



NORTH MARIN WATER DISTRICT
AGENDA – SPECIAL MEETING
November 18, 2025 – 10:00 a.m.
District Headquarters
Location: 999 Rush Creek Place
Novato, California

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Item	Subject
	CALL TO ORDER
1.	APPROVE MINUTES FROM REGULAR MEETING , November 5, 2025
2.	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.
	INFORMATION
3.	FY 2025/26 1 st Quarter Financial Statement
	PUBLIC WORKSHOP
4.	Training on Various State Laws Governing Board Actions
5.	ADJOURNMENT

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DRAFT
NORTH MARIN WATER DISTRICT
MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS
November 5, 2025

CALL TO ORDER

President Joly 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, and AGM/Chief Engineer Eric Miller, and Auditor-Controller Julie Blue.

District employee Tim Kennedy, Operations and Maintenance Manager, and Vincent Verissimo were also in attendance.

MINUTES

On the motion of Director Eichstaedt, seconded by Director Petterle, the Board approved the minutes of the October 14, 2025, special meeting, by the following vote:

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

NOES: None

ABSENT: None

ABSTAIN: None

On the motion of Director Petterle, seconded by Director Eichstaedt, the Board approved the minutes of the October 21, 2025, regular meeting, by the following vote:

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

NOES: None

ABSENT: None

ABSTAIN: Director Baker

GENERAL MANAGER'S REPORT

Tony Williams gave a brief update on the Potter Valley Project and noted that there is a copy of a community letter to federal agencies in the News and Miscellaneous Reports section of the agenda.

Mr. Williams noted that he and Eric Miller attended a second part of the Open House for Novato Sanitary District's 100-year celebration. Directors Eichstaedt, Fraites, and Joly as well as Senator McGuire, Assemblymember Conolly, Supervisors Lucan and Rodoni, and Mayor O'Conner also attended.

Mr. Williams noted that we will be closed on November 11, for Veteran's Day and reminded the Board that the November 18 meeting is a Board workshop and will be at 10:00 a.m.

1 **OPEN TIME**

2 President Joly asked if anyone in the audience wished to bring up an item not on the
3 agenda and there was no response.

4 **STAFF/DIRECTORS REPORTS**

5 President Joly asked if there were any staff or director's reports and there was no response.

6 **INFORMATION ITEMS**

7 **FY 2024/25 END OF YEAR PROGRESS REPORT – OPERATIONS/MAINTENANCE**

8 Tim Kennedy addressed the Board and presented the highlights of the
9 Operations/Maintenance Department's accomplishments described in his memo. President Joly
10 thanked Mr. Kennedy and asked when Robert Clark will be leaving. Mr. Williams answered and said
11 that his final day is at the end of December and that his resolution will be presented at the
12 December 2 Board meeting. A second resolution will be brought to the Board as well requesting he
13 be available to be brought in when necessary.

14 **WAC & TAC MEETING AGENDA – NOVEMBER 3, 2025**

15 Tony Williams said that he and Director Baker attended the meeting. Mr. Williams provided
16 an overview on several items from the agenda. President Joly thanked Mr. Williams.

17 **NEWS AND MISCELLANEOUS REPORTS**

18 The Board received the following miscellaneous items: Disbursements – Dated October 23
19 and 30, 2025, Auditor-Controller's Monthly Report of Investments for September 2025, NOAA Three
20 Month Outlook Precipitation Probability, Water Control Manual Update Signing Ceremony Program,
21 Potter Valley Community Letter, and Notice of Application for surrender of License and Non-Project
22 Use of Project Lands PVP.

23 The Board also received the following articles: Marin IJ – MMWD secures deal on supply.

24 **ADJOURNMENT**

25 President Joly adjourned the meeting at 4:32 p.m.

26 Submitted by
27
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29 Eileen Mulliner
30 District Secretary
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**MEMORANDUM**

To: Board of Directors

November 18, 2025

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

Subject: Fiscal Year 2025/26 1st Quarter Financial Statement
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RECOMMENDED ACTION: Information Only

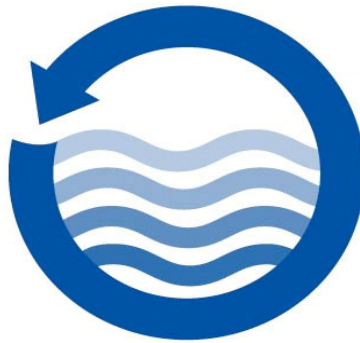
FINANCIAL IMPACT: None at this time

Attached is the Fiscal Year 2025/26 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, 2025 through September 30, 2025. Key elements of the report will be highlighted and staff is available to answer questions from the Board of Directors.

ATTACHMENTS:

1. FY 2025/26 1st Quarter Financial Statement

NORTH MARIN WATER DISTRICT



FINANCIAL STATEMENT FISCAL YEAR 2025-26

SEPTEMBER 2025

**NORTH MARIN WATER DISTRICT
FINANCIAL STATEMENTS
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MEMORANDUM

To: Tony Williams, General Manager

November 7, 2025

From: Reviewed by: Julie Blue, Auditor-Controller

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

Subj: Information – FY25/26 September Financial Statement

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FISCAL YEAR PERFORMANCE COMPARED TO THE ANNUAL BUDGET

<u>CONSOLIDATED SUMMARY</u>	Sep-25	FY25/26	FY25/26	FYTD /
Actual vs. Budget	Actual	Actual YTD	Budget	Budget %
Operating Revenue	\$3,322,230	\$10,314,453	\$31,282,000	33%
Operating Expense	\$2,925,969	\$7,863,985	\$29,746,000	26%
Non-Operating Revenue / (Expense)	(\$11,157)	(\$130,351)	\$26,000	(501%)
Net Income / (Loss)	\$385,104	\$2,320,116	\$1,562,000	(149%)
Other Sources / (Uses)*	\$719,075	(\$2,506,024)	(\$2,872,000)	(87%)
Cash Increase / (Decrease)	\$1,104,179	(\$185,908)	(\$1,310,000)	14%

* See Page 8.

For the first three months of the fiscal year 2025-2026, the District generated a net Income of \$2,320,116 and saw a net cash decrease of \$185,908. On a seasonally adjusted basis, Operating Revenue came in 5% over budget and Operating Expense came in 5% under budget. \$1,203,168 (20%) 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-25	FY25/26	FY24/25	FY26 vs 25
Year over Year Comparison	Actual	Actual YTD	Actual YTD	Up/(Down)
Operating Revenue	\$2,797,004	\$8,885,717	\$8,537,991	4%
Operating Expense	2,591,596	7,075,290	7,622,677	(7%)
Other Income / (Expense)	(6,294)	(80,786)	(207,630)	(61%)
Net Income / (Loss)	\$199,114	\$1,729,641	\$707,684	144%
Active Accounts	20,886	20,886	20,886	0%
Consumption (MG)	228	749	767	(2%)
Average Commodity Rate / 1,000 gal	\$8.81	\$8.73	\$8.29	5%
Income / (Loss) / Active Account	\$9.53	\$82.81	\$33.88	144%
Income / (Loss) / 1,000 Gal	\$0.87	\$2.31	\$0.92	150%
Facility Reserve Charges	\$15,280	\$22,920	\$64,260	(64%)
FRC Transfer (to)/from Recycled Water	(\$200,077)	(\$200,077)	(\$200,077)	0%
Developer 'In-Kind' Contributions	(\$4,614)	\$55,710	\$164,921	(66%)

Consumption for the fiscal year to date was 2% less than the prior year. Total operating revenue, which includes wheeling and other miscellaneous service charges, increased \$347,726 from the prior year. Total operating expense was \$547,387 less than last year.

The Stafford Treatment Plant produced 259 MG this fiscal year-to-date at a cost of \$2,696/MG versus \$4,519/MG³ from SCWA. The budget for Stafford is 650 MG at a cost of \$3,575/MG.

The fiscal year income (which includes non-operating items such as interest revenue and expense) of \$1,729,641 compares to a budgeted net income for the year of \$1,942,000 and to a net income of \$707,684 for the prior year. \$1,068,097 (23%) of the Novato Water Capital Improvement Project Budget was spent versus \$1,942,812 (32%) for the prior year. \$22,920 in Facility Reserve Charges (FRC) have been collected (\$595,000 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 \$10,813,368 arising from relieving FRC expenditures and transfers to the RW Fund in advance of FRC receipts. This is up from a net deficit of \$8,793,720 last year. That deficit will be reimbursed by future Connection Fee revenue. The Novato cash balance Increased \$1,084,870 in September and stood at \$13,504,734 at month end, compared to a budgeted projection of \$14,370,000 at fiscal year-end.

<u>NOVATO RECYCLED</u>	Sep-25	FY25/26	FY24/25	FY26 vs 25
Year over Year Comparison	<u>Actual</u>	<u>Actual YTD</u>	<u>Actual YTD</u>	<u>Up/(Down)</u>
Operating Revenue	\$344,557	\$913,472	\$865,479	6%
Operating Expense	209,225	397,359	449,943	(12%)
Other Income / (Expense)	(2,574)	(24,135)	(18,513)	30%
Net Income / (Loss)	\$132,759	\$491,978	\$397,022	24%
Active Accounts	104	104	101	3%
Consumption (MG)	26.8	106.0	115.0	(8%)
Average Commodity Rate / 1,000 gal (net)	\$7.16	\$7.16	\$6.75	6%
Novato Sanitary Production (MG)	22.7	97.8	118.1	(17%)
Las Gallinas Production (MG)	19.6	30.8	27.6	12%
Potable Water Input (MG)	1.7	2.5	0.7	253%
FRC Transfer from Novato	\$200,077	\$200,077	\$200,077	0%
RW Costs	\$123,880	\$123,880	\$207,181	(40%)

106.0 MG was delivered to RW customers this fiscal year to date, 8% less than the prior year. Operating revenue was 6% more than last year. Total operating expense was 12% less than the prior year. The recycled water was produced at a cost of \$1,381/MG² (including potable water consumed) versus \$4,519/MG³ from SCWA. The budgeted production cost of recycled water is \$2,372/MG.

The fiscal year net income of \$491,978 compares to a budgeted net loss for the year of \$191,000 and a net income of \$397,022 for the prior year. \$13,272 (13%) of the Recycled Water Capital Improvement Project Budget was spent versus \$1,151 (0%) for the prior year.

The Novato Recycled cash balance stood at \$7,622,984 at month end, \$6.8M 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 (\$529,045) + SRF loan interest (\$22,254) + plant depreciation (\$146,087)/259 MG produced

² Recycled Water production cost = purchased water cost (\$123,880) + treatment expense (\$24,960) + Deer Island RW Facility SRF loan interest (\$3,166) + Deer Island plant depreciation (\$28,980)/131 MG produced

³ SCWA production cost per MG = O&M charge (\$3,509) + debt service charge (\$456) + Russian River conservation charge (\$492) + Russian River projects charge (\$61)

<u>WEST MARIN WATER</u>	Sep-25	FY25/26	FY24/25	FY26 vs 25
Year over Year Comparison	<u>Actual</u>	<u>Actual YTD</u>	<u>Actual YTD</u>	<u>Up/(Down)</u>
Operating Revenue	\$149,097	\$420,550	\$403,365	4%
Operating Expense	98,306	309,348	339,457	(9%)
Other Income / (Expense)	(2,451)	(7,822)	(7,667)	2%
Net Income / (Loss)	<u>\$48,341</u>	<u>\$103,380</u>	<u>\$56,241</u>	84%
Active Accounts	802	802	799	0%
Consumption (MG)	7.1	20.7	20.8	(0%)
Average Commodity Rate / 1,000 gal (net)	\$16.45	\$15.90	\$15.77	1%
Income/ (Loss) / Active Account	\$60.28	\$128.90	\$70.39	83%
Income / (Loss) / 1,000 Gal	\$6.78	\$4.99	\$2.70	84%
Facility Reserve Charges	\$0	\$0	\$5,580	(100%)
Developer 'In-Kind' Contributions	\$1,632	\$9,944	\$80,668	(88%)

Consumption for the fiscal year was equivalent to the prior year. Operating revenue was 4% more than last year.

Operating expenditures were \$30,109, or 9% less than the previous year. The fiscal year net income of \$103,380 compares to a budgeted annual net loss of \$68,000 and to a net income of \$56,241 for the prior year. \$118,289 (9%) of the Capital Improvement Project Budget was expended this fiscal year, and \$0 in connection fees have been collected (\$0 is budgeted). The West Marin cash balance increased \$13,130 in September and stood at \$268,971 at month end, compared to a budgeted projection of \$437,000 at fiscal year-end.

<u>OCEANA MARIN SEWER</u>	Sep-25	FY25/26	FY24/25	FY26 vs 25
Year over Year Comparison	<u>Actual</u>	<u>Actual YTD</u>	<u>Actual YTD</u>	<u>Up/(Down)</u>
Operating Revenue	\$31,571	\$94,713	\$86,268	10%
Operating Expense	26,842	81,988	75,671	8%
Other Income / (Expense)	161	(17,608)	188	-
Net Income / (Loss)	<u>\$4,889</u>	<u>(\$4,883)</u>	<u>\$10,785</u>	-
Active Accounts	241	241	239	1%
Monthly Sewer Service Charge	\$131	\$131	\$121	8%
Income / (Loss) / Active Account	\$20.29	(\$20.26)	\$45.13	-
Sewage Facilities Connection Charges	\$0	\$0	\$0	-

Operating revenue of \$94,713 was 10% more than the previous year due to the 8% rate increase effective July 1, 2025, and two new connections. Operating expenditures were 8%, or \$6,317 more than the previous year. The fiscal year net loss of \$4,883 compares to a budgeted annual net loss of \$121,000 and to a net income of \$10,785 for the prior year. \$3,510 (7%) 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 decreased \$24,158 in September and stood at \$98,676 at month end, compared to a budgeted projection of \$123,000 at fiscal-year-end.

**NORTH MARIN WATER DISTRICT
STATEMENT OF NET POSITION
FOR THE PERIOD ENDING SEPTEMBER 30, 2025**

	TOTAL	NOVATO WATER	NOVATO RECYCLED	WEST MARIN WATER	OCEANA MARIN SEWER
ASSETS					
Cash & Investments					
Unrestricted/Undesignated Cash	\$605,213	\$0	\$605,213	\$0	\$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	5,687,700	0	5,687,700	0	0
STP SRF Reserve-Marín Co Treasury	1,057,328	1,057,328	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	632,555	632,555	0	0	0
Designated Cash (Note 2)					
Liability Contingency Fund	1,105,370	1,006,485	0	98,885	0
Retiree Medical Benefits Fund	4,327,665	4,327,665	0	0	0
Maintenance Accrual Fund	0	0	0	0	0
Operating Reserve Fund	6,950,021	6,456,259	225,000	170,086	98,676
Total Cash	\$21,470,924	\$13,480,292	\$7,622,984	\$268,971	\$98,676
Gain/(Loss) on MV of Investments	\$24,442	\$24,442	\$0	\$0	\$0
Market Value of Cash & Investments	\$21,495,366	\$13,504,734	\$7,622,984	\$268,971	\$98,676
Current Assets					
Net Receivables - Consumers	\$2,885,910	\$2,450,789	\$307,852	\$32,556	\$94,713
Accrued Water Sales	3,975,328	3,375,822	332,780	266,726	0
Accounts Receivable-Other	580,641	116,334	26,164	6,143	431,999
Prepaid Expense	1,481,354	1,481,354	0	0	0
Reimbursable Small Jobs	3,073	3,073	0	0	0
Interest Receivable	0	0	0	0	0
Inventories	989,990	989,990	0	0	0
Deposits Receivable	29,982	29,982	0	0	0
Total Current Assets	\$9,946,278	\$8,447,344	\$666,796	\$305,426	\$526,712

**NORTH MARIN WATER DISTRICT
STATEMENT OF NET POSITION
FOR THE PERIOD ENDING SEPTEMBER 30, 2025**

	<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)	\$850,000	\$850,000	\$0	\$0	\$0
Due From Other Funds (Note 10)	0	0	0	0	0
Other Long Term Receivables (Note 4)	3,599,047	2,654,636	944,411	0	0
Loans Receivable	\$4,449,047	\$3,504,636	\$944,411	\$0	\$0
Property and Plant					
Land & Land Rights	\$1,493,091	\$1,368,872	\$0	\$123,411	\$808
Dam, Lake, & Source Facilities	7,141,667	5,183,433	0	1,958,234	0
Treatment Facilities	23,486,730	19,076,812	2,666,198	819,741	923,980
Storage Facilities	28,292,507	23,080,501	1,643,458	3,568,548	0
Transmission Facilities (16"+)	29,628,910	29,506,586	0	122,324	0
Distribution and Pumping Facilities	114,996,910	76,638,562	32,211,610	6,146,738	0
Sewer Mains, Pumps, & Laterals	1,297,351	0	0	0	1,297,351
Sub-Total	\$206,337,166	\$154,854,766	\$36,521,266	\$12,738,995	\$2,222,139
Less Accumulated Depreciation (Note 5)	(78,879,142)	(63,906,087)	(8,388,171)	(5,313,758)	(1,271,126)
Net Property and Plant	\$127,458,024	\$90,948,679	\$28,133,094	\$7,425,237	\$951,014
Buildings and Equipment (Note 6)					
Buildings	\$20,224,668	\$20,224,668	\$0	\$0	\$0
Office Equipment	900,443	900,443	0	0	0
Laboratory Equipment	296,684	296,684	0	0	0
Trucks & Automobiles	2,083,580	2,083,580	0	0	0
Construction Equipment	1,254,528	1,254,528	0	0	0
Tools, Shop Equipment	463,361	463,361	0	0	0
Lease Assets	0	0	0	0	0
Sub-Total	\$25,223,263	\$25,223,263	\$0	\$0	\$0
Less Accumulated Depreciation (Note 5)	(4,754,160)	(4,754,160)	0	0	0
Net Buildings and Equipment	\$20,469,103	\$20,469,103	\$0	\$0	\$0
Construction In Progress					
Developer	\$1,771,753	\$1,489,826	\$0	\$281,804	\$124
District	\$11,738,853	\$8,036,456	\$247,133	\$1,262,218	\$2,193,046
Total Construction in Progress	\$13,510,606	\$9,526,282	\$247,133	\$1,544,022	\$2,193,169
Net Physical Plant & Equipment	161,437,733	120,944,064	28,380,227	8,969,259	3,144,183
Deferred Outflow of Resources-GASB68	5,327,743	5,327,743	0	0	0
Deferred Outflow of Resources-GASB75	219,707	219,707	0	0	0
TOTAL ASSETS	\$202,875,873	\$151,948,227	\$37,614,419	\$9,543,655	\$3,769,572

**NORTH MARIN WATER DISTRICT
STATEMENT OF NET POSITION
FOR THE PERIOD ENDING SEPTEMBER 30, 2025**

	TOTAL	NOVATO WATER	NOVATO RECYCLED	WEST MARIN WATER	OCEANA MARIN SEWER
LIABILITIES AND NET ASSETS					
Current Liabilities					
Trade Accounts Payable	\$2,642,306	\$2,642,306	\$0	\$0	\$0
Reimbursement Prog. Unclaimed Funds	439,510	389,860	0	49,650	0
Loan Debt Principal Payable-Current	1,469,784	474,893	994,891	0	0
Bank of Marin Principal Payable-Current	457,791	399,194	0	58,597	0
JP Morgan/Chase AMI Loan-Current	305,000	305,000	0	0	0
Webster Bank-Admin Bldg/CIP Loan-Current	800,835	800,835	0	0	0
WM Loan Due to Novato-Current	95,727	0	0	95,727	0
Accrued Interest Payable-SRF Loan	111,465	22,254	89,211	0	0
JP Morgan/Chase AMI Loan Interest Payable	6,019	6,019	0	0	0
Webster Bank Loan Interest Payable	45,588	45,588	0	0	0
WM Loan from Novato-Loan Interest Payable	4,998	0	0	4,998	0
Deposits/Performance Bonds	255,201	248,151	0	7,050	0
Retiree Health Benefits Payable - Current	258,992	258,992	0	0	0
Unemployment Insurance Reserve (Note 8)	11,880	11,880	0	0	0
Payroll Benefits (Note 9)	1,086,528	995,646	28,707	43,889	18,287
Enterprise Vehicle Leases	94,198	94,198	0	0	0
Deferred Revenue	284,139	0	0	0	284,139
Total Current Liabilities	\$8,369,961	\$6,694,814	\$1,112,809	\$259,912	\$302,426
Restricted Liabilities					
Construction Advances	\$487,952	\$242,170	\$0	\$243,406	\$2,376
Total Restricted Liabilities	\$487,952	\$242,170	\$0	\$243,406	\$2,376
Long Term Liabilities (Note 7)					
JP Morgan/Chase AMI Loan Payable	\$2,380,000	\$2,380,000	\$0	\$0	\$0
Webster Bank-Admin Bldg/CIP Loan Payable	16,789,561	16,789,561	0	0	0
WM and OM Loan from Novato	982,175	0	0	632,175	350,000
STP Rehab SRF Loan	3,487,002	3,487,002	0	0	0
RWF SRF Loan	266,960	0	266,960	0	0
RWS North/South Expansion SRF Loan	3,682,408	0	3,682,408	0	0
RWS Central Expansion SRF Loan	5,421,800	0	5,421,800	0	0
Bank of Marin Loan	2,574,479	2,244,946	0	329,533	0
Enterprise Vehicle Leases	216,662	216,662	0	0	0
Net Pension Liability	18,203,208	18,203,208	0	0	0
Total OPEB Liability (Note 2)	4,068,673	4,068,673	0	0	0
Total Long Term Liabilities	\$58,072,928	\$47,390,052	\$9,371,167	\$961,708	\$350,000
Deferred Inflow of Resources-GASB 68	362,944	362,944	0	0	0
Deferred Inflow of Resources-GASB 75	558,953	558,953	0	0	0
Deferred Inflow of Resources-Leases	266,740	261,455	0	5,285	0
TOTAL LIABILITIES	\$68,119,478	\$55,510,388	\$10,483,976	\$1,470,311	\$654,802

**NORTH MARIN WATER DISTRICT
STATEMENT OF NET POSITION
FOR THE PERIOD ENDING SEPTEMBER 30, 2025**

	TOTAL	NOVATO WATER	NOVATO RECYCLED	WEST MARIN WATER	OCEANA MARIN SEWER
Net Assets					
Invested in Capital Assets					
Contributions in Aid of Construction	\$89,730,876	\$80,759,655	\$5,810,128	\$2,481,214	\$679,879
Grants in Aid of Construction	15,999,401	569,128	10,108,537	3,783,949	1,537,787
Connection Fees	51,142,037	35,092,750	13,074,768	2,153,064	821,455
Total Investment	\$156,872,314	\$116,421,533	\$28,993,434	\$8,418,227	\$3,039,120
Restricted Reserves					
Connection Fee Fund	(\$11,556,904)	(\$10,813,368)	\$0	(\$521,192)	(\$222,344)
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	1,105,370	1,006,485	0	98,885	0
Maintenance Accrual Fund	4,000,000	4,000,000	0	0	0
Retiree Medical Benefits Fund	4,327,665	4,327,665	0	0	0
Operating Reserve Fund	8,424,000	7,712,000	225,000	344,000	143,000
Earned Surplus - Prior Yrs	(37,253,697)	(27,450,116)	(9,648,502)	(349,955)	194,876
Net Income/(Loss)	2,320,116	1,729,641	491,978	103,380	(4,883)
Prior Period Adjustment	0	0	0	0	0
Transfer (To)/From Reserves (see below)	(562,000)	(496,000)	(11,000)	(20,000)	(35,000)
Total Restricted & Designated	(\$22,115,918)	(\$19,983,693)	(\$1,862,991)	(\$344,882)	\$75,649
TOTAL NET POSITION	\$134,756,396	\$96,437,840	\$27,130,443	\$8,073,344	\$3,114,769
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	0	0	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	(562,000)	(496,000)	(11,000)	(20,000)	(35,000)
Trsf to Webster Bank-Admin Bldg/CIP Fund	0	0	0	0	0
Total Transfer	(\$562,000)	(\$496,000)	(\$11,000)	(\$20,000)	(\$35,000)
TOTAL LIABILITIES AND FUND BALANCE	\$202,875,873	\$151,948,227	\$37,614,419	\$9,543,655	\$3,769,572

NORTH MARIN WATER DISTRICT
SOURCES AND USES OF FUNDS STATEMENT - ALL SERVICE AREAS COMBINED
FOR THE PERIOD ENDING SEPTEMBER 30, 2025

	YTD Actual	Annual Budget	YTD/ Budget %	Prior YTD Actual
OPERATING REVENUE				
Water Rate Revenue	\$7,685,739	\$20,962,000	37%	\$7,473,427
Bimonthly Service Charge	2,389,625	9,483,000	25%	2,204,999
Sewer Service Charge	94,713	377,000	25%	86,268
Wheeling & Misc Service Charges	144,376	460,000	31%	128,409
TOTAL OPERATING REVENUE	\$10,314,453	\$31,282,000	33%	\$9,893,103
OPERATING EXPENDITURES				
Source of Supply	\$2,339,537	\$7,829,000	30%	\$3,650,949
Pumping	330,537	965,000	34%	312,729
Operations	379,619	2,067,000	18%	398,587
Water Treatment	904,439	3,515,000	26%	587,800
Sewer Operations	40,566	336,000	12%	44,291
Transmission & Distribution	1,036,652	5,088,000	20%	973,054
Consumer Accounting	138,168	700,000	20%	138,867
Water Conservation	111,706	560,000	20%	114,112
General & Administrative	1,421,270	4,213,000	34%	1,249,453
Depreciation	1,161,491	4,473,000	26%	1,017,905
TOTAL OPERATING EXPENDITURES	\$7,863,985	\$29,746,000	26%	\$8,487,749
NET OPERATING INCOME (LOSS)	\$2,450,467	\$1,536,000	160%	\$1,405,354
NON-OPERATING REVENUE/(EXPENSE)				
Tax Proceeds	\$40	\$152,000	0%	\$1,035
Interest Revenue	82,351	595,000	14%	157,560
Miscellaneous Revenue	56,228	885,000	6%	90,586
Loan Interest Expense	(251,837)	(1,013,000)	25%	(274,930)
Miscellaneous Expense	(17,133)	(16,000)	107%	(207,873)
Capital Contribution Expense-NSD & LGVSD	0	(577,000)	0%	0
TOTAL NON-OP REVENUE/(EXPENSE)	(\$130,351)	\$26,000	-501%	(\$233,622)
NET INCOME/(LOSS)	\$2,320,116	\$1,562,000	149%	\$1,171,732
OTHER SOURCES/(USES) OF FUNDS				
Add Depreciation Expense	\$1,161,491	\$4,473,000	26%	\$1,017,905
Connection Fees	22,920	617,000	4%	69,840
Loan Proceeds	0	1,654,000	0%	0
Grant Proceeds	0	0	-	0
Marin County Club Loan Principal Pmts	13,017	40,000	33%	12,887
Caltrans AEEP Capital Contribution	0	0	-	0
MMWD AEEP Capital Contribution	0	170,000	0%	0
Transfers In from Capital Expansion Fund	0	0		0
Capital Equipment Expenditures	(71,574)	(1,033,000)	7%	(39,741)
Capital Improvement Projects	(1,203,168)	(6,070,000)	20%	(3,269,361)
Capital Plan Variance Adjustment	0	913,000	-	0
Bond & Loan Principal Payments	(413,198)	(3,636,000)	11%	(407,903)
Change in Working Capital	(2,015,511)			(262,062)
TOTAL OTHER SOURCES/(USES)	(\$2,506,024)	(\$2,872,000)	87%	(\$2,878,433)
CASH INCREASE/(DECREASE)	(\$185,908)	(\$1,310,000)	14%	(\$1,706,701)

**NORTH MARIN WATER DISTRICT
INCOME STATEMENT AND CASH FLOW BY SERVICE AREA
FOR THE PERIOD ENDING SEPTEMBER 30, 2025**

<u>SUMMARY INCOME STATEMENT</u>		NOVATO WATER	NOVATO RECYCLED	WEST MARIN WATER	OCEANA MARIN SEWER
	TOTAL				
Operating Revenue	\$10,314,453	\$8,885,717	\$913,472	\$420,550	\$94,713
Operating Expense	7,863,985	7,075,290	397,359	309,348	81,988
OPERATING INCOME/(LOSS)	\$2,450,467	\$1,810,427	\$516,113	\$111,202	\$12,725
Non-Operating Revenue/(Expense)	(130,351)	(80,786)	(24,135)	(7,822)	(17,608)
NET INCOME/(LOSS)	\$2,320,116	\$1,729,641	\$491,978	\$103,380	(\$4,883)
CAPITAL CONTRIBUTIONS					
Developer In-Kind Contributions	\$65,654	\$55,710	\$0	\$9,944	\$0
Connection Fees	22,920	22,920	0	0	0
Grant Proceeds	0	0	0	0	0
FRC Transfer	0	(200,077)	200,077	0	0
CAPITAL CONTRIBUTIONS	\$88,574	(\$121,447)	\$200,077	\$9,944	\$0
Prior Period Adjustments	0	0	0	0	0
CHANGE IN NET POSITION	\$2,408,690	\$1,608,194	\$692,055	\$113,324	(\$4,883)
Net Position June 30, 2025	132,347,706	94,829,646	26,438,388	7,960,021	3,119,652
Net Position August 31, 2025	\$134,756,396	\$96,437,840	\$27,130,443	\$8,073,344	\$3,114,769
CASH FLOW STATEMENT					
Net Income/(Loss)	\$2,320,116	\$1,729,641	\$491,978	\$103,380	(\$4,883)
Add back Depreciation	1,161,491	874,233	198,868	72,603	15,786
Cash Generated From Operations	\$3,481,607	\$2,603,874	\$690,846	\$175,984	\$10,903
Other Sources (Uses) of Funds					
Connection Fee Revenue	\$22,920	\$22,920	\$0	\$0	\$0
Loan Proceeds	0	0	0	0	0
Grant Proceeds	0	0	0	0	0
Capital Assets Acquisition	(1,274,743)	(1,139,671)	(13,272)	(118,289)	(3,510)
Caltrans AEEP Capital Contribution	0	0	0	0	0
Marin Country Club Loan Principal Pmts	13,017	0	13,017	0	0
Principal Paid on Debt	(413,198)	(128,764)	(176,976)	(107,458)	0
Consumer Receivables Decr (Incr)	(1,228,538)	(987,600)	(264,338)	117,835	(94,435)
Construction Advances (Decr) Incr	704	10,648	0	(9,944)	0
Other Assets Decr (Incr)	(533,442)	(57,627)	820	(154,057)	(322,578)
Other Liabilities (Decr) Incr	(326,875)	(586,750)	3,590	(31,562)	287,846
Trade Accounts Payable (Decr) Incr	72,641	72,641	0	0	0
Connection Fee Transfer	0	(200,077)	200,077	0	0
Interdistrict Transfers	0	0	0	0	0
Interdistrict Loan Due To (From)	0	0	0	0	0
Total Other Sources (Uses)	(\$3,667,515)	(\$2,994,280)	(\$237,083)	(\$303,475)	(\$132,677)
Net Cash Provided (Used)	(\$185,908)	(\$390,406)	\$453,764	(\$127,492)	(\$121,774)
MV Cash & Investments June 30, 2025	\$21,681,274	\$13,895,140	\$7,169,220	\$396,463	\$220,451
MV Cash & Investments August 31, 2025	\$21,495,365	\$13,504,734	\$7,622,984	\$268,971	\$98,676

NOVATO WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING SEPTEMBER 30, 2025

	SEPTEMBER 2025	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
OPERATING REVENUE				
Water Sales	\$2,024,974	\$6,579,024	35%	\$6,398,584
Bill Adjustments	(18,006)	(45,301)	24%	(36,013)
Bimonthly Service Charges	740,592	2,209,772	25%	2,048,893
Account Turn-on Charges	8,115	21,545	24%	19,235
New Account Charges	320	920	23%	1,210
Returned Check Charges	0	36	-	81
Hydrant Meter Up/Down Charges	160	1,060	53%	600
Backflow Service Charges	14,588	43,935	26%	43,218
Lab Service-Outside Clients	2,259	7,938	20%	5,014
Wheeling Charges - MMWD	24,002	66,789	54%	57,169
Regulation 15 Forfeiture	0	0	-	0
TOTAL OPERATING REVENUE	\$2,797,004	\$8,885,717	32%	\$8,537,991
TOTAL EXPENDITURES				
SOURCE OF SUPPLY				
Supervision & Engineering	\$1,352	\$2,569	43%	\$2,460
Operating Expense - Source	4,998	5,244	29%	4,780
Maint/Monitoring of Dam	163	874	3%	31,770
Maint of Lake & Intakes	0	0	0%	891
Maint of Structures	0	(321)	-32%	261
Maint of Watershed	5,569	5,569	14%	587
Water Quality Surveillance	0	92	5%	826
Fishery Maint	0	0	0%	616
Purchased Water	791,157	2,163,034	30%	3,389,996
Permits, Fines & Penalties	2,004	29,209	17%	0
GASB68 Adjustment	0	0	0%	0
SOURCE OF SUPPLY	\$805,242	\$2,206,269	30%	\$3,432,187
PUMPING				
Supervision & Engineering	\$0	\$0	-	\$0
Operating Expense - Pumping	\$0	\$0	-	\$0
Maint of Structures & Grounds	\$15,819	\$38,729	88%	\$13,532
Maint of Pumping Equipment	3,424	19,842	14%	64,606
Electric Power	76,329	234,036	36%	203,507
GASB68 Adjustment (Pension)	0	0	0%	0
PUMPING	\$95,572	\$292,607	34%	\$281,645
OPERATIONS				
Supervision & Engineering	\$28,809	\$90,720	17%	\$114,036
Operating Expense - Operations	67,832	196,624	24%	206,918
Maintenance Expense	6,965	20,597	26%	19,334
Telemetry Equipment/Controls Maint	11,218	23,088	20%	17,387
Leased Lines	1,642	6,030	22%	6,724
GASB68 Adjustment (Pension)	0	0	0%	0
OPERATIONS	\$116,466	\$337,058	18%	\$364,399

NOVATO WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING SEPTEMBER 30, 2025

	SEPTEMBER 2025	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
WATER TREATMENT				
Supervision & Engineering	\$9,147	\$41,911	17%	\$52,363
Operating Expense - Water Treatment	47,691	135,646	36%	7,803
Purification Chemicals	82,188	195,761	55%	587
Sludge Disposal	17,948	61,242	73%	3,301
Maint of Structures & Grounds	2,332	5,766	11%	24,670
Maint of Purification Equipment	15,511	34,066	10%	44,451
Electric Power	15,078	54,654	26%	46,702
Water Quality Programs	12,561	33,465	14%	105,244
Laboratory Direct Labor	58,135	170,936	32%	119,132
Lab Service-Outside Clients	4,573	15,447	24%	20,218
Water Quality Supervision	15,961	44,718	31%	34,492
Laboratory Supplies & Expense	18,073	38,093	63%	24,179
Customer Water Quality	7,014	18,323	35%	16,429
Lab Cost Distributed	(5,406)	(12,512)	16%	(24,981)
GASB68 Adjustment (Pension)	0	0	0%	0
WATER TREATMENT	\$300,805	\$837,516	27%	\$474,589
TRANSMISSION & DISTRIBUTION				
Supervision & Engineering	\$91,257	\$254,640	36%	\$138,372
Maps & Records	17,434	53,795	25%	69,137
Operation of T&D System	5,855	37,416	26%	25,843
Facilities Location	18,342	58,463	30%	57,441
Safety: Construction & Engineering	4,504	9,605	16%	6,202
Customer Service Expense	13,203	45,039	23%	49,422
Flushing	0	0	0%	167
Storage Facilities Expense	9,382	36,408	19%	64,053
Cathodic Protection	0	871	29%	2,176
Maint of Valves/Regulators	16,277	67,811	43%	71,952
Maint of Mains	10,982	38,225	10%	39,716
Leak Detection - Mains	5,927	9,996	36%	7,132
Backflow Prevention Program	10,603	41,964	10%	116,957
Maint of Copper Services	21,023	89,556	28%	42,531
Maint of PB Service Lines	33,318	70,490	19%	92,911
Single Service Installations	12,972	32,824	91%	21,202
Maint of Meters	24,242	75,807	24%	121,593
Detector Check Assembly Maint	19,336	50,946	25%	6,429
Maint of Hydrants	2,039	21,258	73%	4,415
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
TRANSMISSION & DISTRIBUTION	\$316,696	\$995,115	21%	\$937,651

NOVATO WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING SEPTEMBER 30, 2025

	SEPTEMBER 2025	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
CONSUMER ACCOUNTING				
Meter Reading	\$1,748	\$5,257	19%	\$8,674
Collection Expense - Labor	3,432	11,019	30%	9,285
Collection Expense - Agency	0	424	42%	(238)
Billing & Consumer Accounting	17,098	52,863	27%	50,448
Contract Billing	1,420	4,385	26%	3,904
Stationery, Supplies & Postage	6,582	19,451	25%	20,407
Online Payment Processing Fees	22,156	30,729	26%	32,599
Lock Box Service	920	2,760	25%	2,736
Uncollectable Accounts	1,302	4,800	13%	5,959
Office Equipment Expense	430	2,247	3%	1,490
Distributed to West Marin (4.1%)	(2,225)	(5,326)	-	(5,230)
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
CONSUMER ACCOUNTING	\$52,863	\$128,608	20%	\$130,033
WATER CONSERVATION				
Residential	\$19,789	\$52,730	22%	\$50,387
Commercial	910	2,913	19%	3,936
Public Outreach/Information	23,120	54,397	25%	53,646
Large Landscape	524	731	18%	1,923
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
TOTAL WATER CONSERVATION	\$44,343	\$110,772	20%	\$109,892
GENERAL AND ADMINISTRATIVE				
Directors Fees	\$3,962	\$11,320	27%	\$8,004
Legal Fees	1,430	5,472	29%	\$4,748
Human Resources	8,632	41,216	14%	36,731
Auditing Fees	15,372	16,085	55%	6,880
Consulting Services/Studies	68,251	170,689	34%	22,566
General Office Salaries	151,845	430,772	27%	427,008
Safety: General District Wide	3,255	11,329	27%	11,951
Office Supplies	4,510	10,601	46%	6,918
Employee Events	1,631	2,545	13%	3,765
Other Administrative Expense	49	148	-	171
Dues & Subscriptions	27,420	63,526	69%	66,406
Vehicle Expense	676	2,028	25%	2,028
Meetings, Conferences & Training	14,601	72,745	36%	62,232
Recruitment Expense	0	0	0%	42
Gas & Electricity	3,720	9,401	85%	1,904
Telephone	1,684	4,955	26%	4,726
Water	0	475	16%	381
Buildings & Grounds Maint	19,639	48,230	55%	9,349
Office Equipment Expense	8,706	87,216	37%	79,005
Insurance Premiums & Claims	23,654	76,177	22%	67,060
Retiree Medical Benefits	20,617	62,536	24%	58,409
(Gain)/Loss on Overhead Charges	(9,489)	(189,776)	-64%	6,036
G&A Applied to Other Operations (5.9%)	(29,094)	(83,893)	38%	(56,092)
G&A Applied to Construction	(41,275)	(132,629)	18%	(194,044)
GASB75 Adjustment (OPEB)	0	0	-	0
GASB68 Adjustment (Pension)	190,680	571,941	90%	510,537
GENERAL & ADMINISTRATIVE	\$490,476	\$1,293,112	34%	\$1,146,720
Depreciation (Note 5)	369,132	874,233	26%	745,561
TOTAL OPERATING EXPENSE	\$2,591,596	\$7,075,290	27%	\$7,622,677
OPERATING INCOME/(LOSS)	\$205,408	\$1,810,427	140%	\$915,314

NOVATO WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING SEPTEMBER 30, 2025

	SEPTEMBER 2025	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
NON-OPERATING REVENUE				
Interest:				
General Funds	\$11,775	\$18,575	8%	\$46,627
Retiree Medical Insurance Fund	5,664	9,326	11%	16,648
Interest Revenue-Leases	0	7,692	85%	8,144
Funds Held in County Treasury	0	(12,744)	-33%	0
West Marin Loan from Novato	0	0	0%	0
MMWD Interconnection Agreement Loan	0	39,586		43,965
Total Interest Revenue	\$17,439	\$62,435	15%	\$126,039
Rents & Leases	0	22,610	29%	31,610
Tax Proceeds	26	40	0%	1,035
Other Non-Operating Revenue	28,169	30,060	4%	3,485
Gain/(Loss) on MV of Investments	15,867	21,436	-	55,241
NON-OPERATING REVENUE	\$61,502	\$136,582	9%	\$217,411
NON-OPERATING EXPENSE				
Bank of Marin AEEP Loan Interest Exp	\$7,627	\$23,160	26%	\$26,428
STP SRF Loan Interest Expense	7,418	22,254	25%	27,862
JP Morgan/Chase AMI Loan Interest Expense	6,019	18,056	25%	20,074
Webster Bank Loan Interest Expense	45,588	136,765	25%	142,804
Other Non-Operating Expense	1,143	17,133	107%	207,873
GASB68 Adjustment	0	0	-	0
NON-OPERATING EXPENSE	\$67,796	\$217,368	27%	\$425,040
NET INCOME/(LOSS)	\$199,114	\$1,729,641	89%	\$707,684
BEGINNING FUND EQUITY				
NET INCOME/(LOSS)	199,114	1,729,641		707,684
CONTRIBUTED CAPITAL				
Developer 'In-Kind' Contributions	(4,614)	55,710		164,921
Caltrans AEEP Capital Contribution	0	0		0
MMWD AEEP Capital Contribution	0	0		0
Facility Reserve Charges	15,280	22,920		64,260
2% @ 55 Fund Interest	0	0		0
FRC Transfer to/from Recycled Water	(200,077)	(200,077)		(200,077)
Prior Period Adjustment (Note 12)	0	0		0
ENDING FUND EQUITY		\$96,437,840		\$94,922,877

**NOVATO RECYCLED WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING SEPTEMBER 30, 2025**

	SEPTEMBER 2025	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
OPERATING REVENUE				
Recycled Water Sales	\$306,329	\$820,575	53%	\$776,270
Bill Adjustments	0	0	0%	0
Bimonthly Service Charges	37,828	91,037	29%	82,209
Water Loads	400	1,860	8%	7,000
TOTAL OPERATING REVENUE	\$344,557	\$913,472	49%	\$865,479
OPERATING EXPENSE				
SOURCE OF SUPPLY				
Purchased Water - NSD	106,682	106,682	35%	193,941
Purchased Water - LGVSD	17,198	17,198	29%	13,240
SOURCE OF SUPPLY	\$123,880	\$123,880	34%	\$207,181
PUMPING				
Maint of Pumping Equipment	0	0	0%	0
Electric Power	749	2,492	62%	1,463
PUMPING	\$749	\$2,492	25%	\$1,463
OPERATIONS				
Supervision & Engineering	\$155	\$789	4%	\$3,963
Operating Expense - Operations	0	0	0%	0
Potable Water Consumed	3,357	22,468	26%	1,371
Maintenance Expense	1,487	5,862	117%	0
Telemetry Equipment/Controls Maint	0	0	0%	2,505
GASB68 Adjustment (Pension)	0	0	0%	0
OPERATIONS	\$4,999	\$29,119	24%	\$7,839
WATER TREATMENT				
Maint of Purification Equipment	0	0	0%	1,458
Electric Power	0	0	0%	0
Laboratory Direct Labor	0	0	0%	0
Water Quality Supervision	0	0	0%	0
Lab Expense Distributed from Novato	0	0	0%	0
GASB68 Adjustment (Pension)	0	0	0%	0
WATER TREATMENT	\$0	\$0	0%	\$1,458
TRANSMISSION & DISTRIBUTION				
Supervision & Engineering	(\$80)	(\$160)	-2%	\$891
Operation of T&D System	0	696	35%	0
Customer Service Expense	1,433	3,690	28%	2,112
Storage Facilities Expense	520	1,925	21%	369
Maint of Mains	0	3,800	10%	736
Maint of PB Service Lines	0	0	0%	1,503
Maint of Meters	0	0	0%	0
GASB68 Adjustment (Pension)	0	0	0%	0
TRANSMISSION & DISTRIBUTION	\$1,873	\$9,952	11%	\$5,612

**NOVATO RECYCLED WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING SEPTEMBER 30, 2025**

	SEPTEMBER 2025	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
CONSUMER ACCOUNTING				
Distributed from Novato (0.2%)	\$225	\$518	26%	\$499
CONSUMER ACCOUNTING	\$225	\$518	26%	\$499
GENERAL AND ADMINISTRATIVE				
Dues & Subscriptions	\$0	\$0	0%	\$5,000
Distributed from Novato (2.4%)	9,190	26,499	36%	18,601
GASB68 Adjustment	2,019	6,032	-	5,162
GENERAL & ADMINISTRATIVE	\$11,208	\$32,531	41%	\$28,763
Depreciation (Note 5)	\$66,290	\$198,868	25%	\$197,128
TOTAL OPERATING EXPENSE	\$209,225	\$397,359	27%	\$449,943
OPERATING INCOME/(LOSS)	\$135,333	\$516,113	127%	\$415,535
NON-OPERATING REVENUE				
Interest:				
General Funds	\$10,200	\$16,622	11%	\$27,187
StoneTree RWF Loan	1,628	2,448	49%	2,545
Total Interest Revenue	\$11,828	\$19,070	12%	\$29,732
Other Non-Operating Revenue	0	0	-	0
NON-OPERATING REVENUE	\$11,828	\$19,070	12%	\$29,732
NON-OPERATING EXPENSE				
RWF SRF Loan Interest Expense	\$1,055	\$3,166	26%	\$4,694
Expansion SRF Loan Interest Expense	13,346	40,039	25%	43,552
Capital Contribution Expense-NSD&LGVSD	0	0	0%	0
GASB68 Adjustment	0	0	-	0
NON-OPERATING EXPENSE	\$14,402	\$43,205	6%	\$48,245
NET INCOME/(LOSS)	\$132,759	\$491,978	(258%)	\$397,022
BEGINNING FUND EQUITY		\$26,438,388		\$26,034,390
NET INCOME/(LOSS)	132,759	491,978		397,022
Developer 'In-Kind' Contributions	0	0		0
FRC Transfer to/from Novato	200,077	200,077		200,077
RW Central Area Expansion Grant	0	0		0
Prior Period Adjustment (Note 12)	0	0		0
ENDING FUND EQUITY		\$27,130,443		\$26,631,489

**WEST MARIN WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING SEPTEMBER 30, 2025**

	SEPTEMBER 2025	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
OPERATING REVENUE				
Water Sales	\$117,282	\$332,874	36%	\$342,457
Bill Adjustments	(64)	(3,293)	10%	(14,870)
Bimonthly Service Charges	31,904	88,816	24%	73,898
Account Turn-on Charges	(25)	485	24%	250
New Account Charges	0	35	-	20
Returned Check Charges	0	9	-	0
Hydrant Meter Up/Down Charges	0	0	-	100
Backflow Service Charges	0	1,625	20%	1,511
TOTAL OPERATING REVENUE	\$149,097	\$420,550	33%	\$403,365
OPERATING EXPENSE				
SOURCE OF SUPPLY				
Supervision & Engineering	\$0	\$0	0%	\$1,512
Operating Expense	28	98	2%	1,299
Maint of Structures	0	0	0%	8,770
Maint of Watershed	0	0	0%	0
Permits, Fines & Penalties	0	9,290	40%	0
GASB68 Adjustment (Pension)	0	0	0%	0
SOURCE OF SUPPLY	\$28	\$9,388	24%	\$11,581
PUMPING				
Maint of Structures and Grounds	\$924	\$6,379	159%	\$949
Maint of Pumping Equip	669	669	10%	590
Electric Power	9,821	28,390	32%	28,081
GASB68 Adjustment (Pension)	0	0	0%	0
PUMPING	\$11,414	\$35,438	33%	\$29,621
OPERATIONS				
Supervision & Engineering	\$1,942	\$5,520	19%	\$9,384
Operating Expense	21	4,778	22%	9,651
Maintenance Expense	0	0	0%	0
Maint of Telemetry Equipment	1,668	2,294	11%	5,168
Leased Lines	260	851	14%	2,146
GASB68 Adjustment (Pension)	0	0	0%	0
OPERATIONS	\$3,890	\$13,443	13%	\$26,349
WATER TREATMENT				
Supervision & Engineering	\$1,032	\$3,354	13%	\$6,727
Operating Expense	3,151	16,421	26%	20,410
Purification Chemicals	975	1,950	24%	1,300
Maint of Structures & Grounds	0	0	0%	6,659
Maint of Purification Equipment	28	1,784	6%	11,755
Water Quality Programs	0	141	-	0
Electric Power	0	1,194	6%	5,708
Laboratory Direct Labor	7,400	20,615	29%	20,936
Laboratory Services	4,390	5,648	23%	11,020
Water Quality Supervision	0	564	8%	1,632
Customer Water Quality	1,139	4,018	50%	2,933
Lab Expense Distributed from Novato	4,779	11,235	23%	22,673
GASB68 Adjustment (Pension)	0	0	0%	0
WATER TREATMENT	\$22,895	\$66,924	19%	\$111,752

**WEST MARIN WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING SEPTEMBER 30, 2025**

	SEPTEMBER 2025	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
TRANSMISSION & DISTRIBUTION				
Supervision & Engineering	\$470	\$2,971	149%	\$328
Facilities Location - USA	1,655	6,465	81%	2,383
Customer Service Expense	1,386	2,446	19%	1,998
Flushing	0	14	0%	0
Storage Facilities Expense	4,400	12,179	32%	12,021
Cathodic Protection	0	0	0%	378
Maint of Mains	0	0	0%	3,194
Backflow Dev Inspection/Survey	0	739	6%	6,844
Maint of Copper Services	0	1,676	28%	0
Maint of PB Service Lines	273	4,829	16%	893
Maint of Meters	0	267	4%	1,882
Single Service Installation	0	0	0%	(130)
GASB68 Adjustment (Pension)	0	0	0%	0
TRANSMISSION & DISTRIBUTION	\$8,184	\$31,585	17%	\$29,791
CONSUMER ACCOUNTING				
Meter Reading	\$1,136	\$3,826	23%	\$3,348
Collection Expense - Labor	124	408	20%	275
Online Payment Processing Fees	0	0	-	(19)
Distributed from Novato (3.6%)	1,736	3,993	23%	\$3,946
GASB68 Adjustment (Pension)	0	0	0%	0
GASB75 Adjustment (OPEB)	0	0	-	0
CONSUMER ACCOUNTING	\$2,996	\$8,226	20%	\$7,550
WATER CONSERVATION				
Water Conservation Program	\$570	\$934	7%	\$4,221
TOTAL WATER CONSERVATION	\$570	\$934	7%	\$4,221
GENERAL AND ADMINISTRATIVE				
Consulting Services/Studies	\$0	\$0	0%	\$0
Distributed from Novato (3.6%)	14,050	40,513	37%	28,118
GASB68 Adjustment (Pension)	10,078	30,293	-	28,341
GENERAL & ADMINISTRATIVE	\$24,128	\$70,807	38%	\$56,459
Depreciation (Note 5)	24,201	72,603	25%	62,133
TOTAL OPERATING EXPENSE	\$98,306	\$309,348	23%	\$339,457
OPERATING INCOME/(LOSS)	\$50,792	\$111,202	(232%)	\$63,908

**WEST MARIN WATER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING SEPTEMBER 30, 2025**

	SEPTEMBER 2025	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
NON-OPERATING REVENUE				
Interest - General Funds	\$335	\$576	8%	\$1,850
Rents & Leases	0	0	0%	0
NON-OPERATING REVENUE	\$335	\$576	4%	\$1,850
NON-OPERATING EXPENSE				
Bank of Marin Loan Interest Expense	\$1,120	\$3,400	26%	\$3,879
Loan from Novato-Interest Expense	1,666	4,998	25%	5,638
Other Non-Operating Expense	0	0	-	0
GASB68 Adjustment	0	0	-	0
NON-OPERATING EXPENSE	\$2,786	\$8,398	25%	\$9,518
NET INCOME/(LOSS)	\$48,341	\$103,380	(152%)	\$56,241
BEGINNING FUND EQUITY		\$7,960,021		\$7,848,498
NET INCOME/(LOSS)	48,341	103,380		56,241
CONTRIBUTED CAPITAL				
Water Conservation Grants	0	0		0
New Gallagher Well #2 Grant	0	0		0
Developer 'In-Kind' Contributions	1,632	9,944		80,668
Facility Reserve Charges	0	0		5,580
PRIOR YEAR ADJUSTMENTS (Note 11c)	0	0		0
ENDING FUND EQUITY		\$8,073,344		\$7,990,987

**OCEANA MARIN SEWER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING SEPTEMBER 30, 2025**

	SEPTEMBER 2025	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
OPERATING REVENUE				
Sewer Service Charges	\$31,571	\$94,713	25%	\$86,268
Inspection Fees	0	0	0%	0
TOTAL OPERATING REVENUE	\$31,571	\$94,713	25%	\$86,268
OPERATING EXPENSE				
SEWAGE COLLECTION				
Supervision & Engineering	\$1,828	\$4,099	11%	\$8,967
Inspection	0	356	-	0
Operating Expense	679	3,039	38%	683
Facilities Location	0	0	0%	410
Maint of Telemetry Equipment	60	180	9%	180
Maint of Lift Stations	1,096	1,885	10%	651
Maint of Manholes	0	0	0%	0
Maint of Sewer Mains	0	0	0%	0
Electric Power	2,232	6,547	26%	5,713
GASB68 Adjustment (Pension)	0	0	0%	0
SEWAGE COLLECTION	\$5,895	\$16,106	11%	\$16,604
SEWAGE TREATMENT				
Supervision & Engineering	\$0	\$0	-	\$2,117
Operating Expense	1,026	2,279	4%	6,864
Treatment Supplies & Expense	0	0	-	1,685
Maint of Structures	0	0	0%	0
Maint of Equipment	0	0	0%	127
Laboratory Direct Labor	1,012	2,343	-	2,131
Lab Expense Distributed from Novato	627	1,277	7%	2,308
Electric Power	41	366	5%	3,881
Permits, Fines & Penalties	0	0	0%	0
GASB68 Adjustment (Pension)	0	0	0%	0
SEWAGE TREATMENT	\$2,706	\$6,265	5%	\$19,112
SEWAGE DISPOSAL				
Operating Expense	\$3,171	\$8,951	31%	\$5,162
Maint of Pump Stations	935	4,184	38%	1,552
Maint of Storage Ponds	0	2,574	26%	1,861
Maint of Irrigation Field	0	2,488	62%	0
GASB68 Adjustment (Pension)	0	0	0%	0
SEWAGE DISPOSAL	\$4,107	\$18,196	30%	\$8,576
CONSUMER ACCOUNTING				
Distributed from Novato (0.6%)	264	816	20%	785
CONSUMER ACCOUNTING	\$264	\$816	20%	\$785

**OCEANA MARIN SEWER
DETAIL INCOME STATEMENT
FOR THE PERIOD ENDING SEPTEMBER 30, 2025**

	SEPTEMBER 2025	YEAR TO DATE ACTUAL	YTD/ BUDGET%	PRIOR YTD ACTUAL
GENERAL AND ADMINISTRATIVE				
Consulting Services/Studies	\$0	\$0	0%	\$0
Distributed from Novato (1.1%)	\$5,854	\$16,881	46%	\$9,373
Liability Insurance	0	0	0%	0
GASB68 Adjustment	2,625	7,940	-	8,138
GENERAL AND ADMINISTRATIVE	\$8,479	\$24,820	28%	\$17,511
Depreciation (Note 5)	5,392	15,786	25%	13,083
TOTAL OPERATING EXPENSE	\$26,842	\$81,988	17%	\$75,671
OPERATING INCOME/(LOSS)	\$4,729	\$12,725	(11%)	\$10,597
NON-OPERATING REVENUE				
Rents & Leases	\$0	\$250	-	\$250
Interest - General Funds	161	271	5%	(62)
Other Non-Operating Revenue/Expense	0	(18,129)	-	0
NON-OPERATING REVENUE	\$161	(\$17,608)	-352%	\$188
NON-OPERATING EXPENSE				
Interest Expense	\$0	\$0	0%	\$0
Other Non-Operating Expense	\$0	\$0	-	\$0
GASB68 Adjustment	0	0	-	0
NON-OPERATING EXPENSE	\$0	\$0	0%	\$0
NET INCOME/(LOSS)	\$4,889	(\$4,883)	4%	\$10,785
BEGINNING FUND EQUITY		\$3,119,652		\$1,974,377
NET INCOME/(LOSS)	4,889	(4,883)		10,785
CONTRIBUTED CAPITAL				
Contribution in Aid of Construction	0	0		(515)
Sewer Facilities Connection Charges	0	0		0
FEMA/CAL OES Grant-OM Treatment Pond	0	0		0
PRIOR YEAR ADJUSTMENTS (Note 11d)	0	0		0
ENDING FUND EQUITY		\$3,114,769		\$1,984,647

**NORTH MARIN WATER DISTRICT
VEHICLE FLEET ANALYSIS
FOR PERIOD ENDING September 30, 2025**

Fiscal Year to Date

Vehicle Cost per Mile

	Year	Description	Veh#	Assigned	Mileage	Expense ¹	Recovery ²	Gain/(Loss)	Mileage	Life to Date	FYTD26	FYTD25
1	2008	Ford F250 4x4	506	Pool	239	\$251	\$56	(\$195)	85,959	\$0.86	\$1.05	\$0.00
2	2012	Ford F250	515	Williamson	2,794	\$1,589	\$2,877	\$1,288	120,578	\$0.66	\$0.57	\$2.61
3	2012	Ford F250	516	Pearce	3,250	\$4,545	\$7,602	\$3,057	142,348	\$0.69	\$1.40	\$3.08
4	2014	Ford F150	517	Kurfirst	499	\$168	\$683	\$515	39,857	\$0.60	\$0.34	\$0.92
5	2015	Ford F250 4x4	518	Construction/Pool	1,334	\$1,303	\$735	(\$568)	126,270	\$0.50	\$0.98	\$0.62
6	2015	Ford F150 4X4	521	Construction/Pool	1,333	\$681	\$1,015	\$334	72,525	\$0.42	\$0.51	\$0.84
7	2016	Nissan Frontier	522	Pool	779	\$205	\$371	\$166	77,667	\$0.44	\$0.26	\$1.57
8	2016	Nissan Frontier	524	Lab	1,493	\$531	\$424	(\$108)	76,243	\$0.55	\$0.36	\$0.41
9	2018	Ford Cargo Van	526	On-Call Construction	4,073	\$1,809	\$168	(\$1,641)	72,687	\$0.47	\$0.44	\$2.88
10	2018	Dodge Ram 2500	527	Corda	559	\$908	\$0	(\$908)	78,398	\$0.66	\$1.63	\$0.94
11	2019	Chev Colorado 4x4	528	STP	969	\$692	\$175	(\$517)	34,049	\$0.56	\$0.71	\$0.70
12	2020	Ford F250 4X4	537	Out of Service	3,597	\$1,918	\$2,044	\$126	85,182	\$0.53	\$0.53	\$0.27
13	2021	Nissan Rogue	541	Roberto	896	\$172	\$336	\$164	32,064	\$0.31	\$0.19	\$0.38
14	2021	Nissan Frontier	542	STP	2,284	\$510	\$539	\$29	40,297	\$0.49	\$0.22	\$0.81
15	2021	Ford Ranger 4x4	543	STP	715	\$289	\$161	(\$128)	31,119	\$0.34	\$0.40	\$0.33
16	2020	Ford F150	544	Clark	1,533	\$645	\$350	(\$295)	6,006	\$0.41	\$0.42	\$0.85
17	2021	Ford F150	545	Kane	570	\$257	\$70	(\$187)	10,990	\$0.38	\$0.45	\$0.75
18	2021	Ford F150 4x4	546	Engineering	299	\$52	\$842	\$790	24,859	\$0.28	\$0.17	\$0.38
19	2022	Chevy Bolt EUV	548	LAB	2,154	\$0	\$502	\$502	21,381	\$0.09	\$0.00	\$1.09
20	2023	Chevy Bolt EUV	549	LeBrun	3,241	\$324	\$447	\$123	32,985	\$0.06	\$0.10	\$2.22
21	2022	Ford Ranger 4x4	550	Davenport	2,362	\$920	\$2,919	\$1,999	31,050	\$0.40	\$0.39	\$0.19
22	2022	Ford Ranger 2WD	551	Lawrence	4,071	\$1,010	\$1,869	\$859	11,385	\$0.42	\$0.25	\$0.00
23	2022	Ford Ranger 2WD	552	Castellucci	3,439	\$663	\$3,185	\$2,522	37,482	\$0.30	\$0.19	\$0.02
24	2022	Ford Ranger 2WD	553	Construction	1,141	\$218	\$3,010	\$2,792	20,110	\$0.40	\$0.19	\$0.36
25	2023	Ford Ranger 4x4	554	Hanson	2,940	\$841	\$686	(\$155)	26,555	\$0.51	\$0.29	\$0.27
26	2023	Nissan Leaf EV	555	Kennedy	591	\$185	\$266	\$81	17,870	\$0.13	\$0.31	\$0.51
27	2024	FORD F250 4X4 #556	556	Watkins	1,639	\$770	\$476	(\$294)	14,727	\$0.97	\$0.47	\$1.71
28	2024	FORD F250 4X4 #557	557	Breit	4,910	\$2,487	\$2,632	\$145	32,196	\$0.57	\$0.51	\$0.26
29	2025	NISSAN ROGUE S AWD	558	Engineerig	217	\$41	\$182	\$141	1,308	\$0.31	\$0.19	\$0.00
30	2024	FORD F-150 XL 4x4	560	Reed	299	\$0	\$252	\$252	1,663	\$0.33	\$0.00	\$0.00
31	2025	FORD F250 4X4 #561	561	Northen	1,773	\$3,922	\$749	(\$3,173)	2,253	\$1.74	\$2.21	\$0.00
32	2025	FORD F250 4X4 #562	562	STP	1,216	\$8,657	\$133	(\$8,524)	1,550	\$5.58	\$7.12	\$0.00
33	2025	FORD F150 4x4 #563	563	Bergstrom	1,991	\$1,089	\$1,463	\$374	1,991	\$0.55	\$0.55	\$0.00
		Total 3/4 Ton & Under			54,220	37,651	37,218	(433)	1,411,604	\$0.53	\$0.69	\$0.47
1	1999	Ford F350 W/Svc Body	19	Pool	926	\$232	\$602	\$370	141,708	\$0.83	\$0.25	\$0.00
2	2002	Int'l 5 Yd Dump	44	Construction	2,102	\$971	\$280	(\$691)	120,628	\$1.82	\$0.46	\$2.02
3	2006	Int'l 4300 Crew	503	Construction/Crew	3,197	\$918	\$3,598	\$2,680	62,428	\$2.45	\$0.29	\$1.68
4	2009	Peterbilt 325 Crew	508	Construction/Crew	4,120	\$1,280	\$4,354	\$3,074	56,688	\$2.36	\$0.31	\$3.21
5	2012	Int'l 5 Yd Dump	514	Construction	5,200	\$2,890	\$2,842	(\$48)	67,854	\$1.77	\$0.56	\$1.63
6	2015	Int'l 5 Yd Dump	519	McDonald	4,075	\$1,348	\$2,478	\$1,130	66,219	\$1.42	\$0.33	\$2.78
7	2017	Ford F350 4x4	525	Lemos	9,242	\$1,317	\$4,634	\$3,317	71,672	\$0.78	\$0.14	\$0.62
8	2019	Ford F550 3 YD Dump	530	Construction	3,241	\$2,385	\$2,198	(\$187)	18,934	\$1.38	\$0.74	\$1.64
9	2021	Int'l 5 Yd Dump	547	Sjoblom	6,022	\$843	\$1,876	\$1,033	14,060	\$1.69	\$0.14	\$1.86
		Total 1 Ton & Over			38,125	\$12,183	\$22,862	\$10,679	620,191	\$1.52	\$0.32	\$1.82

¹ Expense amount shown excludes depreciation (approximately \$165,000 for FY26).

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, 2025**

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			JUNE 2025	September 2025	FY 25/26 TOTAL	FY 25/26 BUDGET	(OVER) UNDER	TOTAL COST
NOVATO								
a. Residential								
1-7700-01	1-7700-26	1 Cash for Grass	\$612,481	\$2,193	\$5,027	\$70,000	\$64,973	\$617,508
1-7700-02	1-7700-27	2 Landscape Efficiency Rebates	47,341	165	1,048	6,000	4,952	48,389
1-7700-03		3 Fixtures Purchases	71,840	0	0	5,000	5,000	71,840
1-7700-06	1-7700-28	4 Washing Machine Rebates	376,615	24	235	5,000	4,765	376,850
1-7700-07		5 Demonstration Garden Improvements	55,105	0	(0)	0	0	55,105
1-7700-11	1-7700-29	6 Toilet Rebate-Residential	1,112,431	347	1,478	25,000	23,522	1,113,909
1-7700-12		7 Toilet Rebate - MF	130	0	0	0	0	130
1-7700-13		8 Residential Audits	508,394	1,586	1,626	20,000	18,374	510,020
1-7700-15		9 High Efficiency Toilet Distribution	242,197	0	0	0	0	242,197
1-7700-16		10 Water Waste Ordinance Monitoring	164,138	0	238	15,000	14,762	164,376
1-7700-17	1-7700-31	11 Swimming Pool Cover Rebate	16,889	174	811	5,000	4,189	17,701
1-7700-19	1-7700-32	12 ET Controller Rebate	64,952	197	241	6,000	5,759	65,193
1-7700-08		13 Administration	2,249,912	13,387	37,077	150,000	112,923	2,286,989
1-7700-20		14 New Development Wtr Cons Program	165,115	1,107	4,316	10,000	5,684	169,431
1-7700-21	1-7700-33	15 Demand Offset Rebate Program	7,129	71	95	2,000	1,905	7,223
1-7700-23		16 Grant Administration	3,300	0	0	1,000	1,000	3,300
1-7700-24	1-7700-34	17 Hot Water Recirculation Rebate	5,374	0	0	2,000	2,000	5,374
1-7700-25		18 Residential Fill Station	66,442	0	0	0	0	66,442
1-7705-02		19 Clothes Washer Rebate program	54,153	0	0	0	0	54,153
1-7700-35		Other Pipeline In UWMP	16,733	(0)	(0)	0	0	16,733
b. Non-Residential Programs								
1-7701-03	1-7701-04	1 Commercial Programs	80,831	910	2,913	16,000	13,087	83,745
1-7700-04		c. Public Outreach/Information	991,323	23,120	54,397	196,000	141,603	1,045,720
1-7702-01		1 Large Landscape Programs	58,727	524	731	13,000	12,269	59,458
1-7702-04		2 Large Landscape Irrigation Efficiency	1,121	0	0	0	0	1,121
1-7700-05		3 Marketing	5,584	539	539	0	(539)	6,123
TOTAL NOVATO WATER CONSERVATION			\$6,978,258	\$44,343	\$110,772	\$547,000	\$436,228	\$7,089,030
WEST MARIN WATER								
2-5166-00		a. Water Conservation Program	\$225,142	\$570	\$934	\$13,000	\$12,066	\$226,076
TOTAL WEST MARIN WATER CONSERVATION			\$225,142	\$570	\$934	\$13,000	\$12,066	\$226,076

NORTH MARIN WATER DISTRICT
CAPITAL IMPROVEMENT PROJECTS
PERIOD ENDING SEPTEMBER 30, 2025

Description		COST THRU JUNE 2025	SEPTEMBER 2025	FYTD TOTAL	FY 25/26 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	\$180,376	\$11,518	\$39,060	\$1,200,000	\$1,160,940	\$219,435
1-7150-00	2 San Mateo Tank Transmission Main	384,117	431,058	747,049	1,650,000	902,951	1,131,166
1-7216-00	3 Tamalpais Cr Sr Apts Fire Svc	847	11,456	13,806	0	(13,806)	14,653
1b Pipeline Replacements							
1-8737-08	1 Repl 8" CI w/pvc-Railroad/Rose	\$406,051	\$367	\$1,366	\$0	(\$1,366)	\$407,418
1-7212-00	2 Stafford Lake Park Service Line	4,464	638	638	0	(638)	5,102
1-7213-00	3 Olive Avenue Main Replacement	26,491	0	120	0	(120)	26,611
1-7215-00	4 System Wide PR Station Rehab	308,565	0	27,101	0	(27,101)	335,665
1c Aqueduct Improvements							
1		\$0	\$0	\$0	\$0	\$0	\$0
1d Pipeline Contingency							
1	Sync w/ City or County Paving	\$0	\$0	\$0	\$50,000	\$50,000	\$0
2	Pipeline Resiliency Improvements-(25' Master Plan)	0	0	0	200,000	200,000	\$0
3	Polybutylene (PB) Service Line Replacements	0	0	0	10,000	10,000	\$0
		\$1,310,910	\$455,037	\$829,140	\$3,110,000	\$2,280,860	\$2,140,050
2. STORAGE TANKS & PUMP STATIONS							
2a Tank Rehabilitation / Replacement							
1		\$0	\$0	\$0	\$0	\$0	\$0
2b Pump Station Rehabilitation / Replacement							
1-6112-26	1 Lynwood PS Replacement	\$614,132	\$575	\$10,938	\$300,000	\$289,062	\$625,070
1-6141-00	2 Crest PS	2,404,534	1,614	11,802	30,000	18,198	2,416,336
1-6103-22	3 Cherryhill PS Retaining Wall Repair	232,495	1,775	161,768	260,000	98,232	394,263
	4 School Road PS Decommissioning	0	0	0	30,000	30,000	0
	5 Cherry Hill PS Improvements	0	0	0	50,000	50,000	0
1-6405-11	6 Hayden Press Tank-Pit Replacement	78,159	0	2,172	0	(2,172)	80,331
2c Hydropneumatic Systems							
1-7170-01	1 Bahia Hydropneumatic System Replacement	32,159	\$0	\$0	\$0	\$0	\$32,159
2d Tank & Pump Station Contingency							
1	PS Pump Replacements (5/yr)	\$0	\$0	\$0	\$50,000	\$50,000	\$0
Subtotal Storage Tanks & Pump Stations		\$3,361,479	\$3,964	\$186,680	\$720,000	\$533,320	\$3,548,159

NORTH MARIN WATER DISTRICT
CAPITAL IMPROVEMENT PROJECTS
PERIOD ENDING SEPTEMBER 30, 2025

Description		COST THRU JUNE 2025	SEPTEMBER 2025	FYTD TOTAL	FY 25/26 BUDGET	(OVER)/UNDER BUDGET	TOTAL COST	
3. STAFFORD IMPROVEMENTS								
3a Stafford Treatment Plant (STP)								
1-6610-29	1	STP PLC (Prog Logic Controllers) Replacements	\$0	\$0	\$0	\$125,000	\$125,000	\$0
	2	STP-Tower Hose Replacement	46,771	0	0	0	0	46,771
	3	STP Primary Filter Basin Improvements	1,148,669	0	0	0	0	1,148,669
	4	STP Fire Alarm Upgrade	12,394	0	0	0	0	12,394
3b Stafford Dam / Watershed								
1-6610-24	1	Water Supply Enhancements-Spillway ASG	\$262,182	\$2,076	\$11,728	\$50,000	\$38,272	\$273,910
1-6610-25	2	Dam Spillway Concrete Repair	0	0	0	75,000	75,000	0
1-6610-31	3	Dam Piezometer Automation	56,506	93	959	80,000	79,041	57,464
3c Stafford Contingency								
	1	Other Stafford Improvements	\$0	\$0	\$0	\$100,000	\$100,000	\$0
Subtotal Stafford Improvements		\$1,526,521	\$2,169	\$12,687	\$430,000	\$417,313	\$1,539,208	
4. MISCELLANEOUS IMPROVEMENTS (NOVATO)								
4a District Offices								
1-6501-50	1	Construction Building 1st Floor Improvements	\$0	\$0	\$0	\$50,000	\$50,000	\$0
	2	Construction Building 2nd Floor Improvements	0	0	0	50,000	50,000	0
	3	Construction Yard Improvements - Pipe Racks	0	0	0	25,000	25,000	0
	4	DLF Mediation	155,510	12,124	27,065	0	(27,065)	182,575
	5	Construction Locker Room Remodel	289,175	0	0	0	0	289,175
4b System Pressure / Valving								
	1	System Wide PR Station Rehab	\$0	\$0	\$0	25,000	25,000	\$0
	2	San Marin Valve Pit Improvements	0	0	0	15,000	15,000	0
	3	DCDA Replacement - 655 Canyon Road	0	0	0	40,000	40,000	0
	4	DCDA Replacement - 1180 Lynwood Way	0	0	0	40,000	40,000	0
	5	Gateway Commons- Backflow Prevention	0	0	0	60,000	60,000	0
4c Miscellaneous Projects		0	0	0				
1-6610-32	1	Thorsson Monitoring Stat - Upgrade	\$6,642	\$0	\$0	0	\$0	\$6,642
1-6610-35	2	Scada Server Upgrade	8,806	1,400	12,525	0	(12,525)	21,331
1-6502-53	3	Equipment not yet in Service	309,317	0	\$0	0	0	309,317
4d Miscellaneous Contingency								
	1	Cathodic Protection-Anode Installation (FY26)	\$0	\$0	\$0	10,000	10,000	\$0
	2	Other System Improvements	0	0	0	50,000	50,000	0
Subtotal Miscellaneous Improvements (Novato)		\$769,450	\$13,524	\$39,590	\$365,000	\$325,410	\$809,039	

NORTH MARIN WATER DISTRICT
CAPITAL IMPROVEMENT PROJECTS
PERIOD ENDING SEPTEMBER 30, 2025

Description		COST THRU JUNE 2025	SEPTEMBER 2025	FYTD TOTAL	FY 25/26 BUDGET	(OVER)/UNDER BUDGET	TOTAL COST
5. RECYCLED WATER SYSTEM (NOVATO)							
5a RW Pipelines							
5-7162-07	1 Hamilton Homeward Bound RW Main Ext1	\$233,861	\$12,876	\$13,272	\$0	(\$13,272)	\$247,133
5b RW Tanks & Pump Stations		\$0	\$0	\$0	\$0	\$0	\$0
5c RW Contingency		\$0	\$0	\$0	\$0	\$0	\$0
1	Other Recycled Water Improvements	\$0	\$0	\$0	\$100,000	\$100,000	\$0
TOTAL RECYCLED WATER		\$233,861	\$12,876	\$13,272	\$100,000	\$86,728	\$247,133
6. WEST MARIN SYSTEM							
6a WM Pipelines							
2-8912-00	1 Lagunitas Bridge Pipeline Replacement	\$195,213	\$76,398	\$112,016	\$750,000	\$637,984	\$307,228
	2 Olema Creek Bridge Pipe Replacement (County)	0	0	0	25,000	25,000	0
2-7192-01	3 Galv Pipe Repl -Balboa	8,290	0	0	0	0	8,290
2-7192-02	4 Galv Pipe Repl - 4 Locations	197,298	3,573	3,913	250,000	246,087	201,210
2-7214-00	5 St Rt 1 Caltrans Pipe Relocate	3,835	549	2,361	40,000	37,639	6,196
6b WM Tanks & Pump Stations		\$0	\$0	\$0	\$0	\$0	\$0
6c WM Wells							
2-6613-00	1 Gallagher Well #3	\$3,458	\$0	\$0	\$100,000	\$100,000	\$3,458
6d WM Treatment Plant							
1		\$0	\$0	\$0	\$0	\$0	\$0
6e WM Contingency							
	1 Sync w/County Paving	\$0	\$0	\$0	\$25,000	\$25,000	\$0
	2 Other Water System Improvements ³	0	0	0	100,000	100,000	\$0
2-7185-00	3 Gallagher Ranch Streambank Stabilization2	735,835	0	0	5,000	5,000	\$735,835
TOTAL WEST MARIN		\$1,143,929	\$80,520	\$118,289	\$1,295,000	\$1,176,711	\$1,262,218
7. OCEANA MARIN							
7a OM Pipelines							
8-7208-01	1 Sewer Force Main Improvements-FM 1A (Design Only)	\$53,602	\$560	\$1,395	\$25,000	\$23,605	\$54,997
7b OM Lift Station		\$0	\$0	\$0	\$0	\$0	\$0
7c OM Treatment Ponds							
8-7173-00	1 OM Treatment Pond Rehab-404 Grant-FEMA3&4	\$208,605	\$0	\$0	\$0	\$0	\$208,605
8-7173-01	2 OM Treatment Pond Rehab-Grant Management	66,719	\$2,116	2,116	0	(2,116)	\$68,834
8-7173-02	3 OM Treatment Pond Rehab-PH 2 Const FEMA	1,860,610	\$0	0	0	0	\$1,860,610
7d OM Contingency							
1	Other Sewer System Improvements	\$0	\$0	\$0	\$25,000	\$25,000	\$0
TOTAL OCEANA MARIN		\$2,189,535	\$2,675	\$3,510	\$50,000	\$46,490	\$2,193,046

NORTH MARIN WATER DISTRICT
CAPITAL IMPROVEMENT PROJECTS
PERIOD ENDING SEPTEMBER 30, 2025

Description	COST THRU JUNE 2025	SEPTEMBER 2025	FYTD TOTAL	FY 25/26 BUDGET	(OVER)/UNDER BUDGET	TOTAL COST
SUMMARY - GROSS PROJECT OUTLAY						
		Current Month	FYTD Total	FY 25/26 Budget	FYTD/ Budget%	
Novato Water Capital Projects		\$474,694	\$1,068,097	\$4,625,000	23%	
Novato Recycled Water Capital Projects		12,876	13,272	100,000	13%	
West Marin Water Capital Projects		80,520	118,289	1,295,000	9%	
Oceana Marin Sewer Capital Projects		2,675	3,510	50,000	7%	
Gross Capital Improvement Project Outlays		\$570,766	\$1,203,168	\$6,070,000	20%	
8 LESS FUNDED BY GRANTS, LOANS & REIMBURSEMENTS						
(Accrued)/Deferred						
a NW - Loan Funds - Gateway Commons On-Bill Financing Reimb	\$0	\$0	\$0	\$0	\$0	\$0
b RW - Capital Replacement Expansion Fund	0	0	0	0	0	\$0
c WM - Loan For "Near-Term" Capital Projects	146,634	0	0	0	0	\$146,634
FUNDING BY OTHERS (ACCRUED)/DEFERRED	\$146,634	\$0	\$0	\$0	\$0	\$146,634
Received						
a NW - Loan Funds - Gateway Commons On-Bill Financing Reimb	\$0	\$0	\$0	(\$60,000)	(\$60,000)	\$0
b RW - Capital Replacement Expansion Fund	(286,761)	0	0	(100,000)	(100,000)	(\$286,761)
c WM - Loan For "Near-Term" Capital Projects	(554,228)	0	0	(1,295,000)	(1,295,000)	(\$554,228)
FUNDING BY OTHERS RECEIVED	(\$840,989)	\$0	\$0	(\$1,455,000)	(\$1,455,000)	(\$840,989)
NET PROJECT EXPENDITURES	\$9,548,062	\$570,766	\$1,203,168	\$4,615,000	\$3,411,832	\$11,044,498

CIP SUMMARY-NET EXPENDITURES:	Current Month	FYTD Total	FY 25/26 Budget	FYTD/ Budget%
Novato Water Capital Projects	\$474,694	\$1,068,097	\$4,565,000	23%
Novato Recycled Water Capital Projects	12,876	13,272	0	0%
West Marin Water Capital Projects	80,520	118,289	0	-
Oceana Marin Sewer Capital Projects	2,675	3,510	50,000	7%
Net Capital Improvement Project Outlays	\$570,766	\$1,203,168	\$4,615,000	26%

8. EQUIPMENT BUDGET				
1 Class 8 Service Truck (2) Replace #503 & #508	\$0	\$0	\$498,000	\$498,000
2 Lease/Purchase Vehicles	0	47,780	313,000	265,220
3 Programmable Logic Controller (6) (Operations)	0	17,833	100,000	82,167
4 Turbidity Analyzers (8) (Operations)	0	0	55,000	55,000
5 Chlorine Analyzer (3) (Operations)	0	0	42,000	42,000
6 Incubator (Lab)	0	5,961	10,000	4,039
7 Miscellaneous Equipment Purchases	\$0	0	15,000	15,000
Total Equipment Purchases	\$0	\$71,574	\$1,033,000	\$961,426

NORTH MARIN WATER DISTRICT
CAPITAL IMPROVEMENT PROJECTS
PERIOD ENDING SEPTEMBER 30, 2025

Description	COST THRU JUNE 2025	SEPTEMBER 2025	FYTD TOTAL	FY 25/26 BUDGET	(OVER)/UNDER BUDGET	TOTAL COST
9. STUDIES & SPECIAL PROJECTS						
9a General Studies						
1-4102-00 1 GIS Support	\$99,684	\$0	\$2,369	\$12,000	\$9,631	\$102,054
2 Grant Consultant	0	0	0	10,000	10,000	0
3 Strategic Plan Update (2025-2029)	10,460	0	11,680	15,000	3,320	22,140
1-4088-00 4 Emergency Operations Response Plan	25,526	5,802	5,802	100,000	94,198	31,328
5 Retiree Health Benefits (OPEB) Footnote FY25	6,000	1,000	1,000	0	(1,000)	7,000
1-4073-00 6 Surplus Property	0	1,496	1,496	0	(1,496)	1,496
9b Novato Service Area Studies						
1-4050-25 1 Urban Water Mgmt Plan - 2025 Update	17,062	0	0	80,000	80,000	17,062
1-4104-23 2 Novato Water Master Plan	313,401	36,562	113,166	225,000	111,834	426,567
3 Stafford Lake Bathymetric Survey	0	0	0	15,000	15,000	0
4 Stafford Dam Monument Survey	0	22,026	29,832	10,000	(19,832)	29,832
5 Stafford Treatment Plant Risk Management Plan Update	0	0	0	35,000	35,000	0
1-4077-00 6 Potter Valley Project FERC Decommissioning	52,237	1,365	3,575	5,000	1,425	55,812
1-4106-00 7 STP Risk Management Program Update	38,441	0	702	0	(702)	39,143
1-4109-00 8 MMWD ARC	0	0	1,067	0	(1,067)	1,067
9c WM Service Area Studies						
1 West Marin Water Supply Resiliency Feasibility Study	0	0	0	75,000	75,000	0
9d OM Service Area Studies						
1 Oceana Marin Master Plan	0	0	0	50,000	50,000	0
9e Other Studies						
2 Recycled Water-G&A Consultants/Studies General	890	0	0	0	0	890
	\$745,235	\$68,251	\$170,689	\$632,000	\$461,311	\$915,924

Notes to Capital Improvement Projects Schedule:

- (1) Funded by Capital Replacement & Expansion Fund.
- (2) Loan from Novato Water-As included in the 2021 WM Water rate study - to be paid with interest. Loan received 6/30/22.
- (3) OM Treatment Pond Rehab-Project to be funded at 75% by grants. Eligible project costs are budgeted at \$2.2M (75%=\$1.425M)
- (4) 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 current 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 reflected in the balance until the interest is applied to the semi-annual payments. The Reserve will be used 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 are three Employer Assisted Housing Loans outstanding totaling \$850,000 (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. 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 2025 an Actuarial Analysis calculated NMWD's total actuarial liability at \$4.3 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.

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 are three employee-housing loans currently outstanding totaling \$850,000 dated March 2015, November 2024 and June 2025..

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.

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 2025-2026

Service Area	Description	Issue Date	Rate	Original Amount	Final Pmt	Interest Expense	Principal Paid	Total Debt Service	6/30/26
									Outstanding Balance
Novato	SRF Loan - STP	2004	2.39%	\$16,528,850	07/01/29	\$ 89,014	\$ 955,460	\$1,044,474	\$ 3,006,435
Novato	Bank Marin Loan	2011	3.42%	\$7,000,000	10/27/31	\$ 87,545	\$ 394,497	\$ 482,042	\$ 2,346,993
Novato	Chase Bank Loan	2018	2.69%	\$4,600,000	03/01/33	\$ 72,227	\$ 305,000	\$ 377,227	\$ 2,380,000
Novato	Webster Bank	2022	3.11%	\$20,000,000	03/01/42	\$ 547,061	\$ 800,835	\$1,347,896	\$16,789,561
Novato Total						\$ 795,847	\$2,455,792	\$3,251,639	\$24,522,989
RW TP	SRF Loan	2006	2.40%	\$4,302,560	06/19/27	\$ 12,664	\$ 260,703	\$ 273,367	\$ 266,960
RW North	SRF Loans (4)	2013	2.60%	\$4,375,605	2031 & 2032	\$ 48,818	\$ 233,074	\$ 281,892	\$ 1,644,549
RW South	SRF Loans (3)	2013	2.20%	\$5,361,952	2032 & 2033	\$ 54,925	\$ 277,482	\$ 332,407	\$ 2,219,107
RW Central	SRF Loan	2016	1.00%	\$7,130,503	12/31/47	\$ 56,412	\$ 219,361	\$ 275,773	\$ 5,421,800
Recycled Water Total						\$ 172,819	\$ 990,620	\$1,163,439	\$ 9,552,415
WM Water	Bank Marin Loan	2012	3.42%	\$1,000,000	10/27/31	\$ 12,851	\$ 57,908	\$ 70,758	\$ 344,513
West Marin Water Total						\$ 12,851	\$ 57,908	\$ 70,758	\$ 344,513
FY 25/26 Total - External Loans						\$ 981,517	\$3,504,320	\$4,485,837	\$34,419,918

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 number 9 below.
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 x 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.

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.

4



MEMORANDUM

To: Board of Directors

November 18, 2025

From: Tony Williams, General Manager 

Subj: Training on Various State Laws Governing Board Actions

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RECOMMENDED ACTION: None

FINANCIAL IMPACT: None at this time

Craig Judson and Sharon Nagle of the District's legal counsel of Bold, Polisner, Maddow, Nelson, and Judson (BPMNJ) will be providing an overview of various laws that affect the actions by your Board. The presentation (Attachment 1) will cover various topics but is not meant to include each and every state law relevant to the District or the Board's actions but rather a spotlight on some key laws and best practices.

Alignment with Strategic Plan

Goal 6: Maintain Effective and Transparent Governance; Action 6.1 Establish a comprehensive Board onboarding, training, and development program.

The training provided is in line with and an important component of this strategic action and will be incorporated into a comprehensive program by the target date of 2027.

ATTACHMENT

1. Presentation by Bold, Polisner, Maddow, Nelson, and Judson

NMWD
**Public
Records Act
Overview**

November 18, 2025

Bold, Polisner, Maddow, Nelson & Judson

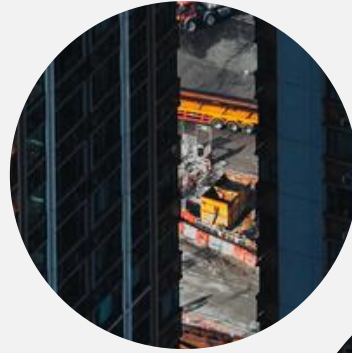
Craig L. Judson

Sharon M. Nagle



Agenda

- Overview
- What is a Public Record?
- What is a Writing?
- What is the People's Business?
- Prepared, Owned, Used, or Retained
- Form of PRA Requests
- Timing
- Exempt Records
- Privileges
- Responses
- Questions?



Public Records Act (“PRA”) Overview

Source

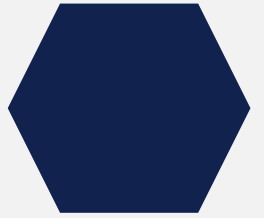
- The California Public Records Act governs the public’s access to government records. (Cal. Const. Art 1 § 3; Gov’t. Code § 7920.000 et seq.)

Policy

- Access to information concerning the conduct of the people’s business is a fundamental and necessary right of every person in this state. (Cal. Gov. C. § 7921.000.)

Take Away

- All local agency records must be disclosed to the public, upon request, unless those records are specifically made exempt. (Cal. Gov. C. § 7922.525.)



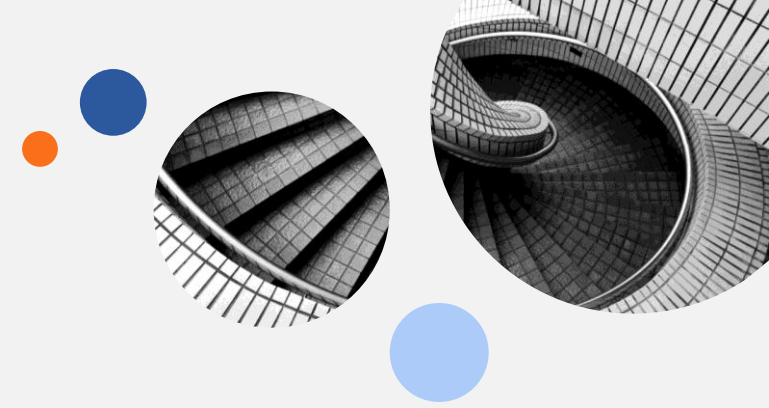
What is a Public Record?



- Any writing
- Containing information relating to the conduct of the public's business
- Prepared, owned, used, or retained by any state or local agency
- Regardless of physical form or characteristics.

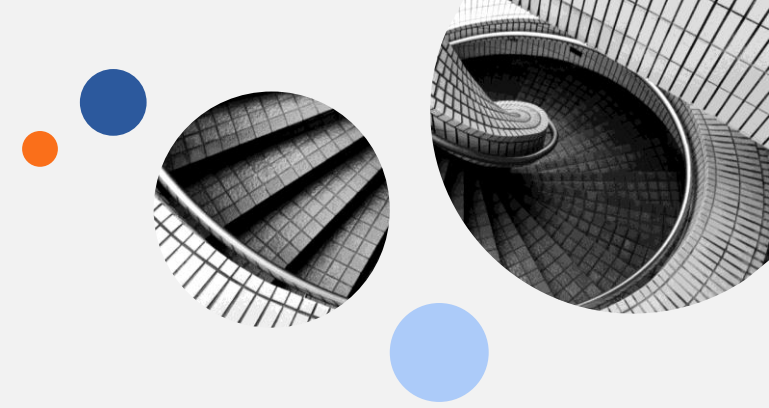
What is a Writing?

- Handwritten notes
- Photographs
- Flash drives
- Server files
- Audio and video recordings
- Emails and texts
- Chats on Zoom or Teams

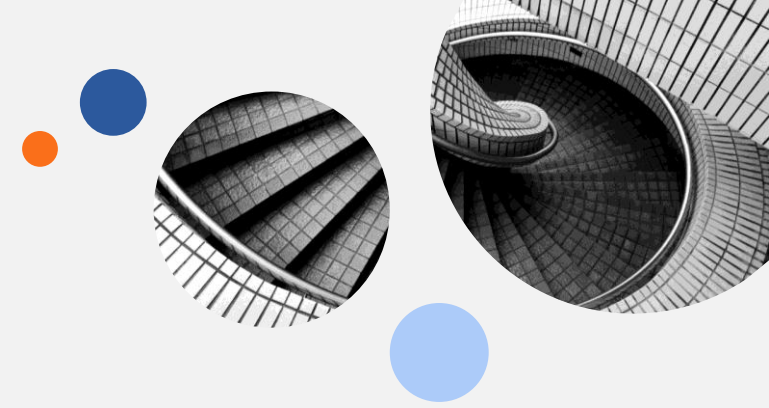


What is the People's Business?

- The record must contain information about the People's business
- Look to:
 - The content of the record
 - The context or purpose of the record
 - Who is the record intended for?
 - Was the record prepared by an employee acting within the scope of his or her employment?
- Examples
 - Your grocery list, even if written at work on NMWD letterhead, is not a public record
 - Text messages on a personal phone with Tony Williams about an upcoming board meeting are public records



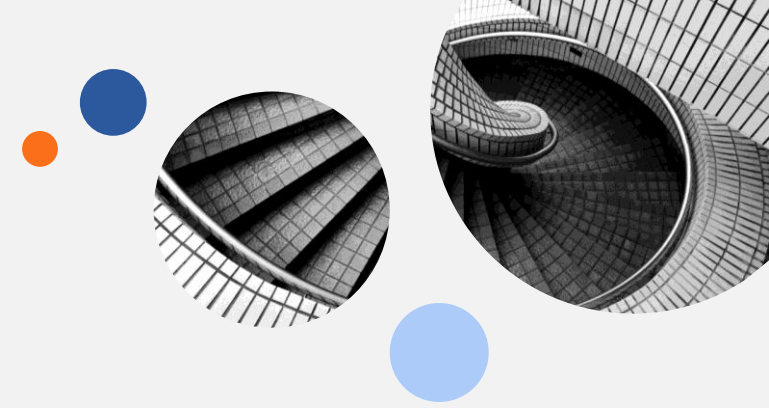
Prepared, Owned, Used, or Retained



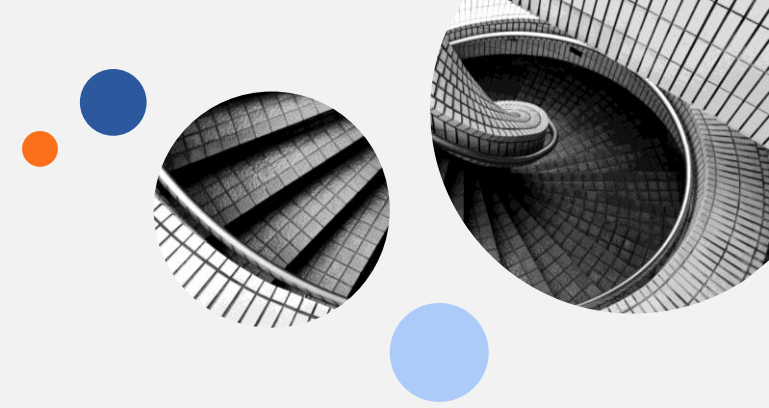
- The scope of potentially responsive documents are not only records in the physical possession of the public agency, but records within the agency's constructive possession
 - An agency has constructive possession of records if it has the right to control the records either directly or through another person.
- Note – courts have found that records on employee's personal devices are public records subject to disclosure under the PRA. (*City of San Jose v. Superior Court* (2017) 2 Cal.5th 608.)

Form of PRA Request

- No specific format is required
- Requests can be verbal OR in writing
- If the scope of the records request is vague, the public agency is obligated to assist the requestor to modify the request.
- The request must be precise enough to allow the agency to locate responsive records.
- The request does not need to identify a specific record.



Timing



- Within 10 days, the agency must
 - Determine whether the request seeks records which must be disclosed
 - Provide a written response
 - State the date when records will be produced
 - Ten-day period starts with first calendar day after date of receipt
 - If response date falls on a weekend or holiday, the next business day is the deadline
- Extensions
 - The agency may extend the time for 14 days if it will need to coordinate with multiple departments, field offices, or examine voluminous records. (Govt. Code § 7922.535 (b).)
- Amended Gov. Code § 7922.535 added more “unusual circumstances” which extend the time to respond in cases of a state of emergency that directly impacts the agency’s ability to respond or a cyberattack.

Exempt Records

- Drafts
- Pending litigation (until litigation adjudicated/settled)
 - Exemption applies only to documents specifically prepared for use in existing or anticipated litigation.
- Investigatory records
- Privileged information and communications(see next slide)
- Personnel, medical, etc.
- Real estate appraisals and engineering studies
- Taxpayer information gathered in collection of local taxes.
- Catch-all
 - Public-interest balancing test: the public interest served by nondisclosure clearly outweighs the public interest in disclosure.

Privileges

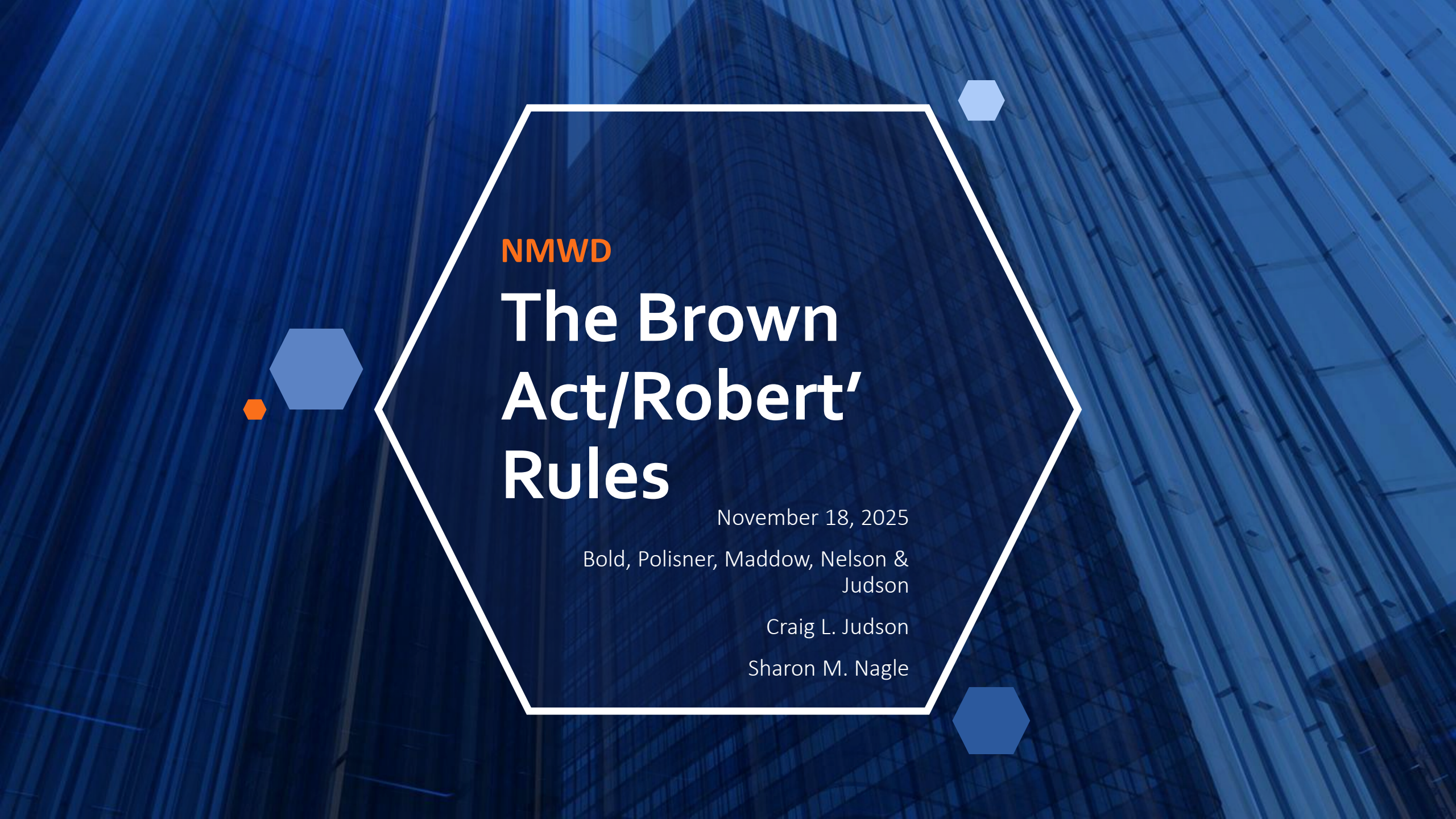
- PRA exempts records, the disclosure of which are prohibited under state or federal law (including the California Evidence Code).
- Attorney-client
 - Just copying counsel doesn't guarantee privilege. The purpose of the communication must be to obtain legal advice or otherwise related to representation
- Official Information
 - Information acquired in confidence by a public employee in the course of his or her official duties and not normally disclosed to the public. (Evidence Code § 1040)
- Deliberative Process Privilege
 - Not an absolute privilege
 - Protects an official's thought process
 - Uses a balancing test (the public interest in nondisclosure clearly outweighs the public interest in disclosure)

Responses

- If no responsive records, the agency must provide that information to the requestor
- Consider whether any portion of the records must be redacted to protect privileged information. Disclosure of privileged information is generally a waiver of the privilege.
- If the agency withholds records, it must identify the exemption claimed
 - No need to create a privilege log
- No need to recreate records which have been lawfully discarded prior to receipt of the request
- The agency cannot charge fees for searching for records, reviewing and redacting records, or assisting requestor in formulating a PRA request.
- The agency may charge fees for the direct costs of copying, but is not required to.

Questions?





NMWD

The Brown Act/Robert' Rules

November 18, 2025

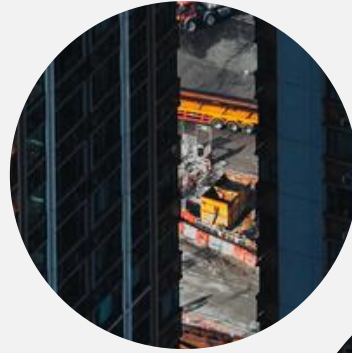
Bold, Polisner, Maddow, Nelson &
Judson

Craig L. Judson

Sharon M. Nagle

Agenda

- Introduction
- Brown Act Overview
- What Are Meetings?
- Notice and Agenda Requirements
- Rights of the Public
- Closed Session
- New Legislation
- Robert's Rules
- Questions

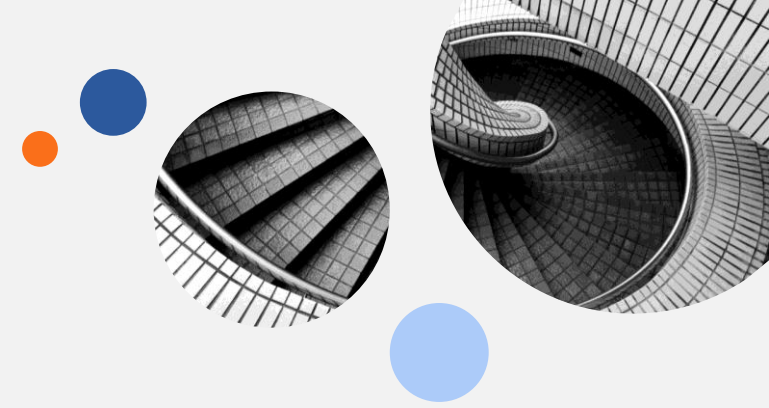


Introduction

The guiding principle of the Brown Act is that the business of the public must be conducted in public, with ample opportunity for public participation.

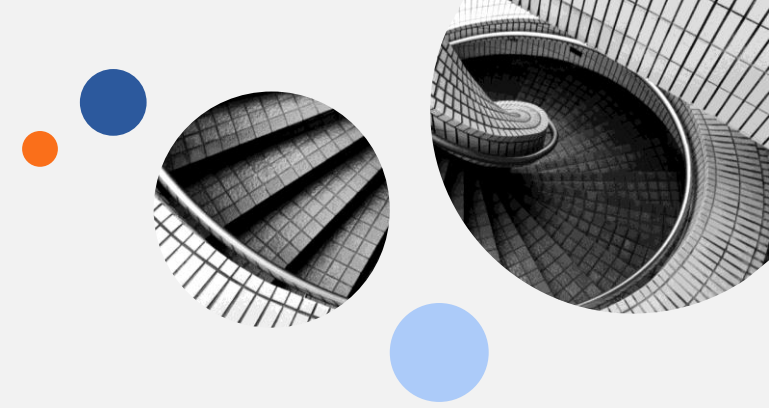


Who is subject to the Brown Act?



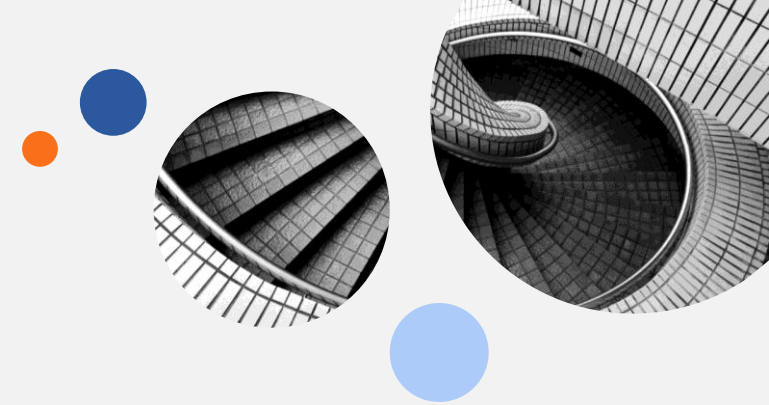
- The Brown Act applies to legislative bodies of local agencies, such as NMWD.
 - The Brown Act also applies to standing committees, even if made up of less than a quorum of members.
- It does not apply to ad hoc committees made up of less than a quorum of the body.
 - Ad hoc committees are temporary committees formed for a limited purpose, for example an advisory committee created to interview candidates for a vacant position.

The Open Meeting Rule



- Meetings must be open to the public
- Exceptions are narrowly construed
 - Exceptions are social or ceremonial occasions, conferences open to the public, open and public meetings held by another person or legislative body
- A majority of Board members may not discuss or transact business outside of a properly noticed meeting
- Role of General Counsel

What is a “meeting”



- A meeting takes place whenever a majority of the board or committee comes together at the same time or place to hear, discuss, and/or deliberate on any time of business within NMWD’s subject matter jurisdiction
- Meetings may be informal
- Meetings may involve only discussion, action, or both
- Meetings can be in person or virtual
- Examples: retreats, site visits, social gatherings, gathering before or after a formal meeting
- Attendance – board members may attend two meeting per year for just cause or emergency circumstances. Must have both microphone and camera and disclose if anyone over 18 is present.

Exceptions

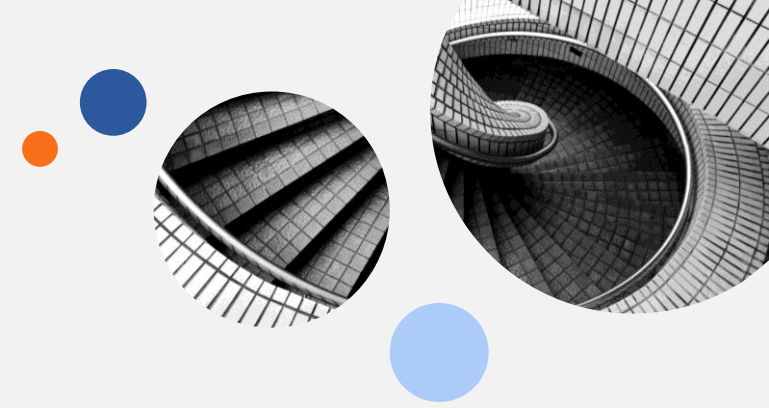
Members can attend:

- Conferences that are open to the public
- Purely social or ceremonial events
- Other entity's open and public meetings
- Open and public meetings to address community concerns

Reminders

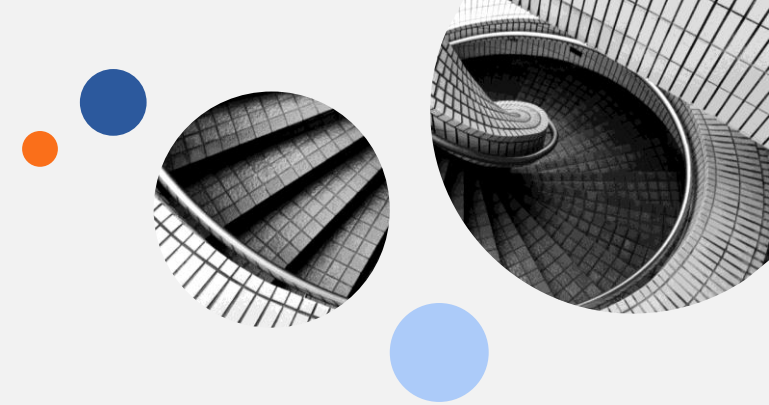
- Do not discuss official business or business in the nature of NMWD's jurisdiction (unless part of a scheduled program.)

Serial Meetings



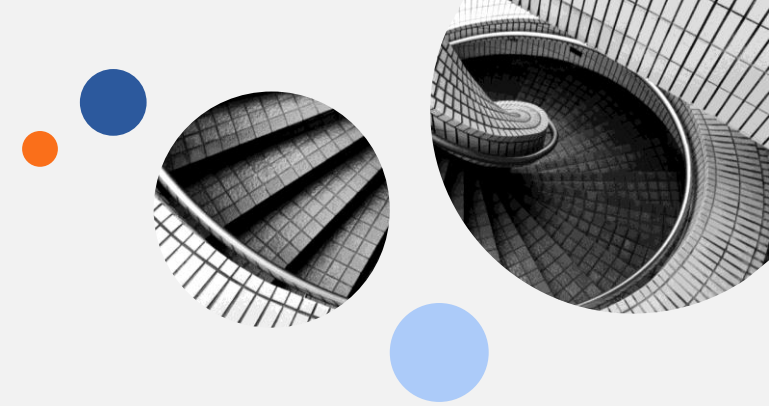
- Daisy chain meetings
 - Member A contacts Member B; Member B contacts Member C; Member C contacts Member D.
- Hub and spoke meetings
 - Member A separately contacts Members B, C, and D until a quorum has been contacted.
 - Staff member contacts a majority of members for discussion on a topic.
 - Staff can answer questions or provide information to board member as long as any views or positions by the member are not communicated by staff to other board members.
- Serial meetings can occur informally, through text, email, or phone.
 - Be wary of “reply all.”

Notice and Agenda Requirements



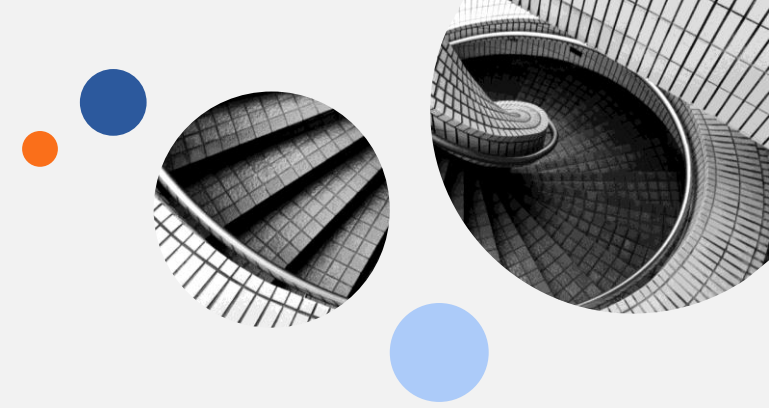
- Regular meeting agendas must be posted 72 hours in advance of the meeting
- Special meeting agendas must be posted 24 hours in advance of the meeting
- Agendas must describe the items to be considered with sufficient detail so that the public can understand. The board may not discuss and act on items not on the agenda or beyond the reasonable scope of the agenda. Can ask a brief clarifying question but better to ask staff to put item on future agenda for more detailed questions.
- Minutes should be placed on the consent calendar.
- Exceptions:
 - Public health and safety
 - An items continued from the last agenda and that meeting was within the past five days
 - Newly arising item requiring immediate action

Rights of the Public



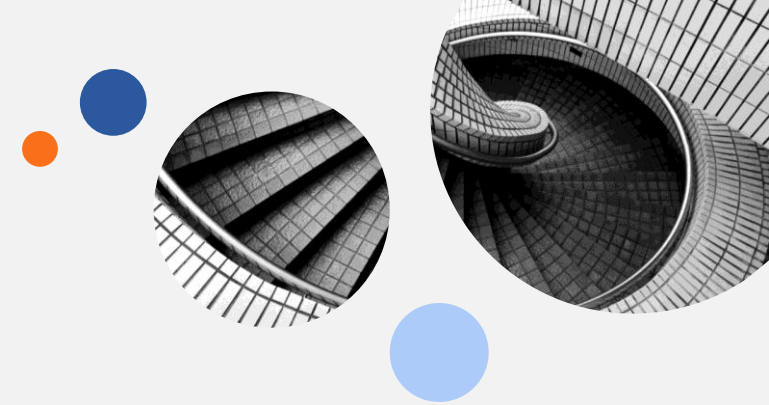
- To have open and public meetings in an ADA compliant location
- To have access to agendas of public meetings and documents associated with agenda items
- To audio/video record meetings and inspect recordings made by the public entity
- To attend meetings without prior registration
- To address the Board regarding any item on the agenda before or while the Board takes action
- To address the Board regarding general topics within the scope of the Board's jurisdiction. Board cannot discuss or substantively respond

Public Comments



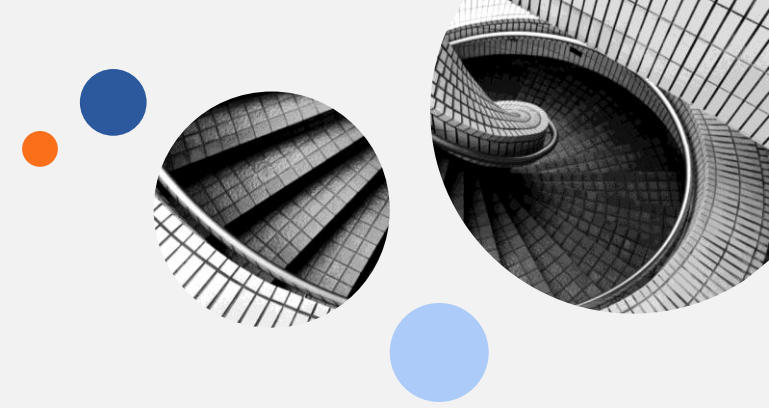
- The public has the right to equal time
- The public has the right to criticize
- No right to a response from the Board or staff
- The Board Chair may impose reasonable time, manner, and place restrictions on public participation
- The Board may exclude unruly speakers if necessary to allow the Board's business to continue
- An agency can limit public comment on items described in the agenda to the time when those items are being considered. *Olson v. Hornbrook Cmty. Servs. Dist.* (2019) 33 Cal. App. 5th 502, 528

Closed Session



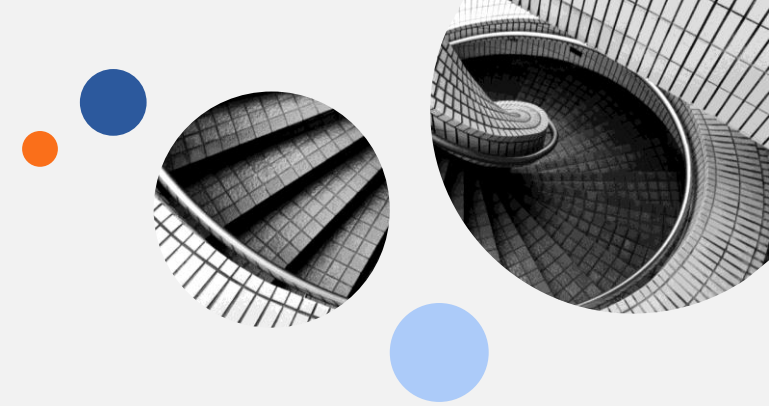
- All meetings must be open to the public unless the Brown Act authorizes a specific exception
 - Just because a topic may be sensitive, controversial, or embarrassing does not warrant a closed session
- The Brown Act authorizes closed sessions for certain topics, such as personnel, litigation, labor negotiations, and real estate negotiations
- Closed sessions items must be noted on the agenda, using “safe harbor” descriptions (Gov. Code § 54954.5) Before adjourning to a closed session, Board must disclose items on agenda to be discussed in closed session. (Gov. Code § 54957.7.)
- During a closed session, only Board members, necessary staff, and if needed, legal counsel may be present
- After a closed session, the Board must reconvene in open session and may need to report any action taken in closed session (ie, real estate lease transactions, authority to defend litigation, litigation settlement, personnel issues (not dismissal unless administrative remedies exhausted), labor negotiations.)

Penalties for Brown Act Violations



- Board actions taken in violation of the Brown Act are void
- A party may seek an injunction or declaratory relief to stop or prevent future violations
- Prevailing plaintiff may get an award of attorney's fees and costs
- Criminal penalties can be assessed
 - Complaint to District Attorney and referral to Grand Jury
 - Disclosure of closed session discussion
 - Board Member intends to deprive the public of information to which the public is entitled.

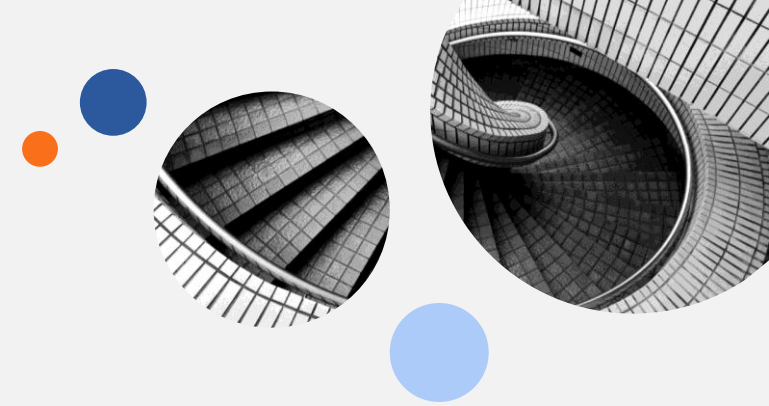
New Legislation



- SB 707 – effective January 1, 2026
 - Continues availability for teleconferencing for local states of emergency, physical, or family medical emergencies preventing in-person attendance.
 - Allows remote attendance via teleconference as an ADA accommodation
 - Agencies must provide a copy of the Brown Act to all elected or appointed members of a legislative body
 - Members may engage in a conversation with persons over social media, but members cannot use social media to discuss topics within the subject matter jurisdiction of the agency.

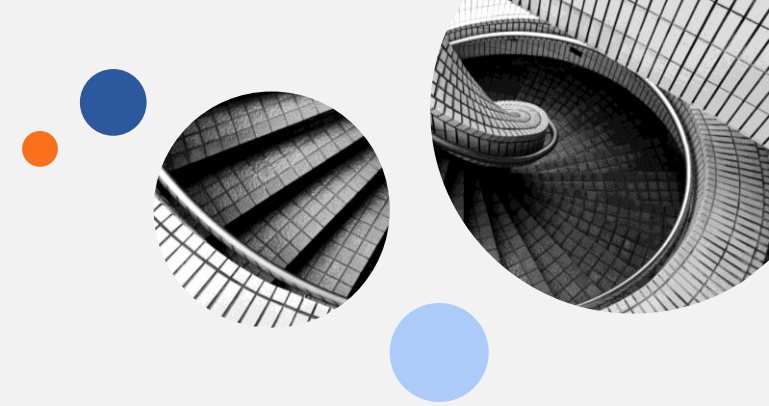
Robert's Rules

- Framework for conducting meetings in a fair and orderly manner
 - Establishes the process and procedure to **manage discussions** and **make decisions**.
- **Goal:** Meetings are conducted in an **efficient and productive manner** by:
 - Following a set procedural format
 - Affording every Board Member the opportunity to discuss the issue
 - Ensuring that the vote of the majority prevails
- **Key principles:**
 - **Fairness and Order:** The rules are designed to prevent one person or group from dominating the meeting.
 - **Majority Rule:** The will of the majority prevails, but the rights of the minority are protected through the allowance of full debate.
 - **Equal Rights:** All Board Members have **equal rights to participate in debate** and must be recognized by the chair before speaking.

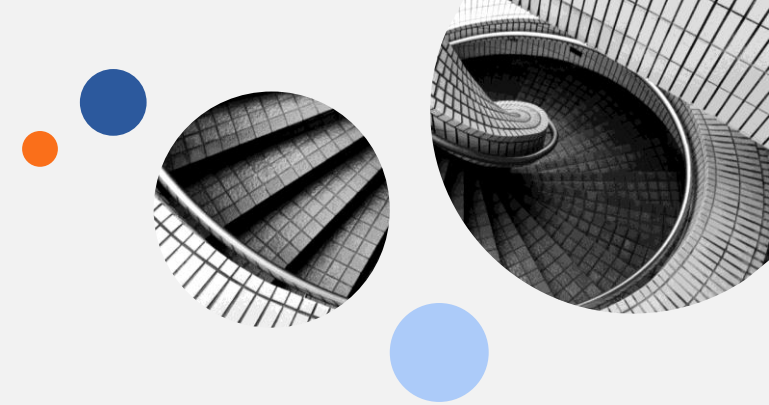


Robert's Rules

- **Standard Order of Business to Conduct the Meeting:**
 - Call to order
 - Review and approve minutes from prior meeting(s)
 - Allow reports from Board Members
 - Discussion regarding previously unfinished business
 - Vote if motion is made
 - Discussion regarding new business
 - Vote if motion is made
 - Adjournment

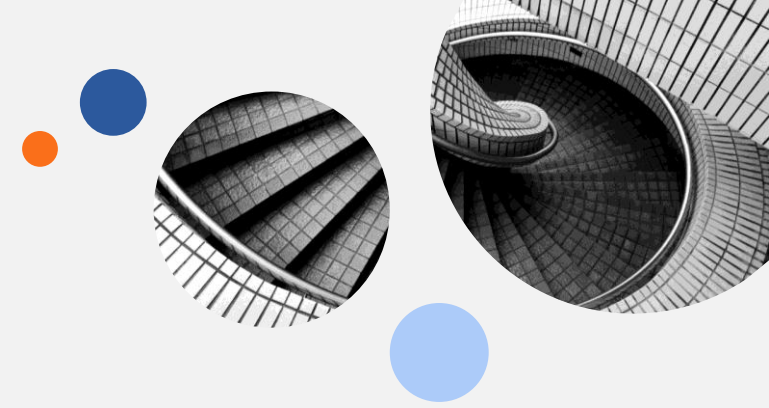


Robert's Rules Decision Making Process



- **Introduction of the Topic for Discussion:** A Board Member or other person (ie. General Manager) introduces the topic through a report.
- **Motions:** A Board Member proposes an action by making a motion, which must be seconded by another Member to be considered.
- **Debate:** Once a motion is made and seconded, the chair restates the motion and opens debate. Only one motion (topic) can be discussed at a time.
- **Voting:** The chair calls for a vote after the debate is closed.
- **Majority Vote Prevails:**
- **Chair's Role:** Impartial facilitator of the process by recognizing speakers, restating motions, and announcing the results of votes.

Robert's Rules FAQ



- Can the Chair Vote on a Motion?
 - Typically, the Chair only votes to break a tie vote.
 - If the Board has less than 12 Members, the Chair may vote.
- How does a Board Member make a Motion?
 - Member is recognized by the Chair and given the sole opportunity to make a Motion.
 - Example: “I move that District Counsel be given a 200% raise.”
 - Example: “I move that the General Manager’s recommendation that all District Staff be given three (3) additional paid days off from work each year be approved.”
 - Another Member is recognized by the Chair who states: “I second the Motion.”
- Can debate or discussion take place before a motion is made?
 - NO Discussion or Debate without a Motion.
 - However, questions (without comment) from the Board are permitted following a staff or Board Member report.

Questions?

