01	Deferred Outflows - OPEB	228,085.00	
23200.01	Deferred Inflows:OPEB	277,919.00	
51401.01	GASB75 Adjustment - Source of Supply	321.00	
51401.02	GASB75 Adjustment - Source of Supply	2,269.00	
52310.01	GASB75 Adjustment - Pumping	489.00	
52310.02	GASB75 Adjustment - Pumping	61.00	
52310.05	GASB75 Adjustment - Pumping	1,176.00	
52701.01	GASB75 Adjustment - Operations	7,998.00	
52701.02	GASB75 Adjustment - Operations	122.00	
52701.05	GASB75 Adjustment - Operations	84.00	
53801.01	GASB75 Adjustment - Water Treatment	13,591.00	
53801.02	GASB75 Adjustment - Water Treatment	626.00	
53801.05	GASB75 Adjustment - Water Treatment	153.00	
54596.01	GASB75 Adjustment - T&D	23,903.00	
54596.02	GASB75 Adjustment - T&D	1,757.00	
54698.08	GASB75 Adjustment - Sewage Collection	290.00	
54798.08	GASB75 Adjustment - Sewage Treatment	397.00	
54898.08	GASB75 Adjustment - Sewage Disposal	359.00	
55998.01	GASB75 Adjustment - Consumer Accounting	474.00	
55998.02	GASB75 Adjustment - Consumer Accounting	321.00	
57001.01	OPEB Expense-G&A	19,816.00	
58101.01	GASB75 Adjustment - Water Conservation	2,154.00	
58101.02	GASB75 Adjustment - Water Conservation	31.00	
13509.02	Unrestricted Cash:West Marin:GM		5,187.00
13509.05	Unrestricted Cash		1,413.00
13509.08	Unrestricted Cash		1,046.00
21503.01	OPEB Liability		582,396.00
Total		<u>590,042.00</u>	<u>590,042.00</u>

North Marin Water District
Schedule of Audit Adjusting Journal Entries
June 30, 2024

Account	Description	Debit	Credit
Adjusting Journal Entries JE # 8			
GASB 75 Entry # 2 - To record changes in deferred outflows and inflows amortization at June 30, 2024. Note: This entry includes cash balancing.			
13509.01	Unrestricted Cash	3,091.00	
51401.01	GASB75 Adjustment - Source of Supply	130.00	
51401.02	GASB75 Adjustment - Source of Supply	917.00	
52310.01	GASB75 Adjustment - Pumping	198.00	
52310.02	GASB75 Adjustment - Pumping	25.00	
52310.05	GASB75 Adjustment - Pumping	476.00	
52701.01	GASB75 Adjustment - Operations	3,233.00	
52701.02	GASB75 Adjustment - Operations	49.00	
52701.05	GASB75 Adjustment - Operations	34.00	
53801.01	GASB75 Adjustment - Water Treatment	5,493.00	
53801.02	GASB75 Adjustment - Water Treatment	253.00	
53801.05	GASB75 Adjustment - Water Treatment	62.00	
54596.01	GASB75 Adjustment - T&D	9,662.00	
54596.02	GASB75 Adjustment - T&D	710.00	
54698.08	GASB75 Adjustment - Sewage Collection	117.00	
54798.08	GASB75 Adjustment - Sewage Treatment	161.00	
54898.08	GASB75 Adjustment - Sewage Disposal	145.00	
55998.01	GASB75 Adjustment - Consumer Accounting	191.00	
55998.02	GASB75 Adjustment - Consumer Accounting	130.00	
57001.01	OPEB Expense-G&A	8,010.00	
58101.01	GASB75 Adjustment - Water Conservation	871.00	
58101.02	GASB75 Adjustment - Water Conservation	12.00	
13509.02	Unrestricted Cash:West Marin:GM		2,096.00
13509.05	Unrestricted Cash		572.00
13509.08	Unrestricted Cash		423.00
16200.01	Deferred Outflows - OPEB		14,335.00
23200.01	Deferred Inflows:OPEB		16,544.00
Total		<u>33,970.00</u>	<u>33,970.00</u>
Adjusting Journal Entries JE # 9			
CPE - To reclassify short term portion of retiree health insurance payments at June 30, 2024.			
21503.01	OPEB Liability	249,047.00	
22205.01	OPEB Liability - Current		249,047.00
Total		<u>249,047.00</u>	<u>249,047.00</u>
Adjusting Journal Entries JE # 10			
CPE - To reverse borrowing of \$117,808.48 between Novato Fund and the Maintenance Accrual Fund.			
12650.01	Restricted Cash - Maintenance Accrual Fund	117,808.48	
13509.01	Unrestricted Cash		117,808.48
Total		<u>117,808.48</u>	<u>117,808.48</u>
Total Adjusting Journal Entries		<u>9,897,434.79</u>	<u>9,897,434.79</u>

**North Marin Water District
Schedule of Audit Adjusting Journal Entries
June 30, 2024**

Account	Description	Debit	Credit
Proposed Journal Entries			
Proposed Journal Entries JE # 100			
PAJE - To adjust County cash balances per G/L to FMV per County Pooled Cash factor 1.01492001 at June 30, 2024.			
15418.01	Market Value Of Investments	83.67	
15418.01	Market Value Of Investments	15,926.10	
49227.01	Interest Earned-STP SRF Loan Fund-County of Marin		83.67
49227.01	Interest Earned-STP SRF Loan Fund-County of Marin		15,926.10
Total		<u>16,009.77</u>	<u>16,009.77</u>
	Total Proposed Journal Entries	<u>16,009.77</u>	<u>16,009.77</u>
	Total All Journal Entries	<u>9,913,444.56</u>	<u>9,913,444.56</u>

Legend:

CPE	District Prepared Audit Adjusting Journal Entry
GASB 68 Entry	GASB 68 Annual Implementation Entry
GASB 75 Entry	GASB 68 Annual Implementation Entry
PAJE	Proposed Journal Entry - Not Posted to the District's Books

Working Draft

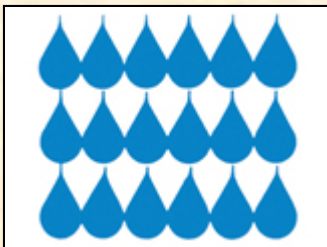
North Marin Water District



Board of Directors

**Presentation Of The June 30, 2024
Annual Audited Financial Statements**

**C.J. Brown & Company, CPAs
An Accountancy Corporation**



The Audit

- **The Audit was Performed in Accordance with Auditing Standards Generally Accepted in the United States of America**
- **Our Audit Procedure Include:**
 - **Assess the District's internal controls**
 - **Agree balance to supporting documentation**
 - **Perform analysis of key relationships**

The Reports

Independent Auditor's Report

Unmodified Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the **North Marin Water District** as of June 30, 2024....

District Awards

***Certificate of Achievement for Excellence
in Financial Reporting for 2023.***

- A Prestigious Award Presented by GFOA.

Management Report

Communication to Governing Board

- **Auditor's Responsibility Under U.S. GAAS**
- **Scope of Audit**
- **District's Accounting Practices**
- **Corrected and/or Uncorrected Adjustments**
- **Difficulties Encountered in Performing the Audit – None Noted**
- **Disagreements with Management – None Noted**

Financial Highlights

Condensed Statements of Net Position

	<u>2024</u>	<u>2023</u>	<u>Change</u>
Assets:			
Current assets	\$ 35,736,171	39,992,888	(4,256,717)
Non-current assets	4,728,756	6,896,968	(2,168,212)
Capital assets, net	<u>155,093,702</u>	<u>147,063,309</u>	<u>8,030,393</u>
Total assets	<u>195,558,629</u>	<u>193,953,165</u>	<u>1,605,464</u>
Deferred outflows of resources	<u>7,014,861</u>	<u>6,917,788</u>	<u>97,073</u>
Liabilities:			
Current liabilities	9,227,239	9,255,352	(28,113)
Non-current liabilities	<u>62,186,447</u>	<u>63,356,094</u>	<u>(1,169,647)</u>
Total liabilities	<u>71,413,686</u>	<u>72,611,446</u>	<u>(1,197,760)</u>
Deferred inflows of resources	<u>1,116,451</u>	<u>2,038,529</u>	<u>(922,078)</u>
Net position:			
Net investment in capital assets	116,599,712	112,410,898	4,188,814
Restricted	8,146,966	7,432,578	714,388
Unrestricted	<u>5,296,675</u>	<u>6,377,502</u>	<u>(1,080,827)</u>
Total net position	<u>\$ 130,043,353</u>	<u>126,220,978</u>	<u>3,822,375</u>

Financial Highlights

Condensed Statements of Revenues, Expenses, and Changes in Net Position

	<u>2024</u>	<u>2023</u>	<u>Change</u>
Revenue:			
Operating revenue	\$ 26,963,127	24,244,711	2,718,416
Non-operating revenue	2,316,857	1,583,230	733,627
Total revenue	<u>29,279,984</u>	<u>25,827,941</u>	<u>3,452,043</u>
Expense:			
Operating expense	22,278,718	15,868,059	6,410,659
Depreciation and amortization	4,139,282	4,523,906	(384,624)
Non-operating expense	1,179,283	1,232,870	(53,587)
Total expense	<u>27,597,283</u>	<u>21,624,835</u>	<u>5,972,448</u>
Net income(expense) before capital contributions	1,682,701	4,203,106	(2,520,405)
Capital contributions	<u>2,139,674</u>	<u>1,761,295</u>	<u>378,379</u>
Changes in net position	3,822,375	5,964,401	(2,142,026)
Net position, beginning of year	<u>126,220,978</u>	<u>120,256,577</u>	<u>5,964,401</u>
Net position, end of year	<u>\$ <u>130,043,353</u></u>	<u>126,220,978</u>	<u>3,822,375</u>

Financial Highlights

In 2024:

Net Position - Increased 3% or \$3,822,375 to \$130,043,353.

Total Revenues – Increased by \$3,452,043 to \$29,279,984.

- **Operating Revenues** - Increased 11% or \$2,718,416 to \$26,963,127 due primarily to increases in water consumption sales of \$1,978,200 and bi-monthly meter service charges of \$696,117, related to increases in rates and water sales volume as compared to the prior year.
- **Non-operating Revenues** - Increased by 46% or \$733,627 to \$2,316,857 due primarily to an increase in net investment earnings of \$528,035 and Regulation 15 forfeitures of \$180,890 sourcing from new development deposits forfeited to the District to be used for water conservation programs.

Capital Contributions - Increased by 22% or \$378,379 to \$2,139,674 due primarily to increases in connection fees of \$676,490 and state and local capital grants of \$96,718, offset by a decrease from developer contributions of \$394,829.

Total Expenses – Increased by \$5,972,448 to \$27,597,283.

- **Operating Expenses (including depreciation)** - Increased 30% or \$6,026,035 to \$26,418,000, due primarily to increases in Source of Supply of \$1,725,308; Pumping of \$180,724; Water Facilities Operations of \$641,320; Water Treatment of \$320,908; Transmission and Distribution of \$1,378,755; Sewage Collection of \$57,189; Customer Service of \$147,196; General and Administrative of \$1,809,754; Water Conservation of \$149,508; and a decrease in Depreciation Expense of \$384,624 . **Of the increases, \$2,646,529 is attributed to the allocation of the annual Pension and OPEB liability adjustment to the various departments.**
- **Non-operating Expenses** - Decreased by 4% or \$53,587 to \$1,179,283 due primarily to a decrease in interest expense on long-term debt of \$42,829.

Financial Highlights

Revenues:	<u>2024</u>	<u>2023</u>	<u>Change</u>
Operating revenues:			
Water consumption sales	\$ 18,516,024	16,537,824	1,978,200
Monthly meter service charge	7,713,543	7,017,426	696,117
Sewer service charge	324,264	304,560	19,704
Other charges and services	409,296	384,901	24,395
Total operating revenues	<u>26,963,127</u>	<u>24,244,711</u>	<u>2,718,416</u>
Non-operating revenues:			
Property tax revenue	145,929	143,332	2,597
Investment earnings, net	1,784,882	1,256,847	528,035
Interest earnings from note receivable – BPGL	10,416	9,009	1,407
Interest earnings from loan receivable – MMWD	73,271	79,845	(6,574)
Interest earnings from leases	11,930	12,782	(852)
Rental revenue	78,577	69,876	8,701
Gain on sale of capital assets	2,940	-	2,940
Regulation 15 forfeiture	180,890	-	180,890
Other non-operating revenues	28,022	11,539	16,483
Total non-operating revenues	<u>2,316,857</u>	<u>1,583,230</u>	<u>733,627</u>
Total revenues	<u>\$ 29,279,984</u>	<u>25,827,941</u>	<u>3,452,043</u>

Financial Highlights

Expenses:	<u>2024</u>	<u>2023</u>	<u>Change</u>
Operating expenses including depreciation expense:			
Source of supply	\$ 6,727,290	5,001,982	1,725,308
Pumping	673,751	493,027	180,724
Water facilities operations	1,319,893	678,573	641,320
Water treatment	2,674,372	2,353,464	320,908
Transmission and distribution	4,292,602	2,913,847	1,378,755
Sewage collection and treatment	277,564	220,375	57,189
Customer service	533,526	386,333	147,193
General and administrative	5,309,615	3,499,861	1,809,754
Water conservation	470,105	320,597	149,508
Depreciation and amortization	<u>4,139,282</u>	<u>4,523,906</u>	<u>(384,624)</u>
Total operating expenses including depreciation expenses	<u>26,418,000</u>	<u>20,391,965</u>	<u>6,026,035</u>
Non-operating expenses:			
Unrealized loss, net of investment inc.	-	-	-
Interest expense – long-term debt	1,176,988	1,219,819	(42,831)
Capital contribution to agency	-	-	-
Loss on disposition of capital assets	-	10,885	(10,885)
Other non-operating expenses	<u>2,295</u>	<u>2,166</u>	<u>129</u>
Total non-operating expenses	<u>1,179,283</u>	<u>1,232,870</u>	<u>(53,587)</u>
Total expenses	<u>\$ 27,597,283</u>	<u>21,624,835</u>	<u>5,972,448</u>

Questions



6



MEMORANDUM

To: Board of Directors Date: December 3, 2024
 From: Tony Williams, General Manager *[Signature]*
 Subject: District Legal Counsel Services Compensation Increases
t:\gm\bod memos 2024\12-3-24 meeting\legal counsel rates\bod memo approve bpmnj rate increase.docx

RECOMMENDED ACTION: Approve the Proposed Compensation Rates Increase for District Legal Counsel Services

FINANCIAL IMPACT: None at this time

Background

On October 20, 1959, the District Board of Directors (Board) voted to retain the legal services of the firm Carlson, Collins, Gordon & Bold. In 1970, Bold and Polisner relocated to Walnut Creek; and in 1993, Robert Maddow, Carl Nelson and Craig Judson became partners in the firm and its name changed to Bold, Polisner, Maddow, Nelson and Judson (BPMNJ). BPMNJ is currently providing legal services and general counsel to the District. The BPMNJ attorneys assisting the District on various matters are Craig Judson, Sharon Nagle, and Kevin Moore. Robert 'Bob' Maddow and Carl Nelson provide periodic legal services in specific and unique areas, and currently Bob Maddow provides legal assistance and advice in regards to the Potter Valley Project (PVP) as it affects the District. From time to time when special counsel or other services are necessary that are beyond in-house expertise, BPMNJ has subcontracted outside firms to meet the needs of the District. The District currently utilizes a separate law firm, Boucher Law, PC, directly for labor-related and human resources counsel.

Compensation – Current and Proposed

The current hourly rate charged by BPMNJ to the District is \$225 which has been in place since July 1, 2020. As stated in their November 15, 2024 letter (Attachment 1), BPMNJ is proposing a new rate of \$325 per hour effective January 1, 2025. This proposed rate is a blended rate that would be used for any level/classification of staff working on matters for the District. Craig Judson and Tony Williams have previously discussed the desire and need to revise compensation rates charged by BPMNJ beginning in 2023. After recent discussions subsequent to the District's receipt of the November 15th letter, a reduced rate of \$300/hour for attorney Kevin Moore was agreed to by BPMNJ until July 1, 2025, at which point his rate would also be \$325/hour. The proposed compensation changes, including the special adjustment for Kevin Moore and the subcontracting mark-up proposed by BPMNJ are fair and reasonable.

Fiscal Impact

The adopted FY 2024-25 Budget includes \$18,000 for legal services. As of September 30th, approximately 26% of the budget or \$4,478 has been invoiced for general legal services by BPMNJ. Additional legal costs for PVP (special project J-1.4077) and support of the Administration and Laboratory Upgrade Project (CIP J-1.6501.44) total additional charges of approximately \$7,380 in the first quarter.

RECOMMENDATION

Staff is recommending the Board approve the proposed hourly rates as well as the other special compensation and mark-up amounts, effective January 1, 2025 as described in Attachment 1, including the special compensation for attorney Kevin Moore described above.

ATTACHMENTS

1. Letter from BPMNJ dated November 15, 2024



BOLD, POLISNER,
MADDOW, NELSON
& JUDSON
A PROFESSIONAL CORPORATION

2125 Oak Grove Road, Suite 210
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November 15, 2024

RECEIVED

NOV 20 2024

North Marin Water District
PO Box 146
Novato, CA 94948

North Marin Water District

Attn: Tony Williams

Re: Compensation Rates for BPMNJ General Counsel Legal Services

Dear Tony:

Several months ago, we discussed the possibility of an increase in the legal rates that we charge NMWD for general counsel and litigation services. I tried to do a little research and found that we have not requested nor received an increase in the hourly rate since July 1, 2020. Currently, NMWD enjoys the hourly rate of \$225.00 per hour. That rate was the lowest rate we charged to all of our clients – both public agency and private. We have always kept our public agency rates moderate, while our billing rates for private clients are substantially higher.

Therefore, we are proposing an adjusted blended hourly rate of \$325.00. In addition, as is custom with our other public agency clients, a \$25.00 hourly surcharge will apply to potential, anticipated, and actual litigation cases. Also, as already included in our past agreements, we may also add an administrative cost of five percent (5%) on the total amount of each invoice received from subcontractors hired by our firm at the request of, or for the benefit of, NMWD. This amount represents full compensation to our firm for the detailed handling of agreements, management of accounts receivable and payable, and the general administration and supervision of subcontractors by the staff and counsel.

We would like the new billing rate to commence January 1, 2025.

We hope that you will support our request and present it to the Board for approval at the next appropriate Board meeting.

Sharon, Kevin, and I really enjoy working with you and your staff. Our firm has had a very long and mutually satisfying and successful relationship with NMWD, which we hope to maintain for years to come. Please let me know if you have any questions.

Yours very truly,

CRAIG L. JUDSON

CLJ:jj

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MEMORANDUM

To: Board of Directors

December 3, 2024

From: Julie Blue, Auditor-Controller *JB*
Nancy Williamson, Accounting Supervisor *NW*

Subj: FY 24/25 1st Quarter Financial Statement
t:\ac\board reports\board memos\2025\financial statements\bod memo financial statements fy 24.25 1st qtr.docx

RECOMMENDED ACTION: Information Only

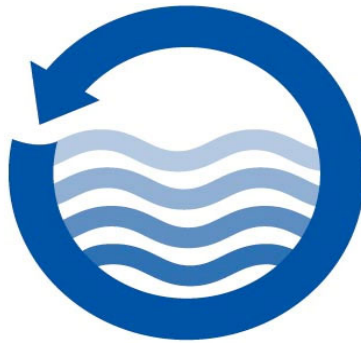
FINANCIAL IMPACT: None at this time

Attached is the Fiscal Year 24/25 1st Quarter Financial Statement for all of North Marin Water District's enterprises. The financial statement includes financial transactions for the period of July 1, 2024 through September 30, 2024. Key elements of the report will be highlighted and staff is available to answer questions from the Board of Directors.

ATTACHMENTS:

1. FY 24/25 1st Quarter Financial Statement

NORTH MARIN WATER DISTRICT



FINANCIAL STATEMENT FISCAL YEAR 2024-25

September 30, 2024

**NORTH MARIN WATER DISTRICT
FINANCIAL STATEMENTS
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MEMORANDUM

To: Tony Williams, General Manager

November 13, 2024

From: Reviewed by: Julie Blue, Auditor-Controller

Prepared by: Nancy Williamson, Accounting Supervisor and Ling Reilly, Senior Accountant

Subj: Information – FY24/25 September Financial Statement

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FISCAL YEAR PERFORMANCE COMPARED TO THE ANNUAL BUDGET

<u>CONSOLIDATED SUMMARY</u>	Sep-24	FY24/25	FY24/25	FYTD /
Actual vs. Budget	<u>Actual</u>	<u>Actual YTD</u>	<u>Budget</u>	<u>Budget %</u>
Operating Revenue	\$3,200,821	\$9,893,103	\$28,965,000	34%
Operating Expense	\$2,711,710	\$8,487,749	\$27,864,000	30%
Non-Operating Revenue / (Expense)	(\$55,405)	(\$233,622)	(\$1,254,000)	19%
Net Income / (Loss)	\$433,706	\$1,171,732	(\$153,000)	766%
Other Sources / (Uses)*	\$375,675	(\$2,878,433)	(\$2,507,000)	(115%)
Cash Increase / (Decrease)	\$809,381	(\$1,706,701)	(\$2,660,000)	64%

* See Page 8.

For the first three months of the fiscal year 2024-2025, the District generated a net Income of \$1,171,732 and saw a net cash decrease of \$1,706,701. On a seasonally adjusted basis, Operating Revenue came in 10% over budget and Operating Expense came in 11% over budget. \$3,269,361 (37%) of the Capital Improvement Projects Budget was expended this fiscal year to date.

**SUMMARY INCOME STATEMENTS BY SERVICE AREA
PRESENTED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPALS**

<u>NOVATO WATER</u>	Sep-24	FY24/25	FY23/24	FY24 vs 23
Year over Year Comparison	<u>Actual</u>	<u>Actual YTD</u>	<u>Actual YTD</u>	<u>Up/(Down)</u>
Operating Revenue	\$2,672,822	\$8,537,991	\$7,760,368	10%
Operating Expense	2,570,712	7,622,677	5,339,763	43%
Other Income / (Expense)	(4,623)	(207,630)	295,649	-
Net Income / (Loss)	\$97,487	\$707,684	\$2,716,254	(74%)
Active Accounts	20,886	20,886	20,836	0%
Consumption (MG)	234	767	728	5%
Average Commodity Rate / 1,000 gal	\$8.40	\$8.29	\$7.98	4%
Income / (Loss) / Active Account	\$4.67	\$33.88	\$130.36	(74%)
Income / (Loss) / 1,000 Gal	\$0.42	\$0.92	\$3.73	(75%)
Facility Reserve Charges	\$7,640	\$64,260	\$38,200	68%
FRC Transfer (to)/from Recycled Water	(\$200,077)	(\$200,077)	\$0	-
Developer 'In-Kind' Contributions	\$44,909	\$164,921	\$248,611	(34%)

Consumption for the fiscal year to date was 5% more than the prior year. Total operating revenue, which includes wheeling and other miscellaneous service charges, increased \$777,624 from the prior year. Total operating expense was \$2,282,915 more than last year.

The Stafford Treatment Plant has not produced any water (0 MG) so far this fiscal year. However, \$353,826 has been incurred to maintain plant operations¹. The annual budget for Stafford assumes production of 600 MG at a cost of \$4,255/MG. For comparison, the cost to purchase water from the Sonoma County Water Agency (SCWA) is \$4,251 per MG³.

The fiscal year net income (which includes non-operating items such as interest revenue and expense) of \$707,684 compares to a budgeted net income for the year of \$433,000 and to a net income of \$2,716,254 for the prior year. \$1,942,812 (32%) of the Novato Water Capital Improvement Project Budget was spent versus \$2,631,378 (19%) for the prior year. \$64,260 in Facility Reserve Charges (FRC) have been collected (\$793,000 is budgeted). FRC reserves totaling \$200,077 were transferred this fiscal year from the Novato Water Fund to the Recycled Water Fund. The Novato FRC Reserve has a net deficit of \$8,793,720 arising from transfers to the RW Fund in advance of FRC receipts. This is up from a net deficit of \$8,379,143 last year. That deficit will be reimbursed by future Connection Fee revenue. The Novato cash balance increased \$319,953 in September and stood at \$19,346,372 at month end, compared to a budgeted projection of \$19,106,187 at fiscal year-end.

<u>NOVATO RECYCLED</u>	Sep-24	FY24/25	FY23/24	FY24 vs 23
Year over Year Comparison	<u>Actual</u>	<u>Actual YTD</u>	<u>Actual YTD</u>	<u>Up/(Down)</u>
Operating Revenue	\$363,021	\$865,479	\$676,452	28%
Operating Expense	108,376	449,943	414,585	9%
Other Income / (Expense)	(7,428)	(18,513)	14,961	-
Net Income / (Loss)	<u>\$247,217</u>	<u>\$397,022</u>	<u>\$276,828</u>	43%
Active Accounts	101	101	100	1%
Consumption (MG)	32.4	115.0	85.4	35%
Average Commodity Rate / 1,000 gal (net)	\$9.62	\$6.75	\$7.48	(10%)
Deer Island Production (MG)	0.0	0.0	4.2	-
Novato Sanitary Production (MG)	32.3	118.1	66.7	77%
Las Gallinas Production (MG)	8.7	27.6	21.1	31%
Potable Water Input (MG)	0.0	0.7	2.8	(75%)
Facility Reserve Charge Alloc from Novato	\$200,077	\$200,077	\$0	-
RW Costs	\$24,577	\$207,181	\$156,974	32%

115.0 MG was delivered to RW customers this fiscal year to date, 35% more than the prior year. Operating revenue was 28% more than last year. Total operating expense was 9% more than the prior year. The recycled water was produced at a cost of \$1,674/MG² (including potable water consumed) versus \$4,251/MG³ from SCWA. The budgeted production cost of recycled water is \$2,781/MG.

The fiscal year net income of \$397,022 compares to a budgeted net loss for the year of \$323,000 and a net income of \$276,828 for the prior year. \$1,151 (0%) of the Recycled Water Capital Improvement Project Budget was spent versus \$57,060 (7%) for the prior year.

The Novato Recycled cash balance stood at \$7,694,877 at month end, \$7.1M of which amount resides in restricted reserves for debt service, the Deer Island Facility Replacement Fund and the Recycled Water Capital Replacement and Expansion Fund.

¹ Stafford production cost = TP op expense (\$179,877) + SRF loan interest (\$27,862) + plant depreciation (\$146,087)/0 MG produced

² Recycled Water production cost = purchased water cost (\$207,181) + treatment expense (\$4,292) + Deer Island RW Facility SRF loan interest (\$4,694) + Deer Island plant depreciation (\$28,980)/146.4 MG produced

³ SCWA production cost per MG = O&M charge (\$3,423) + debt service charge (\$278) + Russian River conservation charge (\$489) + Russian River projects charge (\$61)

<u>WEST MARIN WATER</u>	Sep-24	FY24/25	FY23/24	FY24 vs 23
Year over Year Comparison	<u>Actual</u>	<u>Actual YTD</u>	<u>Actual YTD</u>	<u>Up/(Down)</u>
Operating Revenue	\$136,222	\$403,365	\$295,324	37%
Operating Expense	116,548	339,457	240,869	41%
Other Income / (Expense)	(2,781)	(7,667)	(3,260)	135%
Net Income / (Loss)	<u>\$16,894</u>	<u>\$56,240</u>	<u>\$51,196</u>	10%
Active Accounts	799	799	793	1%
Consumption (MG)	6.7	20.8	16.8	24%
Average Commodity Rate / 1,000 gal (net)	\$17.04	\$15.77	\$13.65	15%
Income/ (Loss) / Active Account	\$21.14	\$70.39	\$64.56	9%
Income / (Loss) / 1,000 Gal	\$2.53	\$2.71	\$3.05	(11%)
Facility Reserve Charges	\$0	\$5,580	\$21,660	(74%)
Developer 'In-Kind' Contributions	\$73,422	\$80,668	\$0	-

Consumption for the fiscal year was 24% more than the prior year. Operating revenue was 37% more than last year.

Operating expenditures were \$98,588, or 41% more than the previous year. The fiscal year net income of \$56,240 compares to a budgeted annual net loss of \$254,000 and to a net income of \$51,196 for the prior year. \$38,302 (9%) of the Capital Improvement Project Budget was expended this fiscal year, and \$5,580 in connection fees have been collected (\$0 is budgeted). The West Marin cash balance increased \$119,729 in September and stood at \$521,777 at month end, compared to a budgeted projection of \$482,000 at fiscal year-end.

<u>OCEANA MARIN SEWER</u>	Sep-24	FY24/25	FY23/24	FY24 vs 23
Year over Year Comparison	<u>Actual</u>	<u>Actual YTD</u>	<u>Actual YTD</u>	<u>Up/(Down)</u>
Operating Revenue	\$28,756	\$86,268	\$81,323	6%
Operating Expense	24,450	75,671	62,397	21%
Other Income / (Expense)	(385)	188	4,490	(96%)
Net Income / (Loss)	<u>\$3,921</u>	<u>\$10,785</u>	<u>\$23,415</u>	(54%)
Active Accounts	239	239	236	1%
Monthly Sewer Service Charge	\$121	\$121	\$115	6%
Income / (Loss) / Active Account	\$16.41	\$45.13	\$99.22	-
Sewage Facilities Connection Charges	\$0	\$0	\$30,000	-

Operating revenue of \$86,268 was 6% more than the previous year due to the 6% rate increase effective July 1, 2024, and three new connections. Operating expenditures were 21%, or \$13,274 more than the previous year. The fiscal year net income of \$10,785 compares to a budgeted annual net loss of \$35,000 and to a net income of \$23,415 for the prior year. \$1,287,095 (68%) of the Capital Improvement Project Budget has been expended this fiscal year.

\$0 in Sewage Facilities Connection Charges (SFCC) have been collected (\$0 is budgeted). The Oceana Marin cash balance remained the same in September and stood at \$0 at month end, compared to a budgeted projection of \$112,000 at fiscal-year-end.

**NORTH MARIN WATER DISTRICT
STATEMENT OF NET POSITION
FOR THE PERIOD ENDING SEPTEMBER 30, 2024**

	<u>TOTAL</u>	<u>NOVATO WATER</u>	<u>NOVATO RECYCLED</u>	<u>WEST MARIN WATER</u>	<u>OCEANA MARIN SEWER</u>
ASSETS					
Cash & Investments					
Unrestricted/Undesignated Cash	\$500,236	\$0	\$401,345	\$98,892	\$0
Restricted Cash (Note 1)					
Connection Fee Fund	\$0	\$0	\$0	\$0	\$0
Deer Island RWF Replacement Fund	215,000	0	215,000	0	0
Capital Replacement & Expansion Fund	5,974,461	0	5,974,461	0	0
STP SRF Reserve-Marine Co Treasury	1,067,432	1,067,432	0	0	0
RWS North/South SRF Reserve Fund	614,299	0	614,299	0	0
RW Central Area SRF Reserve Fund	275,773	0	275,773	0	0
DL Falk Const Escrow Acct	603,239	603,239	0	0	0
Designated Cash (Note 2)					
Liability Contingency Fund	1,705,370	1,606,485	0	98,885	0
Retiree Medical Benefits Fund	4,869,618	4,869,618	0	0	0
Maintenance Accrual Fund	1,725,431	1,725,431	0	0	0
Operating Reserve Fund	7,754,000	7,216,000	214,000	324,000	0
Webster Bank-Admin Bldg/CIP Fund	2,225,808	2,225,808	0	0	0
Total Cash	\$27,531,672	\$19,315,018	\$7,694,877	\$521,777	\$0
Gain/(Loss) on MV of Investments	31,354	\$31,354	\$0	\$0	\$0
Market Value of Cash & Investments	\$27,563,025	\$19,346,372	\$7,694,877	\$521,777	\$0
Current Assets					
Net Receivables - Consumers	\$2,864,515	\$2,476,429	\$267,509	\$34,309	\$86,268
Accrued Water Sales	3,972,635	3,355,915	332,249	284,471	0
Accounts Receivable-Other	585,246	194,155	25,904	73,074	292,114
Prepaid Expense	1,324,133	1,324,133	0	0	0
Reimbursable Small Jobs	2,078	686	0	1,392	0
Interest Receivable	0	0	0	0	0
Inventories	1,161,275	1,161,275	0	0	0
Deposits Receivable	34,982	34,982	0	0	0
Total Current Assets	\$9,944,864	\$8,547,575	\$625,662	\$393,246	\$378,382

**NORTH MARIN WATER DISTRICT
STATEMENT OF NET POSITION
FOR THE PERIOD ENDING SEPTEMBER 30, 2024**

	<u>TOTAL</u>	<u>NOVATO WATER</u>	<u>NOVATO RECYCLED</u>	<u>WEST MARIN WATER</u>	<u>OCEANA MARIN SEWER</u>
Loans Receivable					
Employee Loans (Note 3)	\$250,000	\$250,000	\$0	\$0	\$0
Due From Other Funds (Note 10)	816,553	816,553	0	0	0
Other Long Term Receivables (Note 4)	3,586,352	2,596,616	983,592	6,143	0
Loans Receivable	\$4,652,905	\$3,663,170	\$983,592	\$6,143	\$0
Property and Plant					
Land & Land Rights	\$1,493,091	\$1,368,872	\$0	\$123,411	\$808
Dam, Lake, & Source Facilities	5,675,845	5,183,433	0	492,412	0
Treatment Facilities	23,486,730	19,076,812	2,666,198	819,741	923,980
Storage Facilities	26,430,232	21,218,225	1,643,458	3,568,548	0
Transmission Facilities (16"+)	29,503,127	29,380,803	0	122,324	0
Distribution and Pumping Facilities	112,020,940	74,010,731	31,863,471	6,146,738	0
Sewer Mains, Pumps, & Laterals	1,218,650	0	0	0	1,218,650
Sub-Total	\$199,828,616	\$150,238,876	\$36,173,127	\$11,273,174	\$2,143,439
Less Accumulated Depreciation (Note 5)	(75,226,532)	(61,342,302)	(7,595,064)	(5,048,716)	(1,240,449)
Net Property and Plant	\$124,602,084	\$88,896,574	\$28,578,063	\$6,224,457	\$902,989
Buildings and Equipment (Note 6)					
Buildings	\$2,502,997	\$2,502,997	\$0	\$0	\$0
Office Equipment	1,355,507	1,355,507	0	0	0
Laboratory Equipment	323,072	323,072	0	0	0
Trucks & Automobiles	2,031,802	2,031,802	0	0	0
Construction Equipment	1,263,758	1,263,758	0	0	0
Tools, Shop Equipment	398,458	398,458	0	0	0
Lease Assets	0	0	0	0	0
Sub-Total	\$7,875,594	\$7,875,594	\$0	\$0	\$0
Less Accumulated Depreciation (Note 5)	(5,698,079)	(5,698,079)	0	0	0
Net Buildings and Equipment	\$2,177,514	\$2,177,514	\$0	\$0	\$0
Construction In Progress					
Developer	\$2,130,905	\$2,036,164	\$0	\$94,741	\$0
District	28,719,471	24,169,087	304,175	2,383,655	1,862,553
Total Construction in Progress	30,850,376	26,205,251	304,175	2,478,396	1,862,553
Net Physical Plant & Equipment	157,629,974	117,279,339	28,882,238	8,702,854	2,765,543
Deferred Outflow of Resources-GASB68	6,778,572	6,778,572	0	0	0
Deferred Outflow of Resources-GASB75	236,289	236,289	0	0	0
TOTAL ASSETS	\$206,805,630	\$155,851,316	\$38,186,369	\$9,624,020	\$3,143,924

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**NORTH MARIN WATER DISTRICT
STATEMENT OF NET POSITION
FOR THE PERIOD ENDING SEPTEMBER 30, 2024**

	TOTAL	NOVATO WATER	NOVATO RECYCLED	WEST MARIN WATER	OCEANA MARIN SEWER
LIABILITIES AND NET ASSETS					
Current Liabilities					
Trade Accounts Payable	\$4,654,133	\$4,504,779	\$83,946	\$0	\$65,409
Reimbursement Prog. Unclaimed Funds	433,500	389,700	0	43,800	0
Loan Debt Principal Payable-Current	1,438,372	463,743	974,629	0	0
Bank of Marin Principal Payable-Current	442,438	385,806	0	56,632	0
JP Morgan/Chase AMI Loan-Current	300,000	300,000	0	0	0
Webster Bank-Admin Bldg/CIP Loan-Current	776,681	776,681	0	0	0
WM Loan Due to Novato-Current	93,168	0	0	93,168	0
Accrued Interest Payable-SRF Loan	125,341	27,862	97,479	0	0
JP Morgan/Chase AMI Loan Interest Payable	6,735	6,735	0	0	0
Webster Bank Loan Interest Payable	47,601	47,601	0	0	0
WM Loan from Novato-Loan Interest Payable	5,638	0	0	5,638	0
Deposits/Performance Bonds	424,693	414,738	0	7,955	2,000
Retiree Health Benefits Payable - Current	249,047	249,047	0	0	0
Unemployment Insurance Reserve (Note 8)	11,068	11,068	0	0	0
Payroll Benefits (Note 9)	1,218,469	1,119,657	32,767	49,533	16,511
Due To Other Funds (Note 10)	816,553	0	0	0	816,553
Enterprise Vehicle Leases	98,344	98,344	0	0	0
Deferred Revenue	258,804	0	0	0	258,804
Total Current Liabilities	\$11,400,585	\$8,795,760	\$1,188,821	\$256,727	\$1,159,277
Restricted Liabilities					
Construction Advances	\$753,027	\$503,137	\$0	\$249,891	\$0
Total Restricted Liabilities	\$753,027	\$503,137	\$0	\$249,891	\$0
Long Term Liabilities (Note 7)					
JP Morgan/Chase AMI Loan Payable	\$2,685,000	\$2,685,000	\$0	\$0	\$0
Webster Bank-Admin Bldg/CIP Loan Payable	17,590,396	17,590,396	0	0	0
WM Loan from Novato	727,902	0	0	727,902	0
STP Rehab SRF Loan	4,431,179	4,431,179	0	0	0
RWF SRF Loan	527,663	0	527,663	0	0
RWS North/South Expansion SRF Loan	4,197,235	0	4,197,235	0	0
RWS Central Expansion SRF Loan	5,641,161	0	5,641,161	0	0
Bank of Marin Loan	3,030,810	2,642,866	0	387,944	0
Enterprise Vehicle Leases	265,225	265,225	0	0	0
Net Pension Liability	18,307,785	18,307,785	0	0	0
Total OPEB Liability (Note 2)	4,620,571	4,620,571	0	0	0
Total Long Term Liabilities	\$62,024,927	\$50,543,022	\$10,366,059	\$1,115,846	\$0
Deferred Inflow of Resources-GASB 68	728,240	728,240	0	0	0
Deferred Inflow of Resources-GASB 75	63,082	63,082	0	0	0
Deferred Inflow of Resources-Leases	305,769	\$295,199	0	\$10,570	0
TOTAL LIABILITIES	\$75,275,630	\$60,928,440	\$11,554,880	\$1,633,034	\$1,159,277

**NORTH MARIN WATER DISTRICT
STATEMENT OF NET POSITION
FOR THE PERIOD ENDING SEPTEMBER 30, 2024**

	<u>TOTAL</u>	<u>NOVATO WATER</u>	<u>NOVATO RECYCLED</u>	<u>WEST MARIN WATER</u>	<u>OCEANA MARIN SEWER</u>
Net Assets					
Invested in Capital Assets					
Contributions in Aid of Construction	\$88,829,118	\$80,045,083	\$5,810,128	\$2,294,152	\$679,755
Grants in Aid of Construction	14,762,869	522,353	10,108,537	3,784,712	347,267
Connection Fees	49,349,104	32,960,752	13,074,768	2,492,129	821,455
Total Investment	\$152,941,092	\$113,528,188	\$28,993,434	\$8,570,992	\$1,848,477
Restricted Reserves					
Connection Fee Fund	(\$9,932,562)	(\$8,793,720)	\$0	(\$886,497)	(\$252,344)
Deer Island RWF Replacement Fund	215,000	0	215,000	0	0
Capital Replacement & Expansion Fund	5,974,461	0	5,974,461	0	0
RWS North/South SRF Reserve Fund	614,299	0	614,299	0	0
RW Central Area SRF Reserve Fund	275,773	0	275,773	0	0
Designated Reserves					
Liability Contingency Fund	1,705,370	1,606,485	0	98,885	0
Maintenance Accrual Fund	4,000,000	4,000,000	0	0	0
Retiree Medical Benefits Fund	4,869,618	4,869,618	0	0	0
Operating Reserve Fund	7,862,000	7,216,000	214,000	324,000	108,000
Webster Bank-Admin Bldg/CIP Reserve	2,225,808	2,225,808	0	0	0
Earned Surplus - Prior Yrs	(40,082,215)	(30,161,811)	(10,074,499)	(140,634)	294,729
Net Income/(Loss)	1,171,732	707,684	397,022	56,240	10,785
Prior Period Adjustment	0	0	0	0	0
Transfer (To)/From Reserves (see below)	(310,376)	(275,376)	22,000	(32,000)	(25,000)
Total Restricted & Designated	(\$21,411,092)	(\$18,605,312)	(\$2,361,945)	(\$580,006)	\$136,170
TOTAL NET POSITION	\$131,529,999	\$94,922,877	\$26,631,489	\$7,990,986	\$1,984,647
Transfer (To)/From Reserves					
Connection Fee	\$0	\$0	\$0	\$0	\$0
Liability Reserve	0	0	0	0	0
Capital Replacement & Expansion Fund	0	0	0	0	0
Maintenance Reserve	0	0	0	0	0
RWF Replacement Fund	0	0	0	0	0
Retiree Medical Insurance Fund	(582,396)	(582,396)	0	0	0
(Gain)/Loss WC Fund	0	0	0	0	0
Bank of Marin Project Fund	0	0	0	0	0
Operating Reserve Fund	(907,000)	(872,000)	22,000	(32,000)	(25,000)
Trsf to Webster Bank-Admin Bldg/CIP Fund	1,179,020	1,179,020	0	0	0
Total Transfer	(\$310,376)	(\$275,376)	\$22,000	(\$32,000)	(\$25,000)
TOTAL LIABILITIES AND FUND BALANCE	\$206,805,630	\$155,851,316	\$38,186,369	\$9,624,020	\$3,143,924

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**NORTH MARIN WATER DISTRICT
SOURCES AND USES OF FUNDS STATEMENT - ALL SERVICE AREAS COMBINED
FOR THE PERIOD ENDING SEPTEMBER 30, 2024**

	<u>YTD Actual</u>	<u>Annual Budget</u>	<u>YTD/ Budget %</u>	<u>Prior YTD Actual</u>
OPERATING REVENUE				
Water Rate Revenue	\$7,473,427	\$18,904,000	40%	\$6,682,951
Bimonthly Service Charge	2,204,999	9,217,000	24%	1,898,594
Sewer Service Charge	86,268	347,000	25%	80,723
Wheeling & Misc Service Charges	128,409	497,000	26%	151,199
TOTAL OPERATING REVENUE	\$9,893,103	\$28,965,000	34%	\$8,813,466
OPERATING EXPENDITURES				
Source of Supply	\$3,650,949	\$7,096,000	51%	\$1,654,837
Pumping	312,729	649,000	48%	191,444
Operations	398,587	1,431,000	28%	278,834
Water Treatment	587,800	3,474,000	17%	779,732
Sewer Operations	44,291	257,000	17%	36,262
Transmission & Distribution	973,054	5,024,000	19%	1,013,185
Consumer Accounting	138,867	607,000	23%	106,286
Water Conservation	114,112	506,000	23%	100,286
General & Administrative	1,249,453	4,542,000	28%	858,307
Depreciation	1,017,905	4,278,000	24%	1,038,440
TOTAL OPERATING EXPENDITURES	\$8,487,749	\$27,864,000	30%	\$6,057,614
NET OPERATING INCOME (LOSS)	\$1,405,354	\$1,101,000	128%	\$2,755,853
NON-OPERATING REVENUE/(EXPENSE)				
Tax Proceeds	\$1,035	\$110,000	1%	\$53
Interest Revenue	157,560	475,000	33%	399,638
Miscellaneous Revenue	90,586	78,000	116%	248,966
Loan Interest Expense	(274,930)	(1,116,000)	25%	(297,388)
Miscellaneous Expense	(207,873)	(253,000)	82%	(39,430)
Capital Contribution Expense-NSD & LGVSD	0	(548,000)	0%	0
TOTAL NON-OP REVENUE/(EXPENSE)	(\$233,622)	(\$1,254,000)	19%	\$311,840
NET INCOME/(LOSS)	\$1,171,732	(\$153,000)	-766%	\$3,067,693
OTHER SOURCES/(USES) OF FUNDS				
Add Depreciation Expense	\$1,017,905	\$4,278,000	24%	\$1,038,440
Connection Fees	69,840	793,000	9%	89,860
Loan Proceeds	0	2,425,000	0%	0
Grant Proceeds	0	1,339,000	0%	0
Marin County Club Loan Principal Pmts	12,887	39,000	33%	12,759
Caltrans AEEP Capital Contribution	0	0	-	0
MMWD AEEP Capital Contribution	0	166,000	0%	0
Transfers In from Capital Expansion Fund	0	450,000	-	0
Capital Equipment Expenditures	(39,741)	(1,033,000)	4%	(36,009)
Capital Improvement Projects	(3,269,361)	(8,798,000)	37%	(2,730,883)
Capital Plan Variance Adjustment	0	1,286,000	-	0
Bond & Loan Principal Payments	(407,903)	(3,452,000)	12%	(447,334)
Change in Working Capital	(262,062)	-	-	(3,930,037)
TOTAL OTHER SOURCES/(USES)	(\$2,878,433)	(\$2,507,000)	115%	(\$6,003,204)
CASH INCREASE/(DECREASE)	(\$1,706,701)	(\$2,660,000)	64%	(\$2,935,510)

**NORTH MARIN WATER DISTRICT
INCOME STATEMENT AND CASH FLOW BY SERVICE AREA
FOR THE PERIOD ENDING SEPTEMBER 30, 2024**

<u>SUMMARY INCOME STATEMENT</u>	TOTAL	NOVATO WATER	NOVATO RECYCLED	WEST MARIN WATER	OCEANA MARIN SEWER
Operating Revenue	\$9,893,103	\$8,537,991	\$865,479	\$403,365	\$86,268
Operating Expense	8,487,749	7,622,677	449,943	339,457	75,671
OPERATING INCOME/(LOSS)	\$1,405,354	\$915,314	\$415,535	\$63,908	\$10,597
Non-Operating Revenue/(Expense)	(233,622)	(207,630)	(18,513)	(7,667)	188
NET INCOME/(LOSS)	\$1,171,732	\$707,684	\$397,022	\$56,240	\$10,785
CAPITAL CONTRIBUTIONS					
Developer In-Kind Contributions	\$245,075	\$164,921	\$0	\$80,668	(\$515)
Connection Fees	69,840	64,260	0	5,580	0
Grant Proceeds	0	0	0	0	0
FRC Transfer	0	(200,077)	200,077	0	0
CAPITAL CONTRIBUTIONS	\$314,915	\$29,104	\$200,077	\$86,248	(\$515)
Prior Period Adjustments	0	0	0	0	0
CHANGE IN NET POSITION	\$1,486,647	\$736,789	\$597,099	\$142,488	\$10,270
Net Position June 30, 2024	130,043,353	94,186,088	26,034,390	7,848,498	1,974,377
Net Position September 30, 2024	\$131,529,999	\$94,922,877	\$26,631,489	\$7,990,986	\$1,984,647
CASH FLOW STATEMENT					
Net Income/(Loss)	\$1,171,732	\$707,684	\$397,022	\$56,240	\$10,785
Add back Depreciation	1,017,905	745,561	197,128	62,133	13,083
Cash Generated From Operations	\$2,189,637	\$1,453,245	\$594,150	\$118,373	\$23,869
Other Sources (Uses) of Funds					
Connection Fee Revenue	\$69,840	\$64,260	\$0	\$5,580	\$0
Grant Proceeds	0	0	0	0	0
Capital Assets Acquisition	(3,309,101)	(1,982,553)	(1,151)	(38,302)	(1,287,095)
Caltrans AEEP Capital Contribution	0	0	0	0	0
Marin Country Club Loan Principal Pmts	12,887	0	12,887	0	0
Principal Paid on Debt	(407,903)	(130,610)	(172,806)	(104,487)	0
Consumer Receivables Decr (Incr)	(1,092,282)	(967,023)	(182,644)	139,049	(81,665)
Construction Advances (Decr) Incr	(62,639)	(94,792)	0	35,638	(3,485)
Other Assets Decr (Incr)	(594,875)	(391,100)	12,499	(117,021)	(99,253)
Other Liabilities (Decr) Incr	(113,550)	(363,738)	(2,108)	(9,199)	261,495
Trade Accounts Payable (Decr) Incr	1,601,285	1,469,125	73,941	0	58,219
Connection Fee Transfer	0	(200,077)	200,077	0	0
Interdistrict Transfers	0	0	0	0	0
Interdistrict Loan Due To (From)	0	(816,553)	0	0	816,553
Total Other Sources (Uses)	(\$3,896,339)	(\$3,413,061)	(\$59,305)	(\$88,742)	(\$335,231)
Net Cash Provided (Used)	(\$1,706,702)	(\$1,959,816)	\$534,845	\$29,631	(\$311,363)
MV Cash & Investments June 30, 2024	\$29,269,726	\$21,306,187	\$7,160,032	\$492,145	\$311,363
MV Cash & Investments September 30, 2024	\$27,563,025	\$19,346,371	\$7,694,877	\$521,777	\$0

NOVATO WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING SEPTEMBER 30, 2024

	September 2024	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
OPERATING REVENUE				
Water Sales	\$1,982,998	\$6,398,584	38%	\$5,828,604
Bill Adjustments	(15,731)	(36,013)	106%	(16,272)
Bimonthly Service Charges	666,058	2,048,893	24%	1,799,451
Account Turn-on Charges	6,625	19,235	20%	28,506
New Account Charges	390	1,210	30%	1,200
Returned Check Charges	36	81	-	54
Hydrant Meter Up/Down Charges	100	600	20%	0
Backflow Service Charges	14,429	43,218	25%	42,746
Lab Service-Outside Clients	2,499	5,014	14%	4,093
Wheeling Charges - MMWD	15,418	57,169	38%	71,987
TOTAL OPERATING REVENUE	\$2,672,822	\$8,537,991	33%	\$7,760,368
TOTAL EXPENDITURES				
SOURCE OF SUPPLY				
Supervision & Engineering	\$716	\$2,460	21%	\$3,566
Operating Expense - Source	1,868	4,780	60%	574
Maint/Monitoring of Dam	1,848	31,770	99%	20,950
Maint of Lake & Intakes	28	891	30%	1,091
Maint of Structures	261	261	26%	868
Maint of Watershed	0	587	2%	6,500
Water Quality Surveillance	482	826	83%	634
Fishery Maint	0	616	-	0
Erosion Control	0	0	-	0
Purchased Water	1,279,495	3,389,996	51%	1,454,420
Fines, Penalties & Fees	0	0	0%	0
GASB68 Adjustment	0	0	0%	0
SOURCE OF SUPPLY	\$1,284,699	\$3,432,187	51%	\$1,488,602
PUMPING				
Supervision & Engineering	\$0	\$0	-	\$0
Operating Expense - Pumping	\$0	\$0	-	\$0
Maint of Structures & Grounds	\$955	\$13,532	31%	\$8,062
Maint of Pumping Equipment	13,519	64,606	258%	3,713
Electric Power	69,227	203,507	42%	156,421
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
PUMPING	\$83,700	\$281,645	51%	\$168,197
OPERATIONS				
Supervision & Engineering	\$43,601	\$114,036	34%	\$114,121
Operating Expense - Operations	57,508	206,918	38%	110,211
Maintenance Expense	5,016	19,334	30%	12,515
Xtra Maint of Telemetry Lines	0	0	-	0
Telemetry Equipment/Controls Maint	6,286	17,387	28%	11,909
Xtra Maint of Telemetry Controls	0	0	-	0
Leased Lines	2,210	6,724	23%	7,218
GASB68 Adjustment (Pension)	0	0	0%	0
OPERATIONS	\$114,621	\$364,399	28%	\$255,974

NOVATO WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING SEPTEMBER 30, 2024

	September 2024	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
WATER TREATMENT				
Supervision & Engineering	\$15,016	\$52,363	15%	\$57,717
Operating Expense - Water Treatment	793	7,803	2%	167,526
Purification Chemicals	89	587	0%	173,832
Sludge Disposal	0	3,301	4%	29,009
Maint of Structures & Grounds	9,050	24,670	27%	6,180
Maint of Purification Equipment	17,829	44,451	13%	40,304
Electric Power	14,209	46,702	21%	56,523
Water Quality Programs	25,476	105,244	72%	23,348
Laboratory Direct Labor	37,274	119,132	26%	98,150
Lab Service-Outside Clients	6,487	20,218	48%	14,778
Water Quality Supervision	12,676	34,492	29%	25,386
Laboratory Supplies & Expense	6,251	24,179	24%	24,222
Customer Water Quality	4,177	16,429	36%	11,856
Lab Cost Distributed	(9,362)	(24,981)	57%	(10,680)
GASB68 Adjustment (Pension)	0	0	0%	0
WATER TREATMENT	\$139,963	\$474,589	15%	\$718,149
TRANSMISSION & DISTRIBUTION				
Supervision & Engineering	\$39,609	\$138,372	22%	\$124,786
Maps & Records	13,033	69,137	26%	84,345
Operation of T&D System	9,214	25,843	16%	25,213
Facilities Location	15,852	57,441	35%	40,549
Safety: Construction & Engineering	437	6,202	6%	11,191
Customer Service Expense	11,630	49,422	27%	46,054
Flushing	167	167	0%	0
Storage Facilities Expense	13,995	64,053	49%	28,053
Cathodic Protection	2,176	2,176	20%	1,873
Maint of Valves/Regulators	26,894	71,952	72%	11,231
Maint of Mains	8,948	39,716	10%	183,939
Leak Detection - Mains	4,604	7,132	42%	6,386
Backflow Prevention Program	23,940	116,957	31%	112,920
Maint of Copper Services	15,044	42,531	12%	106,339
Maint of PB Service Lines	12,451	92,911	22%	115,968
Single Service Installations	(1,338)	21,202	212%	1,611
Maint of Meters	39,291	121,593	42%	44,750
Detector Check Assembly Maint	2,026	6,429	2%	14,046
Maint of Hydrants	1,967	4,415	6%	8,348
GASB68 Adjustment (Pension)	0	0	0%	0
TRANSMISSION & DISTRIBUTION	\$239,941	\$937,651	19%	\$967,602

NOVATO WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING SEPTEMBER 30, 2024

	September 2024	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
CONSUMER ACCOUNTING				
Meter Reading	\$2,567	\$8,674	26%	\$7,927
Collection Expense - Labor	3,098	9,285	25%	8,141
Collection Expense - Agency	0	(238)	-24%	440
Billing & Consumer Accounting	15,504	50,448	28%	40,394
Contract Billing	1,322	3,904	24%	3,986
Stationery, Supplies & Postage	5,981	20,407	29%	16,785
Online Payment Processing Fees	17,495	32,599	37%	1,130
Lock Box Service	912	2,736	23%	18,026
Uncollectable Accounts	203	5,959	33%	3,708
Office Equipment Expense	600	1,490	2%	3,845
Distributed to West Marin (4.1%)	(1,910)	(5,230)	28%	(3,340)
GASB68 Adjustment (Pension)	0	0	0%	0
CONSUMER ACCOUNTING	\$45,772	\$130,033	23%	\$101,042
WATER CONSERVATION				
Residential	\$16,397	\$50,387	23%	\$46,184
Commercial	1,151	3,936	22%	3,058
Public Outreach/Information	19,078	53,646	29%	46,838
Large Landscape	399	1,923	27%	1,660
GASB68 Adjustment (Pension)	0	0	0%	0
TOTAL WATER CONSERVATION	\$37,025	\$109,892	22%	\$97,739
GENERAL AND ADMINISTRATIVE				
Directors Fees	\$1,656	\$8,004	18%	\$6,994
Legal Fees	990	4,748	26%	\$2,025
Human Resources	12,481	36,731	13%	66,862
Auditing Fees	6,430	6,880	26%	9,448
Consulting Services/Studies	6,551	22,566	3%	25,356
General Office Salaries	133,486	427,008	26%	297,711
Safety: General District Wide	3,060	11,951	30%	8,178
Office Supplies	2,095	6,918	20%	3,616
Employee Events	81	3,765	27%	2,998
Other Administrative Expense	57	171	17%	140
Dues & Subscriptions	32,488	66,406	72%	23,211
Vehicle Expense	676	2,028	25%	2,028
Meetings, Conferences & Training	10,737	62,232	34%	44,488
Recruitment Expense	0	42	1%	463
Gas & Electricity	412	1,904	21%	1,649
Telephone	1,571	4,726	25%	4,592
Water	0	381	19%	280
Buildings & Grounds Maint	3,958	9,349	19%	17,011
Office Equipment Expense	23,092	79,005	34%	48,285
Insurance Premiums & Claims	22,214	67,060	24%	55,181
Retiree Medical Benefits	19,461	58,409	25%	54,580
(Gain)/Loss on Overhead Charges	1,268	6,036	2%	(167,287)
G&A Applied to Other Operations (5.9%)	(18,502)	(56,092)	18%	(48,496)
G&A Applied to Construction	(56,299)	(194,044)	36%	(119,658)
GASB68 Adjustment (Pension)	169,736	510,537	87%	434,823
GENERAL & ADMINISTRATIVE	\$377,699	\$1,146,720	29%	\$774,477
Depreciation (Note 5)	247,292	745,561	24%	767,980
TOTAL OPERATING EXPENSE	\$2,570,712	\$7,622,677	31%	\$5,339,763
OPERATING INCOME/(LOSS)	\$102,110	\$915,314	89%	\$2,420,605

**NOVATO WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING SEPTEMBER 30, 2024**

	September 2024	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
NON-OPERATING REVENUE				
Interest:				
General Funds	\$12,187	\$46,627	30%	\$128,031
Retiree Medical Insurance Fund	4,585	16,648	33%	40,368
Interest Revenue-Leases	0	8,144	204%	9,336
Admin Bldg/CIP Project Fund	2,096	10,656	15%	78,366
Funds Held in County Treasury	0	0	0%	(11,877)
West Marin Loan from Novato	0	0	0%	27,467
MMWD Interconnection Agreement Loan	0	43,965		48,228
Total Interest Revenue	\$18,867	\$126,039	37%	\$319,919
Rents & Leases	3,000	31,610	57%	34,988
Tax Proceeds	17	1,035	1%	53
Other Non-Operating Revenue	2,811	3,485	17%	3,289
SCWA Water Conservation Grant			-	0
Gain/(Loss) on MV of Investments	102,130	55,241	-	210,439
NON-OPERATING REVENUE	\$126,826	\$217,411	41%	\$568,688
NON-OPERATING EXPENSE				
Bank of Marin AEEP Loan Interest Exp	\$8,720	\$26,428	26%	\$29,586
STP SRF Loan Interest Expense	9,287	27,862	25%	33,338
JP Morgan/Chase AMI Loan Interest Expense	6,691	20,074	25%	22,024
Webster Bank Loan Interest Expense	47,601	142,804	25%	148,661
Other Non-Operating Expense	59,148	207,873	82%	39,430
GASB68 Adjustment	0	0	-	0
NON-OPERATING EXPENSE	\$131,448	\$425,040	38%	\$273,039
NET INCOME/(LOSS)	\$97,487	\$707,684	163%	\$2,716,254
BEGINNING FUND EQUITY				
		\$94,186,088		\$91,637,919
NET INCOME/(LOSS)	97,487	707,684		2,716,254
CONTRIBUTED CAPITAL				
SCWA UFR Water Conservation Grant	0	0	-	0
Developer 'In-Kind' Contributions	44,909	164,921	-	248,611
Caltrans AEEP Capital Contribution	0	0	-	0
MMWD AEEP Capital Contribution	0	0	0%	0
Facility Reserve Charges	7,640	64,260	8%	38,200
2% @ 55 Fund Interest	0	0	-	0
FRC Transfer to/from Recycled Water	(200,077)	(200,077)	0%	0
Prior Period Adjustment (Note 12)	0	0	-	0
ENDING FUND EQUITY		\$94,922,877		\$94,640,984

**NOVATO RECYCLED WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING SEPTEMBER 30, 2024**

	September 2024	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
OPERATING REVENUE				
Recycled Water Sales	\$311,580	\$776,270	53%	\$638,648
Bimonthly Service Charges	50,721	82,209	27%	35,219
Water Loads	720	7,000	27%	2,585
TOTAL OPERATING REVENUE	\$363,021	\$865,479	48%	\$676,452
OPERATING EXPENSE				
SOURCE OF SUPPLY				
Purchased Water - NSD	47,092	193,941	61%	108,289
Purchased Water - LGVSD	(22,514)	13,240	22%	48,684
SOURCE OF SUPPLY	\$24,577	\$207,181	55%	\$156,974
PUMPING				
Maint of Pumping Equipment	0	0	0%	342
Electric Power	619	1,463	49%	1,478
PUMPING	\$619	\$1,463	13%	\$1,820
OPERATIONS				
Supervision & Engineering	\$1,158	\$3,963	36%	\$5,677
Operating Expense - Operations	0	0	0%	4,070
Potable Water Consumed	0	1,371	2%	3,826
Telemetry Equipment/Controls Maint	0	2,505	-	0
OPERATIONS	\$1,158	\$7,839	10%	\$13,573
WATER TREATMENT				
Supervision & Engineering	\$0	\$0	-	\$21
Purification Chemicals	0	0	0%	3,182
Maint of Purification Equipment	0	1,458	73%	0
Laboratory Direct Labor	0	0	0%	749
Lab Expense Distributed from Novato	0	0	0%	386
WATER TREATMENT	\$0	\$1,458	12%	\$4,338
TRANSMISSION & DISTRIBUTION				
Supervision & Engineering	\$512	\$891	89%	\$480
Operation of T&D System	0	0	-	47
Customer Service Expense	528	2,112	7%	12,364
Storage Facilities Expense	(23)	369	6%	906
Maint of Mains	736	736	-	0
Maint of PB Service Lines	1,503	1,503	-	0
Maint of Meters	0	0	0%	3,900
TRANSMISSION & DISTRIBUTION	\$3,256	\$5,612	13%	\$17,696

**NOVATO RECYCLED WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING SEPTEMBER 30, 2024**

	September 2024	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
CONSUMER ACCOUNTING				
Distributed from Novato (0.2%)	\$188	\$499	25%	\$301
CONSUMER ACCOUNTING	\$188	\$499	25%	\$301
GENERAL AND ADMINISTRATIVE				
Dues & Subscriptions	\$5,000	\$5,000	100%	\$0
Distributed from Novato (2.4%)	6,136	18,601	19%	18,715
GASB68 Adjustment	1,734	5,162	29%	4,040
GENERAL & ADMINISTRATIVE	\$12,869	\$28,763	24%	\$22,755
Depreciation (Note 5)	\$65,709	\$197,128	24%	\$197,128
TOTAL OPERATING EXPENSE	\$108,376	\$449,943	31%	\$414,585
OPERATING INCOME/(LOSS)	\$254,644	\$415,535	126%	\$261,867
NON-OPERATING REVENUE				
Interest:				
General Funds	\$6,961	\$27,187	26%	\$65,494
StoneTree RWF Loan	1,693	2,545	23%	2,641
Total Interest Revenue	\$8,654	\$29,732	26%	\$68,136
Other Non-Operating Revenue	0	0	-	0
NON-OPERATING REVENUE	\$8,654	\$29,732	26%	\$68,136
NON-OPERATING EXPENSE				
RWF SRF Loan Interest Expense	\$1,565	\$4,694	19%	\$6,185
Expansion SRF Loan Interest Expense	14,517	43,552	22%	46,989
Capital Contribution Expense-NSD&LGVSD	0	0	0%	0
NON-OPERATING EXPENSE	\$16,082	\$48,245	6%	\$53,175
NET INCOME/(LOSS)	\$247,217	\$397,022	(123%)	\$276,828
BEGINNING FUND EQUITY				
NET INCOME/(LOSS)	247,217	397,022		276,828
Developer 'In-Kind' Contributions	0	0	-	0
FRC Transfer to/from Novato	200,077	200,077	35%	0
RW Central Area Expansion Grant	0	0	-	0
Prior Period Adjustment (Note 12)	0	0		0
ENDING FUND EQUITY		\$26,631,489		\$25,402,524

**WEST MARIN WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING SEPTEMBER 30, 2024**

	September 2024	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
OPERATING REVENUE				
Water Sales	\$115,419	\$342,457	48%	\$233,281
Bill Adjustments	(1,612)	(14,870)	114%	(3,895)
Bimonthly Service Charges	22,415	73,898	26%	63,924
Account Turn-on Charges	0	250	13%	600
New Account Charges	0	20	-	15
Returned Check Charges	0	0	-	9
Hydrant Meter Up/Down Charges	0	100	-	0
Backflow Service Charges	0	1,511	19%	1,390
TOTAL OPERATING REVENUE	\$136,222	\$403,365	40%	\$295,324
OPERATING EXPENSE				
SOURCE OF SUPPLY				
Supervision & Engineering	\$392	\$1,512	25%	\$358
Operating Expense	165	1,299	65%	133
Maint of Structures	0	8,770	67%	8,770
Fines, Penalties & Fees	0	0	0%	0
SOURCE OF SUPPLY	\$557	\$11,581	53%	\$9,261
PUMPING				
Maint of Structures and Grounds	\$0	\$949	47%	\$845
Maint of Pumping Equip	220	590	5%	450
Electric Power	9,621	28,081	42%	20,132
PUMPING	\$9,841	\$29,621	37%	\$21,427
OPERATIONS				
Supervision & Engineering	\$3,334	\$9,384	38%	\$5,512
Operating Expense	344	9,651	42%	1,871
Maintenance Expense	0	0	0%	0
Maint of Telemetry Equipment	2,131	5,168	34%	994
Leased Lines	729	2,146	43%	909
OPERATIONS	\$6,539	\$26,349	38%	\$9,286
WATER TREATMENT				
Supervision & Engineering	\$2,044	\$6,727	45%	\$4,210
Operating Expense	4,897	20,410	33%	10,275
Purification Chemicals	650	1,300	14%	2,337
Maint of Structures & Grounds	2,904	6,659	111%	52
Maint of Purification Equipment	726	11,755	45%	2,222
Electric Power	1,286	5,708	23%	2,464
Laboratory Direct Labor	8,622	20,936	29%	18,406
Laboratory Services	7,806	11,020	50%	5,805
Water Quality Supervision	408	1,632	18%	805
Customer Water Quality	648	2,933	37%	1,190
Lab Expense Distributed from Novato	8,346	22,673	61%	9,480
WATER TREATMENT	\$38,337	\$111,752	39%	\$57,245

**WEST MARIN WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING SEPTEMBER 30, 2024**

	September 2024	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
TRANSMISSION & DISTRIBUTION				
Supervision & Engineering	\$0	\$328	11%	\$0
Facilities Location - USA	0	2,383	26%	2,201
Customer Service Expense	248	1,998	25%	2,106
Flushing	0	0	0%	0
Storage Facilities Expense	6,664	12,021	27%	8,701
Cathodic Protection	378	378	38%	228
Maint of Valves	0	0	0%	0
Maint of Mains	1,480	3,194	80%	1,661
Backflow Dev Inspection/Survey	6,217	6,844	114%	3,046
Maint of Copper Services	0	0	0%	4,536
Maint of PB Service Lines	977	893	3%	8,246
Maint of Meters	1,241	1,882	47%	524
Detector Check Assembly Maint	0	0	0%	2,455
Single Service Installation	1,883	(130)	-3%	(5,817)
TRANSMISSION & DISTRIBUTION	\$19,088	\$29,791	23%	\$27,887
CONSUMER ACCOUNTING				
Meter Reading	\$489	\$3,348	28%	\$1,892
Collection Expense - Labor	31	275	28%	12
Online Payment Processing Fees	0	(19)	-	0
Distributed from Novato (3.6%)	1,483	3,946	28%	\$2,386
CONSUMER ACCOUNTING	\$2,003	\$7,550	28%	\$4,290
WATER CONSERVATION				
Water Conservation Program	\$1,197	\$4,221	35%	\$2,546
TOTAL WATER CONSERVATION	\$1,197	\$4,221	35%	\$2,546
GENERAL AND ADMINISTRATIVE				
Consulting Services/Studies	\$0	\$0	0%	\$0
Distributed from Novato (3.6%)	9,275	28,118	27%	23,215
GASB68 Adjustment (Pension)	9,001	28,341	22%	25,461
GENERAL & ADMINISTRATIVE	\$18,276	\$56,459	17%	\$48,677
Depreciation (Note 5)	20,711	62,133	25%	60,250
TOTAL OPERATING EXPENSE	\$116,548	\$339,457	28%	\$240,869
OPERATING INCOME/(LOSS)	\$19,675	\$63,908	(29%)	\$54,455

**WEST MARIN WATER
 DETAIL INCOME STATEMENT
 FOR THE PERIOD ENDING SEPTEMBER 30, 2024**

	September 2024	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
NON-OPERATING REVENUE				
Interest - General Funds	\$379	\$1,850	23%	\$7,344
Interest Revenue-Leases	0	0	0%	0
NON-OPERATING REVENUE	\$379	\$1,850	21%	\$7,344
NON-OPERATING EXPENSE				
Bank of Marin Loan Interest Expense	\$1,280	\$3,879	23%	\$4,343
Loan from Novato-Interest Expense	1,879	5,638	23%	6,261
NON-OPERATING EXPENSE	\$3,159	\$9,518	23%	\$10,604
NET INCOME/(LOSS)	\$16,894	\$56,240	(22%)	\$51,196
BEGINNING FUND EQUITY				
NET INCOME/(LOSS)	16,894	56,240		51,196
CONTRIBUTED CAPITAL				
SCWA 84 Water Conservation Grant	0	0		0
New Gallagher Well #2 Grant	0	0	0%	0
Developer 'In-Kind' Contributions	73,422	80,668	-	0
Facility Reserve Charges	0	5,580	-	21,660
PRIOR YEAR ADJUSTMENTS (Note 11c)	0	0		0
ENDING FUND EQUITY		\$7,990,986		\$7,835,029

**OCEANA MARIN SEWER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING SEPTEMBER 30, 2024**

	September 2024	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
OPERATING REVENUE				
Sewer Service Charges	\$28,756	\$86,268	25%	\$80,723
Inspection Fees	0	0	-	600
TOTAL OPERATING REVENUE	\$28,756	\$86,268	25%	\$81,323
OPERATING EXPENSE				
SEWAGE COLLECTION				
Supervision & Engineering	\$4,656	\$8,967	29%	\$6,276
Inspection	0	0	0%	0
Operating Expense	385	683	11%	248
Facilities Location	0	410	41%	364
Maint of Telemetry Equipment	60	180	18%	143
Sewer Service Installation	0	0	0%	210
Maint of Lift Stations	0	651	6%	539
Maint of Sewer Mains	0	0	0%	255
Electric Power	1,848	5,713	24%	4,843
SEWAGE COLLECTION	\$6,949	\$16,604	19%	\$12,878
SEWAGE TREATMENT				
Supervision & Engineering	\$0	\$2,117	-	\$0
Operating Expense	\$2,105	\$6,864	10%	\$4,896
Treatment Supplies & Expense	0	1,685	168%	0
Maint of Equipment	0	127	4%	2,317
Laboratory Direct Labor	1,021	2,131	21%	1,580
Lab Expense Distributed from Novato	1,016	2,308	46%	814
Electric Power	393	3,881	20%	4,486
SEWAGE TREATMENT	\$4,534	\$19,112	18%	\$14,092
SEWAGE DISPOSAL				
Operating Expense	\$1,587	\$5,162	22%	\$3,347
Maint of Pump Stations	905	1,552	10%	5,385
Maint of Storage Ponds	0	1,861	7%	560
SEWAGE DISPOSAL	\$2,493	\$8,576	13%	\$9,293
CONSUMER ACCOUNTING				
Distributed from Novato (0.6%)	240	\$785	26%	653
CONSUMER ACCOUNTING	\$240	\$785	26%	\$653

**OCEANA MARIN SEWER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING SEPTEMBER 30, 2024**

	September 2024	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
GENERAL AND ADMINISTRATIVE				
Distributed from Novato (1.1%)	3,092	9,373	28%	6,565
Liability Insurance	0	0	0%	650
GASB68 Adjustment	2,781	8,138	33%	5,183
GENERAL AND ADMINISTRATIVE	\$5,873	\$17,511	27%	\$12,398
Depreciation (Note 5)	4,361	13,083	24%	13,083
TOTAL OPERATING EXPENSE	\$24,450	\$75,671	20%	\$62,397
OPERATING INCOME/(LOSS)	\$4,306	\$10,597	(34%)	\$18,925
NON-OPERATING REVENUE				
Rents & Leases	\$0	\$250	-	\$250
Interest - Connection Fee Reserve	0	0	-	0
Interest - General Funds	(385)	(62)	-1%	4,240
Other Non-Operating Revenue	0	0	0%	0
NON-OPERATING REVENUE	(\$385)	\$188	1%	\$4,490
NON-OPERATING EXPENSE				
Interest Expense	\$0	\$0	0%	\$0
NON-OPERATING EXPENSE	\$0	\$0	0%	\$0
NET INCOME/(LOSS)	\$3,921	\$10,785	(31%)	\$23,415
BEGINNING FUND EQUITY				
NET INCOME/(LOSS)	3,921	10,785		23,415
CONTRIBUTED CAPITAL				
Contribution in Aid of Construction	0	(515)	-	0
Sewer Facilities Connection Charges	0	0	-	30,000
FEMA/CAL OES Grant-OM Treatment Pond	0	0		0
PRIOR YEAR ADJUSTMENTS (Note 11d)	0	0		0
ENDING FUND EQUITY		\$1,984,647		\$1,748,605

**NORTH MARIN WATER DISTRICT
VEHICLE FLEET ANALYSIS
FOR PERIOD ENDING September 30, 2024**

Fiscal Year to Date

Vehicle Cost per Mile

Year	Description	Veh#	Assigned	Mileage	Expense ¹	Recovery ²	Gain/(Loss)	Mileage	Life to Date	FYTD25	FYTD24
1	2008 Ford F250 4x4	506	Pool	2,388	\$290	\$105	(\$185)	85,164	\$0.84	\$0.00	\$0.00
4	2012 Ford F250	515	Williamson	2,294	\$3,717	\$2,457	(\$1,260)	110,631	\$0.65	\$1.62	\$2.61
5	2012 Ford F250	516	Castellucci	3,546	\$3,424	\$3,234	(\$190)	129,770	\$0.66	\$0.97	\$3.08
6	2014 Ford F150	517	Kurfirst	1,287	\$587	\$2,100	\$1,513	36,980	\$0.63	\$0.46	\$0.92
7	2015 Ford F250 4x4	518	Construction	528	\$275	\$406	\$131	122,906	\$0.49	\$0.52	\$0.62
8	2015 Ford F150 4X4	521	Watkins/Shop	572	\$338	\$77	(\$261)	67,771	\$0.41	\$0.59	\$0.84
9	2016 Nissan Frontier	522	Hanson	3,911	\$1,649	\$2,468	\$818	69,680	\$0.44	\$0.42	\$1.57
10	2017 Ford Escape 4X4	523	Lab	814	\$980	\$660	(\$320)	43,492	\$0.42	\$1.20	\$0.00
11	2016 Nissan Frontier	524	Lab	622	\$159	\$1,113	\$954	72,200	\$0.56	\$0.26	\$0.41
12	2018 Ford Cargo Van	526	On-Call	3,024	\$1,091	\$133	(\$958)	61,874	\$0.47	\$0.36	\$2.88
13	2018 Dodge Ram 2500	527	LeBrun	656	\$280	\$238	(\$42)	73,947	\$0.66	\$0.43	\$0.94
14	2019 Chev Colorado 4x4	528	Stompe	1,495	\$957	\$1,029	\$72	29,330	\$0.58	\$0.64	\$0.70
15	2019 Nissan Rogue	531	Eng/Wtr Conserv	575	\$630	\$504	(\$126)	22,431	\$0.38	\$1.10	\$0.51
16	2019 Nissan Frontier	533	Pool	1,139	\$434	\$588	\$154	40,215	\$0.47	\$0.38	\$0.66
17	2019 Ford F-150 2WD	534	Reed	577	\$772	\$1,386	\$614	15,421	\$0.53	\$1.34	\$0.37
18	2019 Ford F-150 4x4	535	STP	2,294	\$1,695	\$1,491	(\$204)	38,626	\$0.44	\$0.74	\$0.00
19	2020 Chevrolet Colorado 2WD	536	Lawrence	2,998	\$2,111	\$2,044	(\$67)	56,185	\$0.40	\$0.70	\$1.11
20	2020 Ford F250 4X4	537	Northen	4,604	\$2,298	\$3,276	\$978	67,559	\$0.55	\$0.50	\$0.27
21	2020 Ford F250 4X4	538	STP	1,411	\$1,966	\$1,561	(\$405)	20,896	\$0.74	\$1.39	\$0.24
22	2020 Ford F150 2WD	539	Construction	1,606	\$575	\$1,456	\$881	21,483	\$0.42	\$0.36	\$0.73
23	2020 Ford F150 2WD	540	Bergstrom	2,278	\$1,190	\$2,555	\$1,365	40,052	\$0.40	\$0.52	\$1.07
24	2021 Nissan Rogue	541	Roberto	1,547	\$157	\$263	\$106	29,180	\$0.30	\$0.10	\$0.38
25	2021 Nissan Frontier	542	STP	2,647	\$967	\$1,246	\$279	32,059	\$0.43	\$0.37	\$0.81
26	2021 Ford Ranger 4x4	543	Maintenance	1,434	\$284	\$100	(\$184)	27,290	\$0.28	\$0.20	\$0.33
27	2020 Ford F150	544	Grisso	255	\$244	\$336	\$92	2,568	\$0.59	\$0.96	\$0.85
28	2021 Ford F150	545	Kane	765	\$181	\$28	(\$153)	8,800	\$0.32	\$0.24	\$0.75
29	2021 Ford F150 4x4	546	Eng/Wtr Conserv	3,169	\$45	\$1,323	\$1,278	22,592	\$0.28	\$0.01	\$0.38
30	2022 Chevy Bolt EUV	548	LAB	1,604	\$0	\$973	\$973	14,807	\$0.07	\$0.00	\$1.09
31	2023 Chevy Bolt EUV	549	LeBrun	3,530	\$50	\$406	\$356	21,025	\$0.05	\$0.01	\$2.22
32	2022 Ford Ranger 4x4	550	Davenport	2,750	\$891	\$3,073	\$2,182	19,950	\$0.37	\$0.32	\$0.19
33	2022 Ford Ranger 2WD	551	Ladd	1,368	\$590	\$434	(\$156)	3,573	\$0.43	\$0.43	\$0.00
34	2022 Ford Ranger 2WD	552	Castellucci	3,488	\$789	\$2,905	\$2,116	23,750	\$0.26	\$0.23	\$0.02
35	2022 Ford Ranger 2WD	553	Construction	2,454	\$739	\$2,674	\$1,935	13,878	\$0.37	\$0.30	\$0.36
36	2023 Ford Ranger 4x4	554	Kehoe, Chris	2,784	\$1,220	\$1,141	(\$79)	16,068	\$0.31	\$0.44	\$0.27
37	2023 Nissan Leaf EV	555	Clark	4,212	\$1,263	\$616	(\$647)	10,745	\$0.15	\$0.30	\$0.51
38	2024 FORD F250 4X4 #556	556	Watkins	1,513	\$915	\$644	(\$271)	4,404	\$1.41	\$0.60	\$1.71
39	2024 FORD F250 4X4 #557	557	Breit	4,746	\$2,474	\$3,479	\$1,005	12,446	\$0.61	\$0.52	\$0.26
	Total 3/4 Ton & Under			76,885	\$6,228	\$8,521	\$12,293	1,489,748	\$0.51	\$0.47	\$0.60
1	1999 Ford F350 W/Svc Body	19	Pool	11	\$0	\$224	\$224	140,793	\$0.83	\$0.00	\$0.00
2	2002 Int'l 5 Yd Dump	44	Construction	744	\$1,061	\$2,184	\$1,123	119,270	\$1.83	\$1.43	\$2.02
3	2006 Int'l 4300 Crew	503	Construction/Crew	693	\$757	\$5,250	\$4,493	59,924	\$2.48	\$1.09	\$1.68
4	2009 Peterbilt 325 Crew	508	Construction/Crew	815	\$2,571	\$6,048	\$3,477	53,383	\$2.45	\$3.16	\$3.21
5	2012 Int'l 5 Yd Dump	514	Construction	1,202	\$4,598	\$3,871	(\$727)	63,856	\$1.81	\$3.83	\$1.63
6	2015 Int'l 5 Yd Dump	519	Construction	859	\$1,396	\$2,926	\$1,530	63,003	\$1.41	\$1.63	\$2.78
7	2017 Ford F350 4x4	525	Lemos	1,989	\$1,283	\$4,662	\$3,379	64,419	\$0.83	\$0.64	\$0.62
8	2019 Ford F550 3 YD Dump	530	Construction	710	\$762	\$4,592	\$3,830	16,403	\$1.42	\$1.07	\$1.64
9	2021 Int'l 5 Yd Dump	547	Construction	1,493	\$3,232	\$5,572	\$2,340	9,531	\$2.07	\$2.17	\$1.86
	Total 1 Ton & Over			8,516	\$15,661	\$35,329	\$19,668	590,582	\$1.55	\$1.84	\$1.82

¹ Expense amount shown excludes depreciation (approximately \$190,000 for FY25).

² Recovery is the amount charged to projects and operations to recover the expense of owning and operating the vehicle. Commencing 7/1/17 the recovery rate for vehicles 3/4-ton and under is \$7/hr and the recovery rate for vehicles 1-ton and over is \$14/hr. An additional 50% is charged to developer projects to reflect the fair market value of the vehicle being used.

**NORTH MARIN WATER DISTRICT
WATER CONSERVATION PROGRAM DETAIL
PERIOD ENDING SEPTEMBER 30, 2024**

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		COST THRU	SEPTEMBER	FY 24/25	FY 24/25	(OVER)	TOTAL	Account		
		JUNE 2024	2024	TOTAL	BUDGET	UNDER	COST	Number		
NOVATO										
a. Residential										
1-7700-01	1-7700-26	1	Cash for Grass	\$583,810	\$3,604	\$6,897	\$60,000	\$53,103	\$590,707	58001-01-21
1-7700-02	1-7700-27	2	Landscape Efficiency Rebates	43,790	115	588	6,000	5,412	44,378	58001-01-21
1-7700-03		3	Fixtures Purchases	71,840	0	0	5,000	5,000	71,840	58001-01-21
1-7700-06	1-7700-28	4	Washing Machine Rebates	373,655	75	911	5,000	4,089	374,566	58001-01-21
			Demonstration Garden Improvements	55,105	0	0	0	0	55,105	58001-01-21
1-7700-11	1-7700-29	5	Toilet Rebate-Residential	1,089,358	521	1,798	25,000	23,202	1,091,156	58001-01-21
1-7700-12		6	Toilet Rebate - MF	130	0	0	0	0	130	58001-01-21
1-7700-13		7	Residential Audits	503,314	1,114	1,351	20,000	18,649	504,665	58001-01-21
1-7700-15		8	High Efficiency Toilet Distribution	242,197	0	0	0	0	242,197	58001-01-21
1-7700-16		9	Water Waste Ordinance Monitoring	162,703	99	342	25,000	24,659	163,045	58001-01-21
1-7700-17	1-7700-31	10	Swimming Pool Cover Rebate	15,502	150	486	5,000	4,514	15,988	58001-01-21
1-7700-19	1-7700-32	11	ET Controller Rebate	61,520	273	902	6,000	5,098	62,422	58001-01-21
1-7700-08		12	Administration	2,107,291	10,355	36,679	131,000	94,321	2,143,970	58001-01-21
1-7700-20		13	New Development Wtr Cons Program	157,662	0	0	10,000	10,000	157,662	58001-01-21
1-7700-21	1-7700-33	14	Demand Offset Rebate Program	5,422	92	410	2,000	1,590	5,832	58001-01-21
1-7700-23		15	Grant Administration	3,300	0	0	1,000	1,000	3,300	58001-01-21
1-7700-24	1-7700-34	16	Hot Water Recirculation Rebate	4,938	0	23	2,000	1,977	4,961	58001-01-21
1-7700-25		17	Residential Fill Station	66,442	0	0	0	0	66,442	58001-01-21
1-7705-02			Clothes Washer Rebate program	54,153	0	0	0	0	54,153	58002-01-21
1-7700-35	Other Pipeline In		UWMP	16,733	0	(0)	0	0	16,733	58001-01-21
b. Non-Residential Programs										
1-7701-03	1-7701-04	1	Commercial Programs	66,103	1,151	3,936	15,295	11,359	70,039	58002-01-21
c. Public Outreach/Information										
1-7700-04				770,814	19,078	53,646	161,738	108,092	824,460	58003-01-21
1-7702-01		1	Large Landscape Programs	56,215	222	1,746	12,967	11,221	57,961	58004-01-21
1-7702-04		2	Large Landscape Irrigation Efficiency		177	177	0	0		58004-01-21
		TOTAL NOVATO WATER CONSERVATION		\$6,511,997	\$37,025	\$109,892	\$493,000	\$383,285	\$6,621,712	
WEST MARIN WATER										
2-5166-00		a.	Water Conservation Program	\$205,357	\$1,197	\$4,221	\$10,000	\$5,779	\$209,578	58000-02-21
		TOTAL WEST MARIN WATER CONSERVATION		\$205,357	\$1,197	\$4,221	\$10,000	\$5,779	\$209,578	

**NORTH MARIN WATER DISTRICT
CAPITAL IMPROVEMENT PROJECTS
PERIOD ENDING SEPTEMBER 30, 2024**

Description		COST THRU JUNE 2024	SEPTEMBER 2024	FYTD TOTAL	FY 24/25 BUDGET	(OVER)/UNDER BUDGET	TOTAL COST
1. PIPELINES							
1a Pipeline Improvements							
a. Main/Pipeline Replacements							
1-7195-00	1 Novato Blvd Widening Diablo to Grant	\$91,080	\$774	\$1,770	\$200,000	\$198,230	\$92,850
1-7150-00	2 San Mateo Tank 24" Transmission Main	247,184	0	16,634	50,000	33,366	263,818
1-7211-00	3 Arthur St. Main Relocation	167,000	5,384	138,214	400,000	261,786	305,214
1b Pipeline Replacements							
1-8737-08	1 Repl 8" CI w/pvc-Railroad/Rose	\$348,911	\$4,548	\$18,596	\$0	(\$18,596)	\$367,507
1-7212-00	2 Stafford Lake Park Svc Line	2,146	0	651	25,000	24,349	2,797
1-7213-00	3 Olive Avenue Main Replacement	0	0	0	0	0	0
1c Aqueduct Improvements							
1-6000-42	1 North Marin Aqueduct Restoration near Olompali Slide (CIP)	\$125,783	\$0	\$0	\$0	\$0	\$125,783
	2 Interconnection Modifications (w/ MMWD)	0	0	0	10,000	10,000	0
1d Other Pipeline Projects							
	1 Sync w/ City or County Paving	\$0	\$0	\$0	\$50,000	\$50,000	\$0
	2 Other Pipeline Improvements	0	0	0	100,000	100,000	0
Subtotal Pipelines		\$982,104	\$10,706	\$175,865	\$835,000	\$659,135	\$1,157,969
2. STORAGE TANKS & PUMP STATIONS							
2a Tank Rehabilitation / Replacement							
1-6207-20	1 Old Ranch Rd Tank Replacement	\$1,862,275	\$0	\$0	\$0	\$0	\$1,862,275
2b Pump Station Rehabilitation / Replacement							
1-6112-26	1 Lynwood PS Replacement	\$494,048	\$2,736	\$41,255	\$400,000	\$358,745	\$535,304
1-6112-27	2 Lynwood Power module Upgrade	0	27,311	27,311	100,000	72,689	27,311
1-6141-00	3 Crest PS	560,576	2,886	55,072	1,400,000	1,344,928	615,648
1-6103-22	4 Cherryhill PS Retaining Wall Repair	39,317	0	45	150,000	149,955	39,362
1-6405-11	5 Hayden Press Tank-Pit Replacement	3,121	40,385	40,497	0	(40,497)	43,618
2c Hydropneumatic Systems							
1-7170-01	1 Bahia Hydropneumatic System Replacement	21,210	\$0	\$0	1,100,000	0	21,210
2d Other Tank & Pump Station Improvements							
	1 PS Pump Replacements	\$0	\$0	\$0	\$50,000	\$50,000	\$0
1-6117-28	2 San Marin PS Motor Replacement (2)	29,012	0	0	0	0	29,012
Subtotal Storage Tanks & Pump Stations		\$3,009,558	\$73,317	\$164,180	\$3,200,000	\$1,935,820	\$3,173,739

NORTH MARIN WATER DISTRICT
CAPITAL IMPROVEMENT PROJECTS
PERIOD ENDING SEPTEMBER 30, 2024

Description		COST THRU JUNE 2024	SEPTEMBER 2024	FYTD TOTAL	FY 24/25 BUDGET	(OVER)/UNDER BUDGET	TOTAL COST
3. STAFFORD IMPROVEMENTS							
3a Stafford Treatment Plant (STP)							
1-6610-22	1 Replace Supernatant Line to Center Road (4" @ 4,400')	\$735,561	\$0	\$0	\$0	\$0	\$735,561
1-6610-26	2 STP-Chemical System Upgrade	7,944	0	0		0	7,944
	3 STP-Chemical Tank Replacement		0	0	30,000		0
1-6610-29	4 STP-Tower Hose Replacement	46,771	0	0	0	0	46,771
1-6610-30	5 STP Primary Filter Basin Improvements	694,588	3,197	323,284	28,000	(295,284)	1,017,873
1-6600-xx	6 Other Treatment Plant Improvements	0	0	0	100,000	100,000	0
3b Stafford Dam / Watershed							
1-6610-24	1 Water Supply Enhancements-Spillway ASG	\$40,932	\$810	\$810	\$60,000	\$59,190	\$41,742
1-6610-25	2 Dam Spillway Concrete Repair	41,916	0	0	75,000	75,000	41,916
1-6610-31	3 Dam Piezometer Automation	15,323	1,863	9,006	100,000	90,994	24,329
1-6610-28	4 Access Road Slide Repair	5,195	0	0	0	0	5,195
Subtotal Stafford Improvements		\$1,588,231	\$5,870	\$333,100	\$393,000	\$29,900	\$1,921,331
4. MISCELLANEOUS IMPROVEMENTS (NOVATO)							
4a District Offices							
1-6501-44	1 NMWD Headquarters Upgrade ¹	\$16,638,224	\$193,379	\$1,179,088	\$1,000,000	(\$179,088)	\$17,817,312
	2 Asphalt Repairs at District Facilities	0	0	0	150,000	150,000	0
1-6502-49	3 Construction Locker Room Remodel	7,336	0	0	150,000	150,000	7,336
1-6502-50	4 Corp Yard Bldg Roof Replacement	0	36,232	90,580	150,000	59,420	90,580
4b System Pressure / Valving							
1-2831-01	1 Veranda by Landsea-Stub out to Adjacent Property	\$821	\$0	0	0	0	821
4c Other Miscellaneous Improvements							
	1 AMI Installation - 3-inch and larger	\$0	\$0	\$0	\$60,000	\$60,000	\$0
	2 Cathodic Protection - Anode Installation (FY25)	0	0	0	10,000	10,000	0
	3 Other System Improvements	0	0	0	50,000	50,000	0
Subtotal Miscellaneous Improvements (Novato)		\$16,646,382	\$229,611	\$1,269,668	\$1,570,000	\$300,332	\$17,916,049

**NORTH MARIN WATER DISTRICT
CAPITAL IMPROVEMENT PROJECTS
PERIOD ENDING SEPTEMBER 30, 2024**

Description	COST THRU JUNE 2024	SEPTEMBER 2024	FYTD TOTAL	FY 24/25 BUDGET	(OVER)/UNDER BUDGET	TOTAL COST
5. RECYCLED WATER SYSTEM (NOVATO)						
5a RW Pipelines						
5-6501-48 1 NNWD HQ RW Ext from Redwood Blvd	\$239,977	\$0	\$163	\$100,000	\$99,837	\$240,139
5-7162-07 2 Hamilton Homeward Bound RW Main Ext*	63,048	\$500	988	250,000	249,012	64,036
5b RW Tanks & Pump Stations						
5c Other RW Improvements						
1 Other Recycled Water Improvements	\$0	\$0	\$0	\$100,000	\$100,000	\$0
TOTAL RECYCLED WATER	\$303,024	\$500	\$1,151	\$450,000	\$448,849	\$304,175
6. WEST MARIN SYSTEM						
6a WM Pipelines						
2-8912-00 1 Lagunitas Bridge Pipeline Replacement	\$114,595	\$28	\$1,989	\$50,000	\$48,011	\$116,585
2-7192-02 2 PRE 2" Galvanized Pipe-Sunnyside/Dover/Carlton/Balboa	70,330	10,925	18,459	0	(18,459)	88,789
2-7192-01 3 Replace PRE 2" Galv Pipe-Balboa/Drakesview/Baywood	8,290	\$0	0	125,000	125,000	8,290
6b WM Tanks & Pump Stations						
6c WM Wells						
2-6604-23 1 Gallagher Well #1-Assess/Rehab	\$123,365	\$0	0	\$0	\$0	\$123,365
2-6609-21 2 GW #2-DWR Grant T1-Admin	3,422	0	0	5,000	5,000	3,422
2-6609-20 3 New Gallagher Well #2 ²	1,133,659	4,857	17,854	40,000	22,146	1,151,513
2-6609-22 4 GW #2-DWR Grant T2-Well	3,618	0	0	0	0	3,618
2-6609-23 5 GW #2-DWR Grant T31-M&P	152,298	0	0	0	0	152,298
6d WM Treatment Plant						
1 PRE Treatment Plant-Relocate Chem Storage	\$0	\$0		\$75,000	\$75,000	\$0
6e WM Other Improvements						
2-8829-00 1 SYNC W/County Paving	\$1,455	\$0	\$0	\$25,000	\$25,000	\$1,455
2 Polybutylene (PB) Service Line Replacements	0	0	0	0	0	0
2-7185-00 3 Gallagher Ranch Streambank Stabilization ³	734,320	0	0	0	0	734,320
4 Other Water System Improvements ³	0	0	0	125,000	125,000	0
TOTAL WEST MARIN	\$2,345,353	\$15,810	\$38,302	\$445,000	\$406,698	\$2,383,655
7. OCEANA MARIN						
7a OM Pipelines						
8-7208-01 1 Sewer Force Main Improvements-FM 1A (Design Only)	\$50,270	\$0	\$0	\$55,000	\$55,000	\$50,270
2 Sewer Main Spot Repairs	0	0	0	50,000	50,000	0
7b OM Lift Station						
7c OM Treatment Ponds						
8-7173-00 1 OM Treatment Pond Rehab-404 Grant-FEMA ^{5&6}	\$208,605	\$0	\$0		\$0	\$208,605
8-7173-01 2 OM Treatment Pond Rehab-Grant Management	17,286	\$6,023	13,432	10,000	(3,432)	30,718
8-7173-02 3 OM Treatment Pond Rehab-PH 2 Const FEMA	267,022	\$547,529	1,273,663	1,725,000	451,337	1,540,685
7d OM Other Improvements						
8-8672-29 1 Infiltration Repair (FY24)	\$32,275	\$0	\$0	\$40,000	\$40,000	\$32,275
2 Other Sewer System Improvements	0	0	0	25,000	25,000	0
TOTAL OCEANA MARIN	\$575,458	\$553,551	\$1,287,095	\$1,905,000	\$617,905	\$1,862,553

**NORTH MARIN WATER DISTRICT
CAPITAL IMPROVEMENT PROJECTS
PERIOD ENDING SEPTEMBER 30, 2024**

Description	COST THRU JUNE 2024	SEPTEMBER 2024	FYTD TOTAL	FY 24/25 BUDGET	(OVER)/UNDER BUDGET	TOTAL COST
SUMMARY - GROSS PROJECT OUTLAY						
		Current Month	FYTD Total	FY 24/25 Budget	FYTD/ Budget%	
Novato Water Capital Projects		\$319,505	\$1,942,812	\$5,998,000	32%	
Novato Recycled Water Capital Projects		500	1,151	450,000	0%	
West Marin Water Capital Projects		15,810	38,302	445,000	9%	
Oceana Marin Sewer Capital Projects		553,551	1,287,095	1,905,000	68%	
Gross Capital Improvement Project Outlays		\$889,367	\$3,269,361	\$8,798,000	37%	
8 LESS FUNDED BY GRANTS, LOANS & REIMBURSEMENTS						
(Accrued)/Deferred						
a. NW - Loan Funds - Office/Yard Building Renovation	\$9,549,019	\$0	\$0	\$0	\$0	\$9,549,019
b. NW - Loan Funds - Crest PS Construction	0	0	0	0	0	0
c. NW - Loan Funds - Lynwood PS Replacement	0	0	0	0	0	0
d. NW - Loan Funds - Stafford ASG Construction	0	(810)	0	0	0	0
e. NW - Capital Replacement Expansion Fund	146,634	0	0	0	0	146,634
f. WM - CA DWR Drought Relief Grant for GW02	226,155	0	0	0	0	226,155
g. WM - Lagunitas Creek Bridge Pipeline Grant (FEMA)	0	0	0	0	0	0
h. OM - Novato Water Loan to OM	0	0	0	0	0	0
i. OM - Treatment Pond Rehab Grant (FEMA)	192,861	0	0	0	0	192,861
FUNDING BY OTHERS (ACCRUED)/DEFERRED	\$10,114,668	(\$810)	\$0	\$0	\$0	\$10,114,668
Received						
a. NW - Loan Funds - Office/Yard Building Renovation	(\$16,638,224)	(\$193,379)	(\$1,179,088)	(\$1,000,000)	\$179,088	(\$17,817,312)
b. NW - Loan Funds - Crest PS Construction	0	0	0	(1,400,000)	(1,400,000)	0
c. NW - Loan Funds - Lynwood PS Replacement	0	0	0	0	0	0
d. NW - Reimbursement by Marin County Parks	0	0	0	(25,000)	(25,000)	0
e. RW - Capital Replacement Expansion Fund	0	0	0	(450,000)	(450,000)	0
f. WM - CA DWR Drought Relief Grant for GW02	(484,058)	(69,266)	(69,266)	(45,000)	24,266	(553,324)
g. WM - Lagunitas Creek Bridge Pipeline Grant (FEMA)	0	0	0	0	0	0
h. OM - Novato Water Loan to OM	0	0	0	(431,000)	(431,000)	0
i. OM - Treatment Pond Rehab Grant (FEMA)	(149,959)	(140,602)	(159,551)	(1,294,000)	(1,134,449)	(309,510)
FUNDING BY OTHERS RECEIVED	(\$17,272,241)	(\$403,248)	(\$1,407,905)	(\$4,645,000)	(\$3,237,095)	(\$18,680,146)
NET PROJECT EXPENDITURES	(\$1,936,800)	\$486,929	\$1,861,456	\$4,153,000	\$1,161,544	\$20,153,993

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CIP SUMMARY-NET EXPENDITURES:	Current Month	FYTD Total	FY 24/25 Budget	FYTD/ Budget%
Novato Water Capital Projects	\$126,936	\$763,725	\$3,573,000	21%
Novato Recycled Water Capital Projects	500	1,151	0	0%
West Marin Water Capital Projects	(53,456)	(30,964)	400,000	-8%
Oceana Marin Sewer Capital Projects	412,949	1,127,544	180,000	626%
Net Capital Improvement Project Outlays	\$486,929	\$1,861,456	\$4,153,000	45%

8. EQUIPMENT BUDGET				
1 class 8 Service Truck (2) Replace #503 & #508	\$0	\$0	\$852,000	\$852,000
2 Lease Vehicles	\$0	\$0	106,000	106,000
3 Portable Generators	\$0	0	75,000	75,000
4 Miscellaneous Equipment Purchases (Replacement Sonde & Probes, STP)	\$15,351	39,741	0	(39,741)
Total Equipment Purchases	\$15,351	\$39,741	\$1,033,000	\$993,259

**NORTH MARIN WATER DISTRICT
CAPITAL IMPROVEMENT PROJECTS
PERIOD ENDING SEPTEMBER 30, 2024**

Description	COST THRU JUNE 2024	SEPTEMBER 2024	FYTD TOTAL	FY 24/25 BUDGET	(OVER)/UNDER BUDGET	TOTAL COST
9. STUDIES & SPECIAL PROJECTS						
9a General Studies						
		\$0	\$0	\$0	\$30,000	\$0
1-4102-00 1 Strategic Plan Update (2025-2029)		\$0	\$0	\$0	\$30,000	\$0
1-4102-00 2 GIS Conversion/Mapping Project	77,861	2,970	7,417	10,000	2,583	85,278
1-4102-00 3 Emergency Operations Response Plan	0	0	0	100,000	100,000	0
9b Novato Service Area Studies						
				60,000		
				90,000	90,000	0
				60,000	60,000	0
1-4100-00 1 Urban Water Mgmt Plan - 2025 Update						
1-4100-00 2 North Marin Aqueduct Vulnerability/Cathodic Assessment	0	0	0	90,000	90,000	0
1-4100-00 3 Stafford Treatment Plant Risk Management Plan Update	0	0	0	60,000	60,000	0
1-4100-00 4 STP-Chlorine Code Compliance	693	0	0	0	0	693
1-4104-23 5 North Marin Master Plan-CY23	44,611	2,688	11,865	0	(11,865)	56,476
				400,000		
1-4105-00 6 Novato Mater plan Update						
1-4105-00 7 SMART Master Agreement	2,548	0	0	0	0	2,548
1-4106-00 8 STP Risk Management Program Update 2023	23,159	0	300	0	(300)	23,459
1-4077-00 9 Potter Valley Project FERC Relicensing	38,088	293	1,215	0	(1,215)	39,303
1-4093-00 10 Gateway Commons Backflow Study	10,234	600	1,770	0	(1,770)	12,004
1-6610-21 11 STP-Corrosion Assessment	52,737	0	0	0	0	52,737
1-6600-96 12 AP Cost Expensed - Leveroni Creek Embankment	84,188	0	0	0	0	84,188
9c WM Service Area Studies						
				\$50,000	\$50,000	\$0
				\$15,000		
				\$45,000		
1 West Marin Water Supply Resiliency Feasibility Study	\$0	\$0	\$0	\$50,000	\$50,000	\$0
2 West Marin Boundary Review				\$15,000		
3 West Marin Rate Study				\$45,000		
9d OM Service Area Studies						
9e Other Studies						
5-4087-00 1 Recycled Water Program Strategy	\$17,359	\$0	\$0	\$0	\$0	\$17,359
5-4087-00 2 Recycled Water-G&A Consultants/Studies General	890	0	0	0	0	890
	\$352,370	\$6,551	\$22,566	\$860,000	\$317,434	\$374,936

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Notes to Capital Improvement Projects Schedule:

- (1) NMWD Headquarters Upgrade funded by a 20 year 3.11% bank loan.
- (2) WM CA DWR Drought Relief Grant.
- (3) Loan from Novato Water-As included in the 2021 WM Water rate study - to be paid with interest. Loan received 6/30/22.
- (4) Funded by Capital Replacement & Expansion Fund.
- (5) OM Treatment Pond Rehab-Project to be funded at 75% by grants. Eligible project costs are budgeted at \$2.2M (75%=\$1.425M)
- (6) Loan from Novato Water-As included in the five-year financial forecast

North Marin Water District Financial Statement Notes

Note 1 - Restricted Cash

Connection Fee Fund: Cash available from collection of Connection Fees. The fee is charged to developers based upon the estimate of cost necessary to construct capacity to serve the new development. These funds are restricted by law for expansion of the water or sewer facilities within the service area where the development occurs. Funds are disbursed from the Connection Fee Reserve as expenditures are incurred to increase system capacity to serve new development. The fund balance accrues interest quarterly.

Deer Island RWF Replacement Fund: The State Revolving Fund (SRF) loan agreement for construction of the Deer Island RW Facility requires the District to establish and maintain a Water Recycling Capital Reserve Fund (WRCRF) for the expansion, major repair, or replacement of the water recycling facilities. The WRCRF is maintained in compliance with the State Water Resources Control Board's "Policy for Implementing the State Revolving Fund for Construction of Wastewater Treatment Facilities" in effect at the time the agreement was executed, July 2006. NMWD is required to deposit a minimum reserve of 0.5% of the SRF loan amount each year for a period of ten years. The balance in the DICRF is \$215,000 (\$4.3M x .5% x 10 years). The fund balance does not accrue interest.

Recycled Water Capital Replacement and Expansion Fund: The 2011 Interagency Agreements for Recycled Water between NSD, LGVSD & NMWD require that any payments to the Distributor (NMWD) by the End User (Consumers) in excess of actual costs (marginal payments) shall be deposited in this fund. Operation and Maintenance Costs are defined as the actual cost of: labor (including general and administrative overhead plus tools and supplies normally applied), equipment and vehicle charges, consumables (such as chemicals and electrical power), and spare parts and/or replaced components necessary to reliably treat and deliver recycled water to the End Users. Operation and Maintenance Costs do not include costs for major capital replacement or process changes. A payment of \$305,711 was made to Novato Sanitary District in December 2019 for the Clearwell Improvement Project. This fund balance does not accrue interest.

STP SRF Reserve Fund – Marin County Treasury: The 2004 Stafford Treatment Plant State Revolving Fund (SRF) loan agreement requires the District to build a Reserve Fund equal to one year of payments (\$1,044,474) in the Marin County Treasury during the first ten years of the 20-year repayment period. Every January 1 and July 1, commencing January 1, 2010, the District deposits with the County 10% of the semi-annual SRF payment. This Reserve Fund was fully funded at 6/30/19. The County credits the fund with interest quarterly, which is applied to the semi-annual payments, and will use the Reserve to pay the last 2 semi-annual SRF loan payments.

RWS North/South SRF Reserve Fund: The State Water Resource Control Board Agreements for the seven Clean Water State Revolving Fund Loans made for expansion of the Recycled Water System distribution system require that the District establish a reserve fund equal to one year's debt service (\$614,299) prior to the construction completion date.

RWS Central SRF Reserve Fund: The State Water Resource Control Board Agreement for the Clean Water State Revolving Fund Loan made for expansion of the Recycled Water System distribution system requires that the District establish a reserve fund equal to one year's debt service (\$275,773) prior to the construction completion date.

Note 2 - Designated Cash

Liability Contingency Fund: Established in 1986 when the District first elected to self-insure its general liability risk. This reserve was funded with \$1 million initially and \$200,000 annually thereafter until it reached a balance of \$2 million. In FY98 the West Marin Water System was included in the fund and has since built-up a proportional reserve of \$98,885 over several years. Commencing FY93, \$1 million of the reserve was made available to fund loans to eligible employees under the District's Employer Assisted Housing Program. In August 2008, \$500,000 was transferred into this reserve from the Self-Insured Workers' Compensation Fund and made available to fund Employer Assisted Housing Program loans. Currently there is \$250,000 in one Employer Assisted Housing Loan outstanding (see Note 3). In March 2005, \$652,400 was expended from the fund to purchase a home at 25 Giacomini Road in Point Reyes Station. The home is currently rented. In 2006, \$8,885 was added from the sale of surplus property in West Marin. The fund balance does not accrue interest.

Retiree Medical Benefits Fund: NMWD pays the cost of health insurance for retirees between the ages of 55 and 65 and spouse under any group plan offered by CalPERS. The retiree must be at least 55 and have a minimum of 12 years (for employees hired on or before September 30, 2018) and a minimum of 20 years (for employees hired after September 30, 2018) of NMWD service at the date of retirement. NMWD's contribution toward the chosen plan is capped in the same manner as all other NMWD employees in the same class. Coverage terminates for the spouse when the spouse becomes eligible for Medicare, or for both the retiree and spouse when the retiree becomes eligible for Medicare. When the retiree or spouse becomes eligible for Medicare, NMWD pays up to the couple annuitant rate, which is capped at \$3,830 per year (\$319/month). In August 2003, NMWD transferred \$2.55 million (\$2.3 million for current retirees plus \$250,000 for future retirees) from unrestricted cash into a reserve to fund this obligation. In 2010 the Board directed staff to add \$1,500 per employee annually as a payroll overhead to accrue and accelerate amortization of this liability. The accrual is maintained as a Long-Term Liability entitled Total OPEB Liability. In 2024 an Actuarial Analysis calculated NMWD's total actuarial liability at \$4.9 million. The Retiree Medical Benefits cash fund earns interest quarterly.

Maintenance Accrual Fund: Established in FY91 to provide a source of maintenance money for replacement of treatment, storage, transmission and distribution facilities as they wear out. The annual contribution from operating reserves was initially \$200,000. Net polybutylene claim settlement proceeds of \$671,060 were closed into the fund in FY93. In FY94 the annual contribution was reduced to \$100,000. Starting in FY21/22, this reserve was increased to \$4.0 million based on the District's planned pay-go capital spending per the 2020 Novato Water Rate Study and subsequent financial plans. Funds are borrowed from the Maintenance Accrual Fund to offset the shortfall in unrestricted Cash & Investments. The fund balance does not accrue interest.

Operating Reserve Fund: This reserve, comprised of four months of budgeted operating expenditures (less depreciation) as recommended by the District's financial advisors, serves to ensure adequate working capital for operating, capital, and unanticipated cash flow needs that arise during the year. Funds are borrowed from the operating Reserve Fund to offset the shortfall in unrestricted Cash & Investments. The fund balance does not accrue interest.

Webster Bank-Admin Bldg/CIP Fund: The District received a \$20 million loan from Webster Bank in May 2022 to fund the Admin Building Renovation and other CIP Projects. The 20-year, 3.11% annual percentage rate loan requires semi-annual payments and will be fully amortized on 3/1/42. The unexpended fund balance accrues interest quarterly.

Note 3 – Employee Loans

Housing Loans: The District’s Employer Assisted Housing Program allows up to \$300,000 to be loaned to an employee for a period of up to 15 years for the purchase of a home within the District service territory that will enable the employee to respond rapidly to emergencies affecting the operation of the District. Repayment is due upon sale, termination of employment, or other event as described in the Program. Interest on the loan is based on the amount of interest revenue that the District would have earned over the period of the loan. There is one employee-housing loan currently outstanding totaling \$250,000 dated March 2015.

Note 4 – Other Long Term Receivables

In 2014, the District entered into an interconnection agreement with MMWD for their share of the Aqueduct Energy Efficiency Project. The 2.71% \$3,622,882 loan will have yearly payments due of \$205,320, and the final payment is due in July 2032. In 2015 the District entered into an agreement with Marin Country Club for their share of the pipeline extension to provide recycled water for the Marin Country Club Golf Course. In 2016 the District received a \$6.6 million 30-year 1.0% SRF loan to finance the Recycled Water Central project, and Marin Country Club agreed to pay the District \$1,265,295 in bimonthly payments of \$8,142 at 1.0% over 30 years for their share of the pipeline extension. The payments will coincide with Marin Country Club’s water service payments. The final payment from Marin Country Club is due in November 2047. The Marin Country Club also owed the District \$189,402.89 in previously unbilled water receipts due to a recording error in their 6” AMI meter. In May 2024 they increased their monthly payment from \$2,000 a month to \$3,882 per month and as a result the unbilled water receipts were paid in full September 2024.

Note 5 – Depreciation

Assets are assigned a useful life based on consultations with the District Chief Engineer and a survey of other water agencies. Depreciation is computed on a straight-line basis over the estimated useful life of the various classes of property as follows:

<u>Facility</u>	<u>Life (Years)</u>
Aqueduct.....	150
Dam.....	100
Buildings & Structures.....	40
Mains.....	50
Pumping Equipment.....	25
Water Treatment Equipment.....	20
Storage & Transmission (16"+) Facilities.....	50
Distribution Facilities (includes Pump Stations).....	50
Office, Laboratory, Construction & Shop Tools & Equipment.....	10
Vehicles 1 ton or greater.....	10
All other vehicles.....	5
Sewer Mains.....	40
Sewer Pumps.....	4-10

Note 6 - Capitalization Policy

The Government Finance Officers Association *Guide for State and Local Governments* recommends that a capitalization policy incorporate a minimum threshold of \$5,000 and an estimated useful life of at least two years. It also cautions that federal grant and loan requirements prevent the use of capitalization thresholds in excess of \$5,000. Thus NMWD’s capitalization threshold is \$5,000.

Note 7 – Bond & Loan Servicing Schedule for Fiscal Year 2024-2025

Service Area	Description	Issue Date	Rate	Original Amount	Payment Due	Final Pmt	FY25			6/30/25
							Interest Expense	Principal Paid	Total Debt Service	Outstanding Balance
Novato	SRF Loan - STP	2004	2.39%	\$16,528,850	7/1 & 1/1	07/01/29	\$ 111,447	\$ 933,027	\$1,044,474	\$ 3,961,895
Novato	Bank Marin Loan	2011	3.42%	\$7,000,000	27 th /mo	10/27/31	\$ 100,778	\$ 381,264	\$ 482,042	\$ 2,741,490
Novato	Chase Bank Loan	2018	2.69%	\$4,600,000	3/1 & 9/1	03/01/33	\$ 80,297	\$ 300,000	\$ 380,297	\$ 2,685,000
Novato	Webster Bank	2022	3.11%	\$20,000,000	3/1 & 9/1	03/01/42	\$ 571,216	\$ 776,681	\$1,347,897	\$17,590,396
Novato Total							\$ 863,738	\$ 2,390,972	\$ 3,254,710	\$ 26,978,781
RW TP	SRF Loan	2006	2.40%	\$4,302,560	20-Jun	06/19/27	\$ 18,774	\$ 254,593	\$ 273,367	\$ 527,663
RW North	SRF Loans (4)	2013	2.60%	\$4,375,605	Varies	Varies	\$ 54,725	\$ 227,168	\$ 281,893	\$ 1,877,623
RW South	SRF Loans (3)	2013	2.20%	\$5,361,952	Varies	Varies	\$ 60,898	\$ 271,508	\$ 332,407	\$ 2,496,588
RW Central	SRF Loan	2016	1.00%	\$7,130,503	19-Dec	12/31/47	\$ 58,584	\$ 217,189	\$ 275,773	\$ 5,641,161
Recycled Water Total							\$ 192,981	\$ 970,458	\$ 1,163,440	\$ 10,543,035
WM Water	Bank Marin Loan	2012	3.42%	\$1,000,000	27 th /mo	10/27/31	\$ 14,793	\$ 55,965	\$ 70,758	\$ 402,421
West Marin Water Total							\$ 14,793	\$ 55,965	\$ 70,758	\$ 402,421
FY 24/25 Total - External Loans							\$1,071,512	\$3,417,395	\$4,488,908	\$37,924,237

1. In April 2004 the California State Department of Water Resources approved a 2.39% 20-year loan for reconstruction of the Stafford Water Treatment Plant. The project was completed in FY09 with repair of the Outlet Tower Sluice Gate. Interest paid during construction totaled \$1,636,378. The loan covenants require an annual reserve fund contribution of \$104,447 (10% of the annual debt service obligation) be deposited into the Marin County Treasury during each of the first ten years of the repayment period. Debt service is funded 25% by Facility Reserve Charges. The first payment was made in December 2009.
2. In October 2011 Bank of Marin made a 20-year 3.54% (APR) loan of \$8 million to fund the District's share of the Aqueduct Energy Efficiency Project. See Note 15 below, and note to loan 9 above.
3. In March 2018 Chase Bank made a 15-year 2.69% (APR) loan of \$4.6 million to fund the District's Automated Meter Information system Project.
4. In May 2022, Webster Bank made a 20-year 3.11% (APR) loan of \$20 million to fund the Admin Building Renovation and other Capital Improvement Projects. The first payment was made August 26, 2022.
5. In August 2006 the California State Department of Water Resources approved a 2.4% 20-year loan of \$4,264,545 for construction of the Deer Island Recycled Water Facility. With the addition of \$38,015 in Construction Period Interest, the loan principal totaled \$4,302,560. The project was completed in June 2007, and the first payment was made June 19, 2008.
6. In July 2011 the California State Department of Water Resources approved a series of four 2.6% 20-year loans which totaled \$4,375,605 for the Recycled Water North Service Area Expansion Project. The projects were completed on October 31, 2012, and the first payment was made in November of 2012.
7. In March 2012 the California State Department of Water Resources approved a series of three 2.2% 20-year loans totaling \$5,361,952 for the Recycled Water South Service Area Expansion Project. The projects were completed on September 4, 2013, and the first payment was made in December of 2013.
8. In May 2016 the California State Department of Water Resources approved a 1.0% 30-year loan of \$7,130,503 for the Recycled Water Central Service Area Expansion. The project was completed in December 2017, and the first payment was made December 31, 2018.

9. In June 2012 the Board authorized reallocating \$1 million of the Bank of Marin loan to West Marin Water to repay Novato Water \$223,000 owed for loans to fund Long Range Improvement Projects and the remainder to fund the Solids Handling Facility at the Point Reyes Water Treatment Plant. See note to loan 2 above.

Note 8 – Unemployment Insurance Reserve

NMWD uses the “Reimbursable Method” of paying for Unemployment Costs. Under this method, the District reimburses the State Employment Development Department for all unemployment benefits paid on our behalf. The reserve is maintained at an amount equal to the higher of the average claim amount paid over the last 5 years or 26 times the maximum weekly benefit amount (currently $\$450 \times 26 = \$11,700$).

Note 9 – Payroll Benefits

Payroll Benefits payable includes payroll taxes; vacation, sick, and holiday leave; Section 125 payments; cancer, long term care and disability insurance premiums; and union dues..

Note 10 - Interest Policy on Inter-District Loans

In the event an improvement district expends all of its Undesignated Funds, it shall borrow funds from that improvement district's Board Designated Fund reserves to meet ongoing requirements. In the event an improvement district expends all of its Board Designated Fund reserves, it may receive a loan from the Novato Improvement District in an amount sufficient to meet its ongoing requirements. Restricted Funds shall not be used to finance ongoing normal operating expenses.

No interest shall be paid by an improvement district on funds borrowed from that improvement district's Board Designated Fund reserves. Interest on loans from the Novato Improvement District shall be paid by the recipient district to the Novato district based upon the outstanding loan balance at the close of the previous accounting period. Interest shall be calculated at the higher of: 1. The weighted average interest rate of Novato improvement district debt (2.99% at 6/30/23); or 2. The average interest rate earned on the District treasury since the close of the previous accounting period; plus \$50 per month.

Note 11 – Budget Augmentations

Note 12 – Prior Period Adjustment

Note 13 – Explanation of Financial Statement Components

The District's financial statement is comprised of four components: 1) Statement of Net Position, 2) Sources and Uses of Funds Statement – All Service Areas Combined, 3) Income Statement and Cash Flow by Service Area, and 4) Notes to the Financial Statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

The Statement of Net Position (page 4) reports the District's assets and liabilities and provides information about the nature and amount of investments in resources (assets) and the obligations to the District's creditors (liabilities). The difference between assets and liabilities is reported as *net position*. Over time, increases or decreases in the fund balance may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Sources and Uses of Funds Statement – All Service Areas Combined (page 8) compares fiscal year-to-date performance against the Board approved annual budget – presented in the adopted budget format. This Sources and Uses of Funds Statement varies from the income statement in that it includes capital expenditures, debt principal repayment, connection fee revenue, and cash infusions from debt issuance.

The Income Statement and Cash Flow by Service Area (page 9) presents the net income (loss) for the fiscal year-to-date (FYTD) period for each of the District's four service areas. The income and expenses on this report are presented in conformity with Generally Accepted Accounting Principles (GAAP) and comply with Governmental Accounting Standards Board pronouncements. Accordingly, all income and expenses are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. This statement measures the success of each service area's operations and can be used to determine whether the service area has successfully recovered all costs through user fees and other charges.

Also included at the bottom of page 9 is a statement of Cash Flow by Service Area. The primary purpose of this statement is to reconcile in an informative manner the difference between the net income/(loss) for period of each service area with the resultant change in cash balance that occurred over the same period.

Notes to the Financial Statements (page 28) provide a summary of significant accounting policies and assumptions and other information of value to the financial statement reader.

Other Supplementary Information includes Detail Income Statements presented in accordance with GAAP for each of the four service areas (pages 10, 14, 16, 19). These statements present income and expenditures in close detail for further analysis. Other supplementary schedules of note include the Vehicle Fleet Analysis (page 21), and Capital Improvement Project Expenditures (page 23), which show outlays to date, compared with budget authority.

Note 14 –Connection Fee Transfers from Novato Water To Recycled Water

The following Connection Fee (FRC) reserve amounts have been transferred to the Recycled Water fund:

**Recycled Water
FRC Transfers from Novato**

t:\finance\rc\recycled water frc transfers from novato.xlsx\sheet 1

	Expansion Local Share			SRFRWF Expansion				Transfer		
	North	South	Central	NBWRA	Loan	SRF Loan	BPGL Loan Repayment	CIP	Total	Executed
FY07				\$29,725					\$29,725	
FY08				\$50,478	\$22,795				\$73,273	
FY09				\$150,455	\$22,795				\$173,250	
FY10	\$133,659			\$75,198	\$22,795				\$231,652	\$133,659
FY11				\$133,319	\$22,795				\$156,114	\$1,175,098
FY12	\$233,478	\$265,500		\$115,883	\$22,795				\$637,656	(\$7,088)
FY13				\$315,023	\$22,795	\$464,572			\$802,390	\$1,970,400
FY14	\$236,291	\$723,525	\$4,024	\$63,035	\$22,795	\$500,529			\$1,550,200	\$1,550,200
FY15		\$17,563	(\$4,024)	\$38,283	\$22,795	\$614,299			\$688,916	\$688,916
FY16	\$0	\$0	\$66,729	\$102,842	\$22,795	\$614,299			\$806,664	\$806,664
FY17			\$362,524	\$194,636	\$22,795	\$614,299	\$36,687		\$1,230,940	\$1,230,940
FY18			\$5,071,512	\$38,908	\$22,795	\$614,299			\$5,747,513	\$5,747,513
FY19			(\$2,168,755)	\$6,966	\$22,795	\$890,072			(\$1,248,922)	(\$1,248,922)
FY20			\$5,499	\$0	\$0	\$350,287	(\$1,046,471)	\$1,084	(\$689,600)	(\$689,600)
FY21						\$890,072			\$890,072	\$890,072
FY22						\$743,438			\$743,438	\$743,438
FY23						\$614,299			\$614,299	\$614,299
FY24						\$693,686			\$693,686	\$693,686
FY25						\$200,077			\$200,077	\$200,077
	\$603,428	\$1,006,589	\$3,337,509	\$1,314,751	\$273,539	\$7,804,228	(\$1,046,471)	\$37,771	\$13,331,344	\$13,331,343

8

**MEMORANDUM**

To: Board of Directors Date: December 3, 2024
From: Eric Miller, Assistant General Manager/Chief Engineer *EM*
Tim Fuelle, Senior Engineer *TF*
Subject: Arthur Street Main Relocation – Project Completion Presentation
\\nmwdfleserver\engineering\Folders by Job No\7000 jobs\7211 Arthur St Main Relocation\BOD Memos\2024 1105 Project Presentation\2024 1015 Arthur-Cambridge Street BOD memo rev.docx

RECOMMENDED ACTION: Information Only - Receive Project Completion Report

FINANCIAL IMPACT: None

Discussion

District construction staff relocated two water distribution pipelines at the intersection of Arthur Street and Cambridge Street (Project) to accommodate new sanitary sewer facilities being installed as part of a capital improvement project managed by the Novato Sanitary District (NSD). District staff presented a project update at the July 16, 2024 Board Meeting and the Board of Directors authorized the General Manager to execute a Reimbursement Agreement with NSD. The Project was completed in August 2024 and staff will provide a final update as part of the Project closeout.

Project Summary

As described at the July 16, 2024 project update, the relocation work was separated into two phases. Phase 1 work included installation of four isolation valves that allowed abandonment of pipelines through the intersection to accommodate new sewer facilities; this phase was implemented solely due to conflicts with the NSD project. Phase 2 work included replacing the District's watermains through all four legs of the intersection, this phase was implemented to improve the District's distribution system in this area. NSD agreed to reimburse the District for all costs associated with Phase 1 work; and the District agreed to reimburse NSD for the proportional costs of pavement restoration associated with the District's Phase 2 work.

District staff performed the design, construction, and inspection for both phases while NSD utilized consultants for design and inspection, and a low-bid contractor to construct the sewer main replacement. Together, both agencies sought to minimize construction-related impacts to the community, including noise, traffic, pedestrian detours, and school access. To

accomplish this goal, the two agencies met on fourteen separate occasions to coordinate logistics of their respective projects, beginning in December 2023 and through project completion.

Phase 1 work was completed during the 2024 Novato Unified School District (NUSD) mid-winter and spring breaks with minimal impact to the community. Over 90 customers living near the intersection were notified of the Project prior to work beginning, and 45 of those customers were notified that their water service would be temporarily disrupted during the work. The District did not receive any complaints regarding the construction activities; however, one call was received related to water discoloration following service restoration which is a common issue when flushing existing mains. Crews immediately resolved the matter. Staff estimated the Phase 1 costs to be \$190,000; and the final costs were \$152,014 (or 80% of the estimated cost).

Phase 2 work began on Monday, June 16, 2024, immediately following the 2023/24 NUSD school year. Over 270 customers living in the Project vicinity were notified prior to work beginning. There were no water service interruptions during Phase 2. The District received three customer comments. The first was an inquiry about access to their home during construction, and that they supported the improvement work. The second comment came in post-construction and was complimentary about the “wonderful job” that both utility agencies did on the project. The third comment also came in post-construction asking why the pavement restoration did not span the entire roadway width. Staff explained that City requirements for utility work generally only paves the portion of the roadway that is impacted by trenching.

Staff estimated the Phase 2 costs to be \$390,000; and the final costs were \$307,182 (or 80% of the estimated cost) which includes a \$50,000 placeholder for reimbursing NSD for the proportional costs of Phase 2 pavement restoration performed by their contractor, NSD has yet to send an invoice for final paving costs. Both NSD and NMWD completed their respective projects before the start of the 2024/25 NUSD school year.

ATTACHMENTS

1. Presentation Slides, dated December 3, 2024



**NORTH MARIN
WATER DISTRICT**

**Arthur Street Main Relocation
Arthur Street And Cambridge Street**

December 3, 2024

Presentation Outline

- Project Summary and Location
- Overview of Construction Activities
 - Field Investigation
 - Preparing the Site
 - Phase 1
 - Phase 2a
 - Phase 2b
 - Meet the Crew



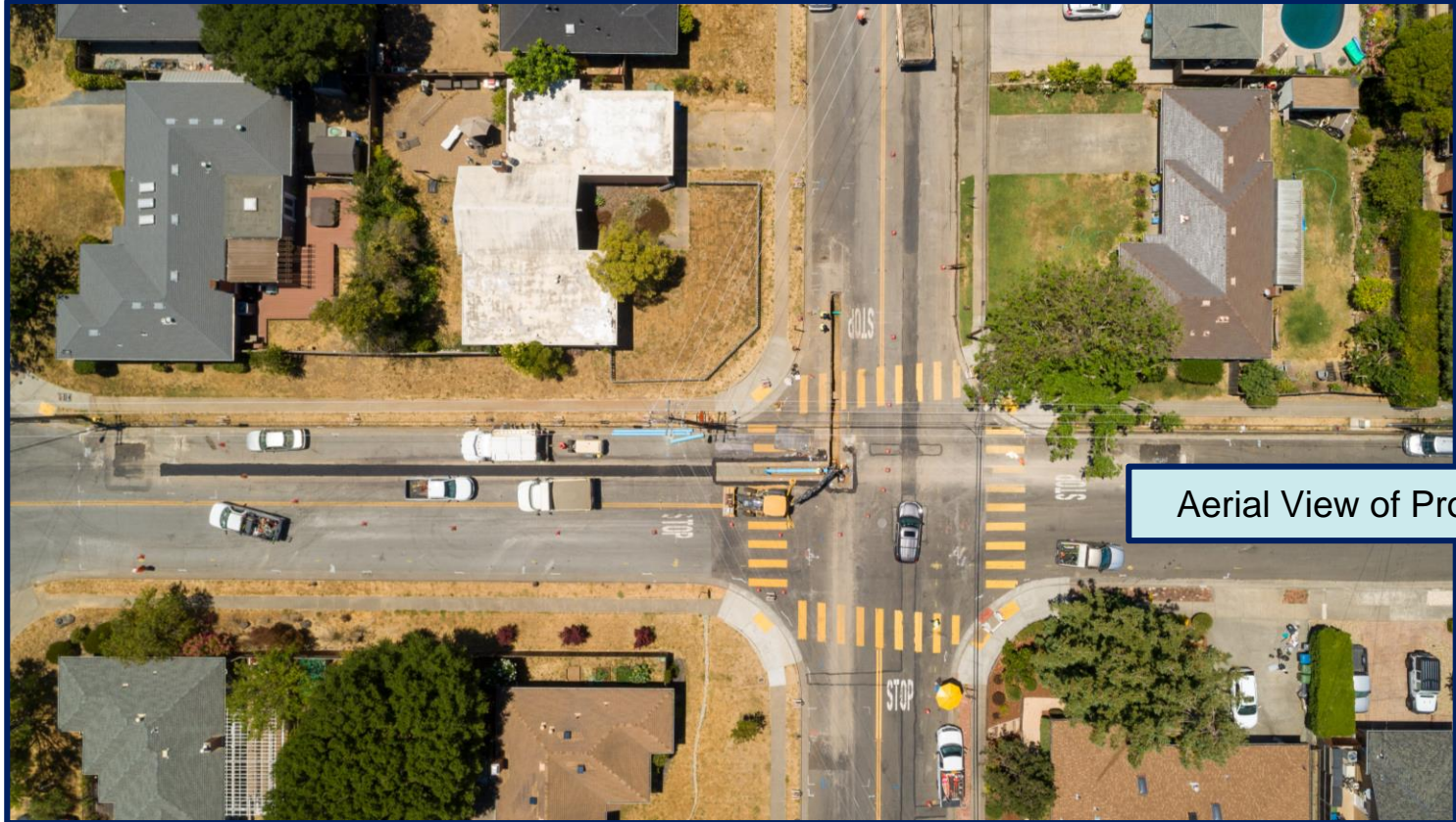
Project Summary and Location



Cont'd Project Summary and Location



Arthur Street Project Site



Aerial View of Project Site





Overview of Construction Activities

Field Investigation



Potholing Existing Sewer and Water



Sewer Cracked Above the Water Main



Preparing the Jobsite



Marking Out The New Alignment



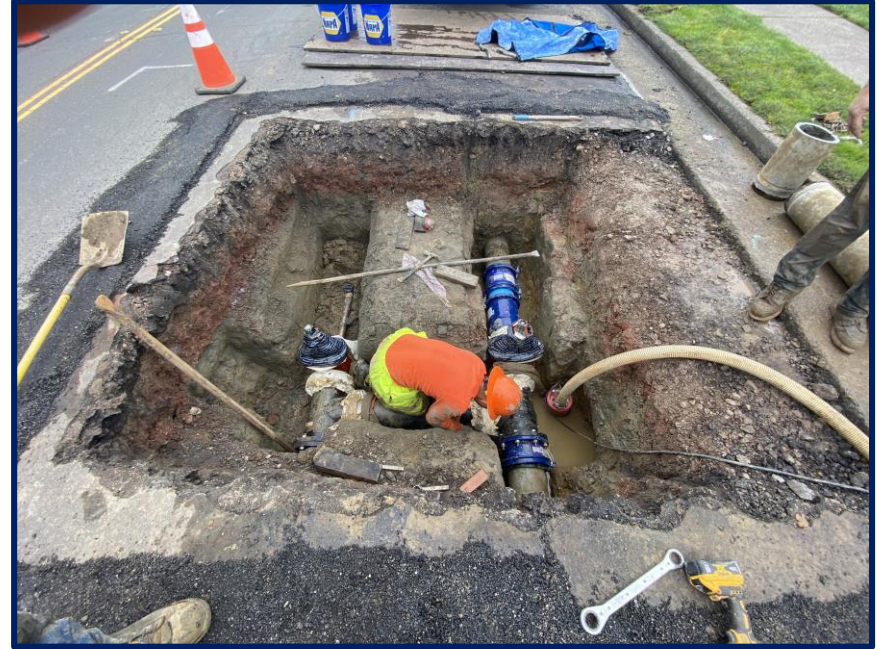
Saw Cutting The Trenches



Phase 1 Cut-In Valve Assembly



12" Cut-In Valve Assembly
Pre-Assembled



Installing Cut-In Assembly
for Isolating the Intersection



Phase 2a Installing 12" Water Mains



Lowering 12" PVC In Trench



Inserting 12" PVC Bell and Spigot



Phase 2b Installing 8" Water Mains



Installing 8" PVC on Cambridge St.



Disinfecting PVC Main With Chlorine



Upgrading Fire Protection



Outdated 4" Hydrant Main



New Hydrant with 6" Hydrant Main



Pipeline Testing



Chlorinating New Water Main



Pressure Testing New Water Main



Working Around Other Utilities



Installing 8" 45 Deg Elbows for Existing Storm Drain



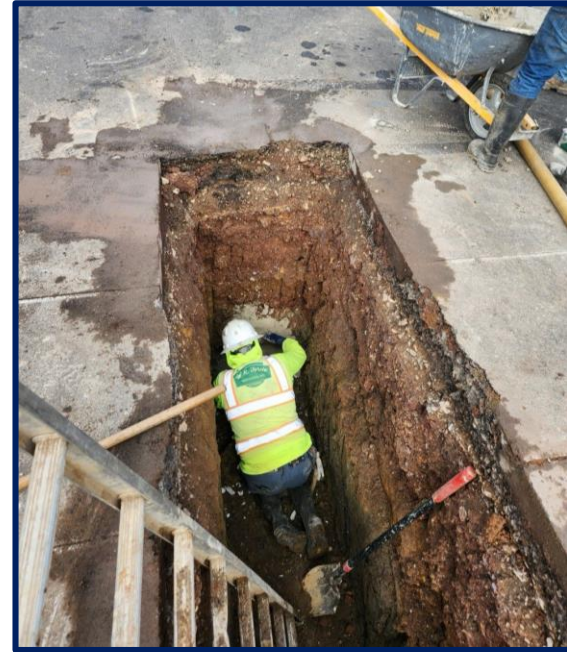
12" PVC Over Sewer, Under Storm Drain, Under Gas, and Match Existing Water Grade for Tie-In



Working With NSD Contractor W.R. Forde



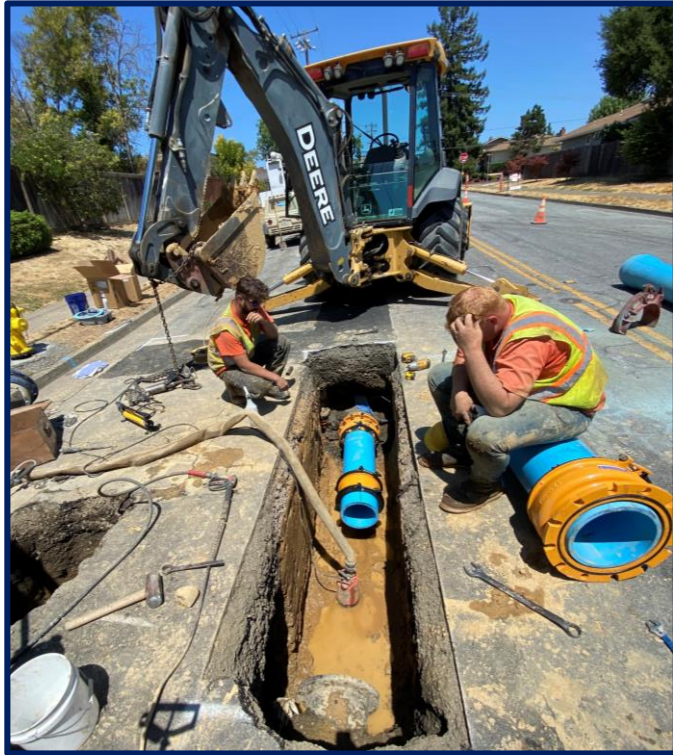
Abandoning Existing Water Main
for New Sewer Main



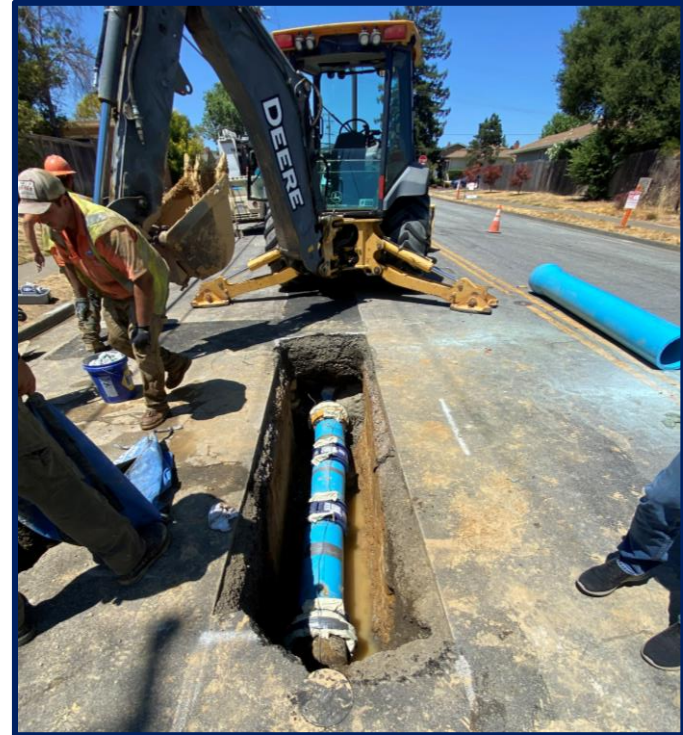
Abandoning Old Sewer main for
New Water Main



Having Problems? We Have Answers!



Encountering Alignment Issues



Finding Solutions



Traffic Control



Intersection of Arthur &
Cambridge



Trench Restoration



Before 8" Asphalt Plug



After 8" Asphalt Plug



Meet the Crew

Chris Medeiros
Utility Worker II



Brian Northen
Pipeline Foreman



Mario Rosas Rico
Utility Worker I



Danny McDonald
Heavy Equipment Operator



Kenny Johnson III
Utility Worker I



Questions?

9

**MEMORANDUM**

To: Board of Directors Date: December 3, 2024

From: Tony Williams, General Manager *TW*
Eileen Mulliner, Executive Assistant / District Secretary *EM*

Subject: Preliminary Board Meeting Calendar for 2025
t:\gm\bod memos 2024\12-3-24 meeting\bod calendar\bod memo prelim bod calendar.docx

RECOMMENDED ACTION: Information Only

FINANCIAL IMPACT: None at this time

A proposed Board of Directors Meeting schedule for calendar year 2025 is attached for review (Attachment 1). The Board has historically met twice a month on the first and third Tuesday of each month, however, for nearly twenty years, only one meeting was held for the month of July, generally resulting in twenty-three (23) meetings per year. The attached draft schedule, which proposes the continued practice of one Board meeting in July, also proposes only one meeting in January, September, and November. The one meeting in November which would normally be Tuesday and on Election Day, is proposed for the first Wednesday instead, at the request of the Directors at the November 5, 2024 meeting. There are at least three (3) additional meetings planned for 2025 for public workshops (Special Meetings) for Lynwood Pump Station Project, the West Marin Rate Study and the Novato Water System Master Plan Update, the exact timing for which is not currently established.

The proposed 2025 Board Meeting calendar, including three workshops described above, results in a total of 23 meetings scheduled or planned for year. It is also possible that additional meetings will be held beyond the 23 planned, as can happen from time to time. For example, in the last several years, the total number of Board meetings has exceeded 23 meetings: in 2021, 28 meetings were held; in 2022, 29 meetings were held, in 2023, 27 meetings were held. Historically various Ad-hoc Committees have been established for various District purposes and currently two Ad-hoc Committees are in place: Water Management Committee and West Marin Services Committee. In 2025, staff also plan to schedule meetings with these two Committees.

The preparation, coordination, review, and production of the District's Board Agenda packets falls primarily on two key staff, the Executive Assistant / District Secretary (EA/DS) and the General Manager (GM). The process is typically initiated two weeks prior to a scheduled meeting and typically requires daily actions and periodic coordination tasks culminating in the Board room setup and breakdown on the day of the meeting. In addition to the GM, other key staff including the Auditor-Controller and Assistant GM / Chief Engineer, are generally responsible

for developing and preparing Board Agenda memoranda and associated materials for a given Board meeting with support from their respective Department staff. However, other senior staff also develop and prepare Agenda memoranda for specific topics at various meetings. Every Board memorandum is reviewed by the EA/DS for formatting and grammar, and by the GM for content and context prior to finalizing the Agenda.

The primary rationale for the proposed meeting schedule with a reduced number of planned regular meetings is to allow additional time for the staff identified above to accomplish other important recurring or periodic tasks, regulatory requirements, long-term assignments or programs, as well as unique projects that historically arise sporadically or unexpectedly in any given year. Many of these needs are not currently being met for several reasons but primarily due to staff availability. Examples of needed tasks, assignments or projects include but are not limited to the following:

- Review and updates of the fifty-one (51) Board Policies (many have not been updated since 2013);
- Review and update of the thirty-seven (37) Staff Policies (there are currently several new ones in development);
- Revision or updates of key District administrative procedures, including the Records Retention Manual (2005) and the Board Manual (2017);
- Disposition of District Surplus Property (Novato and West Marin);
- Master Plan Updates and Other Plan Updates (these involve multiple staff¹):
 - Novato Water System Master Plan (2025)
 - West Marin Water System Master Plan (2026)
 - Oceana Marin Wastewater Master Plan (TBD)
 - 2025 Urban Water Management Plan (2025-26)
 - Stafford Watershed Sanitary Survey (2026)
 - Emergency Operations Plan Update (2025, Emergency Response Plan²)
 - Stafford Dam Emergency Action Plan Inundation Mapping Updates (2030);
- Addressing unplanned/extraordinary District actions, including LAFCo Boundary changes or Annexations, and large developments in the West Marin Service Area;
- West Marin Rate Study (2025).

For comparison, the following Special Districts in Marin County and similar regional public agencies hold Board meetings only once a month:

- Novato Sanitary District;
- Other Marin Sanitation Agencies:
 - Sewerage Agency of Southern Marin;
 - Sausalito-Marín City Sanitary District;
 - Sanitary District No. 5 (*no meeting in November*);
 - Central Marin Sanitation Agency;
 - Ross Valley Sanitary District;

¹ The General Manager and the Assistant GM/Chief Engineer represent half of the licensed engineers in the District; the Operations/Maintenance Superintendent is involved in the majority of the Plans listed.

² This is required by the EPA in accordance with America's Water Infrastructure Act of 2018 (AWIA) section 2013(b), which amended Safe Drinking Water Act (SDWA) section 1433(b).

- Novato Fire Protection District;
- Inverness Public Utility District;
- Valley of the Moon Water District.

There is no action recommended for this item at this meeting, but staff plans to include a formal schedule in the December 17th Agenda for approval by the Board. Any feedback from the Directors at the meeting is appreciated.

ATTACHMENTS

1. Preliminary Board Meeting Schedule for 2025

DRAFT
2025 SCHEDULE

NORTH MARIN WATER DISTRICT
BOARD OF DIRECTORS MEETINGS

MONTH	DATE	TIME
January	21	4:00 p.m.
February	4 18	4:00 p.m. 4:00 p.m.
March	4 18	4:00 p.m. 4:00 p.m.
April	1 15	4:00 p.m. 4:00 p.m.
May	6 20	4:00 p.m. 4:00 p.m.
June	3 17	4:00 p.m. 4:00 p.m.
July	15	4:00 p.m.
August	5 19	4:00 p.m. 4:00 p.m.
September	16	4:00 p.m.
October	7 21	4:00 p.m. 4:00 p.m.
November	5 (Wednesday)	4:00 p.m.
December	2 16	4:00 p.m. 4:00 p.m.

All Board meetings are typically held the first and third Tuesday of the month, or as indicated above, at the District's Office in Novato (and any others on an 'as-needed' basis).

If you would like information regarding agenda items, please contact District Secretary Eileen Mulliner at (415) 761-8921 or emulliner@nmwd.com.

10

DRAFT* MINUTES OF THE SPECIAL WATER ADVISORY COMMITTEE
AND
TECHNICAL ADVISORY COMMITTEE
Utilities Field Operations Training Center
35 Stony Point Road, Santa Rosa, CA
August 5, 2024

Attendees: Dan Herrera, City of Petaluma
Jon Shribbs, City of Petaluma
Matt Fullner, Valley of The Moon Water District
Jon Foreman, Valley of the Moon Water District (Joined meeting at 9:55 a.m.)
Jennifer Burke, City of Santa Rosa
Natalie Rogers, City of Santa Rosa
Eric Miller, North Marin Water District
Jack Baker, North Marin Water District
Grant Davis, Sonoma County Water Agency (SCWA or Sonoma Water)
Laura Sparks, City of Cotati
Craig Scott, City of Cotati
Ron Wellander, City of Sonoma
Mike Berger, City of Sonoma
Cristina Goulart, Town of Windsor
Sam Salmon, Town of Windsor
Emily Sanborn, City of Rohnert Park
Vanessa Garrett, City of Rohnert Park
Jed Smith, Marin Municipal Water District
Paul Sellier, Marin Municipal Water District
Michelle Montoya, City of Santa Rosa

Staff/Alternates: Paul Piazza, SCWA
Lynne Rosselli, SCWA
Don Seymour, SCWA
Dale Roberts, SCWA
Kent Gylfe, SCWA
Sasha Ponomareva, SCWA
Andrea Rodriguez, SCWA
Brad Sherwood, SCWA
Oriana Hart, City of Petaluma
Larry Russell, Marin Municipal Water District
Cortney Bowser, City of Rohnert Park
Peter Martin, City of Santa Rosa
Claire Nordlie, City of Santa Rosa
Lisa Cuellar, City of Santa Rosa

Public: Brenda Adelman, Russian River Watershed Protection
Don MacEnhill

1. Check In
Natalie Rogers, WAC Vice Chair, called the meeting to order at 9:05 a.m.
2. Public Comment
Jeb Smith, Marin Municipal, would like to encourage having a broad regional approach.

Believes each of our decisions can affect one another, and the more communication that can happen, the more understanding of each other's issues and the possibility of sharing resources.

3. Election of WAC Leadership

Natalie Rogers, WAC Vice Chair, reordered the agenda so that Item 3 – Election of WAC Leadership, would be the last item on the agenda.

Natalie Rogers, City of Santa Rosa, was nominated for WAC Chair. Moved by Ron Wellander, City of Sonoma, seconded by Emily Sanborn, City of Rohnert Park. Election of Natalie Rogers, City of Santa Rosa, as WAC Chair was unanimously approved.

Jon Foreman, Valley of the Moon Water District, was nominated for WAC Vice Chair. Moved by Jack Baker, North Marin Water District, seconded by Emily Sanborn, City of Rohnert Park. Election of Jon Foreman, Valley of the Moon Water District, was unanimously approved.

No public comment.

4. Recap from the May 6, 2024 WAC/TAC Meeting and Approval of Minutes

Moved by Sam Salmon, Town of Windsor, seconded by Jack Baker, North Marin Water District. Unanimously approved with Valley of the Moon Water District absent.

No public comment.

5. Recap from the July 1, 2024 TAC Meeting and Approval of Minutes (TAC)

Moved by Matt Fullner, Valley of the Moon Water District, seconded by Cristina Goulart, Town of Windsor. Unanimously approved.

No public comment.

6. Water Supply Coordination Council – July 22, 2024

The Water Supply Coordination Council met on July 22 and prepared today's agenda.

No public comment.

7. Sonoma Water Bond Credit Rating Update

Lynne Rosselli, SCWA, presented.

Sonoma Water issues revenue bonds to fund their capital improvement plan. The last time bonds were issued was in July 2022. To be able to issue the bonds, they must have third party credit rating. This credit rating helps to inform investors on how to do a competitive bid on the purchasing of these revenue bonds. In July 2022, they were rated as AAA stable. Credit agencies can do an annual credit check but one was not done in 2023. A credit check was done in July 2024. At that time, Sonoma Water's credit rating was downgraded from AAA stable to AA+ stable. The credit agency is looking at financial predictability and stability. The main metrics used to determine those two criteria are operating revenue minus operating expenses, and how much that is compared to their debit services that they need to pay. For the 2022 bonds, Sonoma Water had \$3.7 million in revenue bonds, and the debt service went up to roughly \$5 million. They had to have net revenues that were 115% of their debt services, which has been complied with every year. Due to the three years of drought, net revenues decreased to 126% from 270%. However, they are climbing up this past fiscal year with current net revenues around 145%. As a result of the fully volumetric rates, decrease in water sales, years of drought conditions, and increasing operations cost, Sonoma Water was downgraded to AA+ stable. All water and power utilities are facing downgrades due to reasons outside of their control including drought, inflation, supply change issues, increase in price of treatment

chemicals, and wildfires.

City of Sonoma asked with the downgrade in ratings, what is the impact.

Lynne Rosselli, SCWA, answered that you might see an increase in total interest costs of 5 to 10 points (estimated to be about \$10,000 annually).

Vanessa Garrett, City of Rohnert Park, asked if, with the downgrade in rating, it will be hard to get bonds issued for capital improvement projects or will it affect the issuing of bonds and if there are strategies to push credit ratings up.

Lynne Rosselli, SCWA, answered they do not anticipate any problems issuing bonds or getting a good interest rate with the AA+ rating. With the fully volumetric rate and the uncertainties in water deliveries, they will need to increase rates to increase revenue.

No public comment.

8. Water Supply Conditions and Temporary Urgency Change Order

Grant Davis, SCWA, presented.

Lake Sonoma storage is currently at 244,000 acre-ft and the control of releases has been transferred to Sonoma Water. The storage is now below the conservation pool for the first time, with the releases at 100 cubic-ft per second (cfs), with the reservoir declining at 240 acre-ft per day. Lake Mendocino storage is currently at 83,200 acre-ft, with releases at 190 cfs, with the reservoir declining at 280 acre-ft per day. PG& E continues to operate the Potter Valley Project in compliance with Federal Energy Regulatory Commission (FERC) and the approved variance. The current minimum releases into the east fork of the Russian River are 5 cfs. Currently managing flows into the Russian River in accordance with the State Board Order, which approved the Temporary Urgency Change Petition on June 6, 2024. The Order reduces the minimum instream flows in the upper Russian River from 185 cfs to 125 cfs and from 125 cfs to 70 cfs in the lower Russian River. That Order expires October 16, 2024.

Brenda Adelman asked how much extra water is kept in reservoirs when the water flow to the Russian River is cut almost in half. Would like to know how that helps us versus harming the Russian River watershed.

Grant Davis answered that the orders are designed with minimum stream flows for fisheries in mind.

Brenda Adelman shared that there has been no evidence of the flows helping the fish.

Grant Davis, SCWA, said that with ocean conditions and multiple year droughts, which also affect fish, there has been data showing that the stream flows and habitat maintenance has helped.

9. Sonoma Marin Saving Water Partnership (TAC)

a. 2024 Water Production Relative to 2013 Benchmark

Jennifer Burke, City of Santa Rosa, presented.

Total deliveries in June 2024 relative to 2013 are down 22% in overall water usage and are down 27% for the year-to-date.

No public comment.

b. Water Use Efficiency Messaging

Andrea Rodriguez, SCWA, presented.

August messages are focused on the water smart manual, landscape design templates, Water Smart plant labels, and Be Climate Ready With Garden Sense.

Master Gardens, "Greatest Care of Earth", at Sonoma County Fair promoted climate-ready landscape practices.

Jennifer Burke, City of Santa Rosa, shared that the display at the Sonoma County Fair was beautiful and believes it shows a great display of how to have a water efficient landscape.

No public comment.

10. Biological Opinion Status Update

Grant Davis, SCWA, presented.

Expecting new Biological Opinion at end of this month, with the target date the week of August 20, 2024.

Dry Creek Habitat Enhancement Project – The mile that is left has become elusive, as it is becoming more and more difficult to work with the private landowners. Had 14 miles to work with as a template, with 5 miles of restoration done. With the 6th mile becoming elusive, other forms of mitigation will be required.

Fish Monitoring and Maintenance – Downstream migrant traps were operated on Dry, Mill, Mark West, Green Valley, Dutch Bill, Austin, and Willow creeks. Currently the Dry Creek trap is the only trap still fishing. Due to safety concerns related to the current configuration of the stream channel, Sonoma Water is unable to operate the Mirabel trap on the mainstream Russian River. Dry Creek and Mill Creek are performing with Steelhead. Dutch Bill Creek is also showing a significant number of Coho.

Interim Flow Changes – On June 6, 2024, the Division of Water Rights issued an Order approving Sonoma Water's change petition which was required to be filed to comply with the 2008 Biological Opinion since the current hydrologic condition is normal.

Jennifer Burke, City of Santa Rosa, asked if there was an update on the fish flow environmental impact report (EIR).

Grant Davis, SCWA, said there is no update at this time.

Brenda Adelman asked if there will be a public process for the Biological Opinion and for the fish flow change EIR.

Grant Davis, SCWA, said that there will be a Public Policy Facilitation Committee meeting once the Biological Opinion is issued, they will look for the best time to conduct that meeting. Regarding the EIR, with all of the changes with the Potter Valley Project, it has affected how things will move forward.

Brenda Adelman said 95% of the time during the public meeting is used to give reports on what the agencies are doing and there is no encouragement of the public to comment or get their questions responded to.

11. Eel Russian Project Authority and Potter Valley Project Update

Grant Davis, SCWA, presented.

Seeing incremental process with the project, as PG&E needs to submit their draft license surrender application for the facilities, which includes the removal of two dams, next year. There is a lot of activity around how a new facility would function and how the construction of a new facility would be authorized. At this time, there is no Eel Russian Project Authority meeting scheduled. Looking to possibly have one later this year due to PG&E adding in Sonoma Water's proposal for a new facility. A \$2 million grant has been secured from the Bureau of Reclamation, which will take diversion facility design from 30% to 60%.

Congressman Huffman was instrumental in securing the funds.

Laure Sparks, City of Cotati, shared that the meeting with the Regional Director of the Bureau of Reclamation was really positive.

No public comment.

12. Integrated Regional Water Management Plan(s) Update

Grant Davis, SCWA, presented.

There are two integrated water management plans. The first is the nine county Bay Area Plan, which included \$20 million to get radars up and running, which Scripps in San Diego will be operating. The second is the Integrated Water Management Plan for the North Coast, which includes seven counties from Sonoma County to the Oregon border. This is an award winning project that continues to bring in funding to our counties, especially for

disadvantaged communities throughout the region. There is a proposed \$10 billion climate resiliency bond which includes funding for water and wastewater and habitat projects that we are well positioned for, which will help the State bring funding to the regional levels.

No public comment.

13. Communications Update

Andrea Rodriguez, SCWA, presented.

July was a quiet month, but hosted members of the Santa Rosa Water team for a transmission tour. Sonoma Water is celebrating its 75th anniversary. Sonoma Water is posting history on their website. Also hosted a stream gage and Dry Creek habitat tour for a Sacramento delegation which include guests from Assembly Water, Parks, and Wildlife Committee, California Water Data Consortium, Environmental Defense Fund, Legislative Analyst's Office, Senator Dodd's office, Speaker Rivas' office, and The Nature Conservancy. For public outreach, the Groundwater Sustainability Agencies are looking for volunteers for well monitoring. Sonoma Water is hosting the LandPaths tour at Lake Sonoma, which is a hatchery tour completely in Spanish.

No public comment.

14. Government Affairs Update

Brad Sherwood, SCWA, presented.

California Governor reduced the Climate Resiliency program funding by \$3 billion, which was funding we need. However, we were successful in hitting Associated of California Water Agencies (ACWA) Region 1 goals, which ensures funding for the Integrated Regional Water Management programming. This funding was not in the bond in earlier versions, so a big thanks to everyone at ACWA Region 1 who supported this funding. Funding for projects including the Potter Valley Project, recycled water, and sanitation. On the Federal side, there is a Continuing Resolution coming up again. Good news is our federal advocates have been making sure our appropriation requests are in the bills we need them in. This includes Army Corp maintenance, mussels, fish recovery, fire recovery work, and season to season forecasting. Senator Padilla has been an anchor for funding for season to season forecasting. One issue is the Army Corp budget, on the fire resiliency side, is not increasing their fire vegetation management budget. They have about half a million dollars per reservoir, which is not enough to do a proactive program. Working to increase that budget so more management work can happen. Sonoma Water is meeting with the water contractor's City Managers to meet with them and their leadership teams. Just had a meeting with City of Santa Rosa. This came from the realization that there was a need to help water contractors with educating their leadership teams and their communities. Helping Lake Sonoma to staff the visitors center. Had over 1,000 visitors last month, and over half of them came during the week.

Jed Smith, Marin Municipal Water District, asked how much coordination is done with the Marin government relations team.

Brad Sherwood, SCWA, answered that they probably did not coordinate enough with them.

Jed Smith, Marin Municipal Water District, said they will get it setup.

Jennifer Burke, City of Santa Rosa, said there was an ACWA board meeting last Friday and it was not the position of Board, but position of the State Legislative committee, to take a neutral position on the proposed climate bond. A lot of people did not show up to the State Legislative meeting, but as a reminder, it is important for people to come and voice their opinions. It is clear that ACWA will not be changing their position and will be remaining neutral. This bond will be a fight without their support behind it.

Brad Sherwood, SCWA, said they have signed on with other water agencies in support of the bond and is optimistic it will pass. Also, the National Association of Towns (NATO) is hosting a leadership summit which means that there will be around 600 county leaders from around the nation coming here. This will be hosted at Lake Sonoma, and the WAC

and TAC may want to send representatives to meet with everyone.

No public comment.

Moved back to Item 3 – Election of WAC Leadership.

15. Items for Next Agenda

Grant Davis, SCWA, requested that we place a formal acknowledgement on the agenda to thank Mike Healy for his service.

No public comment.

16. Check Out

Chair Rogers adjourned the meeting at 10:16 a.m.

DRAFT MINUTES OF TECHNICAL ADVISORY COMMITTEE
Utilities Field Operations Training Center
35 Stony Point Road, Santa Rosa, CA
October 7, 2024

Attendees: Oriana Hart, City of Petaluma
Matt Fullner, Valley of the Moon Water District
Peter Martin, City of Santa Rosa
Tony Williams, North Marin Water District
Craig Scott, City of Cotati
Mike Berger, City of Sonoma
Shannon Cotulla, Town of Windsor
Vanessa Garrett, City of Rohnert Park
Lucy Croy, Marin Municipal Water District
Michelle Montoya, City of Santa Rosa

Staff/Alternates: Don Seymour, Sonoma County Water Agency (SCWA)
Andrea Rodriguez, SCWA
Lynne Rosselli, SCWA
Dale Roberts, SCWA
Pam Jeane, SCWA
Paul Piazza, SCWA
Ryan Pedrotti, SCWA
Lisa Cuellar, City of Santa Rosa

Public: Duane DeWitt
Hollie Smith
Brenda Adelman, Russian River Watershed Protection Committee
Dick Dowd, Sonoma County Alliance

1. Check In
Vice Chair Matt Fuller called the meeting to order at 9:02 a.m.
2. Public Comment
Duane DeWitt congratulated on winning EPA water sense award. Shared about land purchased by Roseland Creek and that he would like to see it made into a riparian corridor.
3. Proclamation for Pam Jeane
Vice Chair Matt Fullner read aloud the proclamation for Pam Jeane.
Peter Martin, City of Santa Rosa, shared Jennifer Burke's appreciation for Pam Jeane and wished her all the best. Also, thanked her for all of her work outside of Sonoma Water.
Shannon Cotulla, Town of Windsor, shared his appreciation for Pam Jeane and shared her impact on the Town of Windsor.
Mike Berger, City of Sonoma, shared his appreciation for Pam Jeane and thanked her for all the knowledge she has shared.
Tony Williams, North Marin Water District, shared his thanks for all Pam Jeane has done.
Matt Fullner, Valley of the Moon Water District, shared his appreciation for Pam Jeane.
Brenda Adelman shared her appreciation for Pam in all their interactions throughout the years.
4. Recap from the September 9, 2024 TAC Meeting and Approval of Minutes
Moved by Craig Scott, seconded by Tony Williams. Unanimously approved.
No public comment.

5. Water Supply Conditions and Temporary Urgency Change Order
Don Seymour, SCWA, presented.
Starting water year off with great carryover storage. Lake Mendocino is a little over 61,000 acre-ft and Lake Sonoma is just under 230,000 acre-ft. The Temporary Urgency Change Order (Order) that was received in June expires October 15, 2024. A new Temporary Urgency Change Petition (TUCP) was submitted to the State Water Resources Control Board (State Water Board) in August that asks to use the storage level at Lake Mendocino to determine the water supply conditions. It is expected that the State Water Board will issue a response to the TUCP soon. Water storage levels, as well as Decision 1610, will keep us in normal water supply conditions. When the Order expires on October 15, 2024, the minimum stream flows in the upper Russian River will increase from 125 cubic feet per second (cfs) to 150 cfs and on the lower Russian River from 70 cfs. To 125 cfs.
No public comment.

6. Sonoma Marin Saving Water Partnership
 - a. 2024 Water Production Relative to 2013 Benchmark
Matt Fullner, Valley of the Moon Water District, presented.
August 2024 compared to 2013 shows that the partnership has saved 18%, with the year-to-date showing a 24% savings.

 - b. Water Use Efficiency Messaging
Andrea Rodriguez, SCWA, presented.
The Sonoma-Marín Saving Water Partnership was honored with three EPA WaterSense awards this year including one as a Promotional Partner, one for the Qualified Water Efficient Landscaper program, and the Smart Water Technologies 2024 Outstanding Industry Partnership award. There is a call for gardens for the 2025 Eco-Friendly Garden Tour. Wrapped up summer campaign in September. Using NextDoor was a big hit this summer. Website has been updated to include Smart Plant picker.
No public comment.

7. Biological Opinion Status Update
Pam Jeane, SCWA, presented.
Dry Creek Habitat Enhancement Project – Work through Phase V completed, with Phase VI in the final stages of design. With Phase VI, the right of way is still a challenge, with 50% of the offers to landowners still outstanding.
Habitat Monitoring and Maintenance - There is a lot of monitoring and maintenance out on the project sites, with the 2024 effective monitoring taking place to make sure the habitat is remaining and the value of that habitat. Also working on getting long term permits for maintenance of the sites once constructed. Working to remove sediment from one of the sites that was completed which should be done in October.
Public Outreach – Annual Biological Opinion meeting will be held once new Biological Opinion is issued.
Fish Monitoring – Camera in place at the fish ladder at Mirabel Dam. Saw the first Chinook on September 16, 2024. Expect to see more fish moving up once we are out of the high-pressure system.
Russian River Estuary Management Project – Mouth of Russian River is open. Laguna Management period for the estuary ends in a week.
New Biological Opinion – This should hopefully be out by end of year.
No public comment.

8. Eel Russian Project Authority and Potter Valley Project Update
Pam Jeane, SCWA, presented.
PG&E is in the process of developing their draft license surrender application and decommissioning plan. Draft will be available to public in January 2025 for public

comments. Final plan is due to the Federal Energy Regulatory Commission (FERC) at the end of July 2025, which will be the official filing. Sonoma Water is working with PG&E to make sure the information that is included in the application is accurate and reflects the new Eel - Russian facility as it is envisioned today. The facility is at about a 25% design. There is still one piece of the Department of Water Resources grant being worked on which is the water resource assessment in Potter Valley. The last piece of this includes placement of monitoring wells. The grant will close out at the end of December, but between now and then, there will be a meeting with the residents in Potter Valley to share the results of what is found out regarding the water resources in the valley.

No public comment.

9. **Communications Update**

Andrea Rodriguez, SCWA, presented.

Two fun projects to highlight from September. First, the Kastania Tank project was completed and, second, the Washington Creek Channel infrastructure reinforcement project is now underway in Petaluma, which includes the retaining wall fix. Water Professional Week this week. Press release in September for the approval of the local Hazard Mitigation Plan. Later this month there will be 30 water engineers from Brazil coming to see the water system. Tomorrow at the Board of Supervisors meeting there will be a gold resolution for Sonoma Water's 75th anniversary.

Matt Fullner, Valley of the Moon Water District, asked if Brazil was operating Ranney collectors.

Andrea Rodriguez, SCWA, answered that she was unsure.

No public comment.

10. **Community and Employee Engagement**

Ryan Pedrotti, SCWA, presented.

The Water Supply public tour that took place on June 1, 2024 had 22 participants. There are upcoming tours planned: on November 16, 2024 there will be a Water Supply public tour, on June 22, 2025 there will be a Spanish Water Supply tour, and a Russian River County Sanitation District (RRCSD) tour on September 21, 2025. Sonoma Water has been engaging teachers with workshops including a Climate Change workshop. Wohler Bridge is under seismic construction, which has provided logistical challenges for their engagement program. The 23/24 school year saw over 16,000 students participate in classroom lessons or field trip programs. The Pathways Program funding allows for environmental education experiences for all Sonoma County students. Lake Sonoma visitors center saw over 1000 visitors in September 2024. On the employee engagement side, new and existing employees are given the opportunity to see facilities and water systems. The County is working on an employee opinion survey, in conjunction with the County Office of Equity.

No public comment.

11. **Government Affairs Update**

Brad Sherwood, SCWA, presented.

Sonoma Water went to DC two weeks ago due to the staff changes on various committees. They met on fire prevention, Subseasonal to seasonal (S2S), forecast informed reservoir operations (FIRO), and atmospheric rivers. National Organization of Counties (NACO) is supporting everything we are doing. Supervisor James Gore is president of NACO this year. On October 30, 2024 the Association of California Water Agencies (ACWA) Region 1 event will be held in Marin. In terms of community engagement, Sonoma Water is working with Supervisor Hopkins who has opened up a West County service center, and Sonoma Water is looking to host community hours so that people have someone to talk to face to face.

No public comment.

12. Items for Next Agenda
None.

13. Check Out
Matt Fullner, TAC Vice Chair, adjourned the meeting at 9:45 a.m.

11

North Bay Watershed Association Board Meeting - Agenda

November 8, 2024 | 9:30 – 11:30 a.m.

**MEETING WILL BE HELD AT THE
Ross Valley Sanitary District
1111 Andersen Dr
San Rafael, CA 94901**

For those wishing to attend virtually

Join Zoom Meeting:

<https://us02web.zoom.us/j/81630673971?pwd=dm94TXJCRWMyWFBLc3U5V2pTSMNRZ09>

Webinar ID : 816 3067 3971 Password : 216460

Agenda and materials will be available the day of the meeting at: www.nbwatershed.org

AGENDA

Time	Agenda Item	Proposed Action
9:30	Welcome and Call to Order – Roll Call and Introductions <i>Jean Mariani, Chair</i>	<i>N/A</i>
9:35	General Public Comments This time is reserved for the public to address the Committee about matters NOT on the agenda and within the jurisdiction of the Committee.	<i>N/A</i>
9:40	Agenda and Past Meeting Minutes Review <i>Jean Mariani, Chair</i> Treasure's Reports <i>Jean Mariani, Chair</i>	<i>Approve/ Review</i> <i>Accept</i>
9:45	Guest Presentation — From Seed to Sapling: The Evolution of Napa RCD's Forest Health Program <i>Ali (Alison) Blodorn, Ph.D. Principal Program Manager, Forest Health, Napa RCD</i> Ali Blodorn will provide an overview of Napa RCD's Forest Health Program, which emerged in response to community need following the 2017 wine country fires. Ali will touch on how the program has grown over time, the role that Napa RCD currently plays supporting forest health and fire resilience priorities within the county and across broader region, and forward-looking strategic priorities.	<i>Presentation slides</i>

10:15	<p>Consider NBWA Reserves Policy <i>Andy Rodgers, Executive Director</i></p> <p>Review and consider modifications, staff direction, or adoption of policy for Agency financial reserves.</p>	<i>Approve</i>
10:30	<p>Executive Director Report <i>Andy Rodgers, Executive Director</i></p> <p>Andy will provide updates on activities since the October 4 Board meeting, including active projects such as Small Grants and Scholarship Program, recent meetings, regional programs and initiatives, communications, and committees.</p> <p>Andy will outline ideas for next and future Board meeting topics and solicit feedback.</p>	<i>ED updates, Board questions, and input</i>
11:00	<p>Board Information Exchange <i>Members</i></p> <p>Members will highlight issues and share items of interest.</p>	<i>N/A</i>
11:30	<p>Announcements/Adjourn Next Board Meeting: December 6</p>	<i>N/A</i>

12

DISBURSEMENTS - DATED NOVEMBER 7, 2024

Date Prepared 11/4/24

The following demands made against the District are listed for approval and authorization for payment in accordance with Section 31302 of the California Water Code, being a part of the California Water District Law:

Seq	Payable To	For	Amount
90779*	Amazon Invoices	Kitchen Supplies, Sliding Gate Part, Computer Supplies, Office Supplies, Cordless Vacuum, Reducing Couplings (10) & Plumbing Supplies	\$740.09
1	Alpha Analytical Labs	Lab Testing	2,642.00
2	Automation Direct	Analog Input Modules (2)	356.97
3	Backflow Distributors	Replacement Double Check Detector Assembly (Hamilton Hud Parcel)	4,103.78
4	Bio-Acoustical Corporation	Annual Hearing Tests	800.00
5	Buck's Saw Service	Service Parts for Maintenance Tools	5.95
6	CD & Power	Replacement Generator	87,809.37
7	Comcast	November Internet Services (Wood Hollow)	364.81
8	Consolidated CM	Prog Pymt#42: Construction Management Services for Admin Building Renovation Project (Balance Remaining on Contract \$33,446)	40,646.50
9	Core & Main	Bolts & Nuts (40) (\$857), Couplings (12) (\$6,219), Meter Spuds (40) (\$651), Traffic Boxes (3) & Nipples (2)	8,310.99
10	C.W.S. Construction Group, Inc	Refund Excess Advance Over Actual Construction Job Costs-Hen House	25,637.89
11	Diesel Direct West	Gasoline (750 gal)	2,939.60
12	Electrical Equipment Co	Spare Motor Starter for Emergencies	1,229.66
13	ERS Industrial Services Inc	Manway Lid & Gaskets (Garner Hydro)	1,370.00
14	Ferguson Waterworks	Meter Registers (41) (\$8,618) & Antenna	8,823.22
15	Fike, William	Exp Reimb: Safety Boots	391.11

Seq	Payable To	For	Amount
16	GHD Inc.	Prog Pymt#2: Construction Management Services for Crest Pump Station Project (\$7,864) (Bal Rem on Contract \$93,771) & Prog Pymt#16: GIS Conversion to ESRI & Mapping Support (\$1,070) (Bal Rem on Contract \$44)	8,934.16
17	Grainger	Strut Channels (2) (\$372), Hole Saw Kit (\$383), Safety Gloves (2,100) (\$478), Miscellaneous Maintenance Tools & Supplies	3,218.16
18	HERC Rentals Inc.	Generator (1 Month) (\$3,471) & Lift Rental for STP Lights (10/7/24-10/29/24) (\$996)	4,466.86
19	Home Depot	LED Tubes (7)	1,408.14
20	Kiosk Creative LLC	September Marketing Communication & Outreach Services (Balance Remaining on Contract \$58,728)	5,632.57
21	McLellan Co, WK	Misc Paving	7,674.63
22	McLaren, Anna	Refund Excess Advance Over Actual Job Cost	8,807.12
23	McMaster-Carr Supply Co	Battery Terminal Connectors (8), Battery Terminal Crimper (\$347), Charging Cables (3), & Strut Channels (36)	664.35
24	NorCal Pump & Well Drilling	Supply and Install New Pump Components - Gallagher Well #2	19,608.92
25	Novato Sanitary District	August 2024 RW Operating Expense (\$38,769) & Annual Billing Yard/Office Sewer Charge (\$2,875)	41,643.96
26	Pace Supply	Gripper Plug (O.M. Pond Rehab), Traffic Bolt Down Lids (2), Elbows (4) (\$1,233) & Accessory Sets (8) (\$1,676)	3,061.68
27	Pollard Water	Curb Key	59.07
28	Redwood Health Services, Inc.	October 2024 Dental Claims & Fees Expense	7,855.13
29	Soiland Co., Inc.	Rock (142 yds) (\$4,572) & Asphalt Recycling (24 yds) (\$896)	5,467.96
30	Sonoma County Tree Experts Inc.	Remove Dead Tree-San Andreas Pump Station	1,150.00

DISBURSEMENTS - DATED NOVEMBER 14, 2024

Date Prepared 11/12/24

The following demands made against the District are listed for approval and authorization for payment in accordance with Section 31302 of the California Water Code, being a part of the California Water District Law:

Seq	Payable To	For	Amount
P/R*	Employees	Net Payroll PPE 10/31/24	\$203,070.57
90783*	Internal Revenue Service	Federal & FICA Taxes PPE 10/31/24	87,563.98
90784*	State of California	State Taxes & SDI PPE 10/31/24	22,160.61
90785*	CalPERS	Pension Contribution PPE 10/31/24	55,110.46
90780*	CalPERS	November 2024 Health Insurance Premium (Employer \$56,256, Retirees \$13,803 & Employees \$7,589)	77,647.81
90782*	Nationwide	Deferred Compensation PPE 10/31/24	16,166.03
90781*	Nationwide	Deferred Compensation 10/31/24 401A Match	2,834.95
1	Alameda Electrical Dist. Inc	Electric Supplies for Bahia Hydropneumatic System Replacement	185.66
2	All Star Rents	Propane (33 Gal)	160.29
3	Alpha Analytical Labs	Lab Testing (W.M. & Novato)	1,948.00
4	American Water Works Assoc	Membership Renewals (Williams, Pearlman, Miller, Clark, Corda & Ramudo)	5,020.00
5		Retiree Exp Reimb (Nov Health Ins)	1,417.18
6	AT&T	Telephone, Fax, Leased Lines & Data	228.04
7	Backflow Distributors	Replacement Gate Valve (Hamilton Hud Parcel)	1,457.67
8	Bank of Marin	Bank of Marin Principal & Interest (Pyemt#157 of 240) Aqueduct Energy Efficiency Project	46,066.67
9	Bearings & Hydraulics	Service Parts ('04 Backhoe)	518.85
10		Retiree Exp Reimb (Nov Health Ins)	488.01
11		Retiree Exp Reimb (Nov Health Ins)	548.98


Seq	Payable To	For	Amount
12	Chase Receivables	Collection Fees	439.03
13		Retiree Exp Reimb (Nov Health Ins)	548.98
14	Comcast	November Internet Services (1250 Lynwood Dr)	212.81
15	Comcast	November Phone Services (Wood Hollow, Buck Inst., Yard & STP)	1,544.51
16	Comcast	November Internet (Yard)	1,573.35
17	Core & Main	6" Couplings (17) (\$6,622) & Nipples (13) (\$313)	6,935.70
18	CSW/Stuber-Stroeh Engineering	Prog Pymt#1: Hamilton Homeward Bound Project (Balance Remaining on as needed Contract \$47,124)	12,876.00
19	Cummings Trucking	Rock (235 yds) (\$4,039) & Sand Deliveries (46 yds) (\$1,109)	5,148.20
20	DataTree	October Subscription to Parcel Data Information	100.00
21	Diesel Direct West	Diesel (878 gal) (\$4,304) & Gasoline (262 gal) (\$1,035)	5,339.96
22	Direct Line Inc	October Telephone Answering Service	220.24
23	Enterprise FM Trust	Monthly Leases for Nissan Rogue, Nissan Frontier, F-150's (7), F-250's (4), Ford Rangers (6), Chevy Bolts (2), Chevy Colorado & Nissan Leaf	13,297.55
24	ETS	Prog Pymt#4: Environmental Testing Services - Primary Filter Basin Improvement Project (Bal Rem on as needed Contract \$5,465)	795.00
25	Fiserv/Bastogne Inc.	Refund Unable to Locate Account	173.64
26	Friedman's Home Improvement	Junction Boxes (2) (O.M. Pond Rehab), Miscellaneous Maintenance Tools & Supplies	708.45
27	Frontier Communications	Leased Lines	1,689.06
28	Frontier Communications	November Internet (STP)	640.00
29	Grainger	Circuit Breaker Enclosures (\$354), Miscellaneous Maintenance Tools & Supplies	813.13
30	HERC Rentals Inc.	Generator Rental (10/19/24-11/1/24)	2,481.43

Seq	Payable To	For	Amount
31		Retiree Exp Reimb (Nov Health Ins)	548.98
32		Retiree Exp Reimb (Nov Health Ins)	548.98
33		Retiree Exp Reimb (Nov Health Ins)	1,417.18
34	Lincoln Life Employer Serv	Deferred Compensation PPE 10/31/24	9,950.94
35	MacArthurCo	Aquatapoxy (2 gal)	414.05
36		Retiree Exp Reimb (Nov Health Ins)	548.98
37	Marin Landscape Materials	Backfill (17 yds) (Hayden Pressure Tank) (\$1,402), Qwik Mix (42 bags) (\$406) & Fill Sand	1,869.24
38	Marin County Ford	Service Parts ('22 Ford Ranger, '17 F350, '15 F250, '12 F250)	946.00
39	McMaster-Carr Supply Co	Steel Bars (2)	99.56
40	Metrohm USA, Inc.	Service Parts for Ion Chromatography Equipment (Lab)	643.79
41	Miller Pacific Engineering	Geotechnical Services -Prog Pymt#17:Cherry Hill Wall Replacement (\$2,333) & Prog Pymt#18: Admin & Lab Upgrade Project (\$8,303) (Balance Remaining on as needed Contract \$14,420)	10,635.78
42	Moore, Mary L.	Novato "Cash for Grass" Rebate Program	800.00
43	Nave Motors	Smog Checks ('99 F350 & '15 F150)	146.75
44	North Marin Auto Parts	Ceramic Silicone (10) (\$304), Miscellaneous Maintenance Tools & Supplies	1,422.49
45	North Bay Gas	Acetylene, Oxygen (Const) & Nitrogen (STP)	187.11
46	Novato Builders Supply	Wedge Anchor & Construction Supplies for Hayden Pressure Tank Pit Replacement (\$425)	562.08
47	Pacific Coast Cutters	Saw Cutting Services (Hamilton Homeward Bound Recycled Water Main Extension)	1,165.00
48	Pape Machinery Inc.	Service Parts ('09 JD Backhoe)	455.00
49	Parkinson Accounting Systems	October Accounting Software Support	438.75
50	Peterson Trucks	Opacity Test ('06 Int'l 4300) & Service Parts ('06 Int'l 4300, '21 Int'l 5 Yd Dump Truck-\$620)	1,012.43


Seq	Payable To	For	Amount
51	Pacific Gas & Electric Co	Power: Build/Yard (\$3,387), Other (\$309), Pumping (\$72,864), Rect/Cont (\$666) & TP (\$139)	77,365.47
52	Pini Hardware	Miscellaneous Maintenance Tools & Supplies	619.20
53	Point Reyes Prop Mgmt Assn	November HOA Fees (25 Giacomini Rd)	75.05
54	Pollard Water	Meter Pit Pumps (4)	377.71
55	Recology Sonoma Marin	October Trash Removal	662.98
56		Retiree Exp Reimb (Nov Health Ins)	548.98
57	Scott Technology Group	October Monthly Maintenance on Engineering, Admin Copiers & Contract Overage	408.71
58	Soiland Co., Inc.	Rock (16 yds)	517.92
59	Sonoma County Water Agency	Conservation Support Program (7/1/24-9/30/24)	1,114.40
60	SPG Solar Facility XII, LLC	October Energy Delivered Under Solar Services Agreement	12,062.70
61	Township Building Services	October Janitorial Services (Yard - \$1,198 & STP - \$381)	1,579.21
62	Unicorn Group	Water Quality Reports - Novato (\$563) and West Marin & West Marin Fact Sheets (20)	752.20
63	United Parcel Service	Delivery Services: Sent Backflow Test Kit Out for Calibration	22.53
64	Verizon Wireless	Cellular Charges	1,615.35
65	Verizon Wireless	SCADA & AMI Collectors (\$650)	1,117.28
66	Watkins, Jeff	Exp Reimb: Replacement Dryer Parts for Yard	64.03
67	West Coast Energy Systems	Quarterly Inspection for STP (\$1,559) & O.M. (\$845) Standby Generators	2,404.07
68	White & Prescott	Prog Pymt#48: Majauskas Water Line Easement (Balance Remaining on as needed Contract \$20,675)	315.00
69	Winterhalder, Paul	Refund Overpayment on Open Account	3,166.00
70	Yang, An	Novato "Cash for Grass" Rebate Program	1,000.00

Seq	Payable To	For	Amount
71	ZORO	Multipurpose Grease (2) & Cleaning Cloths (24)	200.70
72	Zunino, Tom & Gail	Refund Security Deposit on Hydrant Meter Less Final Bill	702.77
TOTAL DISBURSEMENTS			<u>718,636.15</u>

The foregoing payroll and accounts payable vouchers totaling \$718,636.15 are hereby approved and authorized for payment.


11/12/24

 Auditor-Controller Date


11/12/24

 General Manager Date

DISBURSEMENTS - DATED NOVEMBER 21, 2024

Date Prepared 11/18/24

The following demands made against the District are listed for approval and authorization for payment in accordance with Section 31302 of the California Water Code, being a part of the California Water District Law:

Seq	Payable To	For	Amount
90786*	US Bank Card	Jr. Engineering (\$1,998), Asst Water Dist & TP Operator (\$1,527) Job Postings, Internet for PRTP & Gallagher Well #2, Zoom for Board Meetings, CSMFO Conf Regist (\$565), Airfare for FSR Conference (\$570), Microsoft Monthly Subscriptions, Sympathy Flowers, Computer Supplies (\$618), 941 & DE-9 Filings, Dep for Holiday Lunch (\$1,362), Chain Saw Parts & Handle Kit Assembly (STP) (\$342)	\$7,792.30
90787*	Amazon Invoices	Electrical Supplies, Bollard Covers (9) (\$603), Office & Kitchen Supplies	906.18
1	Alpha Analytical Labs	Lab Testing	76.00
2	AT&T	Leased Lines	63.14
3	Bobcat of Santa Rosa	Bobcat Parts	131.15
4	Boucher Law, PC	July Legal & Law Matters (7/1/24-7/31/24)	1,726.73
5	Comcast	November Internet (Buck Inst)	359.81
6	D.L. Falk Construction, Inc.	Prog Pymt#27: Perform NMWD Admin & Lab Building Upgrades (Balance Remaining on Contract \$655,252)	138,678.45
7	D.L. Falk Const. Escrow Acct	5% Retainer: DL Falk Construction-CA Bank of Commerce-Admin Bldg & Lab Upgrade	7,298.87
8	Fiserv/Bastogne Inc.	Refund Unable to Locate	181.32
9	Freyer & Laureta, Inc.	Prog Pymt#25: Engineering & Design Services for Lynwood Pump Station (\$5,177) (Balance Remaining on Contract \$101,122), Prog Pymt#8: (\$1,911) & Prog Pymt#9: (\$906) Consulting for 2024 Master Plan Update (Balance Remaining on Contract \$375,405)	7,994.00
10	Grainger	Bungee Cord (100')	90.15

Seq	Payable To	For	Amount
11	HERC Rentals Inc.	Lift Rental for Admin Roof Bldg Work (10/14/24-11/6/24) (\$2,496) & Plate Compactor Rental (10/17/24-11/5/24) (\$1,203)	3,699.22
12	InfoSend, Inc.	October Processing Fee for Water Bills (\$1,287), Postage (\$4,547) & October Monthly Support Fee (\$1,071)	6,904.63
13	Kleen Industrial Services	Filter Garnet Gravel (2 yds) (STP Primary Filter Basin Improvement Project)	3,765.49
14	Lamont, Carol	Novato "Washer Rebate" Program	75.00
15	McPhail Fuel Company	Propane Tank Lease (25 Giacomini Rd)	64.95
16	Melancon, Mark	Novato "Rainwater Harvesting" Rebate Program	75.00
17	Novato, City of	Encroachment Permit (12 Laurie Ct)	727.86
18	ODP Business Solutions, LLC	Computer (\$318) & Miscellaneous Office Supplies	656.55
19	Pace Supply	Bell Restrainers (10) (\$2,300), Couplings (56) (\$3,211), Electrical Lids (5) (\$691) (Oceana Marin Rehab Phase 2 Const.), Service Saddles (4) (\$637) & Plugs (20)	6,914.25
20	RS Home Improvement, LLC	Reissue Check-Original Lost in Mail (Refund Excess Advance Over Actual Job Cost)	4,930.00
21	Sansone, Rosanna	Novato "Washer Rebate" Program	75.00
22	Sonoma County Water Agency	October Contract Water	1,040,950.48
23	US Bank	October Safekeeping Treasury Securities	215.50
24	Waste Management	Waste Disposal (Tree Debris from STP-\$704)	788.59
		TOTAL DISBURSEMENTS	<u>\$1,235,140.62</u>

The foregoing payroll and accounts payable vouchers totaling \$1,235,140.62 are hereby approved and authorized for payment.

Nancy Willemsen for J. Blue 11/18/24
 Auditor-Controller Date

[Signature] 11/18/24
 General Manager Date

DISBURSEMENTS - DATED NOVEMBER 27, 2024

Date Prepared 11/25/24

The following demands made against the District are listed for approval and authorization for payment in accordance with Section 31302 of the California Water Code, being a part of the California Water District Law:


Seq	Payable To	For	Amount
P/R*	Employees	Net Payroll PPE 11/15/24	\$199,044.06
90788*	Internal Revenue Service	Federal & FICA Taxes PPE 11/15/24	84,170.81
90789*	State of California	State Taxes & SDI PPE 11/15/24	21,606.41
90790*	CalPERS	Pension Contribution PPE 11/15/24	54,446.06
90791*	Nationwide	Deferred Compensation PPE 11/15/24	16,341.96
90792*	Nationwide	Deferred Compensation 11/15/24 401A Match	2,877.65
EFT*	US Bank	October Bank Analysis Charge (Lockbox \$912 & Other \$1,655 Less Interest \$1,467)	1,100.10
1	100 Wood Hollow Drive Owner	December 2024 Rent for Wood Hollow	44,602.82
2	ACI Payments Inc.	Refund-Not Our Account	125.30
3	Alameda Electrical Distrib. Inc.	PVC Elbows (20) (Dam Piezometer Automation)	115.85
4	American Family Life Ins	November 2024 Employee Paid Benefit	4,070.55
5	Associated Right of Way Services	Prog Pymt#16: Valuation Services for Lynwood Pump Station (Balance Remaining on Contract \$35,178)	287.50
6	Barksdale, Alia	Novato "Toilet Rebate" Program	100.00
7	Bay Alarm Company	Fire Alarm Monitoring Fee (Admin Building) (11/4/24-2/28/25)	643.50
8	Bold & Polisner	October Legal Fees-General (\$2,003) & NMWD Portion Potter Valley FERC (\$315)	2,317.50
9	Breit, Adam	Exp Reimb: Safety Boots	355.52
10	Buck Institute for Research on Aging	December 2024 Rent for Lab Space @ Buck Institute	13,584.00


Seq	Payable To	For	Amount
11	CA Dept of Tax and Fee Admin.	Water Rights Fees (7/1/24-6/30/25)	3,387.41
12	C.J. Brown & Company, CPAs	October Progress Billing Financial Statement Audit FY23-24	2,900.00
13	Consolidated CM	Prog Pymt#43: Construction Management Services for Admin Building Renovation Project (Balance Remaining on Contract \$105,664)	27,782.36
14	Ditch Witch West	Service Parts ('19 Ditch Witch)	26.41
15		Unused funds from Clipper Direct - Employee Paid Benefit	450.00
16	Ferguson Waterworks	Box Lids (40) (\$4,080), 5/8" (100) (\$21,288) & 1" (40) (\$8,515) Meter Registers	33,882.38
17	Fisher Scientific	Ion Chromatography Standard (Lab)	204.92
18	Frazier, Thomas	Refund Overpayment on Closed Account	195.00
19	GHD Inc.	Prog Pymt#3: Construction Management Services for Crest Pump Station Project (\$18,471) (Balance Remaining on Contract \$75,300) & Prog Pymt#17: GIS Conversion to ESRI & Mapping Support (\$2,063) (Balance Remaining on Contract \$7,981)	20,533.77
20	Grainger	Saw Blades (53) (\$880), Pipe Cement/Supplies (\$347), Automotive Tools (\$402), Construction Film (2) (\$464), Miscellaneous Maintenance Tools & Supplies	4,071.86
21	Kaiser Foundation Health Plan	DMV/DOT Physicals (Reed & LeBrun)	230.00
22	Kiosk Creative LLC	October Marketing Communication & Outreach Services (Balance Remaining on Contract \$53,124)	5,604.01
23	Larsen, Jim	Novato "Toilet Rebate" Program	100.00
24	Lemos, James	Exp Reimb: Water Treatment Course for D3 Certification	349.99
25	Lincoln Life Employer Serv	Deferred Compensation 11/15/24	9,899.37
26	Maggiora & Ghilotti	Prog Pymt#4: Crest Pump Station Project (Balance Remaining on Contract \$1,228,757)	100,358.00

Seq	Payable To	For	Amount
27	County of Marin	Encroachment Permit (40 Third Street-Pt. Reyes Station)	736.20
28	McLellan Co, WK	Misc Paving	46,015.17
29	McMaster-Carr Supply Co	Miscellaneous Plugs (40)	109.22
30	Noll & Tam Architects	Prog Pymt#40: (\$16,671) & Prog Pymt#41: (\$16,310) Architecture & Engineering Services for Admin Headquarters Upgrade (Balance Remaining on Contract \$54,931)	32,981.00
31	Nommsen, Jessica	Unused funds from Clipper Direct - Employee Paid Benefit (\$40) & Exp Reimb: Water Treatment II Exam Fee lab	106.79
32	Northen, Brian	Exp Reimb: Safety Boots	400.00
33	Novato Lock	Key Cylinders (8) (999 Rush Creek Place)	1,736.00
34	ODP Business Solutions, LLC	Toner (2)	139.23
35	Pace Supply	6" Couplings (4)	1,339.76
36	Redwood Health Services, Inc.	November 2024 Dental Claims & Fees Expense	6,317.71
37	Reischmann, Marc	Reimbursement from Clipper Direct	200.00
38	RoadSafe Traffic Systems, Inc.	"High Pressure Sewer Line" Decals (10)	93.00
39	Scott Technology Group	November Monthly Maintenance on Engineering & Admin Copiers	421.87
40	Sigma-Aldrich Inc.	Coli Dehydrated Media (Lab)	139.61
41	Spilman, James	Novato "Water Smart Landscape Efficiency" & "Smart Irrigation Controller" Rebate Programs	145.20
42	State Water Resources Control	SRF Loan Payment RW North Segment 1 (Pymt #13 of 20)	40,196.44
43	Thomas Scientific	Chlorine, Buffer Standard, Reference Material, Agar, Conductivity Standard, Autoclave Bags (100) & Sulfate Standard (Lab)	589.90
44	USA BlueBook	Chlorine Reagents (4)	46.00
45	Vulcan Materials Company	Power Patch (5 yds) (\$1,117) & Pea/Sand (16 yds) (\$1,091)	2,208.11

Seq	Payable To	For	Amount
46	VWR International LLC	Buffer Standard, Glycine Reagent, Autoclave Bags (100) & Potassium (Lab)	276.39
47	ZORO	Flush Mounts (4) ('12 F250)	84.85
TOTAL DISBURSEMENTS			<u>\$790,047.52</u>

The foregoing payroll and accounts payable vouchers totaling \$790,047.52 are hereby approved and authorized for payment.


11/25/24
 Auditor-Controller Date


11/25/24
 General Manager Date

NORTH MARIN WATER DISTRICT
MONTHLY PROGRESS REPORT FOR OCTOBER 2024
 November 19, 2024

1.

Novato Potable Water Prod - SW & STP Combined - in Million Gallons - FYTD

Month	FY24/25	FY23/24	FY22/23	FY21/22	FY20/21	25 vs 24 %
July	264.8	218.6	224.5	282.9	341.7	21%
August	252.9	230.9	235.9	212.4	290.1	10%
September	237.7	212.4	203.5	214.5	225.6	12%
October	237.2	197.0	191.6	198.5	307.8	20%
FYTD Total	992.7	859.0	855.4	908.2	1,165.2	16%

West Marin Potable Water Production - in Million Gallons - FY to Date

Month	FY24/25	FY23/24	FY22/23	FY21/22	FY20/21	25 vs 24 %
July	8.9	7.1	6.3	6.0	8.2	25%
August	8.7	7.5	6.8	5.7	9.2	17%
September	7.9	6.7	6.3	5.9	7.9	18%
October	7.6	6.4	5.7	5.1	6.7	20%
FYTD Total	33.2	27.6	25.2	22.7	32.0	20%

Stafford Treatment Plant Production - in Million Gallons - FY to Date

Month	FY24/25	FY23/24	FY22/23	FY21/22	FY20/21	25 vs 24 %
July	0.0	67.0	56.3	67.0	105.8	-
August	0.0	98.3	67.9	31.3	81.1	-
September	0.0	112.6	57.8	41.7	16.1	-
October	0.0	109.4	54.0	28.2	7.7	-
FYTD Total	0.0	387.3	236.1	168.1	210.7	-

Recycled Water Production* - in Million Gallons - FY to Date

Month	FY24/25	FY23/24	FY22/23	FY21/22	FY20/21	25 vs 24 %
July	54.6	31.0	43.1	42.9	39.0	76%
August	50.1	34.8	41.6	41.4	43.2	44%
September	41.0	26.1	29.2	39.6	29.5	57%
October	28.9	22.4	24.7	18.3	22.8	29%
FYTD Total*	174.6	114.3	138.6	142.2	134.5	53%

*Excludes potable water input to the RW system: FY25=.7, FY24=13.8MG, FY23=10.8 MG FY22=10 MG; FY21=24.7 MG

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2. Regional and Local Water Supply

Lake Sonoma

	Current	2023
Lake Storage*	72,859 MG	73,207 MG
Supply Capacity	88 %	86 %

*Normal capacity =-245,000 AF (79,833.5 MG); deviation storage pool of 264,000 AF (86,025 MG)

Lake Mendocino

	Current	2023
Lake Storage *	17,082 MG	22,378 MG
Supply Capacity	65 %	86 %

*Normal capacity = 70,000-110,000 AF (22,800-35,840 MG); FIRO pool 26,000-36,170 MG

3. Stafford Lake Data

	October Average	October 2024	October 2023
Rainfall this month	1.73 Inches	0.13 Inches	0.16 Inches
Rainfall this FY to date	1.73 Inches	0.17 Inches	0.16 Inches
Lake elevation*	181.25 Feet	190.47 Feet	182.35 Feet
Lake storage**	515 MG	1,012 MG	562 MG
Supply Capacity	36 %	72.5 %	4 %

* Spillway elevation is 196.0 feet (NGVD29)

** Lake storage less 390 MG = quantity available for normal delivery

Temperature (in degrees)

	Minimum	Maximum	Average
October 2024 (Novato)	40	103	65.87
October 2023 (Novato)	40	86	62.21

4. Number of Services

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October 31	Novato Water			Recycled Water			West Marin Water			Oceana Marin Swr		
	FY25	FY24	Incr %	FY25	FY24	Incr %	FY25	FY24	Incr %	FY25	FY24	Incr %
Total meters installed	21,037	21,003	0.2%	103	102	1.0%	808	800	1.0%	-	-	-
Total meters active	20,887	20,853	0.2%	101	100	1.0%	799	793	0.8%	-	-	-
Active dwelling units	24,098	24,097	0.0%	-	-	-	837	838	-0.1%	240	236	1.7%

5. Oceana Marin Monthly Status Report

Description	October 2024	October 2023
Effluent Flow Volume (MG)	0.373	0.389
Irrigation Field Discharge (MG)	0.343	0.168
Treatment Pond Freeboard (ft)	Empty	7.5
Storage Pond Freeboard (ft)	6.9	12.0

6. Safety/Liability

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	Industrial Injury with Lost Time				Liability Claims Paid	
	Lost Days	OH Cost of Lost Days (\$)	No. of Emp. Involved	No. of Incidents	Incurred (FYTD)	Paid (FYTD) (\$)
FY 24/25 through Oct	0	\$0	0	0	0	\$0
FY 23/24 through Oct	1	\$368	1	1	0	\$0
Days since lost time accident through October 31, 2024				471 Days		

7. Energy Cost

FYE		October			Fiscal Year-to-Date thru October		
		kWh	¢/kWh	Cost/Day	kWh	¢/kWh	Cost/Day
FY 24/25	Stafford TP	49,702	24.3¢	\$389	245,571	23.8¢	\$475
	Pumping	150,539	39.8¢	\$2,066	651,857	40.7¢	\$2,210
	Other ¹	32,327	53.8¢	\$600	144,931	49.2¢	\$594
		<u>232,568</u>	<u>38.4¢</u>	<u>\$3,055</u>	<u>1,042,359</u>	<u>37.9¢</u>	<u>\$3,279</u>
FY 23/24	Stafford TP	51,144	23.6¢	\$389	293,947	23.3¢	\$556
	Pumping	145,709	33.1¢	\$1,509	600,902	34.2¢	\$1,673
	Other ¹	35,252	39.6¢	\$436	140,758	39.7¢	\$455
		<u>232,105</u>	<u>31.8¢</u>	<u>\$2,334</u>	<u>1,035,607</u>	<u>31.9¢</u>	<u>\$2,683</u>
FY 22/23	Stafford TP	53,315	22.9¢	\$393	258,023	22.0¢	\$462
	Pumping	135,593	26.5¢	\$1,157	576,355	28.4¢	\$1,332
	Other ¹	35,979	24.2¢	\$281	155,269	32.0¢	\$404
		<u>224,887</u>	<u>25.3¢</u>	<u>\$1,831</u>	<u>989,647</u>	<u>27.3¢</u>	<u>\$2,198</u>

¹Other includes West Marin Facilities

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8. Water Conservation Update

	Month of October 2024	Fiscal Year to Date	Program Total to Date
High Efficiency Toilet (HET) Rebates	3	12	4,556
Retrofit Certificates Filed	27	80	6,998
Cash for Grass Rebates	1	6	1,095
Washing Machine Rebates	3	10	6,945
Water Smart Home Survey	2	9	3,947

9. Utility Performance Metric

October 2024 Service Disruptions

SERVICE DISRUPTIONS (No. of Customers Impacted)	October 2024	October 2023	Fiscal Year to Date 2024	Fiscal Year to Date 2023
PLANNED				
Duration Between 0.5 and 4 hours	9	13	22	75
Duration Between 4 and 12 hours	0	0	0	0
Duration Greater than 12 hours	0	0	0	0
UNPLANNED				
Duration Between 0.5 and 4 hours	27	1	32	31
Duration Between 4 and 12 hours	27	0	27	78
Duration Greater than 12 hours	0	0	0	0
SERVICE LINES REPLACED				
Polybutylene	3	12	9	33
Copper Replaced or Repaired)	6	2	13	14

October 2024 Service Disruptions

Planned: For the month of October, we had 9 planned service disruptions.

Plastic: We replaced 3 plastic services on Mesa Rd and Cypress Rd in West Marin.

Copper: We replaced 6 copper service on Indian Valley, Rowe Ranch, and Sunset Pkwy.

Unplanned: There was a 2" plastic service leak on Tamalpais. This affected 8 customers to do the repair.

We had 2 main breaks that affected 46 customers: a 6" AC line on Albatross, and an 8" AC line on Wentworth.

10. **Summary of Complaints and Service Orders – October 2024**

Tag Breakdown:					
Total:	271	Consumer:	90	Office:	181
Type	Oct-24	Oct-23	Added Notes		
Billing					
High Bill	3	6			
Total	3	6			
Meter Replacement					
Total	45	40			
Need Read					
Total	2	4			
No-Water					
Total	5	2			
Leak					
Consumer	114	83			
District	15	20			
Total	129	103			
Water Quality					
Taste/ Odor	0	2			
Other	0	1			
Color	0	1			
Total	0	4			
Check Pressure					
Total	5	2			
Turn Off / On					
Total	28	31			
Other					
Total	54	27			
TOTAL FOR MONTH:	271	219	24%		
Bill Adjustments Under Board Policy:					
October 24 vs. October 23					
Oct-24	33	\$11,469			
Oct-23	25	\$3,737			
Fiscal Year vs Prior FY					
FY 24/25	125	\$42,741			
FY 23/24	63	\$15,594			



MEMORANDUM

To: Board of Directors

November 19, 2024

From: Julie Blue, Auditor-Controller *JB*
 Nancy Williamson, Accounting Supervisor *NW*

Subj: Auditor-Controller's Monthly Report of Investments for September 2024
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RECOMMENDED ACTION: Information

FINANCIAL IMPACT: None

At month end the District’s Investment Portfolio had an amortized cost value (i.e., cash balance) of \$27,560,103 and a market value of \$27,591,457. During September the cash balance increased by \$667,494. The market value of securities held increased \$769,625 during the month. The total unrestricted cash balance at month end was \$500,236 and 85% of the Target Reserves are funded.

At September 30, 2024, 55% of the District’s Portfolio was invested in California’s Local Agency Investment Fund (LAIF), 18% in Time Certificates of Deposit, 18% in US Treasury Bills, 4% in the Marin County Treasury, and 5% retained locally for operating purposes. The weighted average maturity of the portfolio was 61 days, compared to 60 days at the end of August. The LAIF interest rate for the month was 4.58%, compared to 4.58% the previous month. The weighted average Portfolio rate was 4.33%, compared to 4.19% for the prior month.

Investment Transactions for the month of September are listed below:

9/10/2024 LAIF	US Bank	\$5,000,000	Trsf from LAIF account
9/12/2024 US Bank	U.S. Treasury	\$5,000,191	Purchase 5.00% Treas due 10/08/24
9/13/2024 Discover Bank	US Bank	\$245,000	CD Maturity
9/13/2024 US Bank	Israel Disc Bank NY	\$245,000	Purchase 4.0% TCD due 9/14/26 - Semi-Annual Pay
9/18/2024 US Bank	LAIF	\$1,000,000	Trsf to LAIF account
9/25/2024 Enerbank CD	US Bank	\$249,000	CD Maturity

ATTACHMENTS:

1. Monthly Report of Investments – September 2024

**NORTH MARIN WATER DISTRICT
AUDITOR-CONTROLLER'S MONTHLY REPORT OF INVESTMENTS
September 30, 2024**

Type	Description	S&P Rating	Purchase Date	Maturity Date	Cost Basis ¹	9/30/2024 Market Value	Yield ²	% of Portfolio
LAIF	State of CA Treasury	AA-	Various	Open	\$15,212,140	\$15,243,494	4.58% ³	55%
Time Certificate of Deposit								
TCD	Sharonview Credit Union	n/a	10/17/22	10/17/24	249,000	249,000	4.35%	1%
TCD	Popular Bank	n/a	11/9/22	11/7/24	247,000	247,000	4.75%	1%
TCD	Alabama Credit Union	n/a	11/22/22	11/22/24	248,000	248,000	4.90%	1%
TCD	Community West Credit Union	n/a	12/19/22	12/19/24	249,000	249,000	4.78%	1%
TCD	Austin Telco Fed Credit Union	n/a	1/27/23	1/27/25	248,000	248,000	4.90%	1%
TCD	First Tech Fed Credit Union	n/a	2/17/23	2/18/25	249,000	249,000	4.85%	1%
TCD	Keybank National Assoc	n/a	3/15/23	3/17/25	243,000	243,000	5.00%	1%
TCD	Morgan Stanley Bnk NA	n/a	4/6/23	4/7/25	244,000	244,000	4.90%	1%
TCD	Morgan Stanley Private Bnk	n/a	4/6/23	4/7/25	244,000	244,000	4.90%	1%
TCD	Raiz Federal Credit Union	n/a	5/11/23	5/12/25	248,000	248,000	4.85%	1%
TCD	Hughes Federal Credit Union	n/a	6/29/23	6/30/25	248,000	248,000	5.25%	1%
TCD	Farmers Ins Credit Union	n/a	1/18/24	1/20/26	249,000	249,000	4.50%	1%
TCD	Eagle Bank	n/a	2/21/24	2/23/26	244,000	244,000	4.60%	1%
TCD	Bank of America	n/a	2/22/24	2/23/26	244,000	244,000	4.65%	1%
TCD	Pacific Premier	n/a	3/15/24	3/16/26	244,000	244,000	4.75%	1%
TCD	Valley National Bank	n/a	4/9/24	4/9/26	244,000	244,000	4.70%	1%
TCD	Wells Fargo Nat'l Bank	n/a	6/11/24	6/11/26	248,000	248,000	5.10%	1%
TCD	First Merchant Bank	n/a	6/28/24	6/29/26	244,000	244,000	4.80%	1%
TCD	BMW Bank NA	n/a	7/9/24	7/13/26	244,000	244,000	4.70%	1%
TCD	Israel Disc Bk Ny	n/a	9/13/24	9/14/26	245,000	245,000	4.00%	1%
					\$4,923,000	\$4,923,000	4.76%	18%
US Treasury Bills								
Treas	Treasury Bill	n/a	9/12/24	10/8/24	\$5,000,191	\$5,000,191	5.00%	18%
Other								
Agency	Marin Co Treasury	AAA	Various	Open	\$1,067,432	\$1,067,432	1.22%	4%
Other	Various	n/a	Various	Open	1,357,340	1,357,340	0.09%	5%
TOTAL IN PORTFOLIO					\$27,560,103	\$27,591,457	4.33%	100%

Weighted Average Maturity = 61 Days

LAIF: State of California Local Agency Investment Fund.

TCD: Time Certificate of Deposit.

Treas: US Treasury Notes with maturity of 5 years or less.

Agency: STP State Revolving Fund Loan Reserve.

Other: Comprised of 5 accounts used for operating purposes. US Bank Operating Account, US Bank STP SRF Loan

Account, US Bank FSA Payments Account, Bank of Marin AEEP Checking Account & NMWD Petty Cash Fund.

1 Original cost less repayment of principal and amortization of premium or discount.

2 Yield defined to be annualized interest earnings to maturity as a percentage of invested funds.

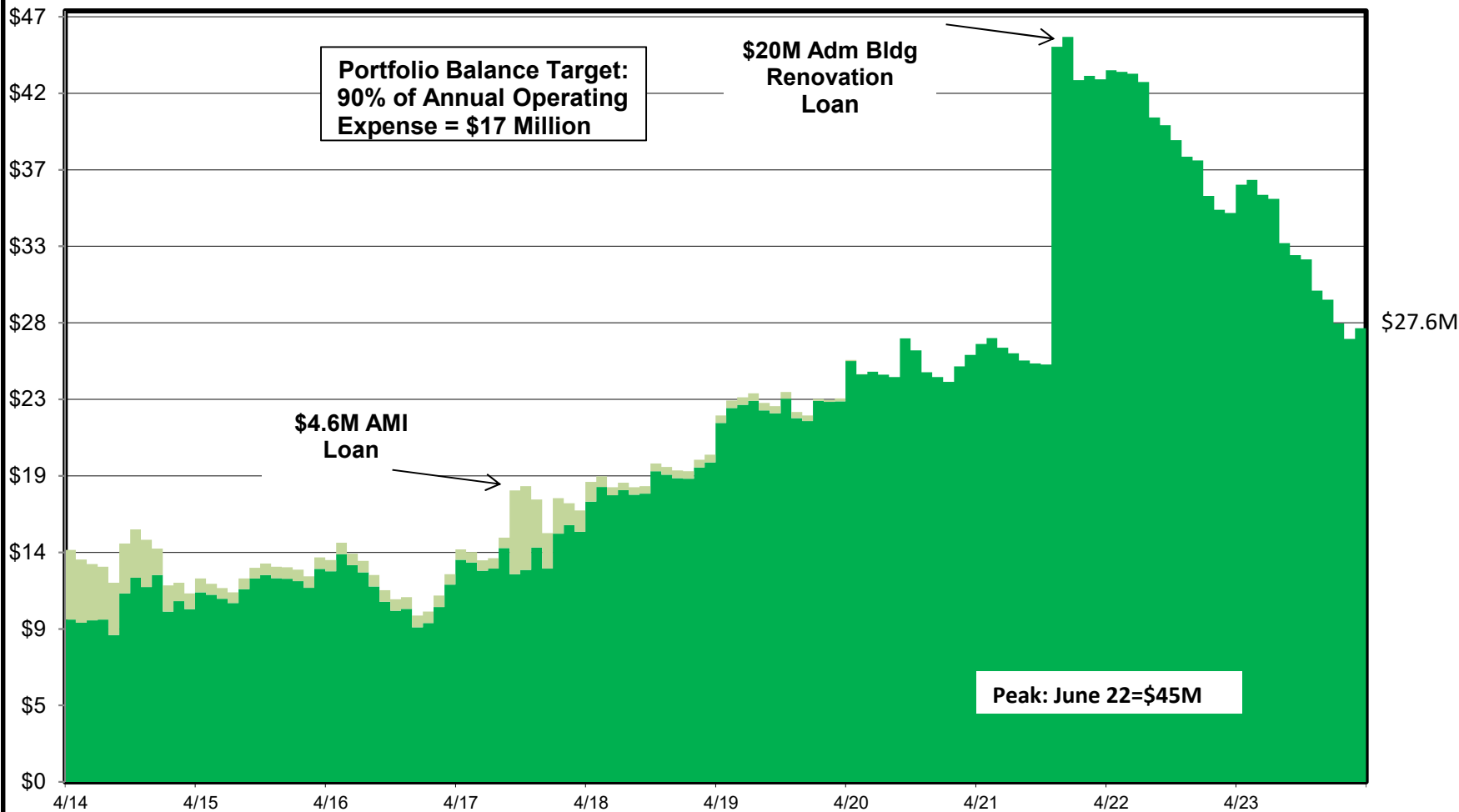
3 Earnings are calculated daily - this represents the average yield for the month ending September 30, 2024.

Interest Bearing Loans	Loan Date	Maturity Date	Original Loan Amount	Principal Outstanding	Interest Rate
Marin Country Club Loan	1/1/18	11/1/47	\$1,265,295	\$1,015,945	1.00%
Marin Municipal Water - AEEP	7/1/14	7/1/32	\$3,600,000	\$1,458,848	2.71%
Employee Housing Loan (1)	3/30/15	3/30/30	250,000	250,000	Contingent
TOTAL INTEREST BEARING LOANS			\$5,115,295	\$2,724,793	

The District has the ability to meet the next six months of cash flow requirements.

Peak: June 22=\$45M

NMWD Portfolio Balance 10-Year History



Portfolio Balance Target:
90% of Annual Operating
Expense = \$17 Million

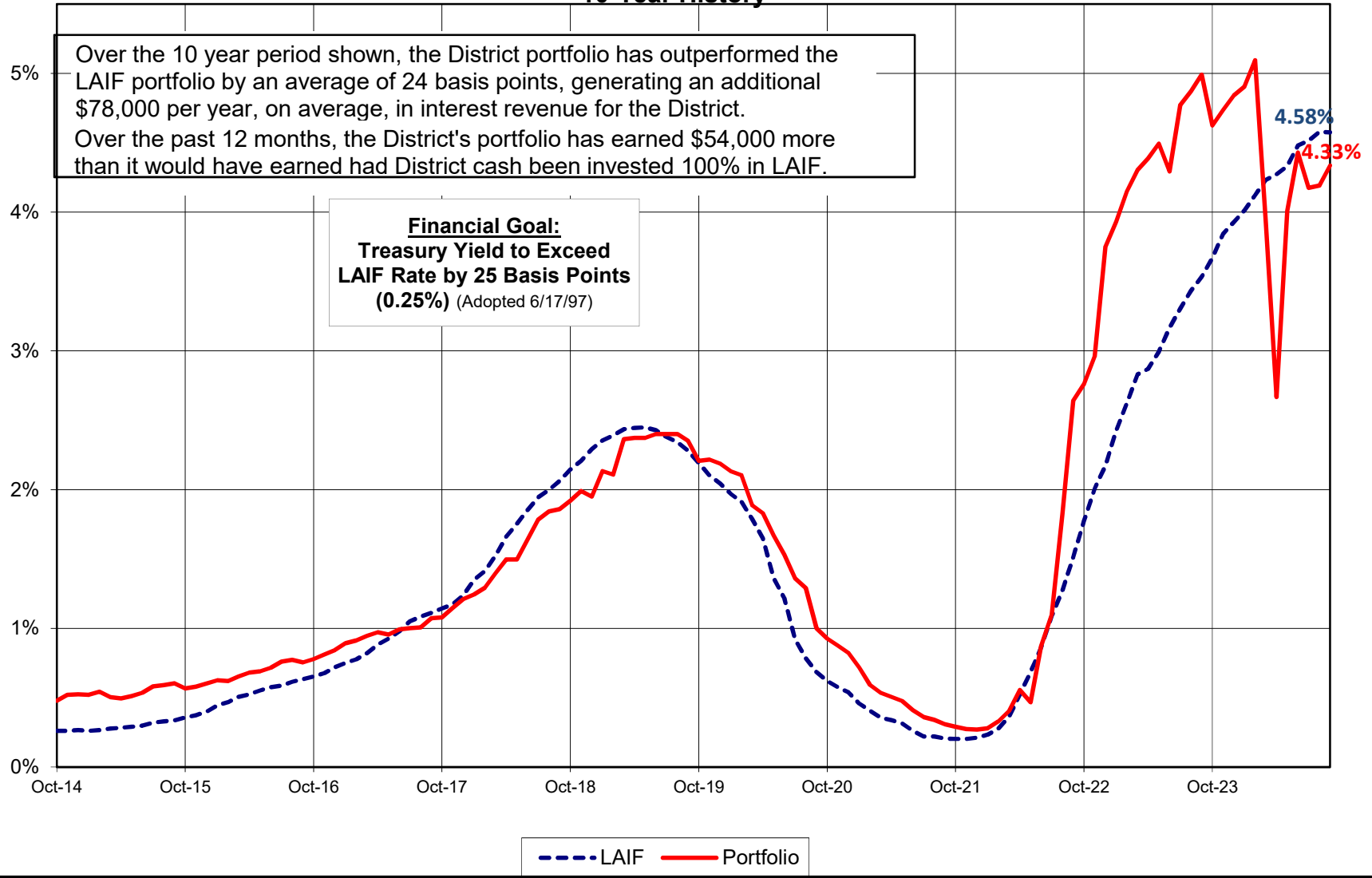
\$20M Adm Bldg
Renovation
Loan

\$4.6M AMI
Loan

Peak: June 22=\$45M

\$27.6M

NMWD Portfolio Rate of Return State of CA Local Agency Investment Fund vs District Portfolio 10-Year History



ACWA UPDATE ON PRIORITY ISSUES

A high-level look at recent ACWA activity and initiatives.



NOVEMBER 2024

Bay-Delta Plan Updates

The State Water Resources Control Board on Oct. 25 released a [draft of potential updates](#) for the Sacramento/Delta portions of the Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta Watershed (Bay-Delta Plan). The draft changes include options for incorporating a regulatory pathway or a pathway based on the [Healthy Rivers and Landscapes Program](#), formerly referred to as the Voluntary Agreements. Additionally, the draft updates include options for two modular alternatives (Alternatives 5a and 6a) that were described in the State Water Board's 2023 [draft staff report](#). Comments on the draft updates are due by Dec. 19. ACWA has long supported the Healthy Rivers and Landscapes as the best approach for protecting, restoring, and enhancing the Bay-Delta. ACWA is reviewing the draft changes and plans to provide oral and written comments to the State Water Board. More information is in an Advisory distributed to members Oct. 28, available on ACWA's website at acwa.com.

STAFF CONTACT

Stephen Pang

*State Relations
Advocate*

stephenp@acwa.com

Lead and Copper Rule Improvements Updates

The U.S. Environmental Protection Agency (EPA) on Oct. 8 announced the final Lead and Copper Rule Improvements (LCRI) to reduce lead exposure in drinking water. The LCRI was published in the federal register on Oct. 30 and goes into effect on Dec. 30. The final rule requires drinking water systems to identify and replace lead pipes within 10 years and lowers lead action levels in drinking water from 15 to 10 parts per billion. EPA is conducting a webinar on its final LCRI for drinking water professionals on Nov. 14. Registration is now open at epa.gov. More information on the LCRI is available on the EPA's website at epa.gov.

STAFF CONTACT

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Representative*

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Lake Tahoe Restoration Reauthorization Act

On Oct. 1, President Biden signed [S.612, the Lake Tahoe Restoration Reauthorization Act](#) into law. This ACWA-supported legislation extends the authorization of the Lake Tahoe Restoration Act for an additional 10 years and allows important forest health, water quality, and water infrastructure work to continue.

STAFF CONTACT

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Representative*

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Water Use Efficiency

The Office of Administrative Law on Oct. 22 approved the Making Conservation a California Way of Life Regulation that was adopted by the State Water Board on July 3. As approved, urban retail water suppliers are required to submit their Urban Water Use Objective Reporting Form to the State Water Board each January, starting Jan. 1, 2025. Beginning Jan. 1, 2027, each urban retail water supplier must demonstrate compliance with its water use objective. The State Water Board has now released the reporting form and accompanying guidance documents in a reporting package available at wuedata.water.ca.gov. More information on the regulation is available in a [fact sheet](#) at acwa.com/resources.

STAFF CONTACT

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Groundwater Update - Interconnected Surface Water

The Department of Water Resources on Sept. 20 released the **second** and **third** – in a series of three – papers that discuss the technical aspects of interconnected surface water and quantification of depletions. DWR released a pre-recorded webinar that summarizes the papers and describes next steps in the development of the guidance documents expected this winter. Written comments on the papers are due Nov. 18, and ACWA expects to submit comments by the deadline.

STAFF CONTACT

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Vinyl Chloride as High-Priority Substance

Last month, ACWA submitted comments on an EPA **proposal** to designate vinyl chloride as a High-Priority Substance for risk evaluation pursuant to the Toxic Substances Control Act. Vinyl chloride is a substance used in the manufacturing of polyvinyl chloride (PVC) pipe which is often used in water infrastructure. ACWA's comments highlight the need to consider the impact on states and public water agencies including compliance efforts, infrastructure upgrades and associated costs. ACWA also requests that the EPA issue safe water supply piping guidance. The full comment letter is available online at acwa.com/resources.

STAFF CONTACT

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U.S. Army Corps of Engineers Draft Environmental Justice Strategic Plan

The U.S. Army Corps of Engineers (Corps) recently **announced** its draft Environmental Justice Strategic Plan to guide how it integrates environmental justice principles into its Civil Works programs. Last month, ACWA filed comments on the Corps draft plan that highlighted support for USACE environmental justice efforts and noted the importance of balancing these efforts with the need to develop and maintain water infrastructure. The full comment letter is available online at acwa.com/resources.

STAFF CONTACT

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Upcoming Events - Visit www.acwa.com/events for more

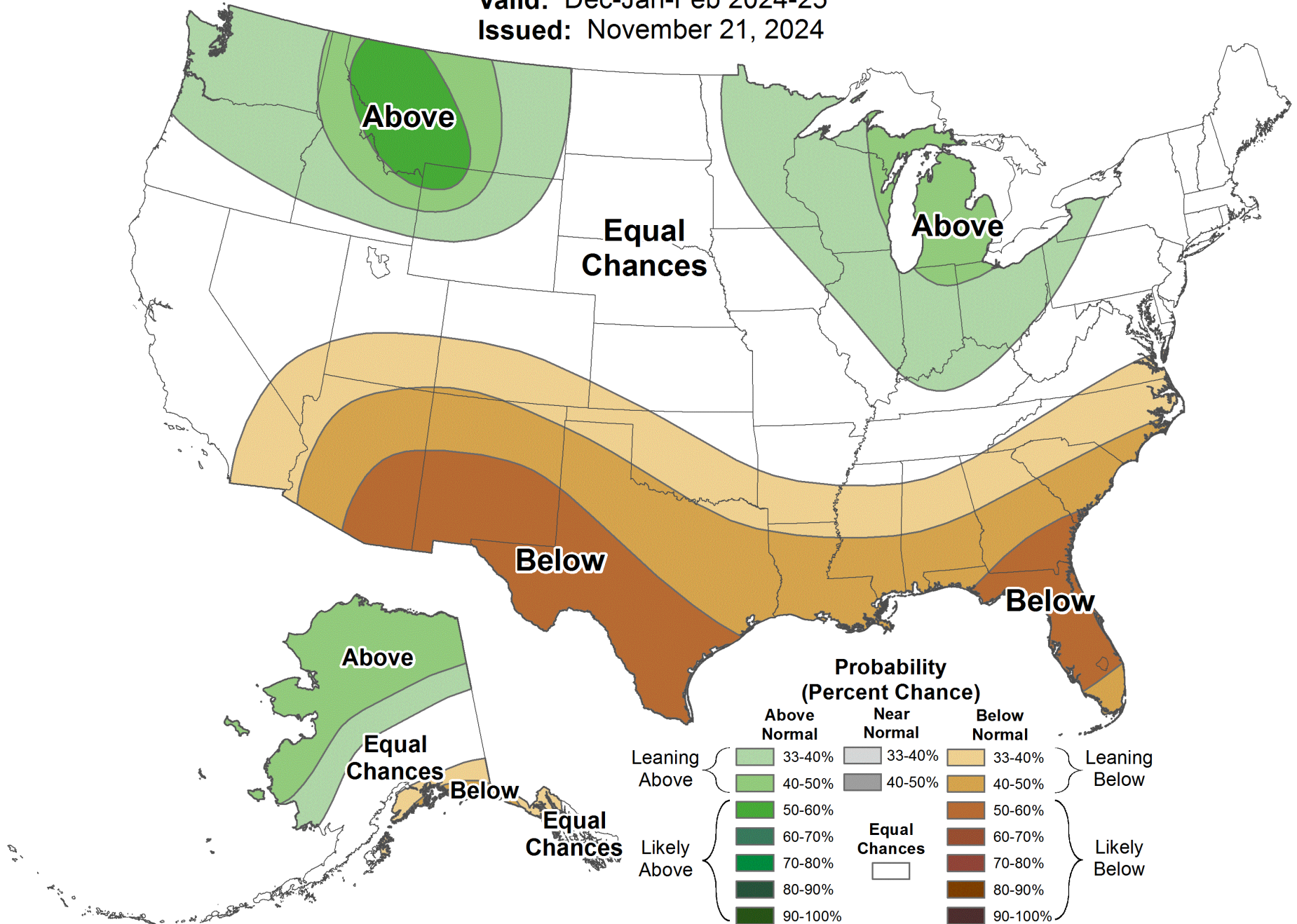
- **2024 Fall ACWA Conference & Expo - December 3-5**
- **ACWA DC2025 - February 25-27**



Seasonal Precipitation Outlook

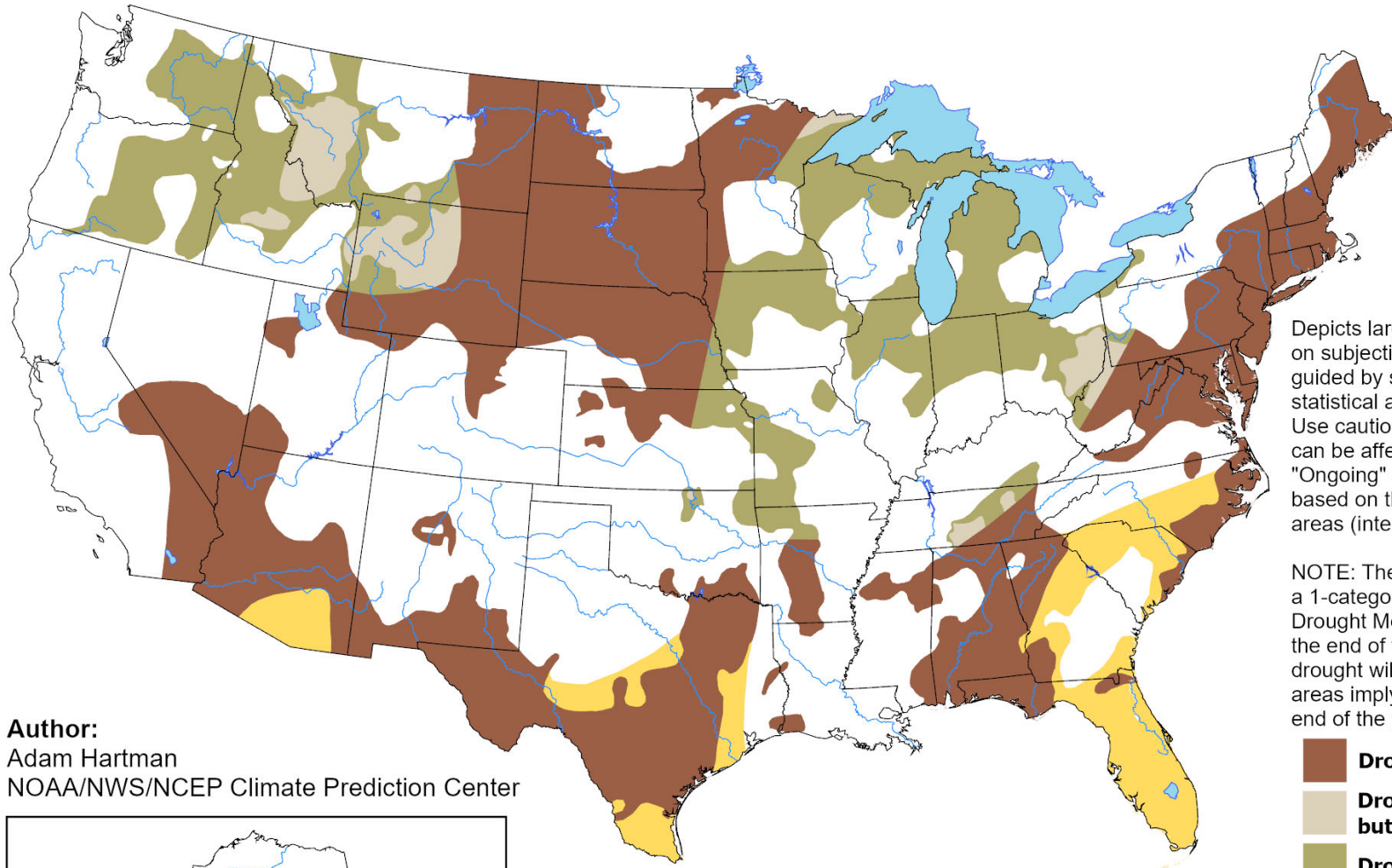


Valid: Dec-Jan-Feb 2024-25
Issued: November 21, 2024



U.S. Seasonal Drought Outlook Valid for November 21, 2024 - February 28, 2025

Drought Tendency During the Valid Period Released November 21, 2024

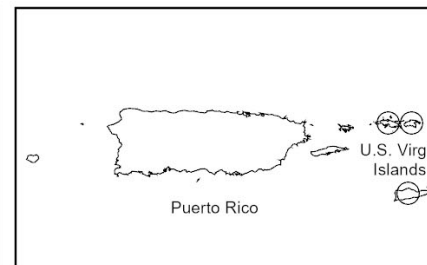
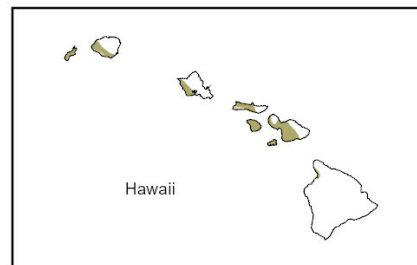
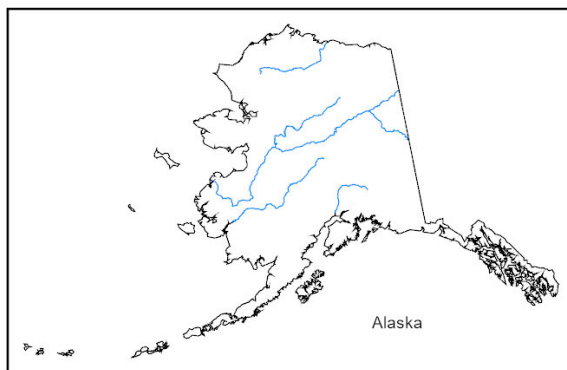


Depicts large-scale trends based on subjectively derived probabilities guided by short- and long-range statistical and dynamical forecasts. Use caution for applications that can be affected by short lived events. "Ongoing" drought areas are based on the U.S. Drought Monitor areas (intensities of D1 to D4).

NOTE: The tan areas imply at least a 1-category improvement in the Drought Monitor intensity levels by the end of the period, although drought will remain. The green areas imply drought removal by the end of the period (D0 or none).

Author:
Adam Hartman
NOAA/NWS/NCEP Climate Prediction Center

- Drought persists**
- Drought remains, but improves**
- Drought removal likely**
- Drought development likely**
- No drought**



<https://go.usa.gov/3eZ73>

Caltrans set back on work at bridge

Commission requires analysis of tree issue

BY RICHARD HALSTEAD

RHALSTEAD@MARINIJ.COM

The California Coastal Commission approved the replacement of the Lagunitas Creek Bridge on Highway 1 this week — on one condition.

The commission specified that before the California Department of Transportation can cut down a redwood tree that stands in the project's way, it must submit a thorough analysis to the commission's executive director demonstrating that there are no viable alternatives.

Known for its distinctive green side trusses, the bridge crosses Lagunitas Creek just north of the Sir Francis Drake Boulevard turn toward Inverness and the coast. It was built in 1929 and sits near the San Andreas Fault.

"The current Lagunitas Creek Bridge is 95 years old, deteriorating, corroding and lacks seismic strength," Larry Bonner, head of Caltrans' Office of Environmental Analysis, told commissioners.

Caltrans first proposed replacing the bridge in 2018. At the time, the project was estimated to cost \$5.8 million.

A group calling itself Friends of the Green Bridge sued, asserting that the project violated the California Environmental Quality Act because the state's final environmental impact report failed to consider retrofitting as an option.

After Caltrans received a favorable ruling in Marin County Superior Court, the matter was appealed to the 1st District Court of Appeal in San Francisco. In 2023, a three-judge appellate panel affirmed the earlier decision by Superior Court Judge Andrew Sweet.

The bridge project is now estimated to cost \$21 million.

Bonner said the redwood tree needs to be removed "as part of the utility relocation efforts required to safely place and operate the cranes necessary to place the precast bridge deck."

The new bridge will be made of precast concrete and include 5-foot cycling lane shoulders and a separate 6-foot pedestrian sidewalk on the western side of the structure.

Bonner said Caltrans has already examined several alternatives to removing the tree but none have proved feasible. He said the first alternative utility alignment considered was rejected because it would have resulted in greater impacts to native trees, riparian habitat and private properties.

He said Caltrans also considered undergrounding the utility lines, using taller temporary utility poles and aligning the pole behind the Point Reyes Station Animal Hospital, which is adjacent to the bridge.

"While all of these would save the redwood tree," Bonner said, "all would result in an increase in impacts to private properties, native riparian vegetation and coastal wetlands."

Furthermore, Bonner said any change in plan now would require Caltrans to restart its right-of-way process to obtain the temporary construction easements necessary to complete the project.

He said restarting this process in any form would result in a delay of 12 to 18 months and a loss of the project's funding. The project lost its funding once before due to delays.

"Losing the funding again," Bonner said, "will result in a minimum delay to reprogram the project of at least four years."

Members of the public who spoke at Thursday's hearing, as well as some commissioners, remained unconvinced.

"From the beginning of my involvement in this imminent domain process, it's been very clear that Caltrans has not done the work to explore the full impact to the environment on this project," said Mary Whitney, owner of the Point Reyes Station Animal Hospital.

"I've had to request three on-site meetings," Whitney said, "to learn that the plan was to remove a healthy, majestic redwood tree to make room for a temporary power pole."

Whitney was not reassured by the commission's requirement that Caltrans submit analysis of alternative plans.

"The redwood tree is currently embedded into the plan with wording that provides a loophole for Caltrans to move forward and after approval to present bogus alternatives as untenable to the executive director," she said.

Pamela McNeeley said, "I'm just surprised at why Caltrans' first response was that they would kill an ancient tree. Its root system could be as much as a thousand years old."

Shannon Gray Collier said, "I have sat in this tree's trunk in the center of what is in fact five trunks. I have felt the immensity of her history, of her deeply grounded existence. She is truly worth fighting for."

Bonner responded, "I do want to point out that the redwood tree is not an old-growth tree. It is a second-growth tree."

Commissioners also expressed skepticism about whether Caltrans had worked hard enough to examine alternatives.

"I'm not a tree hugger," said Roberto Uranga, a commissioner. "But I do believe in life, and trees have life. We should not consider this in such a perfunctory way."

Commissioner Dayna Bochco told Bonner: "My particular concern here is you're saying you can't do something when in essence you haven't really gone the full route to find out if you really could."

Commissioner Chuck Striplen, however, noted the potential consequences if replacement of the bridge is delayed further.

"I feel like if the San Andreas fault sneezes funny that bridge is gone," Striplen said.

Bonner said the state's bridges are evaluated for safety every two years, and it is possible that delays in construction would result in load limits being placed on the bridge.

He said such limits could prevent the bridge from being used by dairy trucks, delivery trucks bringing goods to Inverness Park and Inverness, and possibly school buses and emergency vehicles.

POINT REYES LIGHT

NEWS

Caltrans told to scour options before removing redwood tree

by Ben Stocking
November 20, 2024



The California Coastal Commission has directed Caltrans to exhaust all plausible alternatives to cutting down a redwood tree near the Green Bridge. (David Briggs / Point Reyes Light)

The California Coastal Commission has given a green light to the Green Bridge replacement in Point Reyes Station—but not without expressing deep concerns about a giant redwood tree whose

fate hangs in the balance.

Responding to public outcry, the commissioners instructed Caltrans to exhaust all plausible alternatives to removing the towering redwood before proceeding to cut it down. And first they must lay out their reasoning to the commission's executive director, who will make the final call.

The town's green-trussed bridge is nearly a century old and spans Highway 1 just north of Sir Francis Drake Boulevard. It is located within a half-mile of the San Andreas fault.

Caltrans plans to remove the redwood when it replaces the bridge in the summer of 2026. Installing the span, which will be assembled offsite, will require two mammoth cranes and the relocation of power lines along the bay side of the highway.

To make room for the cranes, PG&E plans to reroute the wires across the road and string them to a temporary pole that would require removing the 80-foot tree, which stands between the Point Reyes Animal Hospital and Lagunitas Creek. The tree towers over the creek and an embankment shrouded with willow trees, and it provides shade to the animal clinic.

The debate over the tree dominated the commission's discussion of the bridge project last Thursday. Larry Bonner, head of Caltrans' Office of Environmental Analysis, told commissioners that the agency had already considered alternatives to removing the redwood, including the installation of underground utility lines, using taller poles and routing the lines behind the animal hospital.

"While all of these would save the redwood tree," Mr. Bonner said, "all would result in an increase in impacts to private properties, native riparian vegetation and coastal wetlands."

Renegotiating the necessary construction easements could delay the project for several years and endanger its funding, he said.

But Mary Whitney, the veterinarian who owns the property on which the tree stands, told commissioners that Caltrans hadn't given the matter sufficient consideration.

"From the beginning of my involvement in this eminent domain process, it's been very clear that Caltrans had not done the work to explore the full impact to the environment," Dr. Whitney said. "I've had to request three on-site meetings to learn that the plan was to remove a healthy, majestic redwood tree to make room for a temporary power pole."

She urged the commissioners to postpone their vote until Caltrans had completed a more thorough study of alternatives.

Dr. Whitney was skeptical that the condition laid down by the commissioners would change the state agency's plans, saying the wording includes a loophole that would allow the agency to move ahead after presenting "bogus alternatives."

Several commissioners urged Caltrans to take a closer look, including Dayna Bochco, who said she did not believe there were no feasible alternatives.

"My particular concern here is you're saying you can't do something when, in essence, you haven't really gone the full route to find out if you really could," she said.

Commissioner Roberto Uranga echoed her concerns.

"I'm not a tree hugger, I'll be honest," he said. "But I do believe in life, and trees have life, and we should not consider this in such a perfunctory way."

The bridge is a gateway to town with visual and cultural importance, said Chris Desser, a former Marin County planning commissioner and coastal commissioner who lives in Point Reyes Station and addressed the commission on Zoom.

"Please require Caltrans to find an alternative to killing this tree," she said. "Too often, Caltrans takes the approach that when all you have is a hammer, everything looks like a nail. This is such an example. There is almost always more than one way to solve a problem."

Many of Dr. Whitney's supporters sent letters to the commission in advance of the meeting or spoke on Thursday, urging them to save the tree. One of them, Shannon Gray Collier, said she had sat in the center of the tree's five trunks and experienced its majesty.

"I have felt the immensity of her history, of her deeply grounded existence," Ms. Collier said. "She is truly worth fighting for."

When construction commences, traffic on Highway 1 will be closed in both directions for at least three weeks, transforming the 10-minute drive from Inverness to Point Reyes Station into a 25-minute commute through Olema, over Platform Bridge Road and past Black Mountain.

The project has been in the works for years, delayed in part by a 2018 lawsuit filed by locals who regard the bridge as a historic piece of the landscape. They argued that it should have been retrofitted rather than replaced, but two years later a Marin Superior Court judge ruled against them.

The new bridge—a nondescript concrete span—will do away with the green trusses in favor of low steel railings. It will have 5-foot-wide shoulders and a 6-foot sidewalk, widening the current crossing by 6 feet to meet the standards of the Americans with Disabilities Act.

The project is expected to take a year and a half to complete. Traffic will be one-way for unspecified periods before and after the three-week total closure.

Since the work will require removing trees along the creek bed, to mitigate environmental impacts, Caltrans will plant new trees and install a walking path on the grassy county-owned lot just up the highway at the corner of B Street.

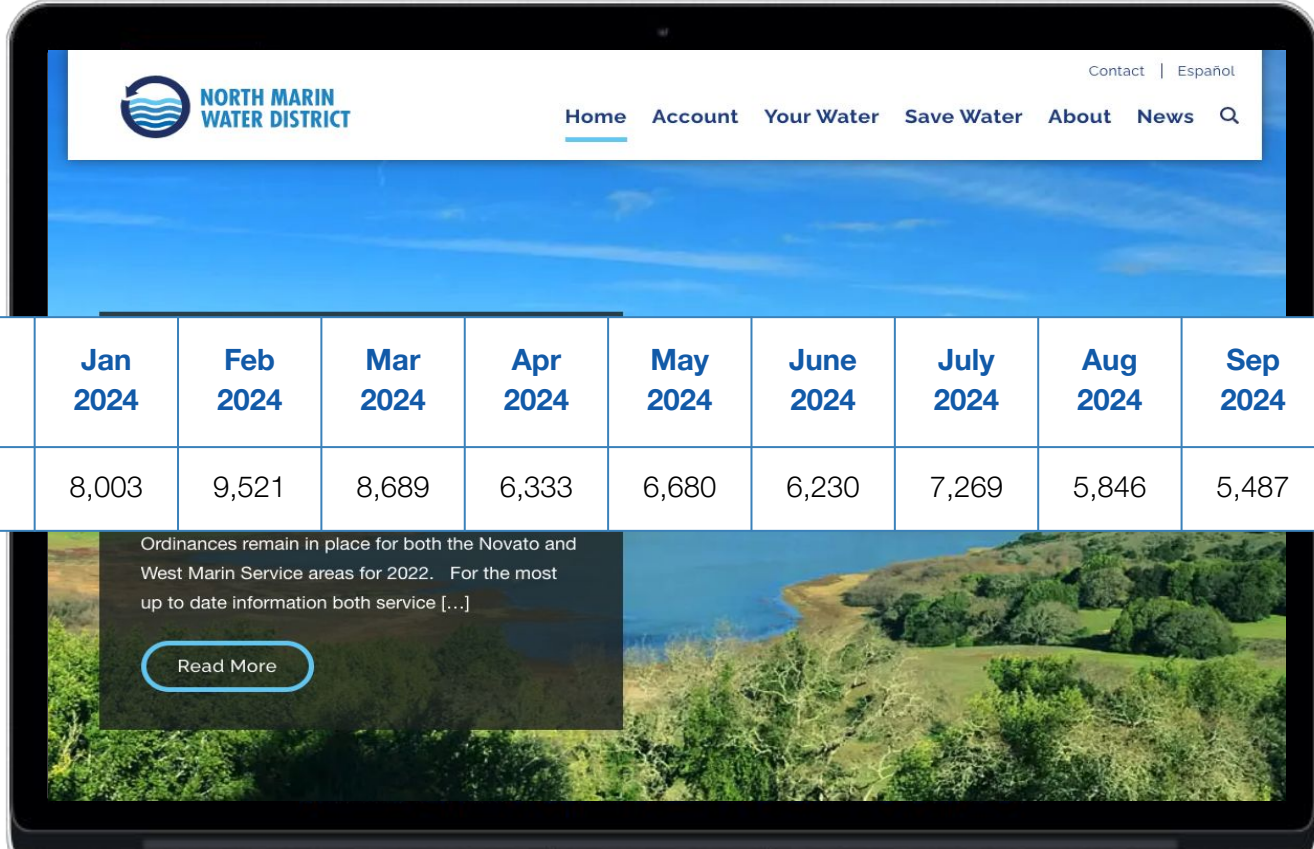


**NORTH MARIN
WATER DISTRICT**

Web & Social Media Report

October 2024

Website Statistics






	Dec 2023	Jan 2024	Feb 2024	Mar 2024	Apr 2024	May 2024	June 2024	July 2024	Aug 2024	Sep 2024	Oct 2024
2023/ 24 Visitors	5,703	8,003	9,521	8,689	6,333	6,680	6,230	7,269	5,846	5,487	6,952

Ordinances remain in place for both the Novato and West Marin Service areas for 2022. For the most up to date information both service [...]

[Read More](#)



Social Media Followers

	Dec-2023	Jan-2024	Feb-2024	Mar-2024	Apr-2024	May-2024	Jun-2024	Jul-2024	Aug-2024	Sep-2024	Oct-2024
 Facebook Followers	2,502	2,537	2,548	2,569	2,581	2,606	2,627	2,658	2,671	2,685	2,697
 X (Twitter) Followers	128	130	131	131	130	132	132	133	131	132	129
 Instagram Followers	869	876	891	903	907	914	922	928	937	938	947



NMWD Most Visited Pages

Pages	Views
Home	9,426
Online Billing	2,703
My Water Usage (WaterSmart Portal)	1,097
Employment Opportunities	454
What Is An Acre Foot?	360
Contact	244
About NMWD	240
Board of Directors	194
Human Resources	162





October Social Media Highlights | Facebook



506 people reached | 72 engagements



350 people reached | 63 engagements



193 people reached | 47 engagements

Engagements include likes, reactions, clicks and comments





October Social Media Highlights | Facebook

North Marin Water District
Published by Hootsuite
- 4 October at 18:01

It's California Water Professionals Appreciation Week, and we are grateful for all our [#WaterProfessionals](#) at NMWD!

Rich Roberto is in our consumer services team and is always working to ensure our meters operate correctly and are communicating readings through our new AMI Metering system. [#WeAreCAWater](#) [#CAWaterWeek](#) [#WorkForWater](#) [#ThankAnOperator](#) [#RecycledWater](#) [#EssentialWorkers](#)

CALIFORNIA WATER PROFESSIONALS APPRECIATION WEEK
NORTH MARIN WATER DISTRICT

165 people reached | 16 engagements

North Marin Water District
Published by Hootsuite
6 October at 19:00

It's California Water Professionals Appreciation Week, and we are grateful for all our [#WaterProfessionals](#) at NMWD!

Thank you to our entire staff who work around the clock to ensure our water is reliable, sustainable, and safe. [#WeAreCAWater](#) [#CAWaterWeek](#) [#WorkForWater](#) [#ThankAnOperator](#) [#EssentialWorkers](#)

CALIFORNIA WATER PROFESSIONALS APPRECIATION WEEK
NORTH MARIN WATER DISTRICT

446 people reached | 134 engagements

North Marin Water District
Published by Hootsuite
- 7 October at 20:01

It's California Water Professionals Appreciation Week, and we are grateful for all our [#WaterProfessionals](#) at NMWD!

Marc Reischmann, one of our Senior Chemists, is testing a sample of our water to ensure we continue surpassing all fed and state quality standards. [#WeAreCAWater](#) [#CAWaterWeek](#) [#WorkForWater](#) [#ThankAnOperator](#) [#RecycledWater](#) [#EssentialWorkers](#)

CALIFORNIA WATER PROFESSIONALS APPRECIATION WEEK
NORTH MARIN WATER DISTRICT

153 people reached | 19 engagements

Engagements include likes, reactions, clicks and comments

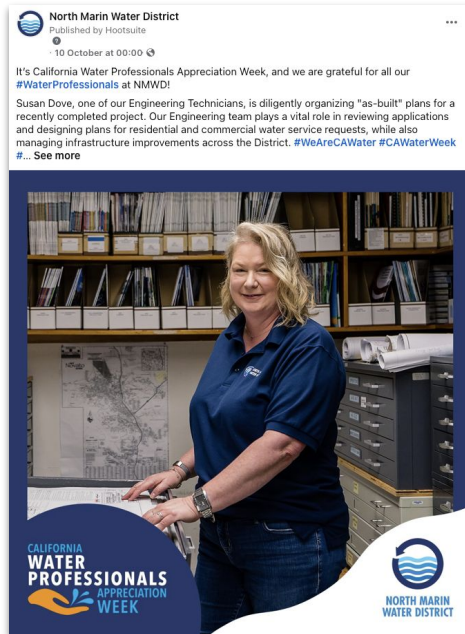




October Social Media Highlights | Facebook



144 people reached | 16 engagements



152 people reached | 15 engagements



222 people reached | 18 engagements

Engagements include likes, reactions, clicks and comments

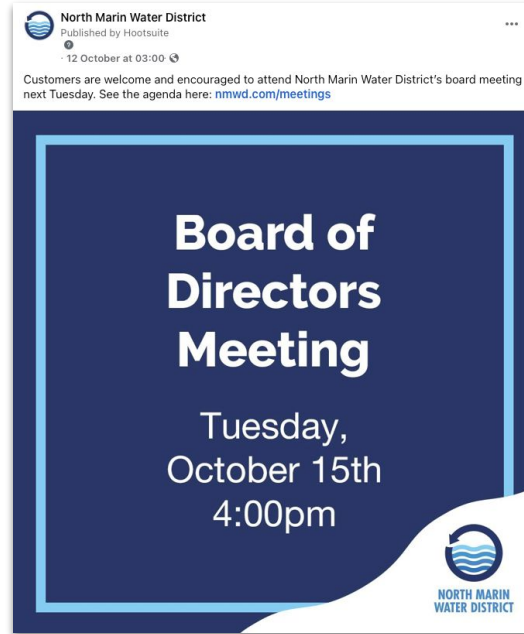




October Social Media Highlights | Facebook



160 people reached | 18 engagements



91 people reached | 3 engagements



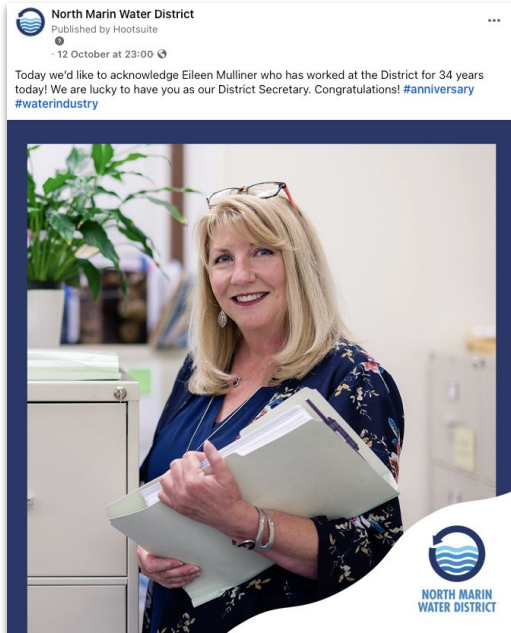
692 people reached | 42 engagements

Engagements include likes, reactions, clicks and comments





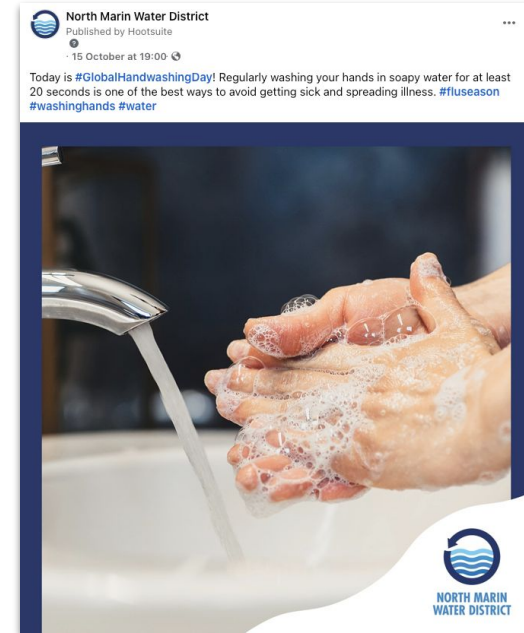
October Social Media Highlights | Facebook



260 people reached | 52 engagements



101 people reached | 4 engagements



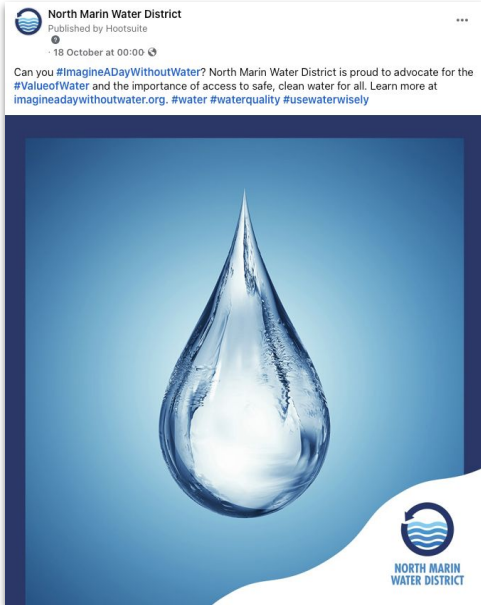
109 people reached | 4 engagements

Engagements include likes, reactions, clicks and comments

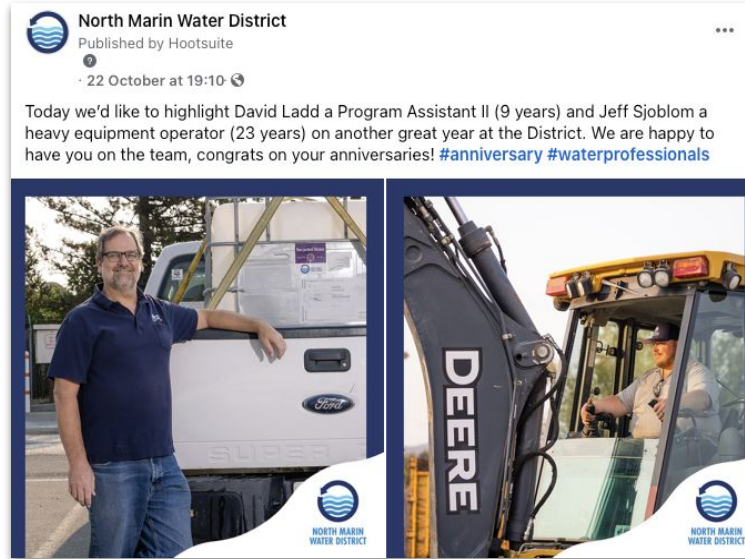




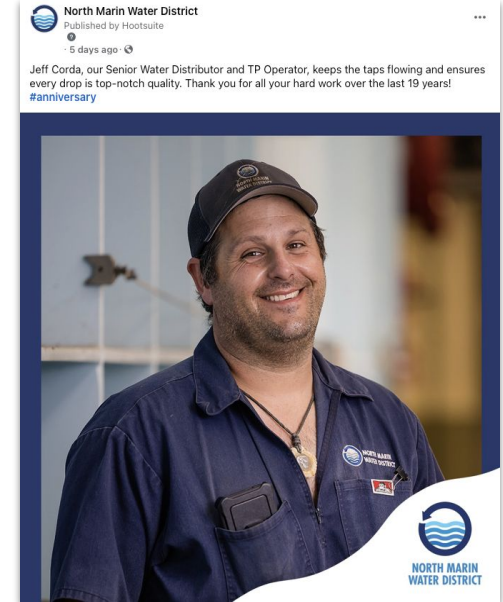
October Social Media Highlights | Facebook



137 people reached | 7 engagements



292 people reached | 26 engagements



246 people reached | 46 engagements

Engagements include likes, reactions, clicks and comments





October Social Media Highlights | Facebook







61 people reached | 2 engagements

Engagements include likes, reactions, clicks and comments






October Social Media Highlights | Instagram

 Posts	 Post engagement ...	 Post impressions	 Post engagement
19 posts	11.91% engagement rate	1,697 impressions	195 engagements


Top posts



northmarinwaterdistrict
Oct 03, 16:02

Ryan Grisso, our Water Conservation and Communications Manager, is celebrating 18 years at the District today! We appreciate everything you do for the community. #waterprofessional #anniversary


20 likes



northmarinwaterdistrict
Oct 22, 17:10

Today we'd like to highlight David Ladd a Program Assistant II (9 years) and Jeff Sjoblom a heavy equipment operator (23 years) on another great year at the District. We are happy to have you on the team.

19 likes



northmarinwaterdistrict
Oct 06, 17:00

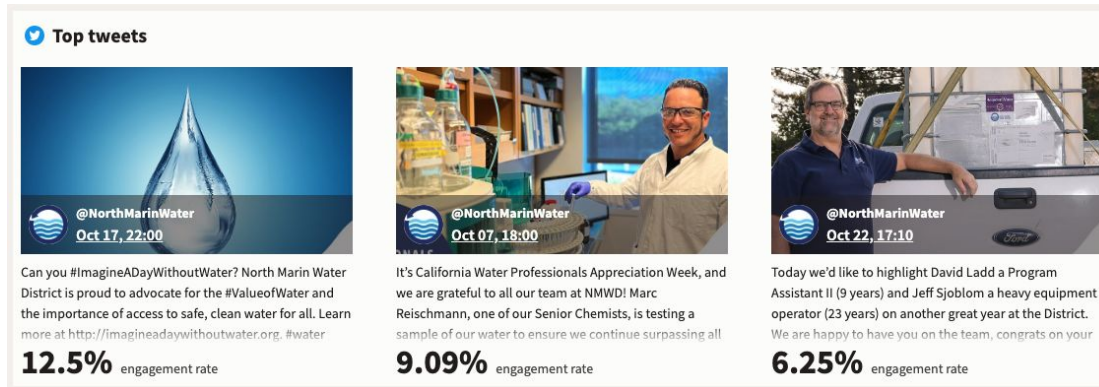
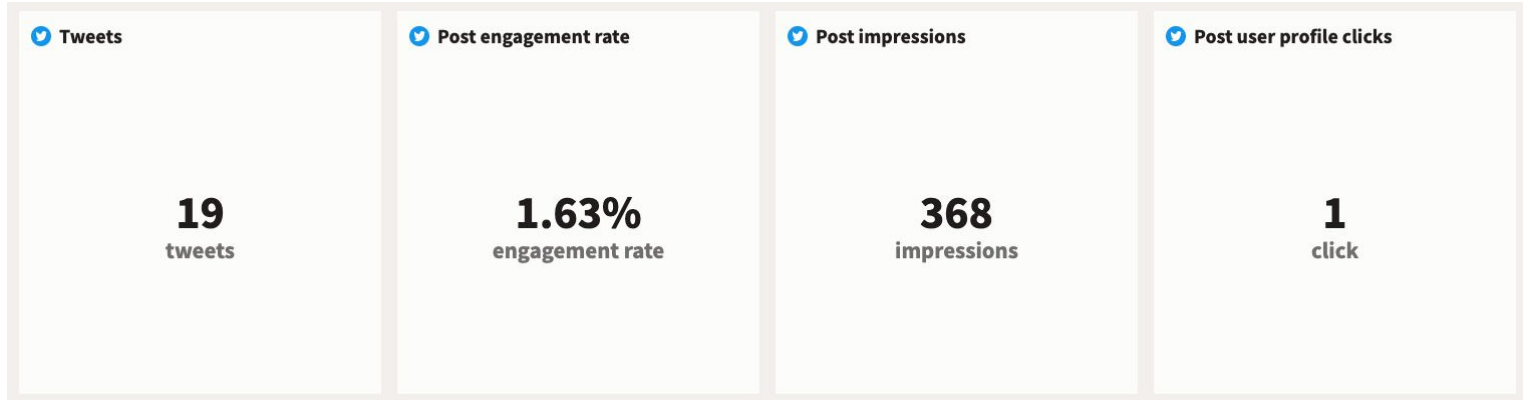
It's California Water Professionals Appreciation Week, and we are grateful for all our #WaterProfessionals at NMWD! Thank you to our entire staff who work around the clock to ensure our water is reliable, sustainable,

17 likes

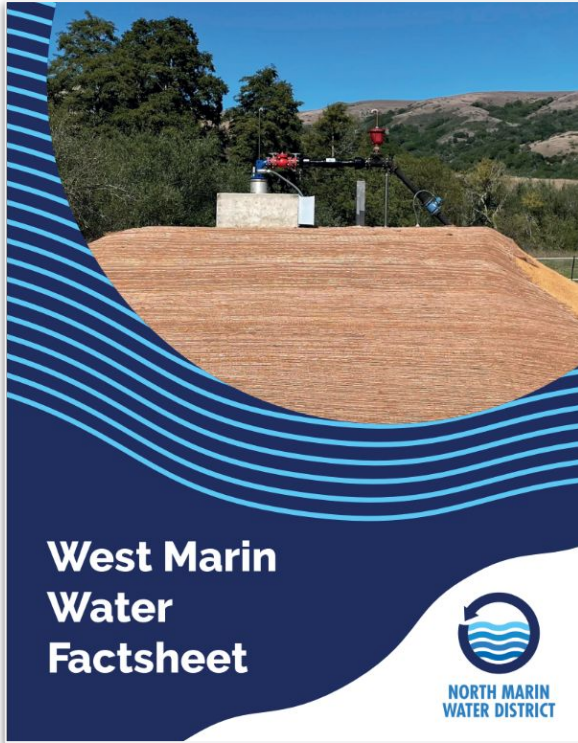




October Social Media Highlights | X (Twitter)



West Marin Water Factsheet



Kiosk designed and edited the copy on the factsheet.

The history of North Marin Water District's West Marin Water Service Area (SMWA) shows various improvement districts and systems primarily serving the system primarily of Forest Reserve, State University Park, and opening about 24 other Marin Districts.

Brief history & timeline

1915-1918 Various improvement districts were established, leading to the first water supply and distribution system in the SMWA.

1940 Calypso Well No. 1 was built to serve as an emergency water source.

1950 The Forest Reserve District's 47 wells were abandoned in favor of the new distribution system.

1955 A new pipeline was installed, connecting Calypso Well No. 1 to the Forest Reserve District.

1960 Calypso Well No. 2 was completed and brought on-line with the rest of the SMWA in a single grant funding.

1965 Two new storage tanks were added, increasing water storage by 400,000 gallons, along with the installation of 18 miles of new distribution pipeline.

1980 An improvement district was established for the "West Marin Service Area."

2016 An improvement district was established for the "West Marin Service Area."

Water distribution system

The water is delivered through a network of pipelines ranging in size from 2 to 12 inches in diameter. The system consists of a main line pipeline connecting the Forest Reserve District's 47 wells to the SMWA. The main line pipeline is 18 miles long and is made of 18-inch diameter pipe. The main line pipeline is 18 miles long and is made of 18-inch diameter pipe. The main line pipeline is 18 miles long and is made of 18-inch diameter pipe.

Water demand and usage

Water production has fluctuated in the 2007-2020 due to drought conditions, conservation measures, however, the average daily water demand is approximately 1.5 million gallons per day (MGD), with a peak of 2.2 MGD in the winter months. The water demand is 1.5 million gallons per day (MGD), with a peak of 2.2 MGD in the winter months. The water demand is 1.5 million gallons per day (MGD), with a peak of 2.2 MGD in the winter months.

Infrastructure improvements needed

Financial responsibility and challenges: North Marin Water District is dedicated to long-term financial planning, ensuring that revenue levels are properly maintained and adequately cover operating, maintenance, and capital costs. The District is currently facing several challenges, including aging infrastructure, increasing energy costs, and the need for additional capital investment. The District is currently facing several challenges, including aging infrastructure, increasing energy costs, and the need for additional capital investment.

West Marin Water Billing Consumption

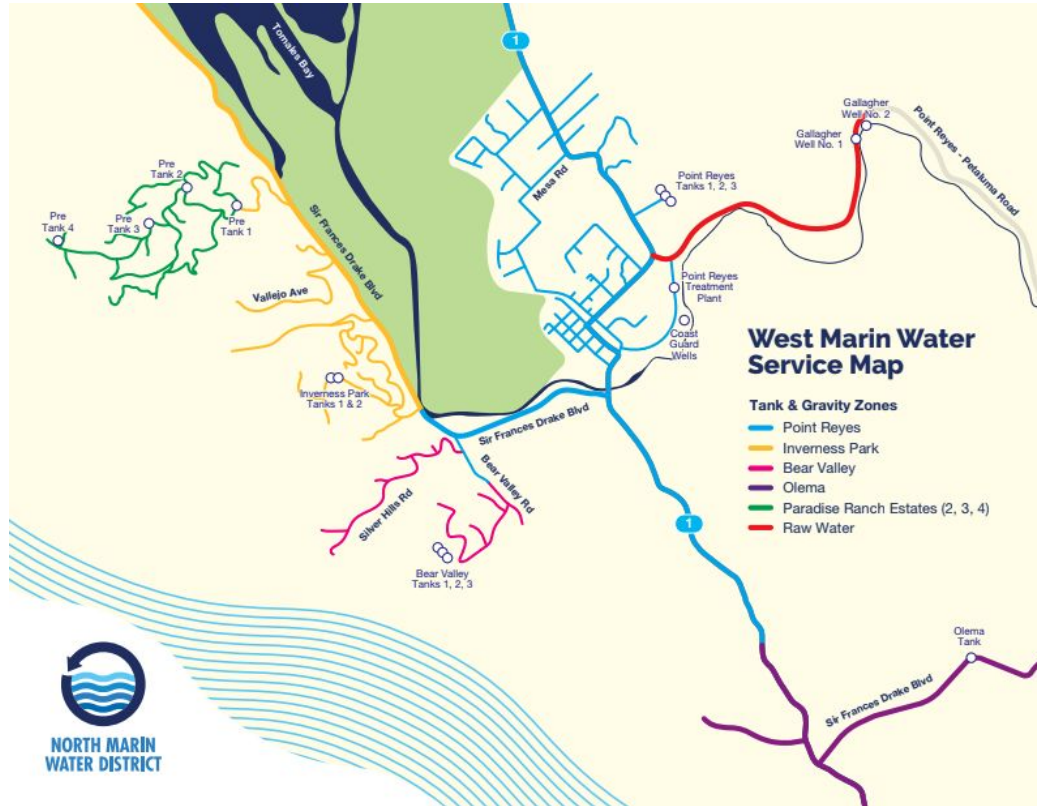
Year	Consumption (MGD)
2014	1.5
2015	1.5
2016	1.5
2017	1.5
2018	1.5
2019	1.5
2020	1.5
2021	1.5
2022	1.5
2023	1.5
2024	1.5
2025	1.5
2026	1.5
2027	1.5
2028	1.5
2029	1.5
2030	1.5

West Marin Water Service Map

The West Marin Water System has historically relied on various water sources, such as wells, springs, tanks, and reservoirs. The District is currently facing several challenges, including aging infrastructure, increasing energy costs, and the need for additional capital investment. The District is currently facing several challenges, including aging infrastructure, increasing energy costs, and the need for additional capital investment.

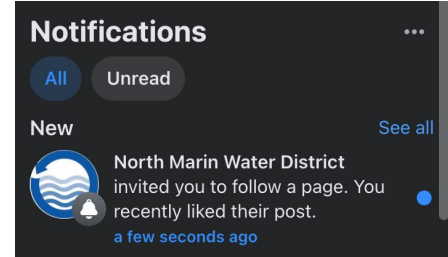
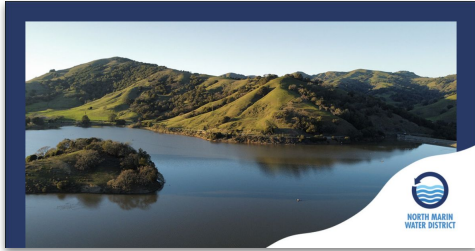
Map Legend:
 - Blue: Main Pipeline
 - Green: Distribution Pipeline
 - Red: Private Property (Easement)
 - Yellow: Forest Reserve
 - Purple: State University Park

West Marin Water Service Map



Kiosk designed the West Marin Water Service Map.

Facebook Likes Campaign - October Report




We are running an evergreen ad which encourages customers in the NMWD service areas to 'like' (follow) the NMWD Facebook page. We selected images that have historically performed the best to drive more likes.

Spend in October 2024	Reach (Number of people who saw the ad)	Impressions	Results (New Page Likes)	Cost Per New Page Like
\$46.51	2,874	5,201	17	\$2.74

*This month, we were able to reach over **2k** people with the Likes Campaign*



What's Next?

- Kiosk to roll out a new social campaign on drought tolerant plants featured in the new demonstration garden at the NMWD office
 - Kiosk to begin work with NMWD staff on video content for social media
 - Kiosk will design and layout the Water Quality Report for Novato and West Marin in Spanish, which will then be shared on social
 - Social media posts will also feature employees on their work anniversaries, as well as highlight rebates
 - Kiosk continues to work with staff to get photos of construction and maintenance projects throughout Novato and West Marin
- 



Thank You